

FEDERAL RESERVE BULLETIN

MARCH, 1933



ISSUED BY THE
FEDERAL RESERVE BOARD
AT WASHINGTON

Emergency Banking Legislation
Unified Banking—Opinion of Board's Counsel
Annual Report of Bank of France



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FEDERAL RESERVE BULLETIN

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No. 3

REVIEW OF THE MONTH

During the month of February and the first few days of March, banking difficulties in different parts of the country caused the governors and legislatures of many States temporarily to close the banks in those States or to impose or authorize restrictions upon their operations. On the morning of February 14 the Governor of Michigan declared a bank holiday to February 21, "for the preservation of the public peace, health, and safety, and for the equal safeguarding without preference of the rights of all depositors." This holiday in Michigan was extended, in effect, on February 21, and on February 25 a bank holiday was declared in Maryland, followed within a few days by similar action in a large number of other States. On February 25, a joint resolution was adopted by the Congress of the United States authorizing the Comptroller of the Currency to exercise with respect to national banks such powers as State officials may have with respect to State banks (see page 187). On the morning of March 4, the Governor of the State of New York issued a statement proclaiming Saturday and Monday to be bank holidays. Similar action was taken in Illinois, Massachusetts, New Jersey, Pennsylvania, and elsewhere. On March 4, therefore, which was a Saturday, the banks in almost all the States were either closed or operating under restrictions.

On the morning of March 6, 1933, the President of the United States issued the following proclamation:

Proclamation of National bank holiday

"BY THE PRESIDENT OF THE UNITED STATES
OF AMERICA

"A PROCLAMATION

"Whereas there have been heavy and unwarranted withdrawals of gold and currency from our banking institutions for the purpose of hoarding; and

"Whereas continuous and increasingly extensive speculative activity abroad in foreign exchange has resulted in severe drains on the Nation's stocks of gold; and

"Whereas these conditions have created a national emergency; and

"Whereas it is in the best interests of all bank depositors that a period of respite be provided with a view to preventing further hoarding of coin, bullion or currency or speculation in foreign exchange and permitting the application of appropriate measures to protect the interests of our people; and

"Whereas it is provided in section 5 (b) of the Act of October 6, 1917 (40 Stat. L. 411), as amended, "That the President may investigate, regulate, or prohibit, under such rules and regulations as he may prescribe, by means of licenses or otherwise, any transactions in foreign exchange and the export, hoarding, melting, or earmarkings of gold or silver coin or bullion or currency * * *"; and

"Whereas it is provided in Section 16 of the said Act 'that whoever shall willfully violate any of the provisions of this Act or of any license, rule, or regulation issued thereunder, and whoever shall willfully violate, neglect, or refuse to comply with any order of the President issued in compliance with the provisions of this Act, shall, upon conviction, be fined not more than \$10,000, or, if a natural person, imprisoned for not more than ten years, or both; * * *';

"Now, therefore, I, Franklin D. Roosevelt, President of the United States of America, in

view of such national emergency and by virtue of the authority vested in me by said Act and in order to prevent the export, hoarding, or earmarking of gold or silver coin or bullion or currency, do hereby proclaim, order, direct and declare that from Monday, the sixth day of March, to Thursday, the ninth day of March, Nineteen Hundred and Thirty Three, both dates inclusive, there shall be maintained and observed by all banking institutions and all branches thereof located in the United States of America, including the territories and insular possessions, a bank holiday, and that during said period all banking transactions shall be suspended. During such holiday, excepting as hereinafter provided, no such banking institution or branch shall pay out, export, earmark, or permit the withdrawal or transfer in any manner or by any device whatsoever, of any gold or silver coin or bullion or currency or take any other action which might facilitate the hoarding thereof; nor shall any such banking institution or branch pay out deposits, make loans or discounts, deal in foreign exchange, transfer credits from the United States to any place abroad, or transact any other banking business whatsoever.

"During such holiday, the Secretary of the Treasury, with the approval of the President and under such regulations as he may prescribe, is authorized and empowered (a) to permit any or all of such banking institutions to perform any or all of the usual banking functions, (b) to direct, require or permit the issuance of clearing house certificates or other evidences of claims against assets of banking institutions, and (c) to authorize and direct the creation in such banking institutions of special trust accounts for the receipt of new deposits which shall be subject to withdrawal on demand without any restriction or limitation and shall be kept separately in cash or on deposit in Federal Reserve Banks or invested in obligations of the United States.

"As used in this order the term 'banking institutions' shall include all Federal Reserve banks, national banking associations, banks, trust companies, savings banks, building and loan associations, credit unions, or other corporations, partnerships, associations or persons, engaged in the business of receiving deposits, making loans, discounting business paper, or transacting any other form of banking business.

"In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

"Done in the City of Washington this 6th day of March—1 a. m. in the year of our Lord One Thousand Nine Hundred and Thirty-three, and of the Independence of the United States the One Hundred and Fifty-seventh.

[SEAL] "FRANKLIN D. ROOSEVELT
"By the President:
"CORDELL HULL
"Secretary of State"

On March 9, 1933, the President sent the following message to Congress:

Message to Congress "On March 3 banking operations in the United States ceased. To review at this time the causes of this failure of our banking system is unnecessary. Suffice it to say that the Government has been compelled to step in for the protection of depositors and the business of the nation.

"Our first task is to reopen all sound banks. This is an essential preliminary to subsequent legislation directed against speculations with the funds of depositors and other violations of positions of trust.

"In order that the first objective—the opening of banks for the resumption of business—may be accomplished, I ask of the Congress the immediate enactment of legislation giving to the executive branch of the Government control over banks for the protection of depositors; authority forthwith to open such banks as have already been ascertained to be in sound condition and other such banks as rapidly as possible; and authority to reorganize and reopen such banks as may be found to require reorganization to put them on a sound basis.

"I ask amendments to the Federal Reserve Act to provide for such additional currency, adequately secured, as it may become necessary to issue to meet all demands for currency and at the same time to achieve this end without increasing the unsecured indebtedness of the Government of the United States.

"I can not too strongly urge upon the Congress the clear necessity for immediate action. A continuation of the strangulation of banking facilities is unthinkable. The passage of the proposed legislation will end this condition, and I trust within a short space of time will result in a resumption of business activities.

"In addition, it is my belief that this legislation will not only lift immediately all unwarranted doubts and suspicions in regards to banks which are 100 per cent sound but will

also mark the beginning of a new relationship between the banks and the people of this country.

"The members of the new Congress will realize, I am confident, the grave responsibility which lies upon me and upon them.

"In the short space of five days it is impossible for us to formulate completed measures to prevent the recurrence of the evils of the past. This does not and should not, however, justify any delay in accomplishing this first step.

"At an early moment I shall request of the Congress two other measures which I regard as of immediate urgency. With action taken thereon we can proceed to the consideration of a rounded program of national restoration."

On March 9, 1933, following receipt of the President's message, Congress passed an act "to provide relief in the existing national emergency in banking, and for other purposes." The text of the act is as follows:

Emergency banking act

[PUBLIC—No. 1—73D CONGRESS]

[H. R. 1491]

AN ACT

To provide relief in the existing national emergency in banking, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress hereby declares that a serious emergency exists and that it is imperatively necessary speedily to put into effect remedies of uniform national application.

TITLE I

SECTION 1. The actions, regulations, rules, licenses, orders and proclamations heretofore or hereafter taken, promulgated, made, or issued by the President of the United States or the Secretary of the Treasury since March 4, 1933, pursuant to the authority conferred by subdivision (b) of section 5 of the Act of October 6, 1917, as amended, are hereby approved and confirmed.

SEC. 2. Subdivision (b) of section 5 of the Act of October 6, 1917 (40 Stat. L. 411), as amended, is hereby amended to read as follows:

"(b) During time of war or during any other period of national emergency declared by the President, the President may, through any agency that he may designate, or otherwise, investigate, regulate, or prohibit, under such rules and regulations as he may prescribe, by means of licenses or otherwise, any transactions in foreign exchange, transfers of credit between or payments by banking institutions as defined by the President, and export, hoarding, melting, or earmarking of gold or silver coin or bullion or currency, by any person within the United States or any place subject to the jurisdiction thereof; and the President may require any person engaged in any transaction referred to in this subdivision to furnish under oath, complete information relative thereto, including the production of any books of account, contracts, letters or other papers, in connection therewith in the custody or control of such person, either before or after such trans-

action is completed. Whoever willfully violates any of the provisions of this subdivision or of any license, order, rule or regulation issued thereunder, shall, upon conviction, be fined not more than \$10,000, or, if a natural person, may be imprisoned for not more than ten years, or both; and any officer, director, or agent of any corporation who knowingly participates in such violation may be punished by a like fine, imprisonment, or both. As used in this subdivision the term 'person' means an individual, partnership, association, or corporation."

SEC. 3. Section 11 of the Federal Reserve Act is amended by adding at the end thereof the following new subsection:

"(n) Whenever in the judgment of the Secretary of the Treasury such action is necessary to protect the currency system of the United States, the Secretary of the Treasury, in his discretion, may require any or all individuals, partnerships, associations and corporations to pay and deliver to the Treasurer of the United States any or all gold coin, gold bullion, and gold certificates owned by such individuals, partnerships, associations and corporations. Upon receipt of such gold coin, gold bullion or gold certificates, the Secretary of the Treasury shall pay therefor an equivalent amount of any other form of coin or currency coined or issued under the laws of the United States. The Secretary of the Treasury shall pay all costs of the transportation of such gold bullion, gold certificates, coin, or currency, including the cost of insurance, protection, and such other incidental costs as may be reasonably necessary. Any individual, partnership, association, or corporation failing to comply with any requirement of the Secretary of the Treasury made under this subsection shall be subject to a penalty equal to twice the value of the gold or gold certificates in respect of which such failure occurred, and such penalty may be collected by the Secretary of the Treasury by suit or otherwise."

SEC. 4. In order to provide for the safer and more effective operation of the National Banking System and the Federal Reserve System, to preserve for the people the full benefits of the currency provided for by the Congress through the National Banking System and the Federal Reserve System, and to relieve interstate commerce of the burdens and obstructions resulting from the receipt on an unsound or unsafe basis of deposits subject to withdrawal by check, during such emergency period as the President of the United States by proclamation may prescribe, no member bank of the Federal Reserve System shall transact any banking business except to such extent and subject to such regulations, limitations and restrictions as may be prescribed by the Secretary of the Treasury, with the approval of the President. Any individual, partnership, corporation, or association, or any director, officer or employee thereof, violating any of the provisions of this section shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than \$10,000 or, if a natural person, may, in addition to such fine, be imprisoned for a term not exceeding ten years. Each day that any such violation continues shall be deemed a separate offense.

TITLE II

SEC. 201. This title may be cited as the "Bank Conservation Act."

SEC. 202. As used in this title, the term "bank" means (1) any national banking association, and (2) any bank or trust company located in the District of Columbia and operating under the supervision of the Comptroller of the Currency; and the term "State"

means any State, Territory, or possession of the United States, and the Canal Zone.

SEC. 203. Whenever he shall deem it necessary in order to conserve the assets of any bank for the benefit of the depositors and other creditors thereof, the Comptroller of the Currency may appoint a conservator for such bank and require of him such bond and security as the Comptroller of the Currency deems proper. The conservator, under the direction of the Comptroller, shall take possession of the books, records, and assets of every description of such bank, and take such action as may be necessary to conserve the assets of such bank pending further disposition of its business as provided by law. Such conservator shall have all the rights, powers, and privileges now possessed by or hereafter given receivers of insolvent national banks and shall be subject to the obligations and penalties, not inconsistent with the provisions of this title, to which receivers are now or may hereafter become subject. During the time that such conservator remains in possession of such bank, the rights of all parties with respect thereto shall, subject to the other provisions of this title, be the same as if a receiver had been appointed therefor. All expenses of any such conservatorship shall be paid out of the assets of such bank and shall be a lien thereon which shall be prior to any other lien provided by this Act or otherwise. The conservator shall receive as salary an amount no greater than that paid to employees of the Federal Government for similar services.

SEC. 204. The Comptroller of the Currency shall cause to be made such examinations of the affairs of such bank as shall be necessary to inform him as to the financial condition of such bank, and the examiner shall make a report thereon to the Comptroller of the Currency at the earliest practicable date.

SEC. 205. If the Comptroller of the Currency becomes satisfied that it may safely be done and that it would be in the public interest, he may, in his discretion, terminate the conservatorship and permit such bank to resume the transaction of its business subject to such terms, conditions, restrictions and limitations as he may prescribe.

SEC. 206. While such bank is in the hands of the conservator appointed by the Comptroller of the Currency, the Comptroller may require the conservator to set aside and make available for withdrawal by depositors and payment to other creditors, on a ratable basis, such amounts as in the opinion of the Comptroller may safely be used for this purpose; and the Comptroller may, in his discretion, permit the conservator to receive deposits, but deposits received while the bank is in the hands of the conservator shall not be subject to any limitation as to payment or withdrawal, and such deposits shall be segregated and shall not be used to liquidate any indebtedness of such bank existing at the time that a conservator was appointed for it, or any subsequent indebtedness incurred for the purpose of liquidating any indebtedness of such bank existing at the time such conservator was appointed. Such deposits received while the bank is in the hands of the conservator shall be kept on hand in cash, invested in the direct obligations of the United States, or deposited with a Federal reserve bank. The Federal reserve banks are hereby authorized to open and maintain separate deposit accounts for such purpose, or for the purpose of receiving deposits from State officials in charge of State banks under similar circumstances.

SEC. 207. In any reorganization of any national banking association under a plan of a kind which, under existing law, requires the consent, as the case may be, (a) of depositors and other creditors or (b) of stock-

holders or (c) of both depositors and other creditors and stockholders, such reorganization shall become effective only (1) when the Comptroller of the Currency shall be satisfied that the plan of reorganization is fair and equitable as to all depositors, other creditors and stockholders and is in the public interest and shall have approved the plan subject to such conditions, restrictions and limitations as he may prescribe and (2) when, after reasonable notice of such reorganization, as the case may require, (A) depositors and other creditors of such bank representing at least 75 per cent in amount of its total deposits and other liabilities as shown by the books of the national banking association or (B) stockholders owning at least two-thirds of its outstanding capital stock as shown by the books of the national banking association or (C) both depositors and other creditors representing at least 75 per cent in amount of the total deposits and other liabilities and stockholders owning at least two-thirds of its outstanding capital stock as shown by the books of the national banking association, shall have consented in writing to the plan of reorganization: *Provided, however,* That claims of depositors or other creditors which will be satisfied in full under the provisions of the plan of reorganization shall not be included among the total deposits and other liabilities of the national banking association in determining the 75 per cent thereof as above provided. When such reorganization becomes effective, all books, records, and assets of the national banking association shall be disposed of in accordance with the provisions of the plan and the affairs of the national banking association shall be conducted by its board of directors in the manner provided by the plan and under the conditions, restrictions and limitations which may have been prescribed by the Comptroller of the Currency. In any reorganization which shall have been approved and shall have become effective as provided herein, all depositors and other creditors and stockholders of such national banking association, whether or not they shall have consented to such plan of reorganization, shall be fully and in all respects subject to and bound by its provisions, and claims of all depositors and other creditors shall be treated as if they had consented to such plan of reorganization.

SEC. 208. After fifteen days after the affairs of a bank shall have been turned back to its board of directors by the conservator, either with or without a reorganization as provided in section 207 hereof, the provisions of section 206 of this title with respect to the segregation of deposits received while it is in the hands of the conservator and with respect to the use of such deposits to liquidate the indebtedness of such bank shall no longer be effective: *Provided,* That before the conservator shall turn back the affairs of the bank to its board of directors he shall cause to be published in a newspaper published in the city, town or county in which such bank is located, and if no newspaper is published in such city, town or county, in a newspaper to be selected by the Comptroller of the Currency published in the State in which the bank is located, a notice in form approved by the Comptroller, stating the date on which the affairs of the bank will be returned to its board of directors and that the said provisions of section 206 will not be effective after fifteen days after such date; and on the date of the publication of such notice the conservator shall immediately send to every person who is a depositor in such bank under section 206 a copy of such notice by registered mail addressed to the last known address of such person as shown by the records of the bank, and the conservator shall send similar notice in like manner to every person making deposit in such bank under section 206 after

the date of such newspaper publication and before the time when the affairs of the bank are returned to its directors.

Sec. 209. Conservators appointed pursuant to the provisions of this title shall be subject to the provisions of and to the penalties prescribed by section 5209 of the Revised Statutes (U. S. C., Title 12, sec. 592); and sections 112, 113, 114, 115, 116 and 117 of the Criminal Code of the United States (U. S. C., Title 18, secs. 202, 203, 204, 205, 206 and 207), in so far as applicable, are extended to apply to contracts, agreements, proceedings, dealings, claims and controversies by or with any such conservator or the Comptroller of the Currency under the provisions of this title.

Sec. 210. Nothing in this title shall be construed to impair in any manner any powers of the President, the Secretary of the Treasury, the Comptroller of the Currency, or the Federal Reserve Board.

Sec. 211. The Comptroller of the Currency is hereby authorized and empowered, with the approval of the Secretary of the Treasury, to prescribe such rules and regulations as he may deem necessary in order to carry out the provisions of this title. Whoever violates any rule or regulation made pursuant to this section shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than \$5,000, or imprisoned not more than one year, or both.

TITLE III

Sec. 301. Notwithstanding any other provision of law, any national banking association may, with the approval of the Comptroller of the Currency and by vote of shareholders owning a majority of the stock of such association, upon not less than five days' notice, given by registered mail pursuant to action taken by its board of directors, issue preferred stock in such amount and with such par value as shall be approved by said Comptroller, and make such amendments to its articles of association as may be necessary for this purpose; but, in the case of any newly organized national banking association which has not yet issued common stock, the requirement of notice to and vote of shareholders shall not apply. No issue of preferred stock shall be valid until the par value of all stock so issued shall be paid in.

Sec. 302. (a) The holders of such preferred stock shall be entitled to cumulative dividends at a rate not exceeding 6 per centum per annum, but shall not be held individually responsible as such holders for any debts, contracts, or engagements of such association and shall not be liable for assessments to restore impairments in the capital of such association as now provided by law with reference to holders of common stock. Notwithstanding any other provision of law, the holders of such preferred stock shall have such voting rights, and such stock shall be subject to retirement in such manner and on such terms and conditions, as may be provided in the articles of association with the approval of the Comptroller of the Currency.

(b) No dividends shall be declared or paid on common stock until the cumulative dividends on the preferred stock shall have been paid in full; and, if the association is placed in voluntary liquidation or a conservator or a receiver is appointed therefor, no payments shall be made to the holders of the common stock until the holders of the preferred stock shall have been paid in full the par value of such stock plus all accumulated dividends.

Sec. 303. The term "common stock" as used in this title means stock of national banking associations other than preferred stock issued under the provisions of this title. The term "capital" as used in provisions of law

relating to the capital of national banking associations shall mean the amount of unimpaired common stock plus the amount of preferred stock outstanding and unimpaired; and the term "capital stock", as used in section 12 of the Act of March 14, 1900, shall mean only the amount of common stock outstanding.

Sec. 304. If in the opinion of the Secretary of the Treasury any national banking association or any State bank or trust company is in need of funds for capital purposes either in connection with the organization or reorganization of such association, State bank or trust company or otherwise, he may, with the approval of the President, request the Reconstruction Finance Corporation to subscribe for preferred stock in such association, State bank or trust company, or to make loans secured by such stock as collateral, and the Reconstruction Finance Corporation may comply with such request. The Reconstruction Finance Corporation may, with the approval of the Secretary of the Treasury, and under such rules and regulations as he may prescribe, sell in the open market or otherwise the whole or any part of the preferred stock of any national banking association, State bank or trust company acquired by the Corporation pursuant to this section. The amount of notes, bonds, debentures, and other such obligations which the Reconstruction Finance Corporation is authorized and empowered to issue and to have outstanding at any one time under existing law is hereby increased by an amount sufficient to carry out the provisions of this section.

TITLE IV

Sec. 401. The sixth paragraph of Section 18 of the Federal Reserve Act is amended to read as follows:

"Upon the deposit with the Treasurer of the United States, (a) of any direct obligations of the United States or (b) of any notes, drafts, bills of exchange, or bankers' acceptances acquired under the provisions of this Act, any Federal reserve bank making such deposit in the manner prescribed by the Secretary of the Treasury shall be entitled to receive from the Comptroller of the Currency circulating notes in blank, duly registered and countersigned. When such circulating notes are issued against the security of obligations of the United States, the amount of such circulating notes shall be equal to the face value of the direct obligations of the United States so deposited as security; and, when issued against the security of notes, drafts, bills of exchange and bankers' acceptances acquired under the provisions of this Act, the amount thereof shall be equal to not more than 90 per cent of the estimated value of such notes, drafts, bills of exchange and bankers' acceptances so deposited as security. Such notes shall be the obligations of the Federal reserve bank procuring the same, shall be in form prescribed by the Secretary of the Treasury, shall be receivable at par in all parts of the United States for the same purposes as are national bank notes, and shall be redeemable in lawful money of the United States on presentation at the United States Treasury or at the bank of issue. The Secretary of the Treasury is authorized and empowered to prescribe regulations governing the issuance, redemption, replacement, retirement and destruction of such circulating notes and the release and substitution of security therefor. Such circulating notes shall be subject to the same tax as is provided by law for the circulating notes of national banks secured by 2 per cent bonds of the United States. No such circulating notes shall be issued under this paragraph after the President has declared by proclamation that the emergency recognized by the President by proclamation of March 6, 1933, has terminated, unless such cir-

culating notes are secured by deposits of bonds of the United States bearing the circulation privilege. When required to do so by the Secretary of the Treasury, each Federal reserve agent shall act as agent of the Treasurer of the United States or of the Comptroller of the Currency, or both, for the performance of any of the functions which the Treasurer or the Comptroller may be called upon to perform in carrying out the provisions of this paragraph. Appropriations available for distinctive paper and printing United States currency or national bank currency are hereby made available for the production of the circulating notes of Federal reserve banks herein provided; but the United States shall be reimbursed by the Federal reserve bank to which such notes are issued for all expenses necessarily incurred in connection with the procuring of such notes and all other expenses incidental to their issue, redemption, replacement, retirement and destruction."

SEC. 402. Section 10 (b) of the Federal Reserve Act, as amended, is further amended to read as follows:

"Sec. 10(b). In exceptional and exigent circumstances, and when any member bank has no further eligible and acceptable assets available to enable it to obtain adequate credit accommodations through rediscounting at the Federal reserve bank or any other method provided by this Act other than that provided by section 10 (a), any Federal reserve bank, under rules and regulations prescribed by the Federal Reserve Board, may make advances to such member bank on its time or demand notes secured to the satisfaction of such Federal reserve bank. Each such note shall bear interest at a rate not less than 1 per centum per annum higher than the highest discount rate in effect at such Federal reserve bank on the date of such note. No advance shall be made under this section after March 3, 1934, or after the expiration of such additional period not exceeding one year as the President may prescribe."

SEC. 403. Section 13 of the Federal Reserve Act, as amended, is amended by adding at the end thereof the following new paragraph:

"Subject to such limitations, restrictions and regulations as the Federal Reserve Board may prescribe, any Federal reserve bank may make advances to any individual, partnership or corporation on the promissory notes of such individual, partnership or corporation secured by direct obligations of the United States. Such advances shall be made for periods not exceeding 90 days and shall bear interest at rates fixed from time to time by the Federal reserve bank, subject to the review and determination of the Federal Reserve Board.

TITLE V

SEC. 501. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$2,000,000, which shall be available for expenditure, under the direction of the President and in his discretion, for any purpose in connection with the carrying out of this Act.

SEC. 502. The right to alter, amend, or repeal this Act is hereby expressly reserved. If any provision of this Act, or the application thereof to any person or circumstances, is held invalid, the remainder of the Act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

Approved March 9th 1933 8.30 p. m.

On March 9, 1933, after the passage of the emergency banking act, the President issued the following proclamation continuing the bank holiday:

"BY THE PRESIDENT OF THE UNITED STATES
OF AMERICA

"A PROCLAMATION

"Whereas, on March 6, 1933, I, Franklin D. Roosevelt, President of the United States of America, by Proclamation declared the existence of a national emergency and proclaimed a bank holiday extending from Monday the 6th day of March to Thursday the 9th of March, 1933, both dates inclusive, in order to prevent the export, hoarding or earmarking of gold or silver coin, or bullion or currency, or speculation in foreign exchange; and

"Whereas, under the Act of March 9, 1933, all Proclamations heretofore or hereafter issued by the President pursuant to the authority conferred by Section 5 (b) of the Act of October 6, 1917, as amended, are approved and confirmed; and

"Whereas, said national emergency still continues, and it is necessary to take further measures extending beyond March 9, 1933, in order to accomplish such purposes:

"Now, therefore, I, Franklin D. Roosevelt, President of the United States of America, in view of such continuing national emergency and by virtue of the authority vested in me by Section 5 (b) of the Act of October 6, 1917 (40 Stat. L., 411) as amended by the Act of March 9, 1933, do hereby proclaim, order, direct and declare that all the terms and provisions of said Proclamation of March 6, 1933, and the regulations and orders issued thereunder are hereby continued in full force and effect until further proclamation by the President.

"In witness whereof I have hereunto set my hand and have caused the seal of the United States to be affixed.

"Done in the District of Columbia, this 9th day of March, in the Year of Our Lord One Thousand Nine Hundred and Thirty-three, and of the Independence of the United States the One Hundredth and Fifty-seventh.

[SEAL.] "FRANKLIN D. ROOSEVELT
"By the President:

"CORDELL HULL
"Secretary of State"

On March 10 and March 18, 1933, the President issued the following Executive orders:

"EXECUTIVE ORDER

"By virtue of the authority vested in me by section 5 (b) of the Act of October 6, 1917 (40 Stat. L., 411), as amended by the Act of March 9, 1933, and by section 4 of the said Act of March 9, 1933, and by virtue of all other authority vested in me, I hereby issue the following Executive order.

"The Secretary of the Treasury is authorized and empowered under such regulations as he may prescribe to permit any member bank of the Federal reserve system and any other banking institution organized under the laws of the United States, to perform any or all of their usual banking functions, except as otherwise prohibited.

"The appropriate authority having immediate supervision of banking institutions in each State or any place subject to the jurisdiction of the United States is authorized and empowered under such regulations as such authority may prescribe to permit any banking institution in such State or place, other than banking institutions covered by the foregoing paragraph, to perform any or all of their usual banking functions, except as otherwise prohibited.

"All banks which are members of the Federal reserve system, desiring to reopen for the performance of all usual and normal banking functions, except as otherwise prohibited, shall apply for a license therefor to the Secretary of the Treasury. Such application shall be filed immediately through the Federal reserve banks. The Federal reserve bank shall then transmit such applications to the Secretary of the Treasury. Licenses will be issued by the Federal reserve bank upon approval of the Secretary of the Treasury. The Federal reserve banks are hereby designated as agents of the Secretary of the Treasury for the receiving of application and the issuance of licenses in his behalf and upon his instructions.

"Until further order, no individual, partnership, association, or corporation, including any banking institution, shall export or otherwise remove or permit to be withdrawn from the United States or any place subject to the jurisdiction thereof any gold coin, gold bullion, or gold certificates, except in accordance with regulations prescribed by or under license issued by the Secretary of the Treasury.

"No permission to any banking institution to perform any banking functions shall authorize such institution to pay out any gold

coin, gold bullion or gold certificates except as authorized by the Secretary of the Treasury, nor to allow withdrawal of any currency for hoarding, nor to engage in any transaction in foreign exchange except such as may be undertaken for legitimate and normal business requirements, for reasonable traveling and other personal requirements, and for the fulfillment of contracts entered into prior to March 6, 1933.

"Every Federal reserve bank is authorized and instructed to keep itself currently informed as to transactions in foreign exchange entered into or consummated within its district and shall report to the Secretary of the Treasury all transactions in foreign exchange which are prohibited.

"FRANKLIN D. ROOSEVELT.

"The WHITE HOUSE,
"March 10, 1933."

"EXECUTIVE ORDER

"By virtue of the authority vested in me by section 5(b) of the Act of October 6, 1917 (40 Stat. L., 411) as amended by the Act of March 9, 1933, and by section 4 of the said Act of March 9, 1933 and by virtue of all other authority vested in me, I hereby issue the following executive order.

"Whenever the appropriate authority having immediate supervision of any banking institution located in any State or place subject to the jurisdiction of the United States, which is a member of the Federal reserve system and which has not been licensed by the Secretary of the Treasury to resume its usual banking functions, shall deem it necessary or advisable in order to conserve the assets of such banking institution for the benefit of the depositors or other creditors, such authority may, in accordance with the provisions of the applicable laws of such State or place, appoint such appropriate official as may be authorized under such laws to conserve the assets of such banking institution pending further disposition of its business as provided by such laws.

"This order shall not authorize any such member bank to reopen for the performance of usual and normal functions until it shall have received a license from the Secretary of the Treasury as provided in Executive Order of March 10, 1933.

"FRANKLIN D. ROOSEVELT.

"THE WHITE HOUSE,
"March 18, 1933."

On March 11, 1933, the President issued the following statement to the press:

Statement by the President "I am glad to be able to announce that technical difficulties which operated to delay the opening of banks, both State and national, have finally substantially been overcome by tireless work on the part of the officials of the Treasury and the Federal reserve system, and that a definite program has been arranged consisting of successive steps by which banks throughout the country will be opened progressively on Monday, Tuesday, and Wednesday mornings.

"The Secretary of the Treasury will issue licenses to banks which are members of the Federal reserve system, whether national bank or State, located in each of the twelve Federal reserve bank cities, to open Monday morning.

"So also the State authorities having supervision over State banks which are not members of the Federal reserve system will be asked to permit any such State institutions located in any one of the twelve Federal reserve bank cities to open for business on Monday morning if in their judgment they deem it wise to do so.

"Under this progressive plan, banks located in any city having an active, recognized clearing house association, of which there are 250 cities, will receive licenses for reopening on Tuesday morning, and banks located elsewhere will receive their licenses permitting reopening for Wednesday.

"Time is thus afforded for the necessary shipments of currency provided under the Emergency Bank Act from reserve bank centers to clearing-house cities and banks in the smaller communities.

"There were enormous technical problems to be solved before these mechanics could be worked out and before the actual currency could be in the bank when the doors opened.

"The Constitution has laid upon me the duty of conveying the condition of the country to the Congress assembled at Washington. I believe I have a like duty to convey to the people themselves a clear picture of the situation at Washington itself whenever there is danger of any confusion as to what the Government is undertaking.

"That there may be a clear understanding as to just what has taken place during the last two days since the passage of this Act it is my intention, over the national radio networks, at ten o'clock Sunday evening, to explain clearly and in simple language to all of you just what has been achieved and the sound reasons which underlie this declaration to you.

"The fact that banks will be opened under this plan does not mean that anyone should

draw the inference that the banks opening Monday are in any different condition as to soundness from the banks licensed to open on Tuesday or Wednesday or any subsequent day."

On March 12, 1933, the President delivered **Address by the President** over the radio, at 10 p. m., the following address relative to the banking situation:

"I want to talk for a few minutes with the people of the United States about banking—with the comparatively few who understand the mechanics of banking, but more particularly with the overwhelming majority who use banks for the making of deposits and the drawing of checks. I want to tell you what has been done in the last few days, why it was done, and what the next steps are going to be. I recognize that the many proclamations from State capitals and from Washington, the legislation, the Treasury regulations, etc., couched for the most part in banking and legal terms, should be explained for the benefit of the average citizen. I owe this in particular because of the fortitude and good temper with which everybody has accepted the inconvenience and hardships of the banking holiday. I know that when you understand what we in Washington have been about I shall continue to have your cooperation as fully as I have had your sympathy and help during the past week.

"First of all, let me state the simple fact that when you deposit money in a bank the bank does not put the money into a safe deposit vault. It invests your money in many different forms of credit—bonds, commercial paper, mortgages and many other kinds of loans. In other words, the bank puts your money to work to keep the wheels of industry and of agriculture turning around. A comparatively small part of the money you put into the bank is kept in currency—an amount which in normal times is wholly sufficient to cover the cash needs of the average citizen. In other words, the total amount of all the currency in the country is only a small fraction of the total deposits in all of the banks.

"What, then, happened during the last few days of February and the first few days of March? Because of undermined confidence on the part of the public, there was a general rush by a large portion of our population to turn bank deposits into currency or gold—a rush so great that the soundest banks could not get enough currency to meet the demand. The reason for this was that on the spur of the

moment it was, of course, impossible to sell perfectly sound assets of a bank and convert them into cash except at panic prices far below their real value.

"By the afternoon of March 3 scarcely a bank in the country was open to do business. Proclamations temporarily closing them in whole or in part had been issued by the Governors in almost all the States.

"It was then that I issued the proclamation providing for the nation-wide bank holiday, and this was the first step in the Government's reconstruction of our financial and economic fabric.

"The second step was the legislation promptly and patriotically passed by the Congress confirming my proclamation and broadening my powers so that it became possible in view of the requirement of time to extend the holiday and lift the ban of that holiday gradually. This law also gave authority to develop a program of rehabilitation of our banking facilities. I want to tell our citizens in every part of the Nation that the National Congress—Republicans and Democrats alike—showed by this action a devotion to public welfare and a realization of the emergency and the necessity for speed that is difficult to match in our history.

"The third stage has been the series of regulations permitting the banks to continue their functions to take care of the distribution of food and household necessities and the payment of pay rolls.

"This bank holiday, while resulting in many cases in great inconvenience, is affording us the opportunity to supply the currency necessary to meet the situation. No sound bank is a dollar worse off than it was when it closed its doors last Monday. Neither is any bank which may turn out not to be in a position for immediate opening. The new law allows the twelve Federal reserve banks to issue additional currency on good assets and thus the banks which reopen will be able to meet every legitimate call. The new currency is being sent out by the Bureau of Engraving and Printing in large volume to every part of the country. It is sound currency because it is backed by actual, good assets.

"A question you will ask is this: Why are all the banks not to be reopened at the same time? The answer is simple. Your Government does not intend that the history of the past few years shall be repeated. We do not want and will not have another epidemic of bank failures.

"As a result we start to-morrow, Monday, with the opening of banks in the twelve Federal reserve bank cities—those banks which on first

examination by the Treasury have already been found to be all right. This will be followed on Tuesday by the resumption of all their functions by banks already found to be sound in cities where there are recognized clearing houses. That means about 250 cities of the United States.

"On Wednesday and succeeding days banks in smaller places all through the country will resume business, subject, of course, to the Government's physical ability to complete its survey. It is necessary that the reopening of banks be extended over a period in order to permit the banks to make applications for the necessary loans, to obtain currency needed to meet their requirements and to enable the Government to make common-sense check-ups.

"Let me make it clear to you that if your bank does not open the first day you are by no means justified in believing that it will not open. A bank that opens on one of the subsequent days is in exactly the same status as the bank that opens to-morrow.

"I know that many people are worrying about State banks not members of the Federal reserve system. These banks can and will receive assistance from member banks and from the Reconstruction Finance Corporation.

"These State banks are following the same course as the national banks except that they get their licenses to resume business from the State authorities, and these authorities have been asked by the Secretary of the Treasury to permit their good banks to open up on the same schedule as the national banks. I am confident that the State banking departments will be as careful as the National Government in the policy relating to the opening of banks and will follow the same broad policy.

"It is possible that when the banks resume a very few people who have not recovered from their fear may again begin withdrawals. Let me make it clear that the banks will take care of all needs and it is my belief that hoarding during the past week has become an exceedingly unfashionable pastime.

"It needs no prophet to tell you that when the people find that they can get their money—that they can get it when they want it for all legitimate purposes—the phantom of fear will soon be laid. People will again be glad to have their money where it will be safely taken care of and where they can use it conveniently at any time. I can assure you that it is safer to keep your money in a reopened bank than under the mattress.

"The success of our whole great national program depends, of course, upon the cooperation

of the public—on its intelligent support and use of a reliable system.

“Remember that the essential accomplishment of the new legislation is that it makes it possible for banks more readily to convert their assets into cash than was the case before. More liberal provision has been made for banks to borrow on these assets at the reserve banks and more liberal provision has also been made for issuing currency on the security of these good assets. This currency is not fiat currency. It is issued only on adequate security—and every good bank has an abundance of such security.

“One more point before I close. There will be, of course, some banks unable to reopen without being reorganized. The new law allows the Government to assist in making these reorganizations quickly and effectively and even allows the Government to subscribe to at least a part of new capital which may be required.

“I hope you can see from this elemental recital of what your Government is doing that there is nothing complex or radical in the process.

“We had a bad banking situation. Some of our bankers had shown themselves either incompetent or dishonest in their handling of the people’s funds. They had used the money entrusted to them in speculations and unwise loans. This was, of course, not true in the vast majority of our banks, but it was true in enough of them to shock the people for a time into a sense of insecurity and to put them into a frame of mind where they did not differentiate, but seemed to assume that the acts of a comparative few had tainted them all. It was the Government’s job to straighten out this situation and do it as quickly as possible—and the job is being performed.

“I do not promise you that every bank will be reopened or that individual losses will not be suffered, but there will be no losses that possibly could be avoided; and there would have been more and greater losses had we continued to drift. I can even promise you salvation for some, at least, of the sorely pressed banks. We shall be engaged not merely in reopening sound banks but in the creation of sound banks through reorganization.

“It has been wonderful to me to catch the note of confidence from all over the country. I can never be sufficiently grateful to the people for the loyal support they have given me in their acceptance of the judgment that has dictated our course, even though all our processes may not have seemed clear to them.

“After all, there is an element in the readjustment of our financial system more important than currency, more important than gold, and that is the confidence of the people.

“Confidence and courage are the essentials of success in carrying out our plan. You people must have faith; you must not be stampeded by rumors or guesses. Let us unite in banishing fear. We have provided the machinery to restore our financial system; it is up to you to support and make it work.

“It is your problem no less than it is mine. Together we can not fail.”

The Secretary of the Treasury, under the authority conferred upon him by the President’s proclamations declaring and continuing the bank holiday, issued the following regulations during the period March 6, 1933, to March 18, 1933:

REGULATION NO. 1 (MARCH 6)

The Secretary of the Treasury has authorized all Federal reserve banks and all other banking institutions to make change by the exchange of currency and/or coin of various denominations for an exactly equal amount of currency and/or coin of other denominations, but no gold or gold certificates shall be paid out in making change.

REGULATION NO. 2 (MARCH 6)

All banking institutions may allow their customers free access to the safety deposit boxes and safes rented to such customers.

REGULATION NO. 3 (MARCH 6)

All banking institutions may upon request return intact and without restriction all cash, checks, and other items delivered for deposit or collection which were received after the last closing of business hours and have not been entered on the books of such banking institution.

REGULATION NO. 4 (MARCH 6)

All banking institutions may continue, in accordance with usual practice, to cash checks drawn on the Treasurer of the United States, provided that no gold or gold certificates shall be paid out.

REGULATION NO. 5 (MARCH 6)

Any banking institution may accept payments in cash or any other form acceptable to it on account or in settlement of obligations payable at or to such institution.

REGULATION NO. 6 (MARCH 6)

Any banking institution may handle and collect drafts or other documents in connection with the shipment, transportation or delivery of food or feed products, may pay out or permit the withdrawal of

such amounts of currency as shall be necessary in the judgment of such banking institution in connection with such shipment, transportation or delivery of food or feed products, and may perform such other banking functions as may be essential to the shipment, transportation or delivery of food or feed products, provided, however, that no banking institution shall pay out or permit the withdrawal of any gold or gold certificates.

REGULATION NO. 7 (MARCH 6)

Deposits heretofore received by any banking institution pursuant to agreement or legislative authority providing for segregation and for repayment without restriction may be paid on demand. Any banking institution which was lawfully engaged in the business of receiving deposits prior to March 6, 1933, may create special trust accounts for the receipt of new deposits which shall be subject to withdrawal on demand without any restriction or limitation and shall be kept separately in cash or on deposit in Federal reserve banks or invested in obligations of the United States. Federal reserve banks may open special accounts on their books for their member banks and temporarily for nonmember banks and may receive in such special accounts the proceeds of new deposits received by such banking institutions. In making deposits with the Federal reserve bank pursuant to this regulation the depositing bank shall in the case of each deposit indicate to the Federal reserve bank by symbol or otherwise that the funds so deposited represent new deposits made under this regulation. Upon receipt of such deposits such Federal reserve bank shall credit the same in the special account of the depositing bank herein provided for and shall hold the same solely for repayment to such bank. Federal reserve banks shall permit the withdrawal of any part or all of such new deposits by the depositing bank without restriction provided that the depositing bank shall in such order or request for withdrawal indicate to the Federal reserve bank by symbol or otherwise that such withdrawal is to be made from such special account, provided however that no banking institution shall pay out or permit the withdrawal of any gold or gold certificates.

REGULATION NO. 8 (MARCH 7)

Where settlement for checks charged by drawee institutions to the drawers' accounts on its books on or before March 4, 1933, is incomplete, settlement may be completed where such settlement does not involve the payment of money or currency.

REGULATION NO. 9 (MARCH 7)

Any banking institution may deliver to the person entitled thereto properly identified documents and securities held by such institution for safekeeping.

REGULATION NO. 10 (MARCH 7, AS AMENDED ON MARCH 10 BY ADDITION OF MATTER IN ITALICS)

Any national or State banking institution may exercise its usual banking functions to such extent as its situation shall permit and as shall be absolutely necessary to meet the needs of its community for food, medicine, other necessities of life, for the relief of distress, for the payment of usual salaries and wages, for necessary current expenditures for the purpose of maintaining employment, and for other similar essential purposes. *Banking institutions may carry out such transactions as may be necessary to aid banking institutions in other communities to meet the necessities set forth above. Pro-*

vided, however, that (1) every precaution shall be taken to prevent hoarding or the unnecessary withdrawal of currency; (2) no State banking institution shall engage in any transaction under this regulation which is in violation of State or Federal law or of any regulation issued thereunder; (3) no national banking association shall engage in any transaction under this section which is in violation of any Federal law or of any order or regulation issued by the Comptroller of the Currency; and (4) no gold or gold certificates shall be paid out. Each banking institution and its directors and officers will be held strictly accountable for faithful compliance with the spirit and purpose as well as the letter of this regulation.

Federal reserve banks may carry on such functions as may be necessary to facilitate transactions authorized by this regulation.

In order to enable member banks of the Federal reserve system to meet the needs of their respective communities to the extent authorized by this regulation Federal reserve banks may make advances to such member banks under the conditions set forth in section 10 (b) of the Federal reserve act as amended by the act of March 9, 1933, and in accordance with authority granted by the Federal Reserve Board.

In addition, in order to enable individuals, partnerships and corporations to meet their immediate pay roll requirements, Federal reserve banks may make temporary advances to such individuals, partnerships and corporations on their promissory notes secured by direct obligations of the United States in accordance with authority granted by the Federal Reserve Board.

REGULATION NO. 11 (MARCH 7)

Any bank having a branch in a foreign country may deposit collateral in the United States to secure advances to such branch in a foreign country, provided such transaction does not involve any transfer of credit from the United States to a foreign country, and any bank having a branch in an insular possession of the United States may deposit United States Government securities or other collateral for a similar purpose when under the President's proclamation advances of local currency in the insular possession may lawfully be made.

REGULATION NO. 12 (MARCH 7)

Clearing house associations and other associations organized to provide an adequately secured medium of temporary exchange, are hereby permitted to issue certificates against sound assets of banking institutions, such certificates to be deliverable by each institution to its creditors and depositors on a pro rata basis, provided, however, that no such certificates shall be issued before Friday, March 10, 1933, without the consent of the Secretary of the Treasury addressed to the clearing house or other association proposing to issue such certificates, and further provided that this permission may be revoked in the event that a national plan to meet the existing emergency is proposed by the Secretary of the Treasury if in his opinion the success of such plan would be inconsistent with the operation of the certificate plan.

REGULATION NO. 13 (MARCH 7)

Any banking institution lawfully engaged in the business of acting as trustee, executor, administrator, registrar of stocks and bonds, transfer agent, guardian of estates, assignee, receiver, committee of estates of lunatics, or in any other fiduciary capacity may continue to transact such business in the normal and usual manner; provided that in the conduct of said business,

except as may be permitted by other regulations of the Secretary of the Treasury, such banking institution shall not pay out or permit the withdrawal of coin or currency nor withdraw any trust or fiduciary funds on deposit with any other department of the bank.

REGULATION NO. 14 (MARCH 7)

Federal reserve banks are authorized to conduct their normal and usual operations as fiscal agents of the United States in transactions pertaining to the exchange of obligations of the United States, such as making exchange of denominations, exchanging coupon for registered bonds, and vice versa, receiving registered bonds for transfer and effecting C. P. D. transactions.

REGULATION NO. 15 (MARCH 8)

The permission granted in regulation No. 7 that deposits heretofore received by any banking institution pursuant to agreement or legislative authority providing for segregation and repayment without restriction may be paid on demand, includes any bank in which any such deposits have been redeposited by or on behalf of the receiving bank in accordance with such agreement or legislative authority.

REGULATION NO. 16 (MARCH 10)

All banking institutions are hereby authorized to take such steps and carry through such transactions as may be necessary to complete for their own account, or the account of their customers, payment on any subscriptions for Treasury bills of the United States for which payment was due on March 6, 1933.

REGULATION NO. 17 (MARCH 10)

Any banking institution may, when the owners consent thereto, pay checks issued prior to March 6, 1933, and received in due course of business by the drawee banking institution, by charging the amounts thereof to the accounts of the drawers and crediting such amounts to the accounts of such owners on the books of the drawee banking institution.

REGULATION NO. 18 (MARCH 11)

All banking institutions are hereby authorized to subscribe and pay for any United States Government obligations which may be offered for subscription and sale by the Secretary of the Treasury. Federal reserve banks may carry on such functions as may be necessary to facilitate such transactions as are authorized by this regulation.

All Federal reserve banks are authorized to redeem matured obligations of the United States and to cash matured coupons provided no gold or gold certificates shall be paid out.

REGULATION NO. 19 (MARCH 11)

Except as otherwise prohibited by law, banking institutions may exercise their normal and usual functions in permitting substitution for or release of collateral held by them, provided other collateral or cash of equal or greater value is received in exchange therefor.

REGULATION NO. 20 (MARCH 11)

All Federal reserve banks and their branches and agencies may open March 13, 1933, and may remain open for the performance of all usual and normal

banking functions except as prohibited by the Executive order issued by the President on March 10, 1933, and any further orders or regulations hereafter issued.

REGULATION NO. 21 (MARCH 11)

Banking institutions which are not members of the Federal reserve system or organized under the laws of the United States and which are not under the immediate supervision of any State authority may, on and after March 13, 1933, carry on their normal and usual functions, except as otherwise prohibited and except that no such institution shall pay out any gold coin, gold bullion or gold certificates, unless authorized by the Secretary of the Treasury, nor allow withdrawal of any currency for hoarding, nor engage in any transaction in foreign exchange except such as may be undertaken for legitimate and normal business requirements, for reasonable traveling and other personal requirements, and for fulfillment of contracts entered into prior to March 6, 1933.

REGULATION NO. 22 (MARCH 11, AS AMENDED MARCH 13 BY ADDITION OF MATTER IN ITALICS)

All Federal land banks, Federal intermediate credit banks, joint stock land banks, Federal home loan banks, *corporations organized under section 25(a) of the Federal reserve act*, regional agricultural credit corporations and the Reconstruction Finance Corporation are hereby permitted to open at 9 o'clock, a. m., Monday, March 13, 1933, to perform their usual banking functions except to the extent prohibited by the Executive order of the President of the United States, issued March 10, 1933, by Federal or State law, or as may hereafter be limited or prohibited by regulations promulgated by the Secretary of the Treasury.

This permission, as to each of the foregoing banking institutions, may be revoked in whole or in part by the Secretary of the Treasury at any time, and is granted as to each such institution upon the express condition that such institution shall deliver, within thirty days from the date hereof, to the Treasurer of the United States or to a Federal reserve bank or a Federal reserve branch bank of the district in which it is located, all gold coin, gold bullion and gold certificates owned by it, and receive payment in credit or in other forms of coin or in currency.

REGULATION NO. 23 (MARCH 12)

No banking institution shall permit any withdrawal by any person when such institution, acting in good faith, shall deem that the withdrawal is intended for hoarding. Any banking institution, before permitting the withdrawal of large or unusual amounts of currency, may require from the person requesting such withdrawal, a full statement under oath of the purpose for which the currency is requested.

REGULATION NO. 24 (MARCH 12)

All banking institutions may cash official drafts drawn upon the Secretary of State for payment of salaries, traveling and other contingent expenses but not for personal account, and remit the amounts thereof to the banks from which the drafts are received, provided that no gold or gold certificates shall be paid out.

REGULATION NO. 25 (MARCH 13)

Pending the determination by the Treasury Department of a suitable procedure for licensing the delivery of gold for use in trade, profession or art, Federal

reserve banks are hereby authorized to deliver upon request therefor gold in amounts deemed by such bank to be reasonably required for legitimate and customary uses in trade, profession, or art, provided such request is accompanied by affidavit of the person requesting such gold, stating the amount of unmanufactured gold on hand and the facts making it necessary to obtain such gold for the purpose of maintaining employment.

All banks licensed to open for usual and normal functions are permitted to carry out any transaction necessary to complete the delivery of any gold authorized by any Federal reserve bank to be delivered in accordance with such request.

REGULATION NO. 26 (MARCH 13)

All banking institutions may issue drafts transferring credits from any place in the United States to any other place in the United States and from any place in the United States to any place in a foreign country in connection with payments for domestic and foreign patent, trade-mark and design application fees, and in payment for domestic and foreign patent and trade-mark taxes and renewals. No gold or gold certificates shall be paid out, withdrawn, or exported under this regulation.

REGULATION NO. 27 (MARCH 18; ISSUED UNDER THE AUTHORITY OF THE EXECUTIVE ORDER OF MARCH 10 AS WELL AS UNDER THE PROCLAMATIONS REFERRED TO ON PAGE 122)

Any State banking institution which is a member of the Federal reserve system and which is not licensed by the Secretary of the Treasury to reopen for the performance of usual banking functions may, with the approval of the appropriate State authority having immediate supervision of such banking institution, permit withdrawals by depositors and make payments to creditors of such percentage of the amounts due to them (not exceeding 5 per cent) as it may determine, provided that at or before the time of such withdrawal or payment it shall set aside and make available for such purpose a fund for the benefit of and sufficient to pay to all depositors and creditors the percentage so determined.

This regulation shall not in any way affect any right created by Regulation No. 7 nor limit or restrict any payment thereby authorized.

Any right to authorize withdrawals or payments under the terms of this regulation shall terminate upon the appointment of any conservator, receiver or other appropriate State official taking charge of the affairs of such banking institutions.

REGULATION NO. 28 (MARCH 13)

After the close of business on March 18, 1933, Treasury regulation No. 6 and Treasury regulation No. 10, as amended, shall be without force or effect to authorize any banking transaction therein referred to.

SUPPLEMENTARY REGULATION APPLICABLE TO FEDERAL RESERVE BANKS (MARCH 7)

Under the authority conferred upon him by the President's proclamation of March 6, 1933, declaring a bank holiday, the Secretary of the Treasury on March 7, 1933, also issued the following regulation:

Each Federal reserve bank may (1) make available to its member banks which, in the judgment of the Federal reserve bank, are complying strictly with the spirit and purpose as well as the letter of the regulations issued by the Secretary of the Treasury pursuant to the President's proclamation declaring a bank holiday, such limited amounts of coin and/or currency (other than gold or gold certificates) as shall be absolutely necessary in order to enable such member banks to exercise the restricted functions permitted by such regulations, (2) extend to each such member bank such limited amounts of discounts, advancements and accommodations as shall be absolutely necessary for the exercise of such restricted functions, and (3) make transfers of credit on its books for such restricted purposes between the accounts of such member banks and/or nonmember clearing banks which, in the judgment of the Federal reserve bank, are complying strictly with the spirit and purpose as well as the letter of such regulations; provided, however, that before granting any such discounts, advancements or accommodations or making such limited payments of coin and/or currency, the Federal reserve bank shall first require the member bank, (a) to inform the Federal reserve bank of the amounts of coin and currency which it has on hand, (b) to inform the Federal reserve bank of the circumstances giving rise to the need for additional coin and/or currency, and (c) to deliver to the Federal reserve bank in exchange for other forms of coin and/or currency or for credit on its books all gold and gold certificates held by such member bank in its own right.

The following are interpretations issued by the Secretary of the Treasury from March 7, 1933, to March 18, 1933, of certain of the provisions of the regulations set forth above:

INTERPRETATION NO. 1 (MARCH 7)

You are authorized to inform all banking institutions and others concerned that the term "food or feed products" in regulation 6 under the President's proclamation promulgated March 6 may be interpreted to include livestock on the way to slaughter.

INTERPRETATION NO. 2 (MARCH 7)

Regulation No. 10 of March 7 under the President's proclamation of March 6 is held to authorize payments on account of pensions, workmen's compensation disability insurance, relief and unemployment.

INTERPRETATION NO. 3 (MARCH 7)

The term "other corporations, partnerships, associations or persons engaged in the business of receiving deposits, making loans," as used in the President's proclamation of March 6 declaring a bank holiday, is held to include brokers, pawn brokers, industrial loan companies, mortgage loan companies, chattel loan companies, personal finance companies, automobile finance companies and all other persons, firms and corporations engaged in the business of making loans of any kind, secured or unsecured.

INTERPRETATION NO. 4 (MARCH 8)

Regulation No. 5, dated March 6, 1933, is not to be interpreted as permitting any banking institutions to accept payment of any obligation not solely owned by it in any form which is not authorized by the person entitled to the proceeds.

INTERPRETATION NO. 5 (MARCH 8)

Regulation No. 10 issued under the President's proclamation is interpreted to authorize payments for fertilizer and for vegetable and agricultural seeds for spring planting, where such payments are absolutely necessary and where the seed and/or fertilizer are for immediate use.

INTERPRETATION NO. 6 (MARCH 8)

"Food or feed products" as used in regulation 6 may be construed as including whole grain if such grain is intended for processing or consumption in the immediate future.

INTERPRETATION NO. 7 (MARCH 8)

Release of funds for purchase of cotton where absolutely necessary to maintain operation is interpreted as "necessary current expenditures for the purpose of maintaining employment and for other similar essential purposes."

INTERPRETATION NO. 8 (MARCH 8)

Regarding release of funds for purchase of internal revenue stamps in connection with cigar manufacturing. Cigar manufacturing company should be referred to collector of internal revenue.

INTERPRETATION NO. 9 (MARCH 14)

Regulation No. 10 issued under the President's proclamation is interpreted to authorize payments for nursery stock where such payments are absolutely necessary to prevent destruction of stock in transit on March 6, 1933, or prepared for and awaiting shipment on March 6, 1933, under bona fide commitments.

INTERPRETATION NO. 10 (MARCH 14)

The term "mortgage loan companies," as used in interpretation No. 3, is interpreted to include all corporations whose principal business consists of the investment in, sale and purchase of real estate mortgages and mortgage certificates guaranteed by such corporations.

INTERPRETATION NO. 11 (MARCH 16)

Regulation No. 12 is not to be construed as permitting a banking institution, open for normal and usual functions under license of the Secretary of the Treasury, to require depositors to accept clearing-house certificates or other evidences of claims against assets for all or any part of any withdrawal requested.

During the period March 7, 1933, to March 18, 1933, the following statements, in addition to statements containing regulations and interpretations, were issued by the Secretary of the Treasury:

STATEMENT BY THE SECRETARY OF THE TREASURY,
MARCH 7

"In order to facilitate the prompt dissemination of information regarding and interpretation of regulations issued by the Secretary of the Treasury pursuant to the President's proclamation, dated March 6, 1933, declaring a bank holiday, it is requested that all inquiries for information regarding and interpretation of any of such regulations coming from banks, banking institutions and individuals, be made direct to the Federal reserve bank in their district. Unless such requests are covered by interpretations previously issued by the Secretary of the Treasury, the Federal reserve banks will secure such interpretations from the Secretary of the Treasury. All requests for any special permission or consent required by the regulations should be made in accordance with such regulations."

STATEMENT BY THE SECRETARY OF THE TREASURY,
MARCH 9

"The President has to-day urged the immediate enactment of legislation dealing with the existing banking situation. It appears that prompt action will make banking facilities and an adequate supply of currency available. Notwithstanding the expected early opening of banks, the Secretary of the Treasury interposes no objection to the issuance of clearing-house certificates or other evidences of claims against assets of banking institutions, in communities where local conditions make such action necessary. The regulation issued by the Secretary March 7, 1933, remains effective, granting permission to clearing-house associations and other associations organized to provide an adequately secured medium of temporary exchange to issue certificates against sound assets of banking institutions, such certificates to be deliverable by each institution to its creditors and depositors on a pro rata basis."

STATEMENT BY THE SECRETARY OF THE TREASURY,
MARCH 9

"The emergency banking legislation passed by the Congress to-day is a most constructive step toward the solution of the financial and banking difficulties which have confronted the country. The extraordinary rapidity with which this legislation was enacted by the Congress heartens and encourages the country.

"This legislation makes possible the opening of banks upon a sound basis, backed by an adequate supply of currency. Through this law the banks which will open will be placed in a position to meet all demands. This assur-

ance should restore confidence and create the foundation for a forward movement in business activities.

"It will be the policy of the Treasury to permit as rapidly as possible the opening of the sound banks. There are, of course, many thousands of such banks which will promptly be restored to the performance of their normal functions.

"The Treasury has already taken steps to secure information through proper authorities as to the condition of the various banks of the country and immediately invites from the banks applications for reopening.

"While much information has already been assembled, the completion of the information and of the arrangements of the banks for resuming their functions takes some time. It has therefore been decided not to authorize any reopenings before Saturday, March 11. It is obvious that it will not be possible to act upon all of the applications even by Saturday. Regulations governing reopenings and also other subjects governed by the legislation will immediately be published."

STATEMENT BY THE SECRETARY OF THE TREASURY,
MARCH 10

"Executive order or regulation will issue shortly directing all banks which are members of the Federal reserve system, desiring to reopen for the performance of all usual and normal banking functions, except as otherwise prohibited, to apply for a license to the Secretary of the Treasury, applications to be filed with the Federal reserve bank in the appropriate district. The appropriate authority having immediate supervision of banking institutions in each State will be authorized under such regulations as such authority may prescribe to permit any banking institution in such State or place, other than member banks of the Federal reserve system to perform any or all of their usual banking functions, except as otherwise prohibited."

STATEMENT BY THE SECRETARY OF THE TREASURY,
MARCH 10

"To the superintendents of banks of each State:

"All banks of the country are now prohibited under the proclamation of March 9 of the President from conducting any banking business, except as specifically authorized by rule, regulation or license of the Secretary of the Treasury issued under that proclamation. In view of the passage of the emergency bank bill by Congress yesterday, and under the terms of that bill, and section 5 of the act of October

6, 1917, as amended by that bill, the Secretary of the Treasury will be authorized to permit any sound bank which is a member of the Federal reserve system, whether State or national, to reopen for business as promptly as possible. It is the intention of the Secretary of the Treasury, however, to permit no member bank to reopen at any time on a full 100 per cent basis unless or until the Secretary is satisfied that such bank is a sound going institution. Any member bank not clearly within this category will not be opened unless or until further investigation discloses that it is a sound going institution, or unless or until a reorganization of some character will permit the bank to be classified as a sound going institution.

"Any member bank not opened 100 per cent under this procedure will be permitted to continue to perform only such specific transactions as are now authorized or may hereafter be authorized by specific regulation or license of the Secretary of the Treasury.

"In view of the fact that neither the Treasury nor the Federal reserve authorities have sufficient information upon which to consider applications for reopening by such State banks as are not members of the Federal reserve system, the President will by decree authorize the appropriate State authorities in each State to give licenses to banks under their jurisdiction other than members of the Federal reserve system, to open for the usual normal business, or in their judgment, and under the terms of the Presidential Proclamation, to permit of such reopening under such restrictions and limitations as they in their judgment may deem wise. It is to be expected, however, that State superintendents in granting licenses under this authority will take under consideration in determining their own policy the general principle to be adopted by the Treasury as respects member banks that in the interests of the depositors and of the country as a whole, only sound institutions will be permitted to carry on all of their usual functions to the end that no bank shall be reopened for business on any basis that will run the risk of being forced to close again because of demands which it is not in a position to satisfy."

STATEMENT BY THE SECRETARY OF THE TREASURY,
MARCH 10

"Under the terms of the act of March 9, 1933, immediate action has been taken by the President and the Secretary of the Treasury which will make possible the resumption of banking operations in substantial volume at a very early date. Pending such resumption the vital needs

of communities must be met. Attention of all banking institutions is called to Regulation 10 which is still in force and which as amended provides for cooperation between banks in different communities * * *." [See Regulation No. 10, p. 123.]

STATEMENT BY THE SECRETARY OF THE TREASURY,
MARCH 10

"The present restrictions on gold will not prevent gold being available for all normal uses in the industrial arts. Method of distribution for these purposes will be determined by the Treasury."

STATEMENT BY THE SECRETARY OF THE TREASURY,
MARCH 10

"The Federal Reserve Board this morning voted to authorize the Federal reserve banks under the terms of section 403 of the emergency bank act to make advances to-morrow for payroll purposes to individuals, firms, or corporations on their notes secured by Government securities. The Secretary of the Treasury has issued a regulation according to the terms of the President's proclamation permitting the Federal reserve banks to carry on this business with the public.

"Accordingly, the Federal reserve banks will be open to-morrow for the purpose of making loans secured by direct obligations of the Government, as well as to conduct such other transactions with their member banks as may be necessary to enable member banks to carry out the purposes of regulation No. 10, as amended."

STATEMENT BY THE SECRETARY OF THE TREASURY,
MARCH 11

"To the superintendents of banks of each State:

"As announced by the President this afternoon, a definite program for the reopening of banks throughout the country has been determined by the Secretary of the Treasury. In accordance with this program, the Secretary of the Treasury is prepared upon application through Federal reserve banks to issue to banking institutions which are members of the Federal reserve system, whether national or State, located in each of the 12 Federal reserve bank cities licenses to open Monday morning. The Secretary of the Treasury will not issue licenses to any member bank, State or national, located outside those 12 cities to open before Tuesday.

"State authorities having supervision over banking institutions located at such cities which are not members of the Federal reserve

system are requested to cooperate by permitting such banking institutions to open for business on Monday morning, in all cases where they find them qualified to do so on the basis indicated in previous telegram [statement] of March 10. The Secretary of the Treasury will not permit any member bank, State or national, to open in any such Federal reserve city unless opened for normal business on an unrestricted basis, except so far as affected by legal contracts between the banks and depositors with respect to withdrawals or notice of withdrawals.

"In accordance with the announcement of the President, the Secretary of the Treasury is prepared upon application through the Federal reserve banks to issue licenses to reopen on Tuesday morning to Federal reserve member banks located in any city having an active and recognized clearing-house association, and upon like application licenses to member banks located elsewhere for reopening on Wednesday morning. As previously stated, however, the Secretary of the Treasury will not permit the reopening of member banks, State or national, on any of these days except on an unrestricted basis, as above indicated. It must be understood that the restrictions in the President's proclamation against the payment of gold, gold certificates or bullion or the payment of currency for hoarding purposes and foreign exchange transactions will apply to all banking institutions, member and nonmember, State or national, until further notice."

STATEMENT BY THE SECRETARY OF THE TREASURY,
MARCH 11

"Normal banking is now in sight. It will come as rapidly as the Treasury can authorize banks to proceed.

"The people of every community will learn from their local institutions when the respective Treasury permits have been granted. Therefore there will not be, for the present at least, any general list of the licenses issued from the United States Treasury. To compile and check such a list would be a rather lengthy process, and speed in giving the people all the banking facilities possible and safe takes precedence over anything else.

"The purpose of the banking and financial program now in process under the Secretary of the Treasury is to restore to the country as promptly as possible adequate banking facilities and furnish an ample and sound currency, and restore confidence. Such a program is made possible by the new emergency banking act passed by Congress March 9.

"This act confirms and continues the authority of the President, through such agencies as he may designate, to exercise control over banking for the protection and benefit of depositors and of all users of banking facilities. By amendments to the Federal reserve act it is made possible for Federal reserve banks to make loans direct to corporations, firms and individuals on their notes secured by direct obligations of the United States Government. There are approximately \$11,000,000,000 of such securities outstanding with the public other than with banking institutions. In order to enable the reopened banks to secure currency sufficient to meet demands, Federal reserve banks are authorized to lend to any member bank, regardless of its size, on sound assets. To provide adequate Federal reserve bank currency to satisfy the possible demands under this program, Federal reserve banks are authorized to issue Federal reserve bank notes, not only against Government securities, but also against any member bank note secured by sound assets.

"With the enlarged potential supply of currency it is possible to proceed with the program of permitting banks to open. There is no occasion for such banks to experience any lack of currency, and there should be an end of any fear on that score of depositors in reopened banks. An Executive order forbids all banks to permit withdrawals of currency for hoarding purposes.

"It is the intention of the Secretary of the Treasury to proceed as rapidly as possible under the President's proclamation with the licensing of the reopening of banks, both national and State, which are members of the Federal reserve system. The appropriate State authorities may permit the reopening of the State institutions. An embargo is imposed upon gold payments, except under license, to prevent gold hoarding.

"This embargo does not mean that every individual who happens to have one or a number of gold certificates in his roll of currency is to be classified as a hoarder and be subjected to invidious publicity or other penalty. The provision is aimed at those who continue to retain quantities of gold and thereby hinder the Government's plans for a restoration of public confidence.

"Already from every quarter of the Nation is reported a large and steady current of gold flowing back to the banks, and the people apparently will be prompt in depositing their funds and thereby relieving themselves of the incon-

venience and danger of keeping about them large amounts of money."

STATEMENT BY THE SECRETARY OF THE TREASURY,
MARCH 12

"The first duty of the banks reopening under license of the Secretary of the Treasury for the performance of their usual functions is to see that the primary needs of the people for funds for the necessities of life and for normal business undertakings are met. Accordingly withdrawals for hoarding have been prohibited and the Secretary of the Treasury suggests that until more normal conditions have been established transfers of funds by banks or their customers be limited to necessary purposes."

STATEMENT BY THE SECRETARY OF THE TREASURY,
MARCH 13

"Banking institutions which have not yet been permitted to reopen for normal and usual functions are still permitted to continue to carry on the limited activities specified by regulations 1 to 19."

STATEMENT BY THE SECRETARY OF THE TREASURY,
MARCH 13

"Pending determination by the Treasury Department upon a suitable procedure for licensing the delivery of gold reasonably required for legitimate and customary use in trade, profession or art, all requests for the delivery of gold for such purposes should be submitted to the Federal reserve bank of the district, accompanied by an affidavit as to the amount of unmanufactured gold now on hand and the facts making it necessary to obtain the additional gold requested for the purpose of maintaining employment. Accurate records must be kept of the disposition of all gold which may be released."

STATEMENT BY THE SECRETARY OF THE TREASURY,
MARCH 13

"Proceeding under the new bank conservation act, the Comptroller of the Currency has appointed conservators for the First National Bank of Detroit and the Guardian National Bank of Commerce of Detroit. This course will permit the operation of the institutions for the purpose of receiving deposits to be segregated and kept in cash or invested in obligations of the United States or deposited with the Federal reserve bank, and permits the conservator to set aside and make available for withdrawal by depositors and payment to other creditors on a ratable basis such amounts as

in the opinion of the Comptroller may safely be used for this purpose.

"The placing of these banks under conservators also gives time for the development of a satisfactory permanent plan for adequate banking facilities for Detroit. A number of plans have been discussed and much work has been done, but up to date there has not been a general agreement as to the course which will be most advantageous for this city. The Government of the United States is anxious to cooperate in the carrying out of such plan as soon as agreed upon."

STATEMENT BY THE SECRETARY OF THE TREASURY,
MARCH 13

"Responding to inquiries to-day as to what facilities are available for enabling State banks which are not members of the Federal reserve system to obtain currency to meet their needs, Secretary of the Treasury Woodin called attention to the statement of the President, in his radio talk on March 12, that 'these banks can and will receive assistance from member banks and from the Reconstruction Finance Corporation.' The Secretary also pointed out that Federal reserve banks are authorized to make advances to individuals, partnerships and corporations on their promissory notes, for periods not exceeding 90 days, secured by direct obligations of the United States, and nonmember banks may avail themselves of this privilege. The Federal reserve banks also are authorized, he stated, to rediscount for member banks, with their indorsement, eligible and acceptable paper acquired from and bearing the signature or indorsement of nonmember banks; and to make advances to member banks secured by other paper acquired from nonmember banks.

"The Secretary said that he understands that it is the purpose and desire of the Reconstruction Finance Corporation and the Federal reserve banks to be as helpful as possible in meeting the needs of the present situation."

STATEMENT BY THE SECRETARY OF THE TREASURY,
MARCH 14

"In response to many inquiries as to the significance of the appointment of conservators to banks of high repute I wish to say that there is no deduction to be made that such banks are necessarily in difficulties. There are a lot of complications, some of them concerning affiliate enterprises, which make it impractical for banks to open to the full extent. It is for the purpose of insuring that the banks will be put in apple-pie order, pending reorganization or

other necessary processes that conservators in many cases are named.

"Moreover this method makes it possible that the bank so circumstanced will be able to continue to render service, as for example the receiving of deposits to be segregated and kept in cash or invested in Government bonds and such like securities. It also enables the conservator to set aside and make available for withdrawal by depositors and payment to other creditors on a ratable basis such amounts as in his opinion it is safe to use for this purpose."

STATEMENT BY THE SECRETARY OF THE TREASURY,
MARCH 15

"Passing upon applications of member banks to reopen for normal banking functions has taxed the personnel of the Treasury and of the Office of the Comptroller of the Currency. While every possible effort has been made to act upon all applications, delay in some cases has been found to be inevitable. In some cases, also, steps are being taken which as soon as completed will make it possible for reopening to be licensed. I therefore wish to direct especial attention to the statement of the President in his radio address of last Sunday:

"Let me make it clear to you that if your bank does not open the first day you are by no means justified in believing that it will not open. A bank that opens on one of the subsequent days is in exactly the same status as the bank that opens tomorrow."

"Additional licenses will be issued from time to time and the public should understand that banks hereafter licensed to be opened for normal functions are to be regarded in the same way as if it had been possible to issue the license by to-day."

STATEMENT BY THE SECRETARY OF THE TREASURY,
MARCH 16

"A number of inquiries have been made at the Treasury Department as to whether a prohibition exists upon proper commercial dealings in silver during the banking emergency.

"No regulations have been issued restricting export or other transactions in silver, except for limitations affecting withdrawals by depositors for hoarding and restrictions on banks not permitted to reopen."

On March 8, the Federal Reserve Board requested the Federal reserve banks to "prepare and forward to the board as soon as possible after March 13, 1933, as complete a list as can be made from information you are able to obtain, of the names and addresses of all per-

Names of gold holders

sons who have withdrawn gold from your bank or a member bank in your district since February 1, 1933, and who have not redeposited it in a bank on or before March 13, 1933," and authorized them to give publicity to the request. The board also advised them that it had no objection to obtaining similar information from nonmember banks and information regarding withdrawals prior to February 1. On March 9, the board indicated that the request of March 8 applied "to both gold coin and gold certificates." Subsequently, on March 12 and March 18, the board extended to March 17 and March 27, respectively, the final date as of which the lists referred to were to be compiled.

The following orders were issued by the Secretary of the Treasury, with the approval of the President, permitting banking institutions in certain territories and insular possessions of the United States to perform all usual banking functions:

Orders regarding territories and insular possessions

THE CANAL ZONE (MARCH 6, 1933)

Under and by virtue of the authority conferred upon the Secretary of the Treasury, by the proclamation of the President of the United States of America issued March 6, 1933, declaring a banking holiday from Monday, March 6, to Thursday, March 9, 1933, inclusive, and wherein the Secretary of the Treasury was authorized and empowered with the approval of the President to permit, under proper regulations, certain banking institutions to perform any and all of the usual banking functions, and it appearing

That Lieut. Col. Julian L. Schley, Governor of the Panama Canal, Balboa Heights, Canal Zone, has advised, after consultation with the manager of the single bank operating in the Canal Zone (which is a branch of the Chase National Bank of New York, located in Cristobal), that there is no necessity for the application of the terms of the Proclamation to such bank operating in the Canal Zone, and that such bank is in a position and desires to continue to transact its banking business as usual, it is, therefore,

Ordered, That the banking institution, as defined in the proclamation of the President of the United States, operating and carrying on business in the Canal Zone, be, and the same hereby is, authorized and permitted to perform all its usual banking functions during the period as ordered in the proclamation of the President of the United States and any and all extensions thereof, and/or until the further order of the undersigned in the premises, provided, however, that no banking institution shall pay out or permit the withdrawal of any gold or gold certificates.

THE ISLAND OF GUAM (MARCH 6, 1933)

Under and by virtue of the authority conferred upon the Secretary of the Treasury, by the proclamation of the President of the United States of America issued March 6, 1933, declaring a bank holiday from Monday, March 6, to Thursday, March 9, 1933, inclusive, and wherein the Secretary of the Treasury was authorized and empowered, with the approval of the President, to permit, under proper regulations, certain banking institutions to perform any and all of the usual banking functions, and it appearing

That Capt. E. S. Root, Governor of Guam, has advised that local conditions in the island justify the Secretary of the Treasury in exempting the banking institutions therein located from the operation of the proclamation of the President of the United States, and that such banks are in a position and desire to continue to transact their banking business as usual, it is, therefore,

Ordered, That any and all banking institutions, as defined in the proclamation of the President of the United States, operating and carrying on business in the island of Guam, be, and the same hereby are, authorized and permitted to perform all their usual banking functions during the period as ordered in the proclamation of the President of the United States and any and all extensions thereof, and/or until the further order of the undersigned in the premises, provided, however, that no banking institution shall pay out or permit the withdrawal of any gold or gold certificates.

THE ISLANDS OF AMERICAN SAMOA (MARCH 6, 1933)

Under and by virtue of the authority conferred upon the Secretary of the Treasury, by the proclamation of the President of the United States of America issued March 6, 1933, declaring a bank holiday from Monday, March 6, to Thursday, March 9, 1933, inclusive, and wherein the Secretary of the Treasury was authorized and empowered, with the approval of the President, to permit, under proper regulations, certain banking institutions to perform any and all of the usual banking functions, and it appearing

That Capt. George B. Landenberger, Governor of American Samoa, has advised that local conditions in the islands justify the Secretary of the Treasury in exempting the banking institutions therein located from the operation of the proclamation of the President of the United States, and that such banks are in a position and desire to continue to transact their banking business as usual, it is, therefore,

Ordered, That any and all banking institutions, as defined in the proclamation of the President of the United States, operating and carrying on business in the islands of American Samoa, be, and the same hereby are, authorized and permitted to perform all their usual banking functions during the period as ordered in the proclamation of the President of the United States and any and all extensions thereof, and/or until the further order of the undersigned in the premises, provided, however, that no banking institution shall pay out or permit the withdrawal of any gold or gold certificates.

THE PHILIPPINE ISLANDS (MARCH 6, 1933)

Under and by virtue of the authority conferred upon the Secretary of the Treasury, by the proclamation of the President of the United States of America issued March 6, 1933, declaring a bank holiday from Monday,

March 6, to Thursday, March 9, 1933, inclusive, and wherein the Secretary of the Treasury was authorized and empowered with the approval of the President to permit, under proper regulations, certain banking institutions to perform any and all of the usual banking functions, and it appearing

That the Hon. Theodore Roosevelt, jr., Governor General of the Philippine Islands, has advised, after consultation with the managing officials of all banks, both local and foreign, located in the Philippine Islands, together with certain prominent business men of the community and certain insular officials, that there is no present necessity for the application of the terms of the proclamation to the banks operating in the Philippine Islands, and that such banks are in a position and desire to continue to transact their banking business as usual, it is, therefore,

Ordered, That any and all banking institutions, as defined in the proclamation of the President of the United States, operating and carrying on business in the Philippine Islands, be, and the same hereby are, authorized and permitted to perform all their usual banking functions during the period as ordered in the proclamation of the President of the United States and any and all extensions thereof, and/or until the further order of the undersigned in the premises, provided, however, that no banking institution shall pay out or permit the withdrawal of any gold or gold certificates.

THE VIRGIN ISLANDS (MARCH 6, 1933)

Under and by virtue of the authority conferred upon the Secretary of the Treasury, by the proclamation of the President of the United States of America issued March 6, 1933, declaring a bank holiday from Monday, March 6, to Thursday, March 9, 1933, inclusive, and wherein the Secretary of the Treasury was authorized and empowered with the approval of the President to permit, under proper regulations, certain banking institutions to perform any and all of the usual banking functions, and it appearing

That the Hon. Boyd J. Brown, Acting Governor of the Virgin Islands, has advised that there is no necessity for the application of the terms of the proclamation to the banks operating in the Virgin Islands, and that such banks are in a position and desire to transact their banking business as usual, it is, therefore,

Ordered, That any and all banking institutions, as defined in the proclamation of the President of the United States, operating and carrying on business in the Virgin Islands, be, and the same hereby are, authorized and permitted to perform all usual banking functions during the period as ordered in the proclamation of the President of the United States and any and all extensions thereof, and/or until the further order of the undersigned in the premises, provided, however, that no banking institution shall pay out or permit the withdrawal of any gold or gold certificates.

THE TERRITORY OF HAWAII (MARCH 9, 1933)

Under and by virtue of the authority conferred upon the Secretary of the Treasury, by the proclamation of the President of the United States of America issued March 6, 1933, declaring a bank holiday from Monday, March 6, to Thursday, March 9, 1933, inclusive, as extended by a proclamation of the President issued March 9, 1933, and wherein the Secretary of the Treasury was authorized and empowered with the approval of the President to permit, under proper regulations, certain banking institutions to perform any and all of the usual banking functions, and it appearing

That the Hon. Lawrence M. Judd, Governor of the Territory of Hawaii, advised that there is no necessity for the application of the terms of the proclamation to the banks operating in the Territory of Hawaii after the close of business March 9, 1933, and that such banks are in a position and desire to transact their banking business as usual, it is, therefore,

Ordered, That any and all banking institutions, as defined in the proclamation of the President of the United States, operating and carrying on business in the Territory of Hawaii, be and the same hereby are, authorized and permitted to perform all usual banking functions during the period as ordered in the proclamation of the President of the United States and any and all extensions thereof, and/or until the further order of the undersigned in the premises, provided, however, that no banking institution shall pay out or permit the withdrawal of any gold or gold certificates.

Changes in Discount and Bill Rates

The discount rate for member banks on all classes and maturities of eligible paper was increased from 2½ to 3½ per cent at the Federal Reserve Bank of New York, effective March 3, and at the Federal Reserve Bank of Chicago, effective March 4.

At the Federal Reserve Bank of New York buying rates on bills of all maturities were changed between February 1 and March 13, as shown in the following table:

	1 to 75 days	76 to 90 days	91 to 120 days	121 to 180 days
In effect Feb. 1.....	1	1	1½	1½
Effective Feb. 16.....	1½	1½	-----	-----
Effective Feb. 27.....	1	1	-----	-----
Effective Mar. 1.....	1½	1½	1½	2
Effective Mar. 2.....	2	2	2½	2½
Effective Mar. 3.....	3¼	3¼	3½	3½
Effective Mar. 13.....	3½	3½	3½	4

Changes in Foreign Central Bank Discount Rates

The following changes in discount rates during the month ended March 1, 1933, have been reported by central banks in foreign countries:

Imperial Bank of India—February 16, from 4 to 3½ per cent.

South African Reserve Bank—February 20, from 5 to 4 per cent.

Change in Chairmanship of Federal Reserve Board

On March 4, 1933, the President nominated Hon. William H. Woodin as Secretary of the Treasury, to succeed Hon. Ogden L. Mills, and the nomination was confirmed by the Senate. The Secretary of the Treasury is ex officio member and chairman of the Federal Reserve Board.

Change of Agent at Cleveland Bank

Mr. George DeCamp, who had served as Federal reserve agent and chairman of the board of directors of the Federal Reserve Bank of Cleveland since December 19, 1925, resigned, effective March 14, 1933. The Federal Reserve Board designated Mr. Lewis B. Williams, of Cleveland, as chairman of the board of directors and Federal reserve agent, to succeed Mr. DeCamp, effective March 15, 1933. Mr. Williams has served as class C director and deputy chairman of the board of directors of the Federal Reserve Bank of Cleveland since January 1, 1920.

The Federal Reserve Board also appointed Mr. E. S. Burke, jr., of Cleveland, as a class C director of the Federal Reserve Bank of Cleveland for the unexpired portion of the term ending December 31, 1935, vice Mr. DeCamp, and as deputy chairman of the board of directors of the bank for the remainder of this year.

Meeting of Federal Advisory Council

The first meeting of the Federal Advisory Council for 1933 was held on Tuesday, February 21. Mr. Walter W. Smith was reelected president and Mr. Melvin A. Traylor was reelected vice president. These officers as ex-officio members and Messrs. Davison, Loeb, Ottley, and McLucas will comprise the executive committee. Mr. Walter Lichtenstein was reappointed secretary. The council is composed of the following members:

Federal reserve district

- No. 1. Thomas M. Steele, of New Haven, Conn.
- No. 2. Geo. W. Davison, of New York City, N. Y.
- No. 3. Howard A. Loeb, of Philadelphia, Pa.
- No. 4. H. C. McEldowney, of Pittsburgh, Pa.
- No. 5. Howard Bruce, of Baltimore, Md.
- No. 6. John K. Ottley, of Atlanta, Ga.
- No. 7. Melvin A. Traylor, of Chicago, Ill.
- No. 8. Walter W. Smith, of St. Louis, Mo.
- No. 9. Theodore Wold, of Minneapolis, Minn.
- No. 10. Walter S. McLucas, of Kansas City, Mo.
- No. 11. Joseph H. Frost, of San Antonio, Tex.
- No. 12. Henry M. Robinson, of Los Angeles, Calif.

NATIONAL SUMMARY OF BUSINESS CONDITIONS

[Compiled February 25 and released for publication February 27]

Volume of industrial production increased in January by less than the usual seasonal amount, and factory employment and pay rolls continued to decline. Prices of commodities at wholesale, which declined further in January, showed relatively little change in the first three weeks of February.

Production and employment.—Industrial activity, as measured by the Federal Reserve Board's index, which makes allowance for usual seasonal changes, declined from 66 per cent of the 1923-1925 average in December to 64 per cent in January, which compares with a low level of 58 per cent last July. Output of coal declined considerably, contrary to the usual seasonal tendency. Increases in activity in the cotton and silk industries were somewhat less than seasonal in amount, and there was a slight decline in production at woolen mills. Output of shoes increased seasonally. Activity in the steel industry showed a seasonal increase during January and little change during the first three weeks of February. Automobile production, which had increased substantially in December, showed a further slight increase in January.

Factory employment declined between the middle of December and the middle of January by considerably more than the seasonal amount. Decreases were reported in most lines except in the cotton, wool, and silk industries, where employment showed little change, and in the automobile and shoe industries, where employment increased.

Construction contracts awarded were in about the same volume in January as in December, according to the F. W. Dodge Corporation; in the first half of February the value of awards showed a decline.

Distribution.—Volume of freight traffic was somewhat smaller in January than in December, reflecting a reduction in shipments of coal. Sales by department stores decreased after Christmas by more than the usual seasonal amount.

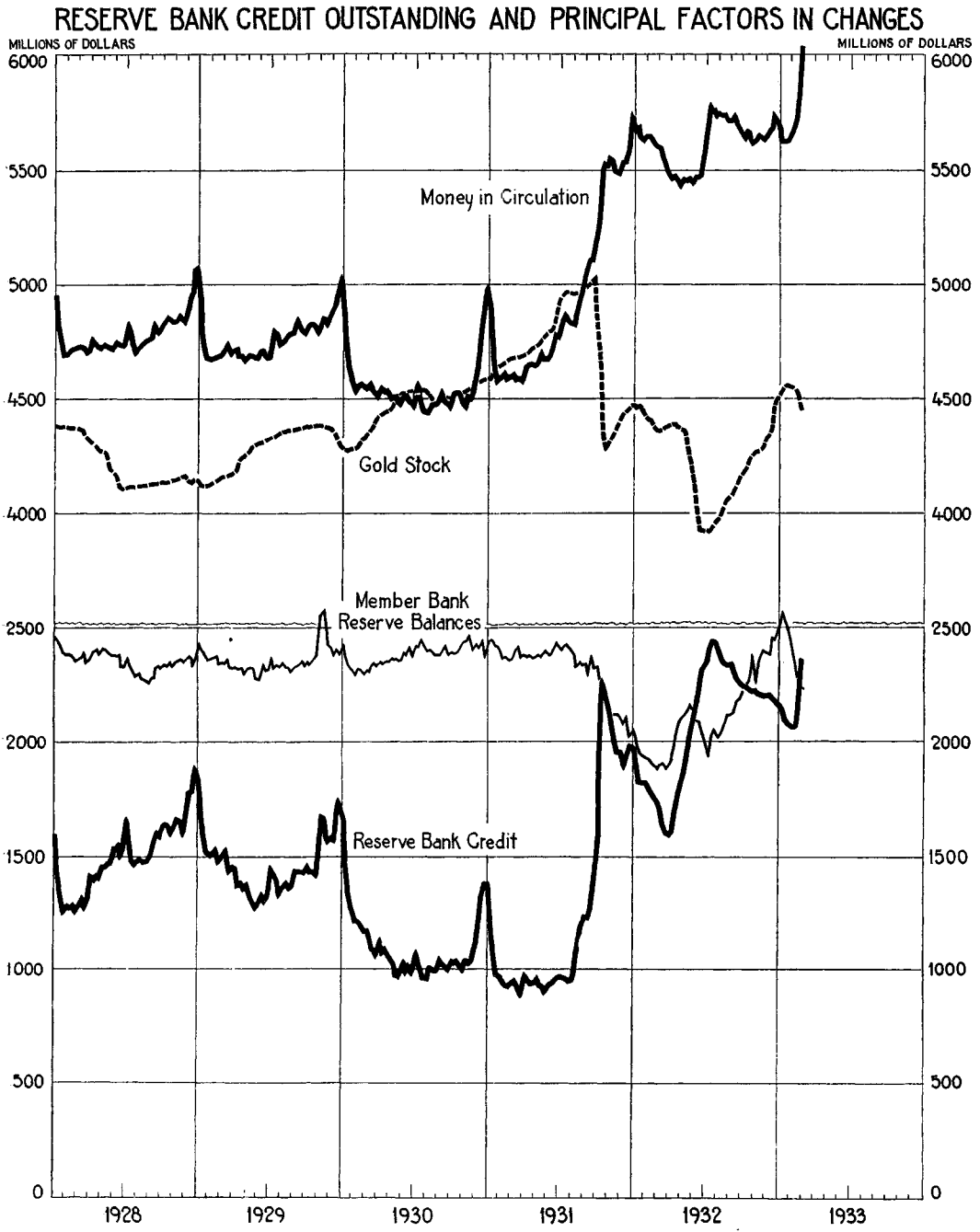
Wholesale prices.—The general level of wholesale commodity prices, as measured by

the index of the Bureau of Labor Statistics, declined further, from 62.6 per cent of the 1926 average in December to 61 per cent in January, reflecting substantial reductions in the prices of crude petroleum, gasoline, textiles, and dairy and poultry products. Prevailing prices for wheat, cotton, and hogs in January and the first three weeks of February were somewhat above the low levels reached in December.

Bank credit.—Between January 4 and February 21 there was an increase of \$319,000,000 in the demand for currency, accompanying banking disturbances in different parts of the country, and a decrease of \$64,000,000 in the country's stock of monetary gold. These demands were met by member banks in part by the use of their balances at the reserve banks, which declined by \$243,000,000 during the period, but continued to be considerably above legal requirements. Federal reserve bank holdings of United States Government securities declined by \$88,000,000 between January 4 and February 1, but increased by \$70,000,000 during the following three weeks; their holdings of acceptances increased by \$141,000,000 and discounts for member banks increased by \$76,000,000.

Loans and investments of reporting member banks in leading cities declined by about \$100,000,000 during the five weeks ending February 15. The banks' net demand deposits declined by \$390,000,000, reflecting largely reductions in bankers' balances, and time deposits showed a decrease of \$93,000,000 for the period.

Money rates in the open market were slightly firmer during the first half of February. Open-market rates on 90-day bankers' acceptances, which had been one-fourth of 1 per cent, had increased to five-eighths of 1 per cent by February 20. Rates on prime commercial paper and on stock-exchange loans remained unchanged. The minimum buying rate on bills at the Federal Reserve Banks of Boston, New York, and Chicago was reduced from 1 to one-half of 1 per cent.



FEDERAL RESERVE BANK CREDIT
RESERVE BANK CREDIT OUTSTANDING AND FACTORS IN CHANGES

[In millions of dollars]

Month or week	Averages of daily figures										
	Reserve bank credit outstanding					Factors of decrease		Factors of increase			
	Bills discounted	Bills bought	United States Government securities	Other reserve bank credit	Total	Monetary gold stock	Treasury currency adjusted	Money in circulation	Member bank reserve balances	Non-member deposits, etc.	Unexpended capital funds
1931—December.....	775	340	777	59	1,951	4,450	1,782	5,611	2,069	144	359
1932—January.....	828	221	759	57	1,865	4,452	1,773	5,645	1,979	113	353
February.....	848	151	743	43	1,785	4,384	1,787	5,627	1,907	73	349
March.....	714	105	809	24	1,652	4,372	1,792	5,531	1,899	37	349
April.....	605	52	1,014	23	1,694	4,381	1,789	5,452	1,996	63	353
May.....	486	41	1,413	20	1,960	4,273	1,788	5,456	2,138	77	350
June.....	495	50	1,697	20	2,262	3,956	1,787	5,530	2,062	65	348
July.....	523	60	1,818	21	2,422	3,941	1,780	5,751	2,003	46	343
August.....	451	37	1,850	15	2,353	4,031	1,796	5,720	2,073	40	347
September.....	387	34	1,848	13	2,282	4,140	1,826	5,685	2,181	35	347
October.....	328	34	1,851	18	2,231	4,226	1,886	5,643	2,307	38	355
November.....	313	34	1,851	13	2,211	4,292	1,917	5,642	2,378	40	360
December.....	282	34	1,854	22	2,192	4,429	1,915	5,699	2,435	43	359
1933—January.....	255	32	1,806	17	2,110	4,547	1,901	5,631	2,516	60	351
February.....	307	102	1,804	11	2,224	4,491	1,891	5,892	2,291	79	344
Week ending (Saturday)—											
1932—Oct. 1.....	343	33	1,853	15	2,244	4,184	1,836	5,635	2,241	37	351
Oct. 8.....	336	33	1,852	20	2,241	4,200	1,869	5,666	2,256	38	350
Oct. 15.....	331	33	1,851	17	2,232	4,211	1,874	5,662	2,260	42	353
Oct. 22.....	318	34	1,851	26	2,229	4,230	1,895	5,641	2,314	41	358
Oct. 29.....	321	34	1,851	16	2,222	4,256	1,905	5,608	2,385	33	357
Nov. 5.....	327	34	1,851	17	2,229	4,265	1,900	5,632	2,369	36	357
Nov. 12.....	314	34	1,851	12	2,211	4,272	1,917	5,657	2,344	40	359
Nov. 19.....	310	34	1,851	15	2,210	4,284	1,926	5,642	2,385	34	359
Nov. 26.....	309	35	1,851	10	2,205	4,314	1,922	5,635	2,402	45	359
Dec. 3.....	311	35	1,851	11	2,208	4,336	1,915	5,654	2,399	49	357
Dec. 10.....	302	34	1,851	15	2,202	4,352	1,916	5,682	2,388	43	357
Dec. 17.....	280	34	1,859	22	2,195	4,411	1,937	5,683	2,457	43	360
Dec. 24.....	271	33	1,854	31	2,189	4,487	1,906	5,734	2,444	42	362
Dec. 31.....	263	33	1,852	23	2,171	4,503	1,902	5,704	2,471	41	360
1933—Jan. 7.....	245	33	1,853	22	2,153	4,526	1,902	5,669	2,513	47	352
Jan. 14.....	249	32	1,829	17	2,127	4,548	1,905	5,616	2,563	48	353
Jan. 21.....	251	32	1,793	15	2,091	4,558	1,908	5,616	2,526	64	351
Jan. 28.....	267	31	1,770	12	2,080	4,554	1,897	5,620	2,487	74	350
Feb. 4.....	269	31	1,763	11	2,074	4,549	1,886	5,664	2,426	69	350
Feb. 11.....	256	31	1,775	16	2,078	4,530	1,892	5,717	2,369	68	346
Feb. 18.....	283	45	1,809	18	2,155	4,505	1,871	5,850	2,256	82	343
Feb. 25.....	335	181	1,833	8	2,357	4,450	1,892	6,032	2,235	90	342

	End of month series							Wednesday series					
	1932				1933			1933					
	Sept. 30	Oct. 31	Nov. 30	Dec. 31	Jan. 31	Feb. 28		Jan. 25	Feb. 1	Feb. 8	Feb. 15	Feb. 21	Mar. 1
Bills discounted.....	332	328	309	235	274	582	Bills discounted.....	265	269	253	286	327	712
Bills bought.....	33	34	35	33	31	336	Bills bought.....	31	31	31	31	174	384
United States Government securities.....	1,854	1,851	1,851	1,855	1,763	1,866	United States Government securities.....	1,763	1,764	1,784	1,809	1,834	1,836
Other reserve bank credit.....	14	14	8	22	9	10	Other reserve bank credit.....	7	7	17	10	16	4
Total reserve bank credit.....	2,233	2,227	2,202	2,145	2,077	2,794	Total reserve bank credit.....	2,067	2,070	2,085	2,136	2,351	2,936
Monetary gold stock.....	4,193	4,264	4,340	4,513	4,553	4,379	Monetary gold stock.....	4,556	4,548	4,535	4,511	4,460	4,344
Treasury currency adjusted.....	1,840	1,909	1,925	1,923	1,872	1,939	Treasury currency adjusted.....	1,912	1,885	1,918	1,873	1,878	1,915
Money in circulation.....	5,653	5,628	5,648	5,675	5,645	6,546	Money in circulation.....	5,611	5,652	5,705	5,854	5,988	6,720
Member bank reserve balances.....	2,225	2,383	2,411	2,509	2,446	2,141	Member bank reserve balances.....	2,513	2,438	2,419	2,236	2,271	2,038
Nonmember deposits, etc.....	36	31	50	43	64	80	Nonmember deposits, etc.....	411	413	413	430	431	436
Unexpended capital funds.....	352	358	357	354	346	346	Unexpended capital funds, non-member bank deposits, etc.....	411	413	413	430	431	436

* Preliminary.

Back figures.—See Annual Report for 1931 (Tables 1-5).

RESOURCES AND LIABILITIES OF FEDERAL RESERVE BANKS IN DETAIL; ALSO FEDERAL RESERVE NOTE STATEMENT

[In thousands of dollars]

	Feb. 28, 1933	Jan. 31, 1933	Feb. 29, 1932
RESOURCES			
Gold with Federal reserve agents.....	2, 225, 068	2, 406, 947	2, 068, 907
Gold redemption fund with United States Treasury.....	74, 233	37, 148	55, 743
Gold held exclusively against Federal reserve notes.....	2, 299, 301	2, 444, 095	2, 124, 650
Gold settlement fund with Federal Reserve Board.....	379, 251	429, 819	263, 063
Gold and gold certificates held by banks.....	273, 198	382, 077	549, 796
Total gold reserves.....	2, 951, 750	3, 255, 991	2, 938, 109
Reserves other than gold.....	174, 636	201, 426	201, 645
Total reserves.....	3, 126, 386	3, 457, 417	3, 139, 754
Nonreserve cash.....	67, 872	78, 961	71, 548
Bills discounted:			
For member banks.....	581, 605	273, 582	817, 489
For intermediate credit banks.....	35	-----	10, 573
For nonmember banks, etc.....	794	864	415
Total bills discounted.....	582, 434	274, 446	828, 477
Bills bought:			
Payable in dollars—			
Bought outright.....	294, 592	2, 303	68, 819
Under resale agreement.....	12, 429	-----	6, 852
Payable in foreign currencies.....	28, 997	29, 036	33, 478
Total bills bought.....	336, 018	31, 339	109, 149
United States securities:			
Bought outright.....	1, 836, 377	1, 763, 292	740, 032
Under resale agreement.....	30, 000	-----	-----
Total United States securities.....	1, 866, 377	1, 763, 292	740, 032
Other reserve bank credit:			
Federal intermediate credit bank debentures.....	-----	-----	10, 000
Federal land bank bonds.....	-----	-----	-----
Municipal warrants.....	4, 552	3, 421	4, 603
Due from foreign banks.....	3, 515	3, 505	8, 607
Reserve bank float (uncollected items in excess of deferred availability items).....	1, 598	834	8, 019
Total reserve bank credit outstanding.....	2, 794, 494	2, 076, 837	1, 708, 887
Federal reserve notes of other reserve banks.....	10, 889	12, 899	15, 916
Uncollected items not included in float.....	357, 056	303, 499	340, 627
Bank premises.....	53, 962	53, 880	57, 821
All other resources.....	53, 709	49, 351	39, 577
Total resources.....	6, 464, 368	6, 032, 844	5, 374, 130
LIABILITIES			
Federal reserve notes:			
Held by other Federal reserve banks.....	10, 889	12, 899	15, 916
Outside Federal reserve banks.....	3, 406, 430	2, 712, 522	2, 635, 253
Total notes in circulation.....	3, 417, 319	2, 725, 421	2, 651, 169
Deposits:			
Member bank—reserve account.....	2, 140, 924	2, 445, 662	1, 848, 887
Government.....	14, 919	44, 381	35, 825
Foreign bank.....	40, 125	40, 003	16, 583
Other deposits.....	40, 213	23, 791	36, 023
Total deposits.....	2, 236, 181	2, 553, 837	1, 937, 318
Deferred availability items.....	357, 056	303, 499	340, 627
Capital paid in.....	150, 309	151, 086	157, 492
Surplus.....	278, 599	278, 599	259, 421
All other liabilities.....	24, 904	20, 402	28, 103
Total liabilities.....	6, 464, 368	6, 032, 844	5, 374, 130
Contingent liability on bills purchased for foreign correspondents.....	29, 984	40, 914	311, 870
FEDERAL RESERVE NOTE STATEMENT			
Federal reserve notes:			
Issued to Federal reserve banks by Federal reserve agents.....	3, 678, 832	2, 937, 270	2, 911, 743
Held by Federal reserve banks ¹	261, 513	211, 849	260, 574
In actual circulation.....	3, 417, 319	2, 725, 421	2, 651, 169
Collateral held by agents as security for notes issued to banks:			
Gold.....	2, 225, 068	2, 406, 947	2, 068, 907
Eligible paper.....	855, 908	256, 497	892, 153
United States Government securities.....	611, 600	313, 300	-----
Total collateral.....	3, 692, 576	2, 976, 744	2, 961, 060

¹ Excludes "Federal reserve notes of other Federal reserve banks" which are consequently included in actual circulation.

Back figures.—See Annual Report for 1931 (Table 11), 1930 (Table 10), etc.

ANALYSIS OF CHANGES IN MONETARY GOLD STOCK

[In millions of dollars]

Month	Gold stock at end of month	Analysis of changes			
		Increase in stock during month	Net gold import	Net re-lease from earmark ¹	Domestic production, etc. ²
1929—September.....	4,372	12.1	17.6	-6.6	1.1
October.....	4,386	14.4	17.5	-4.5	1.4
November.....	4,367	-19.2	-23.2	1.0	3.0
December.....	4,284	-82.9	-64.4	-22.0	3.5
Total (12 mos.).....		142.5	175.1	-55.4	22.8
1930—January.....	4,291	6.8	4.0	0.5	2.3
February.....	4,353	61.9	60.0	0.0	1.9
March.....	4,423	70.2	55.5	15.0	-0.3
April.....	4,491	68.5	65.7	0.5	2.3
May.....	4,517	25.9	23.5	2.0	0.5
June.....	4,535	17.6	13.9	2.0	1.7
July.....	4,517	-18.4	-19.6	-3.0	4.3
August.....	4,501	-15.5	-19.6	0.0	4.2
September.....	4,511	10.2	2.5	4.0	3.7
October.....	4,535	23.3	26.4	-6.1	3.1
November.....	4,571	36.8	35.2	-2.1	3.8
December.....	4,593	22.1	32.7	-15.2	4.5
Total (12 mos.).....		309.6	280.1	-2.4	31.9
1931—January.....	4,643	49.4	34.4	11.9	3.1
February.....	4,665	22.0	16.1	2.5	3.3
March.....	4,697	32.0	25.6	3.0	3.3
April.....	4,726	28.7	49.5	-7.5	-13.3
May.....	4,798	72.4	49.6	4.0	18.8
June.....	4,956	158.0	63.8	92.3	1.9
July.....	4,949	-6.6	19.5	-29.7	3.6
August.....	4,995	45.7	57.5	-16.0	4.2
September.....	4,741	-254.3	20.6	-279.1	4.2
October.....	4,292	-448.4	-337.7	-107.6	-3.1
November.....	4,414	122.0	89.4	28.3	4.2
December.....	4,460	45.8	56.9	-22.9	11.9
Total (12 mos.).....		-133.4	145.3	-320.8	42.1
1932—January.....	4,416	-44.2	-73.0	25.4	3.4
February.....	4,354	-62.3	-90.6	26.4	1.9
March.....	4,390	36.0	-24.7	58.3	2.4
April.....	4,367	-23.1	-30.2	4.0	3.2
May.....	4,152	-214.1	-195.5	-22.1	3.6
June.....	3,919	-233.9	-206.0	-28.8	0.9
July.....	3,977	58.0	-3.4	56.2	5.2
August.....	4,088	111.7	6.1	100.5	5.1
September.....	4,193	104.8	27.9	72.3	4.6
October.....	4,264	70.8	20.6	45.8	4.5
November.....	4,340	75.6	21.7	48.6	5.3
December.....	4,513	173.5	100.9	71.0	1.6
Total (12 mos.).....		52.9	-446.2	457.5	41.6
1933—January.....	4,553	40.0	128.5	³ -91.5	3.0
February ^p	4,379	-173.7	14.4	-189.5	1.4
Total (2 mos.).....		-133.7	142.9	-281.0	4.4

¹ Gold released from earmark at Federal reserve banks less gold placed under earmark.

² This figure, derived from preceding columns, represents the excess of domestic production over nonmonetary consumption of gold—chiefly consumption in the arts. In any given month, however, it may be predominantly affected by the fact that on the final day of the month (a) gold bullion or foreign gold coin recently imported may not yet have reached a reserve bank or the Treasury, and (b) gold bullion recently withdrawn from stock for export may not yet have been actually exported. The figures are subject to certain unavoidable inaccuracies in official reports of gold imports and exports.

³ Allowance has been made for gold earmarked at the Bank of England for account of the Federal Reserve Bank of New York.

^p Preliminary figures.

Back figures.—See Annual Report for 1931 (Table 30).

GOLD MOVEMENTS TO AND FROM UNITED STATES

[In thousands of dollars]

From or to—	1933				1932	
	February (preliminary)		January		January-December	
	Im-ports	Ex-ports	Im-ports	Ex-ports	Im-ports	Ex-ports
Belgium.....					1,031	83,602
England.....	4,024	1,070	50,254	6	68,718	15,132
France.....	3,554	29,490	29,490		16,649	458,298
Germany.....			1,067		382	13,738
Netherlands.....	4,378	6,121	15,123		18,690	115,277
Portugal.....						2,386
Switzerland.....		1,564				118,560
Canada.....	3,992		5,282	8	64,757	184
Central America.....			129		129	3
Mexico.....			634		20,407	320
Argentina.....					13,000	9
Colombia.....			52		3,242	
Ecuador.....			113		1,053	1,660
Peru.....	140		64		3,242	126
Uruguay.....					4,384	
Venezuela.....			139		1,770	
Australia.....	608		682		7,510	
British India.....	8,237		15,193		26,596	
China and Hong Kong.....	3,610		5,612		39,044	
Dutch East Indies.....			120		2,901	
Japan.....			3,729		49,720	
Philippine Islands.....			533		7,052	
All other countries.....	1,735	17	262		11,489	233
Total.....	26,724	12,326	128,479	14	363,315	809,528

¹ Includes all movements of unreported origin or destination.

² At New York—imports, \$18,514,000, exports, \$12,326,000. Elsewhere, imports, \$8,210,000.

KINDS OF MONEY IN CIRCULATION

[Money outside Treasury and Federal reserve banks. In millions of dollars]

Kind of money	1933		1932
	Feb. 28 ^p	Jan. 31	Feb. 29
Gold coin.....	571	479	406
Gold certificates.....	650	591	820
Federal reserve notes.....	3,405	2,707	2,634
Treasury currency:			
Standard silver dollars.....	28	28	31
Silver certificates.....	362	350	363
Treasury notes of 1890.....	1	1	1
Subsidiary silver.....	252	250	260
Minor coin.....	111	111	114
United States notes.....	301	287	280
Federal reserve bank notes.....	3	3	3
National bank notes.....	861	836	691
Total Treasury currency.....	1,919	1,866	1,743
Total money in circulation.....	6,546	5,645	5,604

^p Preliminary.

Back figures.—See Annual Reports for 1931 (Table 35), 1930 (Table 32), and 1927 (Table 22).

MEMBER BANK RESERVE BALANCES

[In millions of dollars]

Month or week	Averages of daily figures							
	Reserves held				Excess reserves			
	Total—all member banks	New York City ¹	Other reserve cities	"Country" banks	Total—all member banks	New York City ¹	Other reserve cities	"Country" banks
1931—October.....	2,256	848	872	536	129.1	52.5	39.7	37.0
November.....	2,118	774	832	512	57.0	10.7	19.4	26.9
December.....	2,069	766	807	503	59.5	18.5	16.9	30.9
1932—January.....	1,979	724	767	488	35.4	4.5	1.8	29.2
February.....	1,907	681	753	473	43.8	7.2	11.3	25.3
March.....	1,899	687	747	465	59.0	17.8	17.3	23.8
April.....	1,996	780	749	466	152.1	88.1	35.7	28.3
May.....	2,138	874	800	464	277.1	155.1	91.5	30.5
June.....	2,062	783	819	459	234.4	89.4	111.4	33.6
July.....	2,003	767	781	455	204.4	75.0	91.6	37.9
August.....	2,073	832	797	444	269.9	127.7	108.9	33.3
September.....	2,181	927	812	443	345.5	193.4	119.6	32.4
October.....	2,307	1,001	863	444	435.9	241.6	160.5	33.7
November.....	2,378	1,050	887	441	482.2	266.8	181.8	33.7
December.....	2,435	1,083	911	440	525.8	283.2	206.9	35.7
1933—January.....	2,516	1,109	965	442	583.8	286.2	254.2	43.4
Week ending (Friday)—								
Dec. 2.....	2,404	1,072	899	433	(?)	271.8	198.4	(?)
Dec. 9.....	2,384	1,031	909	443	(?)	236.9	211.1	(?)
Dec. 16.....	2,443	1,091	914	438	(?)	283.9	208.7	(?)
Dec. 23.....	2,457	1,104	911	442	(?)	301.6	203.9	(?)
Dec. 30.....	2,459	1,111	911	437	(?)	309.3	203.5	(?)
1933—Jan. 6.....	2,508	1,121	934	453	(?)	308.7	219.1	(?)
Jan. 13.....	2,559	1,171	946	442	(?)	350.1	236.4	(?)
Jan. 20.....	2,536	1,141	950	445	(?)	311.8	238.1	(?)
Jan. 27.....	2,491	1,057	997	436	(?)	232.9	288.4	(?)

¹ Central reserve city banks only.

² Figures not available by weeks.

Back figures.—See Annual Report for 1931 (Tables 49 and 56).

MEMBER BANK DEPOSITS

[In millions of dollars]

Month	Averages of daily figures											
	Net demand and time deposits				Net demand deposits				Time deposits			
	Total—all member banks	New York City ¹	Other reserve cities	"Country" banks	Total—all member banks	New York City ¹	Other reserve cities	"Country" banks	Total—all member banks	New York City ¹	Other reserve cities	"Country" banks
1931—October.....	29,138	6,937	11,657	10,544	16,859	5,872	6,421	4,567	12,279	1,065	5,236	5,977
November.....	28,218	6,612	11,350	10,256	16,358	5,653	6,273	4,432	11,860	959	5,076	5,825
December.....	27,438	6,414	11,048	9,976	15,985	5,546	6,106	4,333	11,453	868	4,942	5,643
1932—January.....	26,592	6,165	10,706	9,720	15,447	5,343	5,921	4,183	11,145	822	4,786	5,537
February.....	25,715	5,797	10,413	9,505	14,789	5,001	5,723	4,064	10,926	796	4,690	5,440
March.....	25,431	5,760	10,291	9,380	14,575	4,959	5,622	3,993	10,856	800	4,668	5,387
April.....	25,386	5,950	10,109	9,327	14,589	5,138	5,492	3,959	10,797	811	4,618	5,368
May.....	25,466	6,159	10,081	9,226	14,679	5,342	5,425	3,911	10,787	816	4,656	5,315
June.....	25,075	5,957	10,032	9,087	14,413	5,154	5,433	3,826	10,663	803	4,599	5,261
July.....	24,712	5,951	9,830	8,931	14,157	5,133	5,304	3,720	10,555	818	4,526	5,211
August.....	24,744	6,084	9,833	8,827	14,141	5,217	5,283	3,641	10,603	867	4,550	5,186
September.....	24,973	6,308	9,853	8,811	14,408	5,440	5,316	3,652	10,565	869	4,538	5,159
October.....	25,292	6,559	9,939	8,795	14,679	5,629	5,402	3,649	10,612	929	4,537	5,145
November.....	25,476	6,762	9,964	8,751	14,864	5,804	5,432	3,623	10,612	957	4,532	5,123
December.....	25,492	6,877	9,941	8,674	14,965	5,937	5,424	3,604	10,527	940	4,517	5,071
1933—January.....	25,641	7,050	10,023	8,568	15,116	6,109	5,470	3,537	10,525	941	4,553	5,031

¹ Central reserve city banks only.

Back figures.—See Annual Report for 1931 (Table 49).

ALL MEMBER BANKS—CLASSIFICATION OF LOANS AND INVESTMENTS

[In millions of dollars]

Call date	Total loans and investments	Loans to other customers				Open-market loans				Investments			Total loans secured by stocks and bonds ¹		
		Loans to banks	Total	Secured by stocks and bonds	Secured by real estate	Other-wise secured and unsecured	Total	Purchased paper			Loans to brokers in New York ¹	Total		U. S. Government securities	Other securities
								Acceptances payable in United States	Acceptances payable abroad	Commercial paper					
TOTAL—ALL MEMBER BANKS															
1929—June 29	35,711	670	22,517	7,734	3,164	11,618	2,472	108	90	249	2,025	10,052	4,155	5,898	10,094
Oct. 4	35,914	640	23,249	8,109	3,152	11,988	2,276	93	70	228	1,885	9,749	4,022	5,727	10,314
Dec. 31	35,934	714	23,193	8,488	3,191	11,515	2,243	212	80	291	1,660	9,784	3,863	5,921	10,505
1930—Mar. 27	35,056	527	21,494	7,730	3,170	10,595	3,097	175	79	499	2,344	9,937	4,085	5,852	10,334
June 30	35,656	535	21,565	8,061	3,155	10,349	3,113	170	71	507	2,365	10,442	4,061	6,380	10,656
Sept. 24	35,472	466	21,010	7,864	3,163	9,982	3,262	205	62	523	2,472	10,734	4,095	6,639	10,511
Dec. 31	34,860	631	21,007	7,942	3,234	9,331	2,233	315	55	366	1,498	10,889	4,125	6,864	9,754
1931—Mar. 25	34,729	446	19,940	7,423	3,220	9,298	2,454	361	101	361	1,630	11,989	5,002	6,886	9,272
June 30	33,923	457	19,257	7,117	3,216	8,922	2,103	389	113	384	1,217	12,106	5,343	6,763	8,563
Sept. 29	33,073	599	18,713	6,842	3,149	8,722	1,563	268	70	296	925	12,199	5,564	6,635	8,061
Dec. 31	30,575	790	17,570	6,290	3,038	8,244	901	146	41	140	575	11,314	5,319	5,996	7,320
1932—June 30	28,001	573	15,267	5,292	2,894	7,081	747	313	34	122	278	11,414	5,628	5,786	5,916
Sept. 30	28,045	457	14,497	5,086	2,885	6,527	970	407	34	115	414	12,121	6,366	5,755	5,770
Dec. 31	27,469	444	13,905	4,848	2,862	6,195	855	375	30	93	357	12,265	6,540	5,726	5,447
NEW YORK CITY²															
1929—June 29	8,160	314	4,532	1,877	175	2,480	1,496	58	58	21	1,359	1,819	1,006	813	3,396
Oct. 4	8,150	302	4,846	1,944	176	2,726	1,196	59	33	8	1,096	1,807	989	817	3,191
Dec. 31	8,774	322	4,964	2,200	169	2,595	1,397	128	46	21	1,202	2,091	1,112	979	3,562
1930—Mar. 27	8,238	199	4,338	1,936	150	2,552	1,655	89	40	49	1,477	2,046	1,150	897	3,504
June 30	8,798	196	4,308	2,022	157	2,129	2,091	144	29	35	1,833	2,203	1,147	1,056	3,983
Sept. 24	8,557	169	4,276	2,031	157	2,067	1,912	148	28	22	1,714	2,198	1,091	1,107	3,798
Dec. 31	8,582	263	4,338	2,137	147	2,054	1,525	188	22	34	1,281	2,435	1,239	1,197	3,550
1931—Mar. 25	8,473	154	4,007	1,960	150	1,966	1,651	199	51	35	1,367	2,662	1,466	1,196	3,397
June 30	8,287	150	3,839	1,897	152	1,782	1,497	296	44	94	1,063	2,801	1,656	1,145	3,026
Sept. 29	8,253	250	3,850	1,816	152	1,881	1,121	201	33	48	839	3,032	1,830	1,202	2,780
Dec. 31	7,460	374	3,694	1,728	153	1,813	695	107	17	29	542	2,697	1,768	928	2,474
1932—June 30	6,715	260	2,856	1,343	160	1,353	565	262	21	23	253	3,033	2,008	1,025	1,797
Sept. 30	7,112	203	2,638	1,300	154	1,184	763	341	18	14	391	3,508	2,429	1,079	1,811
Dec. 31	7,327	216	2,621	1,247	160	1,214	701	390	15	19	337	3,789	2,603	1,186	1,699
OTHER RESERVE CITIES															
1929—June 29	13,832	308	9,434	3,718	1,503	4,213	480	17	25	88	349	3,611	1,765	1,846	4,221
Oct. 4	13,983	294	9,775	3,969	1,491	4,415	526	8	31	75	413	3,388	1,671	1,717	4,429
Dec. 31	13,785	346	9,748	3,975	1,559	4,214	438	51	29	108	250	3,253	1,484	1,769	4,397
1930—Mar. 27	13,575	263	8,951	3,604	1,544	3,802	945	59	35	242	609	3,416	1,662	1,754	4,368
June 30	13,701	277	9,029	3,811	1,524	3,693	710	18	38	301	353	3,685	1,686	1,999	4,306
Sept. 24	13,971	235	8,726	3,632	1,526	3,567	1,064	54	31	337	643	3,947	1,785	2,161	4,387
Dec. 31	13,758	286	8,906	3,656	1,631	3,620	531	122	29	212	167	3,035	1,727	2,308	3,991
1931—Mar. 25	13,965	235	8,409	3,366	1,619	3,423	645	158	48	212	227	4,776	2,313	2,364	3,729
June 30	13,567	247	8,100	3,188	1,621	3,291	470	91	67	189	124	4,670	2,408	2,342	3,459
Sept. 29	13,016	284	7,845	3,092	1,585	3,168	326	67	35	167	56	4,561	2,301	2,260	3,317
Dec. 31	12,115	347	7,407	2,806	1,538	3,063	135	35	21	62	16	4,226	2,133	2,093	3,050
1932—June 30	11,045	254	6,519	2,403	1,407	2,709	118	38	11	62	7	4,154	2,187	1,961	2,585
Sept. 30	10,979	205	6,196	2,304	1,406	2,486	151	58	14	65	14	4,427	2,466	1,966	2,456
Dec. 31	10,535	178	5,879	2,169	1,398	2,312	115	44	13	46	12	4,362	2,462	1,900	2,298
"COUNTRY" BANKS															
1929—June 29	13,719	49	8,551	2,139	1,486	4,926	496	33	7	140	316	4,623	1,384	3,240	2,480
Oct. 4	13,780	45	8,627	2,295	1,485	4,847	553	27	6	144	376	4,554	1,361	3,193	2,694
Dec. 31	13,375	45	8,481	2,314	1,462	4,705	409	33	5	163	208	4,439	1,267	3,172	2,545
1930—Mar. 27	13,243	65	8,206	2,190	1,475	4,541	496	27	4	207	258	4,475	1,273	3,202	2,462
June 30	13,157	63	8,229	2,227	1,475	4,527	312	8	4	171	129	4,554	1,229	3,326	2,367
Sept. 24	12,944	62	8,007	2,200	1,480	4,326	286	4	4	164	115	4,589	1,219	3,370	2,326
Dec. 31	12,519	62	7,762	2,149	1,455	4,158	177	5	3	120	49	4,519	1,159	3,359	2,213
1931—Mar. 25	12,290	68	7,524	2,097	1,449	3,978	158	5	2	114	36	4,550	1,224	3,326	2,147
June 30	12,068	60	7,318	2,031	1,437	3,849	135	2	2	101	30	4,555	1,279	3,276	2,078
Sept. 29	11,805	64	7,018	1,935	1,411	3,673	116	1	2	81	32	4,606	1,433	3,172	1,955
Dec. 31	10,999	69	6,469	1,756	1,346	3,367	71	4	2	48	16	4,392	1,418	2,974	1,796
1932—June 30	10,240	59	5,892	1,646	1,328	3,018	64	13	2	36	13	4,226	1,432	2,794	1,574
Sept. 30	9,954	49	5,663	1,481	1,324	2,857	55	8	2	36	9	4,187	1,471	2,715	1,505
Dec. 31	9,607	50	5,405	1,432	1,304	2,669	39	1	2	28	8	4,114	1,474	2,640	1,450

¹ Loans (secured by stocks and bonds) to brokers and dealers in securities at New York City.

² Including loans to banks secured by stocks and bonds, reported separately after 1929 and estimated for preceding dates as one-half of total loans to banks.

³ Central reserve city banks only.

Back figures.—This classification of loans is not available for dates prior to Oct. 3, 1923, see Annual Report for 1931 (Table 53), but comparable figures of total loans secured by stocks and bonds are given for June 30, 1925-1928, in the board's Annual Report for 1928 (Table 52); for separate figures of United States Government securities and other securities back to 1914, see Annual Report for 1931 (Table 52).

ALL BANKS IN THE UNITED STATES—TOTAL LOANS AND INVESTMENTS, DEPOSITS

[In millions of dollars. Includes national banks, State commercial banks and trust companies, mutual and stock savings banks, and all private banks under State supervision]

Date	Total loans and investments									Deposits, exclusive of interbank deposits		
	All banks			Member banks			Nonmember banks			All banks	Member banks	Non-member banks
	Total	Loans	Investments	Total	Loans	Investments	Total	Loans	Investments			
1928—June 30	57,265	39,464	17,801	35,061	24,303	10,758	22,204	15,161	7,043	53,398	32,133	21,265
Oct. 3	57,219	39,671	17,549	34,929	24,325	10,604	22,291	15,346	6,945	53,720	32,138	21,582
Dec. 31	58,266	40,763	17,504	35,684	25,155	10,529	22,582	15,607	6,975	56,766	34,826	21,940
1929—Mar. 27	58,019	40,557	17,462	35,393	24,945	10,448	22,626	15,612	7,013	54,545	33,215	21,330
June 29	58,474	41,512	16,962	35,711	25,658	10,052	22,763	15,853	6,910	53,852	32,284	21,567
Oct. 4	58,835	42,201	16,634	35,914	26,165	9,749	22,922	16,036	6,855	55,180	33,004	22,176
Dec. 31	58,417	41,898	16,519	35,934	26,150	9,784	22,483	15,748	6,735	55,289	33,865	21,423
1930—Mar. 27	57,386	40,686	16,700	35,056	25,119	9,937	22,331	15,568	6,763	53,185	32,082	21,103
June 30	58,108	40,618	17,490	35,656	25,214	10,442	22,453	15,404	7,048	54,954	33,690	21,264
Sept. 24	57,590	39,715	17,875	35,472	24,738	10,734	22,118	14,977	7,141	52,784	31,839	20,945
Dec. 31	56,209	38,135	18,074	34,860	23,870	10,989	21,349	14,264	7,085	53,039	32,550	20,479
1931—Mar. 25	55,924	36,813	19,111	34,729	22,840	11,889	21,195	13,974	7,222	51,427	31,153	20,274
June 30	55,021	35,384	19,637	33,923	21,816	12,106	21,099	13,568	7,531	51,782	31,566	20,216
Sept. 29	53,365	33,750	19,615	33,073	20,874	12,199	20,292	12,876	7,416	49,152	29,469	19,683
Dec. 31	49,704	31,305	18,399	30,575	19,261	11,314	19,129	12,045	7,084	45,821	27,432	18,389
1932—June 30	46,071	27,834	18,237	28,001	16,587	11,414	18,071	11,247	6,823	41,963	24,755	17,208
Sept. 30	45,852	28,985	18,867	28,045	15,924	12,121	17,807	11,061	6,746	41,942	24,903	17,040
Dec. 31				27,469	15,204	12,265					24,803	

r Revised.
Back figures.—See Annual Report for 1931 (Tables 45 and 46).

NUMBER OF BANKS

Date	Total ¹	Member banks			Non-member banks
		Total	National	State	
1925—Dec. 31	28,257	9,489	8,048	1,441	18,768
1926—Dec. 31	27,367	9,260	7,906	1,354	18,107
1927—June 30	26,765	9,099	7,790	1,309	17,666
Dec. 31	26,416	9,034	7,759	1,275	17,382
1928—June 30	25,941	8,929	7,685	1,244	17,012
Dec. 31	25,576	8,837	7,629	1,208	16,739
1929—June 29	25,110	8,707	7,530	1,177	16,403
Dec. 31	24,630	8,522	7,403	1,119	16,108
1930—June 30	23,852	8,315	7,247	1,068	15,537
Dec. 31	22,769	8,052	7,033	1,019	14,717
1931—June 30	21,903	7,782	6,800	982	14,121
Sept. 29	21,294	7,599	6,653	946	13,695
Dec. 31	19,966	7,246	6,368	878	12,720
1932—June 30	19,046	6,980	6,145	835	12,066
Sept. 30	18,794	6,904	6,080	824	11,890
Dec. 31		6,816	6,011	805	

¹ All banks in the United States; includes national banks, State commercial banks and trust companies, mutual and stock savings banks, and all private banks under State supervision.

BANK LOANS AND INVESTMENTS, PERCENTAGE DISTRIBUTION

[Figures for Sept. 30, 1932]

	Number of banks	Total loans and investments	
		Amount (millions of dollars)	Percentage distribution
All banks in the United States	18,794	45,852	100
Member banks—total	6,904	28,045	61
Reserve city banks (62 cities)	374	18,091	39
Central reserve city banks—			
New York City	36	7,112	16
Chicago	11	1,192	3
Other reserve city banks—			
New York City	9	27	
Chicago	7	16	
Other Federal reserve bank cities (10 cities)	92	4,832	11
Federal reserve branch cities (25 cities)	131	3,852	8
Other reserve cities (25 cities)	88	1,060	2
“Country” banks ¹	6,530	9,954	22
Nonmember banks	11,890	17,807	39

¹ Includes certain outlying banks in reserve cities.

REPORTING MEMBER BANKS IN LEADING CITIES

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

Month or date	Total—all weekly reporting member banks						New York City					Other leading cities		
	Loans and investments					Borrowings at F. R. banks	Loans and investments				Borrowings at F. R. banks	Total loans and investments	Borrowings at F. R. banks	
	Total	Loans on securities	All other loans	Investments			Total	Loans on securities	All other loans	Investments				
			Total	U. S. securities					Total	U. S. securities				
1932—January	20,178	5,644	7,331	7,203	3,943	460	6,921	2,209	2,220	2,492	1,631	34	13,257	435
February	19,775	5,497	7,214	7,064	3,856	484	6,845	2,127	2,171	2,347	1,621	23	13,130	461
March	19,434	5,388	6,987	7,059	3,866	368	6,521	2,065	2,078	2,378	1,547	3	12,913	365
April	19,096	5,150	6,820	7,126	3,875	277	6,492	1,947	2,029	2,518	1,620		12,604	277
May	19,112	4,975	6,727	7,410	4,121	185	6,947	1,851	2,038	2,758	1,797		12,465	185
June	18,877	4,811	6,609	7,457	4,200	191	6,841	1,745	1,995	2,801	1,849		12,386	191
July	18,419	4,616	6,455	7,848	4,144	212	6,353	1,644	1,896	2,813	1,860		12,066	212
August	18,587	4,578	6,319	7,690	4,499	164	6,517	1,687	1,819	3,041	2,081		12,070	164
September	18,739	4,524	6,229	7,986	4,759	128	6,692	1,669	1,810	3,213	2,220		12,047	128
October	19,026	4,437	6,168	8,421	5,140	103	6,914	1,686	1,797	3,481	2,447		12,112	103
November	18,987	4,280	6,120	8,587	5,279	99	7,059	1,573	1,856	3,630	2,556		11,928	99
December	18,840	4,319	6,021	8,500	5,220	75	7,047	1,619	1,841	3,587	2,513		11,793	75
1933—January	18,665	4,223	5,903	8,539	5,260	63	7,077	1,571	1,839	3,667	2,575		11,588	63
February	18,532	4,217	5,819	8,496	5,205	95	7,046	1,621	1,797	3,628	2,537		11,486	95
1932—Nov. 2	19,026	4,311	6,130	8,585	5,284	105	6,998	1,576	1,828	3,594	2,534		12,028	105
Nov. 9	19,026	4,295	6,130	8,601	5,291	99	7,044	1,570	1,850	3,624	2,555		11,982	99
Nov. 16	18,947	4,249	6,094	8,604	5,303	98	7,026	1,555	1,826	3,645	2,576		11,921	98
Nov. 23	18,933	4,257	6,118	8,558	5,252	95	7,057	1,567	1,876	3,614	2,538		11,876	95
Nov. 30	19,002	4,288	6,125	8,589	5,266	97	7,169	1,598	1,900	3,671	2,578		11,833	97
Dec. 7	18,841	4,307	6,057	8,477	5,226	89	7,060	1,625	1,848	3,587	2,546		11,781	89
Dec. 14	18,839	4,322	6,009	8,508	5,209	79	7,052	1,619	1,813	3,620	2,523		11,787	79
Dec. 21	18,874	4,331	6,037	8,506	5,236	64	7,055	1,620	1,866	3,569	2,502		11,819	64
Dec. 28	18,804	4,315	5,982	8,607	5,207	67	7,020	1,612	1,838	3,570	2,481		11,784	67
1933—Jan. 4	18,713	4,271	5,943	8,499	5,205	61	7,037	1,584	1,849	3,604	2,502		11,676	61
Jan. 11	18,673	4,237	5,899	8,537	5,262	58	7,055	1,580	1,822	3,653	2,560		11,618	58
Jan. 18	18,655	4,213	5,902	8,540	5,291	59	7,086	1,559	1,849	3,678	2,609		11,569	59
Jan. 25	18,619	4,173	5,867	8,579	5,283	76	7,132	1,562	1,836	3,734	2,631		11,487	76
Feb. 1	18,725	4,259	5,907	8,559	5,253	81	7,222	1,643	1,878	3,701	2,600		11,503	81
Feb. 8	18,573	4,204	5,824	8,545	5,248	70	7,073	1,606	1,799	3,668	2,572		11,500	70
Feb. 15	18,571	4,206	5,877	8,488	5,206	100	7,078	1,614	1,853	3,606	2,522		11,493	100
Feb. 21	18,257	4,199	5,666	8,392	5,115	130	6,809	1,621	1,653	3,535	2,452		11,448	130
Mar. 1	17,823	4,234	5,393	8,196	4,908	488	6,512	1,640	1,439	3,433	2,338	183	11,311	305

* Revised.

Back figures.—See Annual Reports for 1931 (Tables 58-60) and 1930 (Tables 52-54).

BROKERS' LOANS

REPORTED BY THE NEW YORK STOCK EXCHANGE

[Net borrowings on demand and on time. In millions of dollars]

End of month	Total		From New York banks and trust companies		From private banks, brokers, foreign banking agencies, etc.	
	1932	1933	1932	1933	1932	1933
January	512	359	374	270	138	90
February	525		385		140	
March	533		391		142	
April	379		300		79	
May	300		243		57	
June	244		194		49	
July	242		195		47	
August	332		248		85	
September	380		292		98	
October	325		263		61	
November	338		278		61	
December	347		279		68	

Back figures.—See Annual Reports for 1931 (Table 63) and 1927 (Table 47).

MADE BY REPORTING MEMBER BANKS IN N. Y. CITY

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

Month or date	Total	For own account	For account of out-of-town banks ¹	For account of others
1932—January	544	473	65	6
February	495	417	72	6
March	531	432	94	5
April	500	423	70	7
May	436	385	44	7
June	377	342	29	6
July	335	309	18	8
August	344	319	17	8
September	409	385	19	5
October	411	389	16	6
November	354	336	12	6
December	393	377	12	4
1933—January	380	365	11	4
February	433	416	10	7
Feb. 1	454	438	11	5
Feb. 8	422	405	11	6
Feb. 15	427	410	10	7
Feb. 21	429	410	10	9

¹ Member and nonmember banks outside New York City (domestic banks only).

Back figures.—See Annual Report for 1933 (Table 62), 1930 (Table 56), etc.

ACCEPTANCES AND COMMERCIAL PAPER

BANKERS' ACCEPTANCES OUTSTANDING (DOLLAR ACCEPTANCES)

[In millions of dollars]

End of month	Total outstanding	Held by Federal reserve banks		Held by accepting banks			Held by others
		For own account	For account of foreign correspondents	Total	Own bills	Bills bought	
1930—October	1,508	141	433	384	172	212	550
November	1,571	143	429	493	180	313	607
December	1,556	328	439	371	90	282	417
1931—January	1,520	89	447	571	134	437	412
February	1,520	85	456	550	151	398	429
March	1,467	123	431	472	131	341	440
April	1,422	162	409	410	125	285	441
May	1,413	124	380	464	171	293	444
June	1,368	95	341	554	196	357	379
July	1,228	39	243	668	232	436	278
August	1,090	70	228	606	168	438	186
September	896	420	100	410	162	248	67
October	1,040	647	99	220	112	118	63
November	1,002	418	126	296	125	171	161
December	974	305	251	262	131	131	156
1932—January	961	119	314	332	159	174	195
February	919	76	312	343	175	168	189
March	911	36	335	377	158	222	163
April	879	16	292	455	188	268	115
May	787	4	183	510	228	286	90
June	747	36	98	518	200	318	96
July	705	12	59	563	197	366	70
August	681	3	49	574	198	376	55
September	683	2	43	573	156	414	64
October	699	3	39	605	199	406	52
November	720	4	32	655	268	386	28
December	710	4	40	604	224	380	62
1933—January	707	2	41	626	256	370	38
February		307	30				

Figures for acceptances outstanding (and held by accepting banks) from American Acceptance Council.

Back figures.—See Annual Reports for 1931 (Table 70), 1930 (Table 64), 1929 (Table 53), and 1928 (Table 61).

ACCEPTANCES PAYABLE IN FOREIGN CURRENCIES—HOLDINGS OF FEDERAL RESERVE BANKS

[In thousands of dollars]

End of month	1930	1931	1932	1933
January	1,035	36,119	33,444	29,036
February	1,038	23,958	33,478	28,997
March	1,040	1,063	30,778	90
April	1,054	1,074	30,736	
May	1,058	1,073	30,837	
June	1,064	10,551	30,762	
July	1,065	34,371	30,645	
August	1,071	145,215	30,834	
September	1,075	48,804	30,849	
October	21,583	33,501	30,659	
November	31,587	33,386	30,652	
December	35,983	33,429	29,489	

Back figures.—See Annual Reports for 1928 (Table 12), 1927 (Table 12), 1926 (Table 24), etc.

CLASSES OF BANKERS' ACCEPTANCES (DOLLAR ACCEPTANCES)

[In millions of dollars]

End of month	Total	Based on imports into U. S.	Based on exports from U. S.	Based on goods stored in United States (warehouse credits) or shipped between domestic points	Dollar exchange	Based on goods stored in foreign countries or shipped between foreign points
1932—January	961	150	207	272	34	298
February	919	142	195	271	26	284
March	911	129	205	267	23	287
April	879	118	199	251	17	294
May	787	103	184	217	15	269
June	747	97	173	193	13	271
July	705	85	162	178	15	265
August	681	76	152	192	11	250
September	683	73	156	212	8	234
October	699	81	157	222	6	231
November	720	81	161	237	9	232
December	710	79	164	230	10	228
1933—January	707	71	166	222	11	237
HELD BY F. R. BANKS (OWN ACCOUNT) ¹						
1932—January	119	16	19	32	2	47
February	76	9	12	27	1	25
March	36	4	6	12	1	13
April	16	2	2	6	1	5
May	5	(²)	(²)	3	1	(²)
June	36	4	6	19	1	5
July	12	1	1	5	1	4
August	3	(²)	(²)	1	1	2
September	2	(²)	(²)	1	1	1
October	3	(²)	(²)	2	1	1
November	4	(²)	(²)	3	(²)	1
December	4	(²)	1	2		1
1933—January	2	(²)	(²)	1		1

¹ Total holdings of Federal reserve banks include a small amount of unclassified acceptances.

² Less than \$500,000.

Back figures.—See Annual Reports for 1931 (Tables 67 and 15), 1930 (Tables 61 and 14), etc.

COMMERCIAL PAPER OUTSTANDING

[In millions of dollars]

End of month	1930	1931	1932	1933
January	404	327	106	85
February	457	315	103	
March	629	311	106	
April	553	307	108	
May	541	305	111	
June	527	292	103	
July	528	289	100	
August	526	271	108	
September	513	248	110	
October	485	210	113	
November	448	174	110	
December	358	118	81	

Back figures.—See Annual Reports for 1931 (Table 66) and 1930 (Table 60).

BANK SUSPENSIONS AND BANKS REOPENED

Year and month	Banks suspended							Banks reopened						
	Number			Deposits (in thousands of dollars)				Number			Deposits (in thousands of dollars)			
	All banks	Members		Non-members	All banks	Members		Non-members	All banks	Members	Non-members	All banks	Members	Non-members
		National	State			National	State							
1921-----	501	51	19	431	196,460	21,285	21,218	153,957	60	10	50	17,493	3,132	14,361
1922-----	354	45	12	297	110,721	19,092	5,151	86,478	65	24	41	35,565	11,618	23,947
1923-----	648	90	34	524	188,701	32,904	18,324	137,473	37	14	23	11,674	5,068	6,606
1924-----	776	122	37	617	213,338	60,889	13,580	138,869	94	20	74	22,462	7,190	15,272
1925-----	612	118	28	466	172,900	58,537	8,727	105,636	62	14	48	16,618	6,779	9,839
1926-----	956	125	35	796	272,488	47,866	20,946	203,676	149	14	135	60,610	8,179	52,431
1927-----	662	91	33	538	193,891	46,581	19,755	127,555	95	11	84	35,729	8,311	27,418
1928-----	491	57	16	418	138,642	31,619	10,621	96,402	39	5	34	15,727	6,610	9,117
1929-----	642	64	17	561	234,532	37,007	20,128	177,397	58	5	53	25,829	2,273	23,556
1930-----	1,345	181	26	1,158	864,715	173,290	207,150	484,275	147	7	140	61,599	3,538	58,061
1931-----	2,298	409	108	1,781	1,691,510	439,171	294,357	957,982	276	31	245	168,187	53,944	104,243
1932-----	1,456	276	55	1,125	715,626	214,150	55,153	446,323	290	52	238	276,194	71,666	204,528
1931—August-----	158	29	12	117	180,028	31,629	52,660	95,739	4	-----	4	14,396	-----	14,396
September-----	305	46	16	243	233,505	79,446	30,272	123,787	6	-----	6	4,258	-----	4,258
October-----	522	100	25	397	471,380	111,088	117,259	243,033	22	2	20	5,096	991	4,105
November-----	175	35	8	132	67,939	28,039	4,216	35,684	21	4	17	13,041	3,684	9,357
December-----	358	63	18	277	277,051	87,448	25,768	163,835	31	3	28	18,579	589	17,990
1932—January-----	342	74	13	255	218,867	63,482	10,873	144,512	19	3	16	10,952	3,293	7,659
February-----	121	24	6	91	57,266	17,127	8,427	31,712	43	5	38	14,730	3,026	11,704
March-----	46	7	-----	39	14,780	4,484	-----	10,276	36	10	26	18,902	9,714	9,188
April-----	74	6	5	63	31,613	2,634	11,887	17,092	22	3	19	11,041	1,793	9,248
May-----	82	14	6	62	34,370	6,263	1,237	26,870	23	4	19	33,214	4,219	28,995
June-----	151	44	4	103	132,661	42,555	7,589	82,517	21	3	18	11,501	2,891	8,610
July-----	132	20	4	108	48,743	17,722	1,769	29,252	24	6	18	69,959	16,382	53,577
August-----	85	17	2	66	29,513	11,075	798	17,640	25	3	22	33,498	5,018	28,480
September-----	67	12	4	51	13,508	2,980	1,725	8,803	16	4	12	14,082	2,297	11,785
October-----	102	20	-----	82	20,092	6,209	-----	13,883	27	6	21	38,494	20,291	18,203
November-----	93	19	6	68	43,319	26,224	3,358	13,737	18	4	14	12,487	2,078	10,409
December-----	161	19	5	137	70,914	13,395	7,490	50,029	16	1	15	7,334	664	6,670
1933—January-----	241	44	15	182	135,020	55,938	14,394	64,688	20	1	19	14,473	3,627	10,846
February-----	148	20	7	121	72,870	15,881	7,788	49,201	21	-----	21	14,958	-----	14,958

* Preliminary.
* Revised.

Banks suspended and banks reopened.—The statistics of bank suspensions relate to banks closed to the public either temporarily or permanently, on account of financial difficulties, by order of supervisory authorities or directors of the bank. They do not include banks closed temporarily under special or "moratorium" holidays declared by civil authorities. Reopenings are recorded as of the month in which they occur, and include for any given month reopenings both of banks closed during the month and of banks closed earlier.

Deposits.—Figures of deposits in banks suspended are as of date of suspension whenever data as of this date are available; otherwise they are as of the latest available call date prior to suspension. For banks reopened the figures of deposits are not as of date of reopening, which are seldom available, but are taken from the record of suspensions.

Back figures.—See Annual Reports for 1931 (Table 73) and 1928 (Table 64).

MEMBER BANK HOLDINGS OF ELIGIBLE ASSETS

[In millions of dollars]

Call date	Holdings of Government securities ¹ and eligible paper (including paper under rediscount)									Member bank borrowings at Federal reserve banks
	By reserve city banks			By "country" banks			By all member banks			
	U. S. Government securities	Eligible paper	Total	U. S. Government securities	Eligible paper	Total	U. S. Government securities	Eligible paper	Total	
1929—Oct. 4-----	2,469	2,865	5,334	912	1,733	2,645	3,381	4,598	7,979	899
Dec. 31-----	2,403	2,713	5,116	814	1,684	2,498	3,217	4,397	7,614	646
1930—Mar. 27-----	2,619	2,542	5,161	818	1,662	2,480	3,438	4,204	7,642	206
June 30-----	2,640	2,285	4,925	772	1,620	2,392	3,412	3,905	7,317	274
Sept. 24-----	2,682	2,271	4,953	764	1,541	2,305	3,446	3,812	7,258	173
Dec. 31-----	2,777	2,100	4,877	708	1,438	2,146	3,485	3,538	7,023	248
1931—Mar. 25-----	3,584	2,045	5,629	776	1,373	2,149	4,360	3,418	7,778	165
June 30-----	3,871	1,870	5,741	836	1,328	2,164	4,707	3,198	7,905	147
Sept. 29-----	3,942	1,787	5,729	994	1,209	2,203	4,936	2,996	7,932	323
Dec. 31-----	3,706	1,605	5,211	989	1,068	2,056	4,694	2,573	7,267	623
1932—June 30-----	3,985	1,457	5,442	994	971	1,965	4,979	2,428	7,407	440
Sept. 30-----	4,623	1,508	6,131	1,003	916	1,919	5,626	2,424	8,050	331
Dec. 31-----	4,776	1,403	6,179	987	844	1,831	5,763	2,246	8,009	235

¹ Exclusive of approximately \$650,000,000 of Government securities pledged against national bank note circulation.

Bank figures.—See Annual Report for 1931 (Table 50).

FEDERAL RESERVE BANK RATES

DISCOUNT RATES

[Rates for member banks on eligible paper]

Federal reserve bank	Rate in effect on Mar. 15	Date established	Previous rate
Boston.....	3½	Oct. 17, 1931	2½
New York.....	3½	Mar. 3, 1933	2½
Philadelphia.....	3½	Oct. 22, 1931	3
Cleveland.....	3½	Oct. 24, 1931	3
Richmond.....	3½	Jan. 25, 1932	4
Atlanta.....	3½	Nov. 14, 1931	3
Chicago.....	3½	Mar. 4, 1933	2½
St. Louis.....	3½	Oct. 22, 1931	2½
Minneapolis.....	3½	Sept. 12, 1930	4
Kansas City.....	3½	Oct. 23, 1931	3
Dallas.....	3½	Jan. 28, 1932	4
San Francisco.....	3½	Oct. 21, 1931	2½

Back figures.—See Annual Report for 1931 (Table 36).

BUYING RATES ON ACCEPTANCES

[Buying rates at the Federal Reserve Bank of New York]

Maturity	Rate in effect on Mar. 15	Date established	Previous rate ¹
1-15 days.....	3½	Mar. 13, 1933	3¼
16-30 days.....	3½	do.....	3¼
31-45 days.....	3½	do.....	3¼
46-60 days.....	3½	do.....	3¼
61-90 days.....	3½	do.....	3¼
91-120 days.....	3½	do.....	3½
121-180 days.....	4	do.....	3¾

¹ For changes during period Feb. 16-Mar. 13, see p. 132.

NOTE.—Rates on prime bankers' acceptances. Higher rates may be charged for other classes of bills.

Back figures.—See Annual Reports for 1931 (Table 37) and 1928 (Table 35).

OPEN-MARKET RATES

RATES IN NEW YORK CITY

Month or week	Prevailing rate on—			Average rate on—		Average yield on—	
	Prime commercial paper, 4 to 6 months	Prime bankers' acceptances, 90 days	Time loans, 90 days ¹	Call loans ¹		U. S. Treasury notes and certificates, 3 to 6 months	Treasury bonds ¹
				New	Renewal		
1932							
January.....	3¼-4	2¾-3	3¼-4	2.61	2.65	2.48	4.27
February.....	3¼-4	2¾-2¾	3¼-3¾	2.50	2.50	2.42	4.11
March.....	3¼-3¾	2¾-2¾	2¾-3¾	2.50	2.50	2.25	3.92
April.....	3¼-3¾	¾-2¾	2-3	2.50	2.50	1.11	3.74
May.....	2¾-3¾	¾-1¾	1½-2	2.50	2.50	.31	3.77
June.....	2½-3	¾	1¾	2.50	2.50	4.34	3.78
July.....	2½-2¾	¾	1¾-1¾	2.08	2.08	.22	3.65
August.....	2-2½	¾	1¾-1¾	2.00	2.00	.14	3.57
September.....	2-2½	¾	1¾-1¾	2.00	2.00	4.03	3.54
October.....	1¾-2¼	½-¾	¾-1¾	1.35	1.35	-----	3.54
November.....	1¾-1¾	½	¾	1.00	1.00	-----	3.55
December.....	1¾-1¾	¾	¾	1.00	1.00	4.04	3.48
1933							
January.....	1¾-1¾	¾-¾	¾	1.00	1.00	.07	3.39
February.....	1¾-1¾	¾-¾	¾-1¾	1.00	1.00	.01	3.45
Week ending—							
Feb. 4.....	1¾-1¾	¾	¾	1.00	1.00	-----	3.37
Feb. 11.....	1¾-1¾	¾	¾	1.00	1.00	-----	3.39
Feb. 18.....	1¾-1¾	¾-¾	¾	1.00	1.00	-----	3.44
Feb. 25.....	1¾-1¾	¾	1-1¾	1.00	1.00	.03	3.61

¹ Stock exchange call loans; new and renewal rates.

² Stock exchange 90-day time loans.

³ Issues—3¾, 3¾, 4 per cent; yields calculated on basis of last redemption dates—1947, 1956, and 1954.

⁴ Change of issues on which yield is computed.

Back figures.—See Annual Report for 1931 (Tables 39 and 40), 1930 (Tables 36 and 37), 1929 (Tables 35 and 36), etc.

RATES CHARGED CUSTOMERS BY BANKS IN PRINCIPAL CITIES

[Weighted averages of prevailing rates]

Month	New York City					8 other northern and eastern cities					27 southern and western cities				
	1929	1930	1931	1932	1933	1929	1930	1931	1932	1933	1929	1930	1931	1932	1933
January.....	5.74	5.64	4.24	4.71	4.12	5.87	5.88	4.61	5.07	4.89	5.94	6.12	5.50	5.61	5.60
February.....	5.73	5.35	4.31	4.71	4.11	5.86	5.66	4.63	5.13	4.84	5.96	6.05	5.43	5.61	5.56
March.....	5.81	5.22	4.20	4.72	-----	5.91	5.47	4.62	5.14	-----	6.04	5.98	5.40	5.64	-----
April.....	5.55	4.91	4.17	4.69	-----	6.00	5.22	4.57	5.10	-----	6.07	5.86	5.36	5.63	-----
May.....	5.88	4.74	4.11	4.55	-----	6.09	5.13	4.55	5.14	-----	6.10	5.75	5.26	5.64	-----
June.....	5.93	4.59	4.13	4.61	-----	6.02	5.06	4.49	5.13	-----	6.16	5.69	5.34	5.62	-----
July.....	5.88	4.48	4.05	4.42	-----	6.08	4.81	4.48	5.05	-----	6.17	5.53	5.30	5.63	-----
August.....	6.05	4.41	3.97	4.45	-----	6.11	4.79	4.47	5.12	-----	6.22	5.58	5.28	5.68	-----
September.....	6.06	4.29	3.93	4.30	-----	6.24	4.74	4.48	5.03	-----	6.27	5.55	5.32	5.63	-----
October.....	6.08	4.26	4.27	4.35	-----	6.25	4.75	4.62	4.96	-----	6.29	5.54	5.38	5.66	-----
November.....	5.86	4.17	4.67	4.12	-----	6.12	4.66	4.87	4.88	-----	6.29	5.50	5.53	5.55	-----
December.....	5.74	4.16	4.64	4.22	-----	5.94	4.63	4.91	4.88	-----	6.20	5.43	5.56	5.60	-----

NOTE.—Figures relate to rates charged by reporting banks to their own customers as distinguished from open-market rates (which are given in preceding table). All averages are based on rates reported for 3 types of customer loans—commercial loans, and demand and time loans on securities. The method of computing the averages takes into account (a) the relative importance of each of these 3 types of loans and (b) the relative importance of each reporting bank, as measured by total loans. In the two group averages the average rate for each city included is weighted according to the importance of that city in the group, as measured by the loans of all banks in the city.

Back figures.—See Annual Report for 1931 (Table 42).

SECURITY PRICES AND SECURITY ISSUES

SECURITY PRICES

[Index numbers of Standard Statistics Co. Monthly data are averages of weekly figures]

Month or date	Bonds ¹	Preferred stocks ²	Common stocks (1926=100)													
			Total	Industrial	Railroad	Public utility	Selected groups of industrial issues									
							Auto-mobile	Build-ing equip-ment	Chain-store	Chem-ical	Cop-per and brass	Electrical equip-ment	Ma-chinery	Oil	Steel	Tex-tile
Number of issues.....	60	20	421	351	33	37	13	12	16	11	8	4	10	15	10	28
1932-January.....	81.0	96.5	58	54	37	94	64	31	57	80	36	85	48	43	32	31
February.....	80.3	98.3	56	53	34	93	60	30	56	79	32	77	47	42	32	31
March.....	80.8	96.2	57	54	32	93	55	29	58	85	30	77	47	45	32	31
April.....	79.4	94.2	44	42	22	73	34	22	49	61	22	57	37	38	23	26
May.....	75.2	90.3	40	38	17	68	30	20	42	62	20	52	33	39	20	23
June.....	72.2	83.6	34	34	14	55	26	18	35	48	17	40	29	37	16	20
July.....	74.2	85.3	36	36	16	55	26	19	36	50	20	43	30	42	18	22
August.....	83.2	98.6	53	52	29	84	45	30	49	75	38	73	44	55	33	33
September.....	85.8	101.8	58	56	35	91	54	34	53	83	47	78	48	54	42	39
October.....	84.1	99.8	50	48	28	81	43	28	48	74	34	63	42	47	33	33
November.....	81.9	97.4	48	45	26	78	40	25	47	71	32	60	39	47	28	30
December.....	81.2	95.4	47	45	26	80	40	25	47	76	26	56	38	46	28	30
1933-January.....	84.1	97.8	49	46	28	82	42	25	46	82	29	61	39	46	27	27
February.....	82.5	95.7	45	42	27	73	38	23	43	74	28	54	39	42	24	24
Feb. 1.....	83.7	97.2	47	44	28	76	39	24	45	79	28	59	40	42	25	26
Feb. 8.....	83.4	96.8	46	44	28	75	40	24	44	77	30	56	39	43	25	26
Feb. 15.....	82.6	94.9	45	42	26	72	37	22	42	73	28	53	39	43	24	25
Feb. 21.....	80.2	93.7	43	40	25	69	35	22	40	66	27	49	37	40	22	24

¹ Average price of 60 high-grade bonds adjusted for differences in coupon rate and maturity. ² 20 high-grade industrials; average price.
Back figures.—See (for principal series) Annual Report for 1931 (Table 129).

CAPITAL ISSUES

[Long-term; i. e., 1 year or more. In millions of dollars]

Year and month	New issues					Re-fund-ing issues (do-mestic and for-aign)	
	Total (do-mestic and for-aign)	Domestic			For-aign		
		To-tal ¹	State and mu-ni-ci-pal	Cor-porate			
			Bonds and notes	Stocks			
1925.....	6,201	5,125	1,352	2,452	1,153	1,076	925
1926.....	6,314	5,189	1,344	2,667	1,087	1,125	1,046
1927.....	7,556	6,219	1,475	3,183	1,474	1,337	2,220
1928.....	8,040	6,789	1,379	2,385	2,961	1,251	1,858
1929.....	10,091	9,420	1,418	2,078	5,924	671	1,422
1930.....	6,909	6,004	1,434	2,980	1,503	905	711
1931.....	3,099	2,860	1,235	1,240	311	229	949
1932.....	1,165	1,157	755	305	20	8	583
1932-January.....	184	184	138	42	4	0	14
February.....	73	73	35	35	4	0	21
March.....	162	162	109	47	1	0	29
April.....	71	71	30	15	0	0	72
May.....	91	91	84	7	0	0	32
June.....	78	78	74	4	0	0	64
July.....	106	104	25	62	1	2	57
August.....	63	60	34	25	2	3	108
September.....	75	73	63	6	0	2	76
October.....	94	94	36	47	2	0	43
November.....	44	43	28	9	2	1	32
December.....	124	124	99	6	4	0	35
1933-January.....	65	65	33	19	3	0	45

¹ Includes issues of Federal land banks and Federal intermediate credit banks, not shown separately.

Sources.—For domestic issues: Commercial and Financial Chronicle; for foreign issues (issues publicly offered) annual totals are as finally reported by Department of Commerce, while monthly figures are as compiled currently and are subject to revision.

Back figures.—See (for figures of new issues—annual and quarterly basis) Annual Report for 1931 (Table 128).

UNITED STATES GOVERNMENT SECURITIES

[In millions of dollars]

Month	Outstanding at end of month			Increase or decrease (-) during month		
	Total	Bonds and notes	Certificates and bills	Total	Bonds and notes	Certificates and bills
1931						
November.....	17,040	14,955	2,085	12	-26	38
December.....	17,528	15,092	2,436	488	137	351
Total (12 months).....				1,754	638	1,116
1932						
January.....	17,515	15,102	2,413	-13	10	-23
February.....	17,820	15,102	2,718	305		305
March.....	18,190	15,102	3,088	370		370
April.....	18,287	15,103	3,184	97	1	96
May.....	18,729	15,318	3,411	442	215	227
June.....	19,161	15,715	3,446	432	397	35
July.....	19,297	15,744	3,553	136	29	107
August.....	19,758	16,454	3,304	461	710	-249
September.....	20,296	17,288	3,008	538	834	-296
October.....	20,485	17,796	2,689	189	508	-319
November.....	20,476	17,796	2,680	-9		-9
December.....	20,448	17,522	2,926	-28	-274	246
Total (12 months).....				2,920	2,430	490
1933						
January.....	20,454	17,528	2,926	6	6	
February.....	20,685	17,806	2,879	231	278	-47

NOTE.—Figures relate to interest-bearing public debt; matured and noninterest-bearing debt amounted to \$350,000,000 at the end of February, 1933. Figures include obligations held in Government trust funds. Bonds and notes are long-term—i. e., 1 year or more (figuring from date of issue); certificates and bills, shorter term.

PRODUCTION, EMPLOYMENT, CAR LOADINGS, AND COMMODITY PRICES

[Index numbers; 1923-1925 average=100. The terms adjusted and unadjusted refer to adjustment for seasonal variation]

Year and month	Industrial production *						Construction contracts awarded (value) †						Factory employment ‡		Factory pay rolls ‡			Freight-car loadings ††		Commodity prices †††
	Total †		Manufactures †		Minerals †		Total		Residential		All other		Unad-justed	Ad-justed	Unad-justed	Unad-justed	Ad-justed	Unad-justed		
	Unad-justed	Ad-justed	Unad-justed	Ad-justed	Unad-justed	Ad-justed	Unad-justed	Ad-justed	Unad-justed	Ad-justed	Unad-justed	Ad-justed								
1919	83		84		77		63		44		79		107		98		84		139	
1920	87		87		89		63		30		90		108		118		91		154	
1921	67		67		70		56		44		65		82		77		79		98	
1922	85		86		74		79		68		88		90		81		87		97	
1923	101		101		105		84		81		86		104		103		100		101	
1924	95		94		96		94		95		94		96		96		97		98	
1925	104		105		99		122		124		120		100		101		103		104	
1926	108		108		108		129		121		135		101		104		106		100	
1927	106		106		107		129		117		139		99		102		103		95	
1928	111		112		106		135		126		142		97		102		103		97	
1929	119		119		115		117		87		142		101		108		106		95	
1930	96		95		99		92		50		125		88		87		92		86	
1931	81		80		84		63		37		84		74		66		75		73	
1932	64		63		71		28		13		40		62		45		56		65	
1929																				
May	126	122	128	123	116	117	143	121	113	97	168	141	102	102	111	109	107	95		
June	125	125	127	127	116	114	144	126	102	95	178	152	102	103	110	110	108	95		
July	120	124	120	125	118	116	136	124	94	93	170	149	102	103	106	111	107	97		
August	122	121	122	122	121	115	129	122	84	86	166	152	104	103	111	115	107	96		
September	123	121	123	121	127	118	112	110	73	73	144	140	105	102	112	121	106	96		
October	121	118	119	119	127	116	104	107	67	67	135	139	103	101	111	118	104	95		
November	108	110	107	110	114	110	94	103	66	67	116	132	99	99	103	102	102	94		
December	96	103	93	101	110	116	84	102	53	61	109	136	95	97	99	89	102	93		
1930																				
January	103	106	102	105	108	110	78	95	46	56	104	128	93	96	94	89	100	93		
February	109	107	110	107	104	108	89	104	44	49	126	148	93	94	98	91	99	91		
March	106	104	109	104	91	98	102	102	54	52	141	144	93	93	98	90	96	90		
April	107	104	110	104	94	104	113	101	62	53	156	140	93	92	97	93	97	90		
May	105	102	106	101	102	104	125	105	61	62	178	148	91	91	94	97	96	89		
June	99	98	98	97	103	102	116	99	54	49	166	140	89	90	91	95	93	87		
July	91	93	89	92	100	100	107	95	48	47	155	135	86	87	83	95	92	84		
August	90	90	88	89	101	96	85	81	48	49	115	106	85	84	82	96	89	84		
September	92	90	90	89	101	94	82	81	52	52	108	105	86	83	83	99	87	84		
October	90	88	87	86	105	95	75	78	51	52	94	99	84	82	81	97	86	83		
November	84	86	82	85	96	92	68	76	46	48	86	99	81	81	75	86	84	81		
December	77	84	74	82	89	93	59	73	37	43	77	98	79	80	74	74	84	80		
1931																				
January	82	84	81	83	87	89	58	71	37	44	75	93	76	78	68	74	82	78		
February	87	86	88	86	84	87	68	79	42	47	89	104	77	78	73	74	80	77		
March	90	87	91	87	82	89	77	77	50	47	98	100	78	78	75	75	80	76		
April	90	88	91	87	83	91	82	73	52	44	107	96	78	78	74	77	80	75		
May	89	87	90	87	84	87	78	65	47	40	104	85	77	78	72	79	79	73		
June	83	83	83	82	86	87	74	63	41	37	101	84	75	76	68	77	77	72		
July	80	82	79	82	86	86	68	61	36	35	94	82	74	75	64	78	76	72		
August	78	78	77	78	82	79	63	59	32	33	87	81	74	74	64	76	72	72		
September	77	76	76	75	83	78	59	59	32	32	81	80	75	73	62	78	69	71		
October	75	73	72	71	90	83	52	55	29	30	71	76	71	70	59	78	69	70		
November	72	73	70	71	84	81	43	49	26	27	67	67	69	69	56	70	68	70		
December	68	74	66	73	79	84	30	38	20	23	39	50	68	69	56	61	69	69		
1932																				
January	71	72	70	71	74	77	25	31	16	19	33	41	66	68	52	58	64	67		
February	71	69	70	68	75	78	23	27	15	17	30	35	67	68	54	59	62	66		
March	68	67	66	64	77	84	26	26	16	15	35	36	66	66	52	58	61	66		
April	64	63	63	61	72	79	31	27	16	14	43	38	64	64	49	57	59	66		
May	61	60	60	58	65	67	31	26	14	12	45	37	61	62	46	53	54	64		
June	59	59	59	58	61	63	32	27	12	11	47	39	59	60	43	52	52	64		
July	56	58	55	57	62	64	31	27	12	11	46	40	57	58	40	51	51	65		
August	59	60	58	59	66	65	32	30	11	12	48	45	59	59	40	53	51	65		
September	67	66	66	66	73	70	30	30	12	12	45	44	62	60	42	61	54	65		
October	68	67	66	65	80	74	28	29	12	12	41	43	62	61	44	65	57	64		
November	65	65	63	63	78	75	24	27	10	10	35	41	61	61	42	58	57	64		
December	60	66	58	64	72	76	22	28	8	9	33	43	60	61	41	52	58	63		
1933																				
January	64	65	63	64	71	73	18	22	7	8	27	33	58	59	39	51	56	61		

† Preliminary.

† Average per working day.

† Revised.

1 For indexes of groups and separate industries see p. 204; for description see BULLETIN for February and March, 1927; for back figures see BULLETIN for March, 1932, p. 194.
 2 3-month moving average, centered at second month; for description and back figures see BULLETIN for July, 1931, p. 358.
 3 For indexes of groups and separate industries see p. 205; for description and back figures see BULLETIN for November, 1929, and November, 1930.
 4 For indexes of groups see p. 148; for back figures see BULLETIN for February, 1931, p. 108.
 5 Index of Bureau of Labor Statistics (784 price series), 1926=100. Index numbers for groups of commodities are given on p. 206.

MERCHANDISE EXPORTS AND IMPORTS

[In millions of dollars]

Month	Merchandise exports					Merchandise imports					Excess of exports				
	1929	1930	1931	1932	1933	1929	1930	1931	1932	1933	1929	1930	1931	1932	1933
January.....	488	411	250	150	121	369	311	183	136	96	119	100	66	15	25
February.....	442	349	224	164	-----	369	282	175	131	-----	72	67	49	23	-----
March.....	490	370	236	155	-----	384	300	210	131	-----	106	69	26	24	-----
April.....	425	332	215	135	-----	411	308	186	127	-----	15	24	29	9	-----
May.....	385	320	204	132	-----	400	285	180	112	-----	-15	35	24	20	-----
June.....	393	295	187	114	-----	353	250	173	110	-----	40	44	14	4	-----
July.....	403	267	181	107	-----	353	221	174	79	-----	50	46	6	27	-----
August.....	381	298	185	109	-----	369	218	167	91	-----	11	79	-2	18	-----
September.....	437	312	190	132	-----	351	226	170	98	-----	86	86	10	34	-----
October.....	529	327	205	153	-----	391	247	169	105	-----	137	80	36	48	-----
November.....	442	289	194	139	-----	333	204	149	104	-----	104	85	44	34	-----
December.....	427	275	184	132	-----	310	209	154	97	-----	117	66	30	35	-----
Year.....	5,241	3,843	2,424	1,612	-----	4,399	3,061	2,091	1,323	-----	842	782	334	289	-----

* Revised.

DEPARTMENT STORES—SALES, STOCKS

[Index numbers; 1923-1925 average=100]

Month	Index of sales ¹				Index of stocks (end of month)			
	Adjusted for seasonal variation		Without seasonal adjustment		Adjusted for seasonal variation		Without seasonal adjustment	
	1932*	1933	1932*	1933	1932*	1933	1932*	1933
January.....	78	60	64	49	75	59	66	52
February.....	78	* 61	64	* 50	73	-----	69	-----
March.....	72	-----	69	-----	70	-----	73	-----
April.....	79	-----	74	-----	89	-----	72	-----
May.....	72	-----	72	-----	68	-----	69	-----
June.....	69	-----	66	-----	67	-----	65	-----
July.....	65	-----	46	-----	64	-----	59	-----
August.....	65	-----	49	-----	61	-----	59	-----
September.....	68	-----	71	-----	60	-----	63	-----
October.....	69	-----	75	-----	61	-----	67	-----
November.....	63	-----	73	-----	61	-----	69	-----
December.....	60	-----	106	-----	60	-----	56	-----
Year.....	-----	-----	69	-----	-----	-----	66	-----

¹ Based throughout on figures of daily average sales—with allowance for changes from month to month in number of Saturdays and for 6 national holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas. Adjustment for seasonal variation makes allowance in March and April for the effect upon sales of changes in the date of Easter.

* Preliminary.

* Figures for 1931 and 1932 revised.

Back figures.—See BULLETIN for November, 1930, p. 686.

FREIGHT-CAR LOADINGS, BY CLASSES

[Index numbers; 1923-1925 average=100]

	1932				1933
	Sept.	Oct.	Nov.	Dec.	Jan.
	Adjusted for seasonal variation				
Total.....	54	57	57	58	56
Coal.....	59	68	66	69	56
Coke.....	32	39	40	45	40
Grain and grain products.....	68	65	59	59	61
Livestock.....	54	52	51	50	50
Forest products.....	24	25	24	22	22
Ore.....	10	12	10	20	20
Miscellaneous.....	52	56	57	57	57
Merchandise ¹	69	69	68	69	69
	Without seasonal adjustment				
Total.....	61	65	58	52	51
Coal.....	64	77	72	74	63
Coke.....	31	40	41	45	44
Grain and grain products.....	82	72	63	57	59
Livestock.....	64	69	59	50	53
Forest products.....	25	26	23	18	20
Ore.....	16	16	7	5	5
Miscellaneous.....	62	66	56	45	45
Merchandise ¹	72	72	70	64	65

¹ In less-than-carload lots.

Based on daily average loadings. Source of basic data: American Railway Association.

Back figures.—See BULLETIN for February, 1931, pp. 108-110.

FOREIGN BANKING AND BUSINESS CONDITIONS

ANNUAL REPORT OF THE BANK OF FRANCE

The annual report of the Bank of France, covering the year 1932, was presented to the general meeting of shareholders on January 26, 1933. The text of the report is as follows:¹

Our previous report reviewed the origin and development of the crisis, which began to show its first symptoms as early as 1929. During 1932 international trade underwent a new recession; unemployment continued to increase; monetary systems, seriously disorganized in a number of countries, failed to recover the stability which can be obtained only after years of patient effort. Everywhere political unrest, uncertainty, and lack of confidence created almost insurmountable obstacles to the return of normal economic conditions.

In this troubled period, during which the Bank of France saw the difficulties of its task increased by events over which it had no control, it continued to frame its policy in accordance with those traditional principles to which it once again proclaimed its devotion during the past year. Desirous above all else to assure the free play of the gold standard and to maintain the stability of the franc, the bank continued the work of monetary reconstruction begun in 1928, while endeavoring to make no decision which should be of a nature to disturb the equilibrium of foreign markets.

The balance of payments.—From December 24, 1931, to December 24, 1932, the gold reserve of the bank rose from \$2,684,000,000 to \$3,258,000,000, an increase of \$574,000,000. During the same period the portfolio of foreign exchange declined by \$642,000,000. For the first time since 1926 the total gold and foreign exchange holdings of the bank showed a decline; not very large, it is true, but indicating nevertheless a new orientation of the French balance of payments, which in the past few years consistently showed a surplus.

To the unfavorable merchandise balance, which amounted to about \$392,000,000, must be added a very considerable reduction in certain of the favorable invisible items. The deficit in our balance of payments was the result of several unfavorable factors, and would undoubtedly have been greatly accentuated if the attractive character of the franc had not kept

in the Paris market foreign capital which had previously taken refuge there. But the maintenance in the French market of a large volume of liquid funds, which might at any moment be withdrawn, gives the bank still another reason for exercising circumspection.

Liquidation of foreign exchange.—Ever since 1928 the bank has wished to liquidate as rapidly as possible the unduly large volume of foreign exchange which had been acquired as the result of exceptional circumstances. The stabilization law, moreover, which was intended to give the franc a purely metallic basis, obligated us to hasten as much as possible the final reform of our balance sheet. We hoped that large scale international operations would enable us to absorb automatically the foreign exchanges deposited in the Paris market, and we wished to be able to cooperate more fully in that work of economic and financial restoration of which the war-torn world stands so greatly in need. If it had depended upon us, a more serene international atmosphere would have permitted the execution of this program.

The continuation and increased severity of the crisis experienced in 1931 decided us to liquidate the greater part of our foreign holdings without further delay. These operations were reflected in the total volume of our foreign-exchange holdings. They were conducted in complete agreement with the foreign banks of issue, whose cooperation we are happy to acknowledge. In order not to aggravate the monetary difficulties of the countries involved in these operations, the bank in all circumstances made use of such technical procedure as was best suited to carry through the program as outlined. It consistently abstained from intervention during periods when the exchange markets exhibited signs of nervousness. You will recall in particular that the bank refrained from disposing of its dollar balances during the autumn of 1931, when the United States was forced to meet large withdrawals of foreign funds. Throughout the past year the bank has shown the same circumspection, and has the consciousness of having conducted its operations with a constant regard for international solidarity.

In acting thus, the bank wished to prove its desire to collaborate, which has never weakened during these past years. It certainly gave proof of this desire in opening

¹ The report, available in French, contains in addition tables showing the operations of the bank in detail, and remarks concerning personnel, etc. All amounts of money expressed in francs have been converted into dollars at par and then expressed in round figures. For earlier reports, see BULLETIN for March, 1932, 1931, 1930, 1929, 1928, 1927, etc.

credits for those foreign banks of issue which requested its assistance. This past year it has continued to cooperate in aiding the common task of reconstruction by every means in its power. In particular, in agreement with the Bank for International Settlements, the Bank of England, and the Federal Reserve Bank of New York, it several times renewed the credit to the Reichsbank, opened in July, 1931, in which it now participates in the amount of \$21,500,000. The credits which it extended to the Bank of England jointly with the Federal Reserve Bank of New York and the commercial banks in the city of Paris were repaid in full on February 1, 1932.

The régime of the gold standard.—The increase of the gold reserve during the past year raised the reserves against demand liabilities from 60.57 to 77.65 per cent. Compared with the legal minimum of 35 per cent, this gives a margin of 42 points. France to-day holds almost the same proportion of the total world stock of gold as it did before the war.

This situation may easily be changed by the ordinary course of events. The short-term funds which have been invested in France during the past few years may be withdrawn again to foreign markets when these shall have recovered their equilibrium. This exodus of funds should not cause any anxiety if it indicates a recovery of international commerce and a resumption of international capital movements, and if it is not accompanied by headlong speculation and loss of confidence. The strong and extremely elastic guarantee of the franc enables us in fact to anticipate without apprehension withdrawals of gold solely as a result of the normal functioning of the gold-standard system.

During 1932 the principles constantly upheld by the Bank of France received further approval from the highest international authorities. The declaration of the American and French Governments on October, 1931, affirming the identity of their viewpoints; the report of the Gold Delegation of the League of Nations, giving the result of the studies which they had pursued for almost three years; the resolution which the Administrative Council of the Bank for International Settlements adopted unanimously on July 11, last—in all these statements the necessity for reestablishing a monetary system on the basis of gold has been clearly recognized.

The bank has tried to make its decisions in accordance with this principle, which has lost

nothing of its practical value and which, as experience has proved, corresponds to realities.

The free movement of merchandise and of funds.—In the economic sphere, a steady process of liquidation was carried on. But this voluntary effort at recovery was constantly offset by artificial intervention which, intended to lessen the effects of the crisis, in reality only delayed its ending. Although there is no more urgent task than that of assuring the free movement of merchandise and of funds, every country has had recourse to measures of tariff protection which have sometimes amounted to actual prohibition of imports; many countries in their desire to retain the appearance of currency stability have adopted exchange regulations which created new obstacles to the normal functioning of international trade.

The progressive abolition of these various obstacles is the first condition for the reestablishment of confidence. Every isolated attempt, however, is doomed to failure. On the eve of a conference at which economic and financial questions which concern all nations must be discussed, it seems more essential than ever to remember that the remedies for our existing difficulties can come only through concerted action by all countries.

The economic situation.—The economic situation of France, although relatively encouraging as compared with that of other countries, nevertheless shows evidence of the crisis from which no country has been spared. Undoubtedly the harmonious balance of industrial and agricultural activity and the qualities of moderation and thrift which are characteristic of all classes of society saved France from such disasters as have befallen even those countries which formerly were most prosperous. However unemployment may have been increased in our great industrial centers, it has by no means reached such proportions here as it has abroad; and even if exporting industries are sorely tried by the progressive closing of foreign markets, the domestic market is still able to absorb a considerable part of French production.

These results were obtained only through a strenuous process of adaptation in private industry that could hardly continue indefinitely. Measures of protection, organizations intended to give artificial support to prices of agricultural products, and tariff regulations undoubtedly prevented an unduly sharp recession in the domestic market. The administrative measures by which French producers have

been protected, however, afford only temporary relief to existing difficulties. They do not settle any of the problems which France will have to solve when a recovery of activity abroad shall make it necessary for her to meet once more the stress of international competition.

Financial situation.—The recession of economic activity inevitably influenced a financial situation already prejudiced by the constant increase of public expenditures. The year 1930 was marked by the appearance of a budget deficit which has steadily increased. In spite of the energetic effort which France has made during these years, the situation of the budget and the difficult position of the Treasury—reflected in the rapid growth of the floating debt—once more urgently requires the adoption of a program of financial reform. The bank has no doubt that the country will accept the reforms which are imposed in order to reestablish budget equilibrium. It refuses to admit that difficulties of a financial character can compromise a monetary stability so dearly won and so strongly guaranteed. In the field intrusted to it, the bank is resolved to agree to no measure whatsoever that could again endanger the stability of the franc.

The discount portfolio.—Throughout the year the discount portfolio of the bank decreased rapidly. From December 24, 1931, to December 24, 1932, it declined from \$306,000,000 to \$137,000,000. This considerable decline is not due to any restrictive measures. It is the result of the economic crisis and especially of the extreme abundance of available funds in the market.

This year, as heretofore, we were exceedingly liberal in granting credit. All securities presented for discount were accepted, provided they offered the guarantee required by the statutes of the bank. We endeavored especially to give direct aid to industry, commerce, and agriculture during this difficult period. In order to enable producers of wheat to proceed to a gradual and orderly marketing of the recent harvest, we considerably facilitated the discounting of their warrants by agreeing to renewals at maturity when necessary. We shall continue to do this, requiring only that the final liquidation of these credits shall not be carried beyond the close of the present season.

Aggregate credits accorded directly by the bank to its clientele of manufacturers and merchants declined only slightly, as a result of the decline in business transactions. The decline in our portfolio is due chiefly to the enormous

reduction in rediscounts. The banks, being abundantly supplied with funds through the great volume of deposits, made only small demand for credit at the central bank. The reduction in their obligations at the Bank of France—depriving it for the time being of its control over the market—reflects an extremely easy monetary position, which will assist the restoration of economic activity when the time is ripe. It also marks the end of the banking crisis which developed during 1931. During 1932 a small number of banking houses which had a discount account on our books were compelled to close their doors, and our intervention easily checked the disturbance which might otherwise have resulted from these isolated failures.

Our discount rate, which was raised from 2 to 2½ per cent on October 9, 1931, has not been changed since that time.

During the past year the foreign markets were also characterized by very easy money conditions. The Federal Reserve Bank of New York, which in October, 1931, was compelled to take measures of defense, was able to reduce its discount rate from 3½ to 3 per cent on February 26 and to 2½ per cent on June 24. The Bank of England also made several reductions, which resulted in reducing its discount rate from 6 to 2 per cent. With the exception of the National Bank of Switzerland, which kept its rate unchanged at 2 per cent, the Bank of France maintained during 1932 the lowest average discount rate of any central bank.

The volume of demand liabilities.—For the first time since 1928 the total demand liabilities of the bank declined from the beginning to the end of the year. In round numbers they amounted to \$2,803,000,000 on June 25, 1928; to \$3,450,000,000 at the end of 1929; to \$3,959,000,000 at the end of 1930; and to \$4,430,000,000 at the end of 1931. On December 24, last, they stood at slightly more than \$4,195,000,000, a reduction of about \$235,000,000.

This total includes not only notes in circulation and deposit accounts of banks and individuals, but also deposits of the Treasury and the Caisse autonome.

The deposit accounts of public departments declined by \$140,000,000. These withdrawals resulted in placing new funds in the hands of the public. They were not, however, large enough to balance the absorption of funds reflected in the decline of the discount portfolio and the slight falling off in the reserves of gold and foreign exchange.

The total accounts opened on behalf of banks and individuals declined by \$63,000,000 and the note circulation by \$32,000,000. After having declined considerably during the first eight months of the year, the total volume of notes held by the public rose somewhat in September, as a result not only of seasonal demands but also of increased hoarding. This increase is reflected in large withdrawals of notes in denominations of 500 francs (\$19.60) and 1,000 francs (\$39.20).

Conclusion.—In the work of recovery, in which the entire nation is in duty bound to cooperate, the rôle of the bank is determined in advance by a long tradition of service to the public welfare. Instead of the illusions of

factitious prosperity, it prefers the reality of equilibrium to which, more than any other country, France may hope to aspire. To the artificial measures which can bring only temporary appeasement, the bank intends to oppose the truths which experience has verified. In the face of great uncertainties, the bank continues to affirm its faith in the destiny of this country. We do not doubt that the will of the nation can surmount the existing difficulties. We find our reasons for confidence above all in the spirit of sacrifice, in the virtues of work and of saving, which France has exemplified so magnificently throughout its history.

BALANCE SHEET OF THE BANK OF FRANCE AS OF DECEMBER 24, 1932

Resources	Francs (in thousands)	Dollars ¹ (in thousands)	Liabilities	Francs (in thousands)	Dollars ¹ (in thousands)
Gold reserve (coin and bullion).....	83,128,601	3,258,641	Demand liabilities:		
Silver and copper coins.....	1,369,422	53,681	Notes in circulation.....	82,720,927	3,242,660
Funds available on demand abroad.....	2,934,520	115,033	Current account of the treasury.....	166,106	6,511
Foreign bills:			Current account of the Caisse autonome d'amortissement.....	2,134,717	83,681
Negotiable.....	1,287,416	50,467	Other current accounts and deposits.....	21,798,846	854,515
Other.....	261,651	10,257	Other demand liabilities.....	228,373	8,952
Domestic bills:			Capital.....	182,500	7,154
Negotiable.....	32,000	1,254	Surplus (laws of June 9, 1857, and Nov. 17, 1897).....	272,696	10,890
Other.....	3,223,501	126,361	Reserve invested in legal securities (law of May 17, 1834; decrees of Apr. 27 and May 2, 1848; law of June 9, 1857).....	22,106	867
Advances against gold coin and bullion.....	1,516,023	59,428	Depreciation reserve (real estate).....	4,000	157
Advances against securities.....	2,519,267	98,755	Profit and loss:		
Postal current accounts.....	642,723	25,195	Gross dividends: ² 119.05 francs (net 100 francs).....	21,726	852
Negotiable bills of the Caisse autonome d'amortissement (convention of June 23, 1928, and Dec. 7, 1931).....	6,802,408	266,654	Carried forward.....	24,958	978
Loans to the Government without interest (law of June 9, 1857; convention of Mar. 29, 1878; law of June 13, 1878, extended; laws of Nov. 17, 1897, Dec. 29, 1911, Dec. 20, 1918, and June 25, 1928).....	3,200,000	125,440	Miscellaneous liabilities.....	1,769,410	69,361
Rentes earmarked for special purposes.....	112,981	4,429	Total.....	109,346,365	4,286,378
Bank buildings and equipment.....	220,576	8,647			
Miscellaneous resources.....	2,095,277	82,135	Total demand liabilities, 107,048,969,594 francs (\$4,196,319,608). Ratio of gold reserve to demand liabilities, 77.65 per cent.		
Total.....	109,346,365	4,286,378			

¹ Conversion at par: 1 franc=\$0.0392.

² For second half year. Gross dividend for first half year, 119.05 francs (net 100 francs).

FINANCIAL STATISTICS FOR FOREIGN COUNTRIES

GOLD RESERVES OF CENTRAL BANKS AND GOVERNMENTS

[In millions of dollars]

End of month	Total (49 countries)	United States ¹	Canada	Europe								
				Total (27 countries)	Austria	Belgium	Bulgaria	Czechoslovakia	Denmark	England	France	Germany
1931—December	11,289	4,051	78	6,189	27	354	11	49	39	588	2,699	234
1932—January	11,340	4,009	80	6,300	25	352	11	49	39	588	2,808	226
February	11,418	3,947	78	6,444	25	351	11	49	39	588	2,942	221
March	11,499	3,986	77	6,494	25	349	11	49	39	588	3,012	209
April	11,515	3,956	77	6,531	25	351	11	49	39	588	3,052	205
May	11,416	3,717	78	6,665	23	353	11	49	39	608	3,115	206
June	11,348	3,466	78	6,841	21	357	11	49	36	663	3,218	198
July	11,420	3,522	79	6,871	21	365	11	49	36	670	3,221	183
August	11,562	3,639	80	6,897	21	364	11	49	36	676	3,224	183
September	11,694	3,748	81	6,923	21	359	11	49	36	678	3,241	190
October	11,789	3,819	85	6,944	21	363	11	49	36	678	3,250	195
November	11,859	3,885	86	6,949	21	362	11	50	36	678	3,267	197
December	11,892	4,045	84	6,826	21	361	11	51	36	583	3,254	192
1933—January	11,915	4,074	84	6,816	21	362	11	51	36	602	3,221	196
February		3,808				366				692	3,176	183

End of month	Europe—Continued													
	Greece	Hungary	Italy	Netherlands	Norway	Poland	Portugal	Rumania	Spain	Sweden	Switzerland	U. S. S. R.	Yugoslavia	6 other countries
1931—December	11	18	296	357	41	67	13	58	434	55	453	328	31	26
1932—January	11	18	296	351	42	67	13	58	434	55	472	329	31	26
February	11	17	296	353	42	68	15	57	434	55	482	329	31	26
March	9	17	296	354	42	64	16	57	434	55	471	330	31	26
April	6	17	296	364	42	64	17	57	434	55	471	331	31	27
May	6	17	297	384	42	62	17	56	435	55	493	335	31	30
June	7	17	298	394	40	54	17	57	435	55	503	349	31	31
July	7	17	300	408	38	54	17	57	435	55	509	357	31	30
August	7	17	302	415	38	54	18	57	435	55	510	368	31	28
September	7	17	305	416	38	55	18	57	435	55	509	368	31	28
October	7	17	306	416	39	55	18	57	436	55	509	368	31	28
November	8	17	306	415	39	56	18	57	436	55	493	368	31	28
December	8	17	307	415	39	56	23	57	436	55	477	368	31	29
1933—January	7	17	308	413	39	57	23	57	436	55	477	368	31	29

End of month	Latin America							Asia and Oceania							Africa			
	Total (10 countries)	Argentina	Chile	Colombia	Peru	Uruguay	5 other countries	Total (7 countries)	Australia	India	Japan	Java	New Zealand	Siam	Turkey	Algeria	Egypt	South Africa
1931—December	355	253	12	9	17	53	11	548	52	162	234	45	32	23		8	21	39
1932—January	350	252	12	6	15	52	13	532	51	162	215	45	32	23	4	8	21	40
February	347	249	11	7	14	52	14	534	52	162	215	45	32	23	6	8	23	37
March	347	249	11	7	13	52	15	535	52	162	214	42	31	28	6	8	31	31
April	343	249	12	8	12	51	13	534	52	162	214	41	30	28	6	8	32	34
May	346	249	12	11	11	51	13	534	52	162	214	42	30	28	6	8	33	35
June	347	249	12	13	11	50	13	536	52	162	214	42	30	28	9	8	33	38
July	348	249	12	13	11	50	14	524	42	162	214	42	28	28	8	8	33	34
August	348	249	12	13	11	50	14	523	42	162	214	42	27	28	9	8	33	35
September	346	249	11	13	11	50	12	523	42	162	214	42	27	28	9	8	33	32
October	342	249	10	11	11	48	12	524	42	162	214	42	27	28	9	8	33	35
November	341	249	10	12	11	48	11	523	42	162	213	42	27	28	9	8	33	34
December	342	249	10	12	11	48	12	520	42	162	212	42	25	28	10	8	33	35
1933—January	341	249	9	12	11	48	12	520	42	162	212	42	25	28	10	8	33	38

^p Preliminary.

¹ Differences between these figures and those shown elsewhere in the BULLETIN for total monetary gold stock of the United States are due to the exclusion from the former of gold coin in circulation.

² The August, 1932, figure is carried forward for subsequent months as no statement has been issued by the State bank of the U. S. S. R. since that time.

NOTES.—Figures for 34 countries are as of final day of month; for the other 15 countries—including England, France, and Netherlands—they are as of last report date of month. See BULLETIN for May, 1932, p. 315. Since the note in the BULLETIN for May, 1932, was prepared, figures for the Banque Centrale de la République de Turquie and for the Government of Siam have been added to the table. The figures for Turkey relate to the last Thursday of the month.

The 6 European countries and 5 Latin American countries for which figures are not shown separately are Albania, Danzig, Estonia, Finland, Latvia, and Lithuania; Bolivia, Brazil, Ecuador, Guatemala, and Mexico. None of these countries has had gold reserves during this period in excess of \$10,000,000.

For back figures—and for additional details relating to this table—see BULLETIN for May, 1932.

GOLD PRODUCTION

[In thousands of dollars]

Month	Esti- mated world produc- tion	Production reported monthly										
		Total	Africa				Canada	Mexico	Colom- bia	Aus- tralia	Japan	India
			South Africa	Rho- desia	West Africa	Belgian Congo						
1930—Total.....	430,725	326,032	221,526	11,476	4,995	3,618	43,454	13,813	3,281	9,553	7,531	6,785
1931—June.....	38,207	28,734	18,594	926	447	340	4,725	1,103	353	1,092	663	490
July.....	38,153	28,680	18,959	947	451	342	4,711	814	354	935	668	500
August.....	38,763	29,290	18,859	918	462	353	4,718	1,228	353	1,229	654	516
September.....	38,748	29,275	18,981	905	486	397	5,005	1,074	256	916	692	562
October.....	39,860	30,387	19,525	936	473	437	4,933	1,041	452	1,240	679	673
November.....	38,760	29,287	18,673	941	477	408	4,906	914	389	1,321	667	590
December.....	38,825	29,352	18,809	1,041	498	417	4,974	877	312	1,181	664	579
Total (12 mos.).....	459,104	345,426	224,863	11,193	5,524	4,448	55,458	12,866	4,016	12,134	8,109	6,815
1932—January.....	* 39,892	* 29,978	19,587	921	* 480	405	4,834	1,106	450	1,032	628	534
February.....	38,889	28,975	18,935	956	453	381	4,670	948	386	1,063	657	525
March.....	40,664	30,750	19,877	996	484	424	5,285	862	404	1,131	741	545
April.....	40,296	30,381	19,593	976	466	391	5,093	1,057	380	1,164	671	590
May.....	* 41,231	* 31,316	19,970	977	481	409	5,551	1,026	* 447	1,234	653	567
June.....	* 41,085	* 31,171	19,871	1,011	* 482	426	5,592	960	405	1,172	647	603
July.....	41,174	31,259	20,268	981	546	439	5,124	924	456	1,244	692	585
August.....	41,969	32,054	20,475	1,019	510	455	5,428	1,138	524	1,221	696	588
September.....	41,290	31,375	19,888	1,041	509	419	5,386	1,122	456	1,292	702	589
October.....	41,332	31,417	20,157	1,044	515	433	5,231	1,091	455	1,216	727	547
November.....	* 41,426	* 31,512	20,190	997	526	424	5,220	* 1,091	415	1,376	715	556
December.....	* 41,870	* 31,956	20,118	* 1,080	539	406	5,742	* 1,091	353	* 1,376	668	581
Total (12 mos.).....	* 491,120	* 372,143	238,931	* 12,001	5,992	5,014	63,156	* 12,417	5,132	* 14,521	8,198	6,782

* Preliminary. ° Corrected.

1 Beginning with May, 1933, the monthly figures for Belgian Congo represent the actual production of the Kilo-Moto mines plus an estimate of the production of other mines, the figures for which have not yet become available.

NOTE.—The annual figures for total world production in 1930 and 1931 are those published in the annual report of the Director of the Mint for 1932. The difference between the 1931 figure and the aggregate of production reported monthly for that year is \$113,679,000, or \$9,473,000 on a monthly average basis. The monthly estimates of world production in 1931 represent the sum of this average difference and the figures actually reported monthly. For 1932 this average difference, more than two-fifths of which represents United States production, is increased by 4.7 per cent—the ratio of increase of United States production in 1932 according to the preliminary estimate of the Director of the Mint.

The figures reported monthly are not in every instance complete for the area indicated. Those for West Africa represent the output of the Gold Coast and Sierra Leone; those for Australia, total output with the exception of Tasmania and Northern Territory; those for Japan, the output of the leading mines; and those for India, the output of the Mysore State. Official figures for all mines in Colombia are available on a monthly basis only for the year 1932. Monthly output in Colombia previous to 1932 has been estimated by adding to the official monthly figures for the Department of Antioquia the figure \$28,000, representing the average monthly output of the rest of Colombia in 1931.

For annual figures of world production of gold extending back to 1873 see the annual report of the Director of the Mint for 1932, p. 150.

GOLD MOVEMENTS

[In thousands of dollars]

Month	Total net im- ports	United States													
		Net imports from—													
		Eng- land	France	Ger- many	Bel- gium	Nether- lands	Switzer- land	Canada	Mexico	Argen- tina	Colom- bia	British India	China and Hong Kong	Japan	All other coun- tries
1931—September.....	20,561	23	-24,087	2	2	-4,172	-349	8,837	4,260	25,770	3,095	-----	3,596	-----	3,584
October.....	-337,685	685	-324,500	-831	-9,678	-35,904	-17,617	5,666	-1,239	15,474	16	-----	5,533	22,501	2,209
November.....	89,436	333	-10	-115	-57	-394	-515	7,408	989	267	-----	4,895	1,644	75,932	941
December.....	56,858	4,249	-15,150	-62	-5,861	-9,857	-1,270	4,513	1,344	-----	2,042	3,165	623	68,285	4,837
Total (12 mos.).....	145,325	6,797	-344,514	36,026	-15,583	-50,327	-10,768	81,136	22,267	141,263	15,116	8,064	34,240	199,286	31,322
1932—January.....	-72,950	-3,199	-83,783	-71	-12,553	-6,257	-1,759	4,154	1,103	9,110	2,948	4,677	167	9,969	2,542
February.....	-90,567	-235	-98,203	-495	-17,859	-8,672	-254	8,406	950	1,157	7	2,575	819	19,441	1,795
March.....	-24,671	-23	-37,532	2	-6,341	-----	-6	7,216	2,997	2,683	3	70	2,948	-----	3,313
April.....	-30,239	-1,922	-24,527	-3,286	-669	-18,707	-115	7,267	3,329	-----	7	-----	2,402	2,013	3,967
May.....	-195,514	-7,047	-63,216	-9,710	-19,930	-58,473	-53,554	4,699	1,510	-----	-----	175	3,791	2,441	3,800
June.....	-206,047	-1,910	-111,411	-116	-26,250	-23,168	-62,603	5,424	816	-----	-----	-----	4,866	5,172	3,133
July.....	-3,437	1,405	-21,513	-----	-----	-----	-225	4,573	1,284	-----	13	240	3,524	4,197	3,064
August.....	6,103	6,093	-17,950	-----	1,021	-----	-8	5,257	2,273	-----	45	467	4,783	-----	4,122
September.....	27,897	5,868	50	320	-----	5,543	219	3,904	2,843	-----	52	2,855	4,205	-----	2,089
October.....	20,613	1,251	72	-----	-----	2,331	25	506	1,345	42	28	6,068	3,600	3,362	1,933
November.....	21,740	1,376	7	-----	-----	2,685	7	5,622	893	-1	94	4,773	2,964	-----	3,322
December.....	100,859	51,923	16,357	-----	10	8,082	-----	7,546	744	-----	43	4,697	4,974	3,124	3,353
Total (12 mos.).....	-446,213	53,585	-441,649	-13,356	-82,571	-96,586	-118,273	64,574	20,067	12,991	3,240	26,597	39,043	49,719	36,383
1933—January.....	128,465	50,248	29,490	1,067	-----	15,123	-----	5,274	634	-----	52	15,193	5,612	3,729	2,042
February.....	14,398	2,954	-3,554	-----	-----	-1,743	-1,564	3,992	-----	-----	-----	8,237	3,610	-----	2,466

* Preliminary.

GOLD MOVEMENTS—Continued

[In thousands of dollars]

Month	Great Britain												
	Total net imports	Net imports from—											
		United States	France	Germany	Belgium	Netherlands	Switzerland	South America	British India	Straits Settlements	Australia	South Africa, Rhodesia, West Africa	All other countries
1931—September.....	-9,302	-843	-819	-82	-43	-21,353	-10,189	811	682	765	16	20,554	1,197
October.....	15,775	1,122	-6,769	-119	-8	-9,462	-2,502	1,370	8,353	444	572	21,681	1,093
November.....	-45,386	-4,637	-63,524	-	-91	-14,101	-9,936	733	26,597	267	1,501	16,052	1,754
December.....	-12,489	-7,548	-25,941	-517	-219	-4,536	-18,397	-	22,835	502	90	20,187	755
Total (12 mos.)..	-143,729	-13,401	-319,989	33,754	-37,050	-124,101	-60,836	29,446	63,080	11,280	33,260	236,921	3,904
1932—January.....	-7,320	-4,129	-64,955	-76	-134	-3,584	-247	105	45,986	746	1,555	17,062	352
February.....	-6,182	2,256	-52,712	-58	-756	-7,537	-3,723	2,226	30,661	781	371	20,884	1,426
March.....	-2,691	-119	-40,858	3	-53	-3,480	-7,382	1,002	24,340	602	1,750	20,616	887
April.....	26,148	1,207	-17,795	71	-53	-1,955	-16	-	17,393	899	1,083	24,893	420
May.....	16,973	7,541	-10,843	-18	-2,571	-11,310	-214	406	11,565	803	915	18,965	1,734
June.....	35,019	15,897	-9,035	14	-2,767	-9,394	-1,081	-	12,812	772	794	26,246	760
July.....	22,675	-1,671	-11,361	4	-4,778	-7,812	-753	500	14,204	2,122	9,661	19,351	3,207
August.....	1,296	-4,259	-20,269	45	-4,015	-10,438	-75	300	14,279	829	175	19,712	5,010
September.....	5,204	-6,887	-27,521	5	-85	-2,571	-214	187	13,009	584	1,505	25,866	1,326
October.....	5,814	-284	-24,895	-20	-104	-2,969	-120	189	11,973	943	870	18,378	1,853
November.....	13,857	-1,634	-13,519	370	-476	-4,188	-88	527	10,488	710	830	20,006	831
December.....	-29,582	-58,561	-3,277	-29	-1,104	-6,138	-108	181	13,694	989	854	23,326	602
Total (12 mos.)..	81,211	-50,643	-297,040	311	-16,896	-71,376	-14,021	5,623	220,394	10,780	20,363	255,305	18,408
1933—January.....	-43,260	-48,314	-2,109	-11	-634	-17,471	-8	-	9,495	587	793	16,530	-2,120
February ^p	17,862	-7,962	-2,867	28	-438	-7,258	-76	376	8,392	622	196	26,664	183

Month	France							Germany							
	Total net imports	Net imports from—						Total net imports	Net imports from—						
		United States	England	Germany	Netherlands	Switzerland	All other countries		United States	England	France	Netherlands	Switzerland	U. S. S. R.	All other countries
1931—September.....	418	209	902	-2	-10	-1,818	1,137	-16,947	-	547	3	-5,558	-11,859	-	-80
October.....	273,734	243,956	21,738	6,060	-3,553	-153	5,685	-31,473	681	120	-5,951	-10,965	-20,620	5,183	78
November.....	122,372	99,876	40,447	91	22,741	-42,572	1,789	-41,968	18	49	18	-16,455	-25,594	-	-4
December.....	13,881	3,164	26,132	1	-232	-22,386	7,203	875	7	542	56	150	103	-	17
Total (12 mos.)..	728,176	328,130	312,561	100,050	18,776	-81,207	149,867	-247,950	-36,160	-35,221	-102,019	-55,142	-63,866	58,932	-14,475
1932—January.....	74,007	65,062	10,735	-46	6,755	-9,899	1,401	328	3	36	16	278	4	-	-9
February.....	184,171	82,580	90,947	-4	9,601	-1,592	2,639	-5,262	71	71	49	-5,647	247	-	-53
March.....	147,604	71,279	49,028	13,889	12,561	17	830	-13,647	-2	-16,224	170	-2,776	5,152	33	33
April.....	60,340	38,080	23,888	-15	2,019	428	-4,061	-8,319	-14	-5,398	-8,328	42	5,198	180	180
May.....	17,734	17,174	14,232	2,582	1,999	-1,119	-17,135	3,133	293	8	17	-7,539	67	10,352	-66
June.....	168,000	152,072	7,541	5,737	4,601	-8,234	6,281	-7,139	66	5	-5,800	-7,691	72	3,399	2,809
July.....	31,954	16,746	12,472	-5	483	-1,001	3,259	-13,718	-	-42	-4,753	-5,435	65	554	-4,067
August.....	42,940	24,149	16,241	5,382	-17	-369	-2,447	4,189	1	13	1,289	51	4,622	-1,791	-1,791
September.....	9,638	-625	4,424	3,918	1,448	249	222	8,552	1	-2	8	3,456	41	5,410	-861
October.....	32,695	11,927	19,995	329	565	-270	148	5,560	-	29	33	41	55	5,461	-60
November.....	33,498	241	26,003	6,122	672	-186	645	2,314	1	-367	-6,169	2,584	43	6,275	-52
December.....	25,494	-10,634	34,479	2	-3,138	4,306	483	-3,293	1	24	17	-3,331	68	6	-78
Total (12 mos.)..	828,072	468,052	309,984	37,889	37,547	-17,668	-7,732	-27,282	367	-250	-38,170	-24,455	-7,915	46,656	-3,536
1933—January.....	-37,399	-35,361	2,558	200	-3,814	-1,126	145	4,423	-	6	4	-14	99	6,409	-2,081

¹ \$29,233,000 imported by France from Spain in July.
² \$21,292,000 exported by France to Belgium.

^p Preliminary figures.

NOTE.—Germany.—The aggregates of the official monthly figures for gold imports in 1932 differ somewhat from the revised totals published for the year as a whole. Since German figures for individual countries are subject to semiannual revision, those given the January, 1933, are preliminary in character. Figures for total net imports are final.

GOLD MOVEMENTS—Continued

[In thousands of dollars]

Month	Netherlands									
	Total net imports	Net imports from—								
		United States	England	France	Germany	Belgium	Poland	Switzerland	British India	All other
1931—September.....	19,020		15,387	-86	-113	-55	-58			13,889
October.....	30,598	16,413	14,781	-17,572	17,455	-233	-139	-69		-107
November.....	36,551	21,551	7,982	-1,113	4,717	-35	-252	-162	3,824	38
December.....	19,567	1,449	8,849	-2,325	11,672	-632	-794	-135	729	754
Total (12 mos.).....	198,619	39,413	117,591	-21,024	56,059	-966	-1,428	-365	4,553	4,548
1932—January.....	7,130	7,747	3,100	-3,521	-304	-384	-790	-516	1,166	632
February.....	2,608	8,810	5,446	-9,900	320	-462	-1,628	-354	295	81
March.....	-1,886	6,342	3,870	-11,028	34	-821	-511	-171	476	-77
April.....	7,737	2,799	867	-771	8,445		-1,791	-2,325	366	147
May.....	58,256	55,317	5,470	-3,258	7,429	-713	-3,415	-3,466	785	107
June.....	54,107	47,324	8,397	-1,786	9,763	-760	-3,385	-5,849	379	54
July.....	4,983		5,565	-276	5,376	-5,242	-482	-847	941	-22
August.....	7,204		8,715	-334	-1,280	-26	-281	-579	3,212	2,222
September.....	-13,797	-6,367	1,198	-1,708	-3,496	1,759	-923	-402	1,994	2,852
October.....	-6,230	-1,916	1,252	-593	-61	-5,729	-217	42	1,006	-14
November.....	-4,857	-3,765	1,939	-886	-3,085	-1,313	-188	-537	3,030	-52
December.....	894	-9,668	4,251	52	3,745	963	-20	-1,134	2,773	-68
Total (12 mos.).....	116,149	106,623	50,070	-34,009	26,886	-12,727	-13,630	-16,137	16,423	-7,346
1933—January.....	1,898	-14,101	14,069	-837	2,009	958	-976	-1,100	2,199	-323

Month	Switzerland							British India							
	Total net imports	Net imports from—						Total net imports	Net imports from—			Gold production in India ⁴	Increase or decrease (-) in government reserves in India ⁵	Increase or decrease (-) in private holdings in India ⁶	
		United States	England	France	Germany	South Africa	Netherlands		All other	United States	England				All other
1931—September.....	25,505		1,722	23	1	16,577		7,182	175	-762	-101	1,035	564	21	718
October.....	94,339	32,919	5,346	3,398	8,270	44,196	-19	229	-26,126	-8,324	-10,180	-7,622	675	-353	-25,098
November.....	43,572	3,224	9,805	4,519	25,604	408		12	-24,217	-3,279	-17,626	-3,311	592	359	-23,984
December.....	19,687	254	18,364	886	-75	203	69	15	-45,715	-5,286	-39,682	-747	581	0	-45,134
Total (12 mos.).....	222,751	36,422	41,301	19,317	39,684	72,760	47	13,220	-95,875	-17,665	-72,691	-5,521	6,832	33,532	-122,575
1932—January.....	5,653	2,067	1,300	1,972	10		290	13	-24,029	-2,863	-21,419	253	535	18	-23,512
February.....	17,658	1,411	5,725	5,423	5,731		76	-707	-17,672	-363	-17,353	43	527	-2	-17,143
March.....	4,698	82	5,733	-3,952	2,769			66	-18,670	-90	-18,788	209	546	-7	-18,117
April.....	2,538	65	116	-95	-165		2,308	309	-11,812	-209	-11,229	-374	592	86	-11,306
May.....	46,051	41,034	116	1,718	-52		2,949	286	-8,935		-9,007	72	569	-1	-8,365
June.....	80,872	70,247	1,734	3,554	-85	2	5,630	-209	-13,227	-167	-13,155	95	605		-12,622
July.....	14,993	9,779	111	3,734	-51		1,507	-87	-16,437	-374	-14,575	-1,488	586		-15,851
August.....	1,508	81	90	718	38	92	744	-260	-11,674	-2,775	-7,979	-920	589		-11,085
September.....	-604	-361	154	-540	-34	1	453	-277	-17,201	-5,978	-9,835	-1,388	561	34	-16,674
October.....	-3,385	-50	82	-3,087	-102	4	-280	48	-14,482	-4,820	-9,010	-652	548		-13,934
November.....	-1,395	-7	85	-2,347	-67		480	461	-16,662	-2,420	-13,244	-997	557		-16,105
December.....	1,203	5	96	320	-111	1	837	55	-24,964	-18,002	-6,266	-676	583		-24,381
Total (12 mos.).....	169,786	124,354	15,342	7,418	7,880	101	14,996	-304	-195,765	-38,061	-151,880	-5,823	6,798	128	-189,095
1933—January.....	4,658		123	2,393	-77	3	1,176	1,040	-12,402				583		-11,819

¹ \$4,020,000 imported by Netherlands from Dutch East Indies.

² Exported from Netherlands to Czechoslovakia in August, \$2,199,000; in September, \$5,847,000.

³ \$7,293,000 imported by Switzerland from Norway.

⁴ Reported monthly production of the Mysore State plus \$67,000 representing the average monthly production of the rest of India in 1931.

⁵ Figures derived from preceding columns. Net imports plus production minus increase in Government reserves in India.

⁶ \$7,575,000 was exported from India to Netherlands.

⁷ \$1,891,000 was exported from India to Netherlands; \$2,173,000 to France.

⁸ \$1,777,000 was exported from India to Netherlands.

⁹ \$1,640,000 was exported from India to Netherlands.

¹⁰ Preliminary.

¹¹ Revised.

NOTES.—Netherlands—The aggregates of the official monthly figures for gold exported to Germany and gold imported from the world in 1932 differ somewhat from the revised totals published for the year as a whole.

British India.—From January, through June, 1932, figures for net imports from individual countries are preliminary and subject to revision. Figures for total net imports, gold production, and increase in government and private holdings are final unless otherwise indicated.

GOVERNMENT NOTE ISSUES AND RESERVES

[Figures are for last report date of month]

	1933	1932				1933	1932		
	Jan.	Dec.	Nov.	Jan.		Jan.	Dec.	Nov.	Jan.
Argentine Conversion Office (millions of gold pesos):					Canadian Minister of Finance (millions of Canadian dollars):				
Gold.....	257	257	257	260	Gold reserve against Dominion notes...	72	72	73	67
Notes issued ¹	588	589	583	547	Advances to banks under finance act...	47	57	65	45
Irish Currency Commission (thousands of pounds sterling):					Dominion notes—				
Legal tender note fund—					Issued.....	180	191	199	170
British legal tender and bank balances.....	867	686	727	70	Outside chartered bank holdings...	26	24	28	28
British securities.....	6,388	6,987	6,269	6,725	Indian Government (millions of rupees):				
Notes issued.....	7,256	7,673	6,996	6,795	Gold standard reserve—				
Consolidated bank notes ² —					Gold.....	188	276	326	395
Issued.....	4,617	4,602	4,589	4,350	Foreign exchange.....	345	257	207	138
Deemed such under sec. 60 (4) of currency act, 1927.....	1,363	1,376	1,391	1,631	Paper currency reserve—				
					Gold.....	255	187	118	48
					Silver coin and bullion.....	1,095	1,107	1,130	1,158
					Other assets.....	393	455	509	585
					Notes issued.....	1,743	1,748	1,756	1,792

¹ Includes a small quantity of subsidiary coin.

² The figures of consolidated bank notes issued represent daily averages for the 4 weeks ended Jan. 9, 1933, Dec. 10, Nov. 12, and Jan. 7, 1932. The figures for notes deemed to be consolidated bank notes are as of the close of business on these dates.

³ Preliminary.

BANK FOR INTERNATIONAL SETTLEMENTS

[In thousands of dollars converted from Swiss francs at par; 1 Swiss franc=\$0.1930]

Resources	1933	1932		Liabilities	1933	1932	
	Jan. 31	Dec. 31	Jan. 31		Jan. 31	Dec. 31	Jan. 31
Cash on hand and on current account with banks.....	2,366	2,905	3,343	Short-term deposits:			
Demand funds at interest.....	17,113	19,397	30,295	Central banks for own account—			
Rediscountable bills and acceptances (at cost):				Demand.....	96,005	97,912	60,897
Commercial bills and bankers' acceptances.....	64,622	64,995	78,458	Time—			
Treasury bills.....	33,899	32,792	19,370	Not exceeding 3 months.....	6,344	4,597	30,768
Total.....	98,522	97,787	97,828	Total.....	102,350	102,509	91,665
Time funds at interest: Not exceeding 3 months.....	46,549	44,680	45,057	Central banks for account of others—			
Sundry bills and investments:				Demand.....	2,385	2,646	14,995
Maturing within 3 months—				Time—Not exceeding 3 months.....			6,854
Treasury bills.....	7,726	10,438	21,265	Total.....	2,385	2,646	21,849
Sundry investments.....	9,206	11,455			Other depositors—		
Between 3 and 6 months—				Demand.....	83	19	1,144
Treasury bills.....	2,964	251		Time—Not exceeding 3 months.....	1,204	1,203	
Sundry investments.....	11,501	9,204		Long-term deposits:			
Over 6 months.....	120	120	1161	Annuity trust account.....	29,677	29,677	29,677
Total.....	31,517	31,467	21,425	German Government deposit.....	14,839	14,839	14,839
Other resources.....	1,402	1,357	2,011	French Government guaranty fund.....	13,249	13,249	13,249
				Total.....	57,765	57,765	57,765
Total resources.....	197,468	197,593	199,960	Capital paid in.....	24,125	24,125	20,941
				Reserves:			
				Legal reserve fund.....	254	254	108
				Dividend reserve fund.....	519	519	211
				General reserve fund.....	1,038	1,038	422
				Other liabilities.....	7,745	7,513	5,854
				Total liabilities.....	197,468	197,593	199,960

¹ Composed entirely of investments exceeding 1 year.

CENTRAL BANKS

[For explanation of tables on this page, see BULLETIN for February, 1931, pp. 81-83]

Bank of England	Gold (in issue department) ¹	Resources of banking department				Note circulation	Liabilities of banking department			
		Cash reserves		Discounts and advances	Securities		Deposits			Other liabilities
		Coin	Notes				Bankers'	Public	Other	
Millions of pounds sterling:										
1931—Dec. 30.....	120.7	.6	31.6	27.3	133.0	364.2	126.4	7.7	40.3	18.0
1932—Jan. 27.....	120.8	.6	49.9	12.9	82.5	345.9	74.3	15.3	38.2	18.1
Feb. 24.....	120.8	.6	49.4	11.5	71.0	346.4	67.9	14.1	32.2	18.2
Mar. 30.....	120.8	.6	35.3	11.7	86.8	360.5	54.6	27.2	34.4	18.2
Apr. 27.....	120.8	.7	43.0	11.5	79.4	352.8	58.3	23.4	35.3	17.7
May 25.....	125.0	.7	45.8	12.2	93.2	354.2	77.5	23.6	32.9	17.8
June 29.....	136.1	.8	48.1	14.9	93.5	363.1	86.6	18.0	34.7	18.0
July 27.....	137.7	.9	43.4	15.3	92.5	369.3	88.2	11.2	34.6	18.1
Aug. 31.....	138.9	.9	48.6	12.2	92.2	365.3	79.5	20.7	35.4	18.2
Sept. 28.....	139.4	1.0	54.6	12.1	88.0	359.8	80.6	23.4	33.4	18.2
Oct. 26.....	139.4	1.0	56.0	11.6	85.4	358.4	77.3	25.4	33.6	17.7
Nov. 30.....	139.4	1.0	55.6	11.9	87.1	358.8	90.5	10.1	37.1	17.8
Dec. 28.....	119.8	.8	23.6	18.5	120.1	371.2	102.4	8.9	33.8	18.0
1933—Jan. 25.....	123.6	.8	46.4	11.6	107.9	353.2	103.4	11.7	32.5	18.1
Feb. 22 ^p	142.2	.7	61.0	11.9	104.0	356.2	98.3	26.2	35.0	18.2

Bank of France	Resources						Liabilities			
	Gold	Foreign exchange	Domestic bills	Security loans	Negotiable securities ²	Other assets	Note circulation	Deposits		Other liabilities
								Government	Other	
Millions of francs:										
1931—Dec. 30.....	68,863	21,111	7,389	2,730	7,157	8,545	85,725	5,898	22,183	1,989
1932—Jan. 29.....	71,625	18,805	6,555	2,744	6,899	8,278	84,723	4,722	23,552	1,910
Feb. 15.....	75,059	15,127	5,544	2,707	6,882	8,329	83,189	3,637	24,899	1,925
Mar. 25.....	76,832	12,632	4,820	2,716	6,881	8,371	81,782	3,526	24,962	1,980
Apr. 29.....	77,862	11,800	4,690	2,735	6,881	8,697	82,774	3,111	24,527	1,953
May 27.....	79,470	9,001	4,160	2,700	6,881	8,684	81,418	3,432	24,128	1,917
June 24.....	82,100	6,332	3,929	2,715	6,826	8,634	80,667	2,881	24,621	2,167
July 29.....	82,168	5,482	3,905	2,747	6,821	8,994	82,118	3,740	22,033	2,025
Aug. 26.....	82,239	5,389	3,467	2,761	6,821	8,378	79,912	3,982	23,428	2,035
Sept. 30.....	82,681	4,977	2,604	2,783	6,821	9,686	82,450	3,010	21,878	2,009
Oct. 28.....	82,909	4,984	3,637	2,764	6,821	9,145	82,205	4,553	21,229	2,071
Nov. 25.....	83,342	4,853	3,266	2,500	6,821	9,008	81,536	2,931	22,969	2,153
Dec. 30.....	83,017	4,484	3,438	2,515	6,802	9,196	85,028	2,311	20,072	2,041
1933—Jan. 27.....	82,167	4,434	3,142	2,537	6,680	9,172	83,314	2,269	20,474	2,074
Feb. 24 ^p	81,016	4,401	3,303	2,580	6,647	(³)	83,986	2,226	18,731	(³)

Reichsbank	Resources						Liabilities			
	Reserves		Treasury bills	Other bills (and checks)	Security loans	Securities	Other assets	Note circulation	Deposits	Other liabilities
	Gold	Foreign exchange								
Millions of reichmarks:										
1931—Dec. 31.....	984	172	98	4,144	245	161	1,065	4,776	755	1,338
1932—Jan. 30.....	948	145	33	3,632	158	161	1,098	4,407	394	1,373
Feb. 29.....	928	149	44	3,324	303	162	1,100	4,268	423	1,318
Mar. 31.....	879	142	59	3,258	290	362	1,044	4,231	578	1,226
Apr. 30.....	869	131	26	3,146	282	362	977	4,128	405	1,249
May 31.....	863	129	18	2,990	257	363	1,032	3,961	431	1,262
June 30.....	832	130	2	3,100	261	364	1,038	3,984	473	1,271
July 30.....	766	128	48	3,108	224	365	975	3,967	380	1,267
Aug. 31.....	768	157	37	3,009	207	365	960	3,817	408	1,279
Sept. 30.....	796	133	38	2,991	242	362	940	3,755	451	1,298
Oct. 31.....	817	123	39	2,857	198	362	957	3,620	389	1,345
Nov. 30.....	827	110	35	2,731	207	395	959	3,531	418	1,314
Dec. 31.....	806	114	1	2,806	176	398	1,114	3,560	540	1,313
1933—Jan. 31.....	822	101	44	2,459	93	401	1,097	3,338	345	1,333
Feb. 28 ^p	760	152	21	2,439	279	401	1,040	3,356	402	1,343

¹ In addition the issue department holds Government and other securities and silver coin as cover for the fiduciary issue, which is fixed by law at £260,000,000. Since Aug. 1, 1931, however, an increase of £15,000,000 in the fiduciary issue (and securities held as cover) has been authorized by the British Treasury under section 8 of the Currency and Bank Notes Act, 1928: the maximum period for which such authorization may be granted is two years.

² Issued by the independent office for retirement of public debt (Caisse Autonome d'Amortissement).

³ Not yet available.

^p Preliminary figures.

CENTRAL BANKS—Continued

[Figures are for last report date of month]

Central bank	1932				Central bank	1932			
	Jan.	Dec.	Nov.	Jan.		Jan.	Dec.	Nov.	Jan.
National Bank of Albania (thousands of Albanian francs):					Bank of the Republic of Colombia (thousands of pesos):				
Gold.....		5,511	5,508	4,939	Gold at home and abroad.....	12,742	12,275	11,947	6,661
Foreign exchange.....		31,320	29,891	26,786	Foreign exchange.....	4,167	5,553	5,870	7,626
Loans and discounts.....		3,439	3,413	4,475	Loans to member banks.....	3,455	7,475	5,963	16,516
Other assets.....		5,194	6,033	5,427	Note circulation.....	21,315	22,468	20,122	17,617
Note circulation.....		13,052	12,272	11,488	Deposits.....	19,154	19,001	20,164	14,289
Demand deposits.....		20,912	19,892	17,660					
Other liabilities.....		11,499	12,680	12,479	National Bank of Czechoslovakia (millions of Czechoslovak crowns):				
Commonwealth Bank of Australia (thousands of Australian pounds):					Gold.....	1,709	1,708	1,692	1,649
Issue department—					Foreign balances and currency.....	1,005	1,029	1,049	940
Gold and English sterling.....	11,499	11,199	11,199	10,500	Loans and advances.....	1,333	1,675	1,267	1,611
Securities.....	36,095	38,253	37,280	41,745	Assets of banking office in liquidation.....	0	0	0	290
Banking department—					Note circulation.....	5,616	6,267	5,951	6,808
Coin, bullion, and cash.....	1,048	836	950	874	Deposits.....	904	602	512	384
London balances.....	14,599	17,520	15,489	15,570					
Loans and discounts.....	17,626	14,933	13,228	17,542	Danish National Bank (millions of kroner):				
Securities.....	30,090	29,839	29,471	28,616	Gold.....	133	133	133	149
Deposits.....	64,913	64,143	62,446	65,082	Foreign bills, etc.....	13	22	37	26
Bank notes in circulation.....	42,833	46,192	43,072	46,566	Loans and discounts.....	82	82	82	173
Austrian National Bank (millions of schillings):					Note circulation.....	310	332	318	325
Gold.....	149	149	149	179	Deposits.....	54	131	105	50
Foreign exchange of the reserve.....	39	39	39	87					
Other foreign exchange.....	0	0	0	12	Bank of Danzig (thousands of Danzig gulden):				
Domestic bills.....	317	379	336	884	Gold.....	21,373	21,373	21,375	21,821
Government debt.....	662	663	663	97	Foreign exchange of the reserve.....	12,953	14,007	14,135	22,134
Note circulation.....	872	914	880	1,093	Other foreign exchange.....	220	252	456	6,212
Deposits.....	181	219	196	113	Loans and discounts.....	11,069	12,227	9,690	10,220
National Bank of Belgium (millions of belgians):					Note circulation.....	35,152	36,536	36,103	42,195
Gold.....	2,605	2,596	2,608	2,534	Deposits.....	5,512	9,034	5,144	8,572
Domestic and foreign bills.....	773	728	690	923					
Loans to State.....	363	(?)	367	288	Central Bank of Ecuador (thousands of sucres):				
Note circulation.....	3,577	3,627	3,623	3,672	Gold at home and abroad.....		14,797	14,707	5,625
Deposits.....	307	217	206	189	Foreign exchange.....		2,612	3,850	8,628
Central Bank of Bolivia (thousands of bolivianos):					Loans and discounts.....		28,663	24,287	14,123
Gold at home and abroad.....			16,669	18,398	Note circulation.....		24,024	24,600	17,810
Foreign exchange.....			2,766	9,008	Deposits.....		13,875	10,782	8,193
Loans and discounts.....			29,171	22,893					
Note circulation.....			36,096	25,497	National Bank of Egypt (thousands of Egyptian pounds):				
Deposits.....			24,929	12,892	Gold.....			6,663	4,225
Bank of Brazil (millions of milreis):					Foreign exchange.....			3,029	2,603
Currency.....		458	563	304	British Government securities.....			12,459	15,198
Correspondents abroad.....		311	276	133	Loans and discounts.....			6,631	9,514
Loans and discounts.....		2,664	1,906	1,728	Egyptian Government securities.....			20,892	14,718
Note circulation.....		170	170	170	Other assets.....			3,545	2,034
Deposits.....		2,886	2,674	1,807	Note circulation.....			19,012	19,246
National Bank of Bulgaria (millions of leva):					Deposits—Government.....			5,291	4,256
Gold.....	1,520	1,519	1,518	1,512	Other.....			20,723	18,096
Net foreign exchange in reserve.....	15	7	—	70	Other liabilities.....			8,192	7,593
Total foreign exchange.....	86	208	245	333					
Loans and discounts.....	726	846	795	699	Bank of Estonia (thousands of krooni):				
Government obligations.....	2,873	2,900	2,935	2,965	Gold.....	15,236	15,229	13,721	7,307
Note circulation.....	2,426	2,635	2,590	2,730	Net foreign exchange.....	4,555	4,481	5,342	14,244
Other sight liabilities.....	1,663	1,593	1,637	1,514	Loans and discounts.....	21,378	22,084	21,790	22,436
Central Bank of Chile (millions of pesos):					Note circulation.....	30,256	31,217	31,881	34,437
Gold at home and abroad.....	76	85	83	67	Deposits—Government.....	4,301	3,352	3,280	5,083
Foreign exchange for account of—					Bankers'.....	6,416	6,821	5,950	5,571
Bank.....	78	69	70	108	Other.....	3,188	3,064	2,675	2,856
Exchange commission.....	8	5	5	0					
Loans and discounts.....	313	308	216	173	Bank of Finland (millions of markkaa):				
Securities.....	461	461	465	180	Gold.....	304	304	304	304
Note circulation.....	469	488	484	324	Balances abroad and foreign credits.....	688	505	459	420
Deposits.....	349	319	236	111	Foreign bills.....	284	236	206	247
Central Bank of China (thousands of Yuan dollars):					Domestic bills.....	856	1,003	1,010	972
Gold.....			2,494	0	Note circulation.....	1,047	1,085	1,064	1,220
Silver.....			52,205	37,109	Demand liabilities.....	566	381	354	234
Due from banks abroad.....			8,002	8,345					
Due from domestic banks.....			35,341	16,962	Bank of Greece (millions of drachmas):				
Loans and discounts.....			93,672	68,624	Gold and foreign exchange.....	1,887	1,824	1,905	1,775
Securities.....			6,198	5,708	Loans and discounts.....	1,476	2,982	2,199	830
Other assets.....			18,513	11,720	Government obligations.....	3,368	3,368	3,322	3,151
Note circulation.....			35,161	27,058	Note circulation.....	4,602	4,714	4,488	3,797
Deposits—Government.....			93,170	76,601	Other sight liabilities.....	1,960	3,451	3,176	585
Bank.....			34,764	6,994	Liabilities in foreign exchange.....	262	225	223	133
Other.....			5,870	4,850					
Other liabilities.....			47,460	32,961					

¹ Gold coin and bullion.

² Figure not available.

³ Items for issue and banking departments consolidated.

CENTRAL BANKS—Continued

[Figures are for last report date of month]

Central bank	1932				Central bank	1932			
	1933	Dec.	Nov.	Jan.		1933	Dec.	Nov.	Jan.
National Bank of Hungary (millions of pengős):					Bank of Portugal (millions of escudos):				
Gold.....	97	97	97	100	Gold.....		523	405	290
Foreign bills, etc.....	14	14	12	16	Other reserves.....		527	547	691
Loans and discounts.....	467	472	460	425	Discounts and advances.....		338	342	346
Advances to treasury.....	52	52	52	58	Government obligations.....		1,058	1,058	1,058
Other assets.....	14	25	23	13	Note circulation.....		1,995	1,961	1,975
Note circulation.....	350	353	348	416	Other sight liabilities.....		430	330	407
Deposits.....	63	78	78	97	National Bank of Rumania (millions of lei):				
Miscellaneous liabilities.....	202	201	190	72	Gold.....	9,557	9,527	9,481	9,700
Bank of Italy (millions of lire):					Foreign exchange of the reserve.....	661	495	553	84
Gold at home.....	5,857	5,839	5,826	5,626	Other foreign exchange.....		32	64	6
Credits and balances abroad.....	1,306	1,305	1,352	1,935	Loans and discounts.....	10,301	10,545	10,574	13,246
Loans and discounts.....	5,560	6,539	6,078	5,311	State debt.....		5,726	5,730	5,767
Total note circulation.....	13,433	13,672	13,564	13,971	Note circulation.....	21,090	21,594	20,974	22,713
Public deposits.....	300	300	300	300	Demand deposits.....	7,396	6,366	7,014	4,446
Other deposits.....	1,604	1,322	1,051	2,049	South African Reserve Bank (thousands of South African pounds):				
Bank of Japan (millions of yen):					Gold.....	7,822	7,173	6,925	8,172
Gold.....	425	425	429	431	Foreign bills.....	4,270	0	0	53
Advances and discounts.....	807	846	771	1,004	Domestic bills.....	1,139	1,203	1,363	2,949
Government bonds.....	523	565	451	143	Note circulation.....	8,392	8,335	6,399	8,116
Notes issued.....	1,227	1,426	1,077	1,187	Deposits—Government.....	1,866	1,175	1,676	1,180
Total deposits.....	423	387	586	407	Bank.....	6,703	3,833	4,145	4,618
Bank of Java (millions of florins):					Other.....	310	141	261	59
Gold.....	104	104	104	113	Bank of Spain (millions of pesetas):				
Foreign bills.....	20	19	19	9	Gold.....	2,259	2,259	2,258	2,248
Loans and discounts.....	44	44	48	56	Silver.....	610	601	598	526
Note circulation.....	201	205	208	225	Balances abroad.....	281	285	290	284
Deposits.....	37	31	32	28	Loans and discounts.....	2,655	2,809	2,691	3,084
Bank of Latvia (millions of lats):					Note circulation.....	4,789	4,834	4,802	4,923
Gold.....	38	36	36	33	Deposits.....	947	966	964	1,083
Foreign exchange reserve.....	8	10	11	14	Bank of Sweden (millions of kronor):				
Bills.....	69	70	70	77	Gold.....	206	206	206	206
Loans.....	56	57	57	59	Foreign bills, etc.....	260	214	221	85
Note circulation.....	35	36	36	39	Loans and discounts.....	144	217	211	527
Government deposits.....	66	65	66	59	Note circulation.....	538	598	537	526
Other deposits.....	91	88	88	93	Deposits.....	229	202	285	214
Bank of Lithuania (millions of litu):					Swiss National Bank (millions of francs):				
Gold.....	48	49	49	50	Gold.....	2,471	2,471	2,553	2,446
Foreign currency.....	17	16	16	29	Foreign balances and bills.....	89	87	74	112
Loans and discounts.....	88	92	91	103	Loans and discounts.....	53	69	59	83
Note circulation.....	95	96	100	104	Note circulation.....	1,501	1,611	1,535	1,519
Deposits.....	56	57	53	73	Demand deposits.....	1,141	1,037	1,157	1,128
Netherlands Bank (millions of florins):					Central Bank of the Republic of Turkey (thousands of Turkish pounds):				
Gold.....	1,028	1,033	1,033	873	Gold.....	20,845	20,514	19,813	8,699
Foreign bills.....	73	71	71	84	Foreign exchange.....	1,551	756	178	7,592
Loans and discounts.....	113	118	112	175	Government securities.....	154,517	154,835	155,180	157,764
Note circulation.....	951	962	967	984	Other securities.....	28,154	28,081	28,081	
Deposits.....	309	304	301	190	Other assets.....	32,609	24,105	22,526	18,275
Bank of Norway (millions of kroner):					Note circulation.....	163,205	163,523	163,868	170,629
Gold.....	144	144	144	155	Deposits.....	21,442	15,317	12,510	5,048
Foreign balances and bills.....	32	30	23	16	Other liabilities.....	53,029	49,450	49,400	16,653
Domestic credits.....	246	256	254	250	Bank of the Republic of Uruguay (thousands of pesos):				
Note circulation.....	295	315	301	311	Gold.....	46,730	46,730	50,544	
Foreign deposits.....	2	2	3	2	Loans and discounts.....	107,302	110,211	101,786	
Total deposits.....	97	74	82	68	Other assets.....	38,114	39,969	33,452	
Central Reserve Bank of Peru (thousands of soles):					Note circulation.....	84,641	86,040	80,395	
Gold.....		39,347	39,056	54,169	Deposits—Demand.....	32,201	33,064	31,401	
Foreign exchange.....		734	303	114	Time.....	37,677	37,200	38,461	
Bills.....		20,713	20,834	12,647	Judicial and administrative.....		2,907	2,969	
Note circulation.....		50,134	48,853	52,731	Other liabilities.....		34,719	37,637	
Deposits.....		5,551	6,118	3,924	National Bank of the Kingdom of Yugoslavia (millions of dinars):				
Bank of Poland (millions of zlotys):					Gold.....	1,761	1,761	1,767	1,759
Gold.....	512	502	501	600	Foreign exchange.....	188	806	215	290
Foreign exchange of the reserve.....	27	48	36	69	Loans and discounts.....	2,416	2,457	2,538	2,216
Other foreign exchange.....	76	88	106	119	Advances to State.....	2,410	2,409	2,412	2,180
Loans and discounts.....	651	700	680	789	Note circulation.....	4,588	4,773	4,712	4,945
Note circulation.....	979	1,003	997	1,152	Other sight liabilities.....	844	698	835	699
Other sight liabilities.....	185	220	201	233					

* Revised.

COMMERCIAL BANKS

Country	1932												1933	
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	
Argentina (millions of gold pesos):														
Bank of the Nation--														
Gold.....	1	1	1	1	1	1	1	1	1	1	1	1	1	-----
Other cash.....	111	113	115	105	121	136	127	132	128	128	128	114	114	-----
Loans and discounts.....	675	234	680	685	688	696	688	679	679	668	671	664	664	-----
Deposits.....	639	642	649	644	664	712	702	696	690	681	680	659	659	-----
Other banks in Buenos Aires--														
Gold.....	1	1	1	1	1	1	1	1	1	1	1	1	1	-----
Other cash.....	200	199	206	206	212	218	218	228	243	248	250	263	263	-----
Loans and discounts.....	821	1,251	798	794	783	775	769	761	754	747	745	740	740	-----
Deposits.....	936	933	933	922	914	907	905	909	926	928	929	937	937	-----
Canada (millions of Canadian dollars):														
Assets entirely in Canada--														
Cash in vault ¹	176	167	158	150	154	166	161	154	151	161	202	191	185	-----
Cash in central gold reserves.....	22	20	24	23	23	23	25	22	23	21	19	20	19	-----
Security loans.....	131	130	131	122	114	110	112	114	115	117	108	103	100	-----
Other current loans.....	1,071	1,063	1,071	1,070	1,057	1,037	1,028	1,004	1,003	1,018	999	964	946	-----
Security loans abroad.....	66	99	88	73	65	74	76	96	95	88	99	91	84	-----
Securities.....	674	664	671	666	663	669	674	703	699	727	759	778	784	-----
Liabilities entirely in Canada--														
Notes in circulation.....	123	122	121	125	119	126	123	117	124	120	116	115	108	-----
Individual demand deposits.....	507	496	500	495	498	489	462	475	481	493	472	466	446	-----
Individual time deposits.....	1,368	1,390	1,389	1,393	1,387	1,373	1,363	1,367	1,359	1,371	1,379	1,378	1,383	-----
England (millions of pounds sterling):														
Cash in vault and at bank.....	177	170	171	170	176	188	188	190	190	189	190	203	211	-----
Money at call and short notice.....	116	108	111	111	110	111	120	114	110	112	112	123	110	-----
Advances and discounts.....	1,128	1,093	1,103	1,105	1,102	1,114	1,138	1,176	1,179	1,171	1,161	1,167	1,179	-----
Investments.....	288	264	266	272	284	324	333	348	367	396	409	456	455	-----
Deposits.....	1,677	1,621	1,639	1,643	1,661	1,727	1,765	1,813	1,826	1,853	1,859	1,944	1,943	-----
France (millions of francs):														
Bills and national-defense bonds.....	18,454	17,347	17,482	18,043	18,998	18,994	20,136	18,745	19,034	19,757	21,266	-----	-----	-----
Loans and advances.....	9,041	9,114	8,711	8,312	8,296	8,593	8,188	8,456	8,490	8,287	8,086	-----	-----	-----
Demand deposits.....	36,196	36,435	35,983	35,929	35,826	36,351	36,031	36,148	36,372	36,197	37,257	-----	-----	-----
Time deposits.....	1,179	1,218	1,201	1,239	1,284	1,250	1,263	1,286	1,280	1,342	1,312	-----	-----	-----
Germany (millions of reichsmarks):														
Bills and treasury notes.....	-----	1,503	1,380	1,613	1,652	1,660	1,661	1,665	1,651	1,674	1,631	-----	-----	-----
Due from other banks.....	-----	320	367	267	290	257	263	242	256	242	245	-----	-----	-----
Miscellaneous loans.....	-----	5,935	6,034	6,235	6,160	5,898	5,813	5,736	5,745	5,706	5,668	-----	-----	-----
Deposits.....	-----	7,276	7,289	7,539	7,662	7,541	7,457	7,397	7,439	7,401	7,307	-----	-----	-----
Acceptances.....	-----	903	863	872	851	815	796	782	773	775	770	-----	-----	-----
Japan (millions of yen):														
Cash on hand.....	124	130	116	136	215	156	117	212	197	185	302	286	166	-----
Loans.....	2,283	2,228	2,284	2,248	2,250	2,252	2,234	2,219	2,187	2,165	2,188	2,219	2,171	-----
Deposits.....	2,008	1,954	1,938	1,946	1,949	1,963	1,973	2,027	2,019	2,042	2,125	2,133	2,132	-----

¹ Gold, Dominion notes, and subsidiary coin.

NOTE.—Banks included are as follows: *Canada*—chartered banks; *England*—nine London clearing banks; *France*—four commercial banks; *Germany*—six Berlin banks previous to consolidation of Dresdner Bank and Darmstädter und Nationalbank in February, 1932, five Berlin banks thereafter; *Japan*—Tokyo banks.

DISCOUNT RATES OF CENTRAL BANKS

Date effective	Bank of England	Bank of France	German Reichsbank	Bank of Italy	Netherlands Bank	Swiss National Bank	Country	Rate Mar. 1	In effect since—	Country	Rate Mar. 1	In effect since—
In effect June 1, 1931.	2½	2	5	5½	2	2	Albania.....	8	July 1, 1931	Japan.....	4.38	Aug. 18, 1932
June 13.....			7				Austria.....	6	Aug. 24, 1932	Java.....	4½	Mar. 11, 1930
July 16.....			10				Belgium.....	3½	Jan. 14, 1932	Latvia.....	5½	Jan. 1, 1933
July 23.....	3½						Bolivia.....	6	July 5, 1932	Lithuania.....	6	Apr. 1, 1930
July 30.....	4½						Bulgaria.....	8	May 25, 1932	Norway.....	4	Sept. 1, 1932
Aug. 1.....			15				Chile.....	4½	Aug. 23, 1932	Peru.....	6	May 20, 1932
Aug. 12.....			10				Colombia.....	5	Sept. 19, 1932	Poland.....	6	Oct. 21, 1932
Sept. 2.....			8				Czechoslovakia.....	3½	Jan. 25, 1933	Portugal.....	6½	Apr. 4, 1932
Sept. 21.....	6			7			Danzig.....	4	July 12, 1932	Rumania.....	7	Mar. 4, 1932
Sept. 28.....					3		Denmark.....	3½	Oct. 12, 1932	South Africa.....	4	Feb. 20, 1933
Sept. 29.....							Ecuador.....	4	Nov. 30, 1932	Spain.....	6	Oct. 26, 1932
Oct. 10.....		2½					Estonia.....	5½	Feb. 1, 1932	Sweden.....	3½	Sept. 1, 1932
Dec. 10.....			7				Finland.....	6	Feb. 1, 1933	U. S. S. R.....	8	Mar. 22, 1927
Feb. 18, 1932.....	5			6			Greece.....	9	Dec. 3, 1932	Yugoslavia.....	7½	July 20, 1931
Mar. 9.....			6				Hungary.....	4½	Oct. 18, 1932			
Mar. 10.....	4						India.....	3½	Feb. 16, 1933			
Mar. 17.....	3½			6								
Mar. 21.....												
Apr. 9.....			5½									
Apr. 19.....					2½							
Apr. 21.....	3											
Apr. 28.....			5									
May 2.....				5								
May 12.....	2½											
June 30.....	2											
Sept. 22.....			4									
Jan. 9, 1933.....				4								
In effect Mar. 1, 1933.....	2	2½	4	4	2½	2						

Changes since Feb. 1: *British India*—Feb. 16, down from 4 to 3½ per cent; *South Africa*—Feb. 20, down from 5 to 4 per cent.

MONEY RATES IN FOREIGN COUNTRIES

Month	England (London)				Germany (Berlin)			Netherlands (Amsterdam)	
	Bankers' acceptances, 3 months	Treasury bills, 3 months	Day-to-day money	Bankers' allowance on deposits	Private discount rate	Money for 1 month	Day-to-day money	Private discount rate	Money for 1 month
1932—January.....	5.52	4.94	4.20	4	6.94	7.58	7.86	2.24	2.37
February.....	4.63	4.08	3.84	4 -3	6.67	7.98	7.81	1.87	1.69
March.....	2.59	2.28	2.40	3 -1½	6.10	7.10	7.76	1.22	1.06
April.....	2.19	2.07	1.91	1½-1	5.12	6.31	6.17	1.02	.94
May.....	1.44	1.10	1.29	1 - ½	4.87	5.96	5.91	.60	1.03
June.....	1.05	.85	.99	½	4.75	5.76	5.70	.39	1.00
July.....	.92	.68	.67	½	4.58	5.75	5.49	.49	1.00
August.....	.74	.60	.73	½	4.50	5.75	5.82	.37	1.00
September.....	.67	.55	.67	½	4.25	5.55	5.55	.37	1.00
October.....	.82	.71	.71	½	3.87	5.00	4.94	.37	1.00
November.....	.89	.82	.73	½	3.87	5.00	4.80	.37	1.00
December.....	1.02	1.04	.81	½	3.87	5.08	4.91	.37	1.00
1933—January.....	.87	.76	.73	½	3.87	5.03	4.98	.37	1.00

Month	Switzerland	Belgium (Brussels)	France (Paris)	Italy (Milan)	Hungary		Sweden (Stockholm)	Japan (Tokyo)	
	Private discount rate	Private discount rate	Private discount rate	Private discount rate	Prime commercial paper	Day-to-day money	Loans up to 3 months	Discounted bills	Call money overnight
1932—January.....	1.68	2.91	1.75	7.50	6¼-10	4¾-6¼	6 -7½	5.84-6.57	6.02
February.....	1.52	3.31	1.75	6.92	6¼-9½	4¾-5½	5½-7	5.84-6.57	6.39
March.....	1.50	3.36	1.80	6.53	6¼-9½	5 -5½	5 -7	6.20-6.57	5.84
April.....	1.50	3.26	1.66	6.00	5¼-9	4¼-5	5 -7	6.20-6.57	5.48
May.....	1.50	3.21	1.50	5.52	5¼-9	4½-4¾	4½-6	6.20-6.57	4.56
June.....	1.50	3.16	1.22	5.50	5¾-9	4 -4¾	4 -5½	6.02-6.57	4.56
July.....	1.50	3.17	.99	5.50	4¾-8	4 -4¾	4 -5½	6.02-6.39	4.20
August.....	1.50	3.12	1.02	5.50	4¾-8	4½-4¾	4 -5½	5.84-6.21	4.02
September.....	1.50	3.00	1.00	5.50	4¾-8	4 -4¾	3½-5½	5.66-6.21	3.47
October.....	1.50	3.00	1.01	5.00	4¾-8	3¾-4¼	3½-5½	5.66-6.02	3.28
November.....	1.50	3.00	1.00	5.00	4¾-8	3¾	3½-5½	5.66-5.84	2.92
December.....	1.50	2.94	.91	5.00	4¾-8	3¾	3½-5½	5.66-5.84	2.74
1933—January.....	1.50	2.88	1.12	4.42			3½-5½		

FOREIGN EXCHANGE RATES

[Monthly averages of daily quotations based on noon buying rates for cable transfers in New York. In cents per unit of foreign currency]

Month	Argentina	Australia ¹	Austria	Belgium	Brazil	Bulgaria	Canada	Chile	China	Colombia	Cuba	Czechoslovakia	Denmark
1932—February	58.2204	275.95	13.9516	13.9384	6.1720	0.7145	87.2936	12.0500	24.3587	95.2400	99.9622	2.9627	19.0192
March	58.2879	290.56	13.9601	13.9361	6.2121	.7176	89.4530	12.0606	23.9213	95.2400	100.0590	2.9623	20.0112
April	58.2171	299.40	13.9544	13.9956	6.5402	.7201	89.8808	10.6538	22.3221	95.2400	99.9816	2.9629	20.5267
May	58.3242	293.42	13.9645	14.0249	7.1294	.7202	88.4430	6.0000	21.7116	95.2400	99.9299	2.9650	20.0654
June	58.5205	291.15	13.9600	13.9366	7.5008	.7200	86.7427	6.0202	21.3125	95.2400	99.9217	2.9641	19.9248
July	58.5574	283.40	13.9813	13.8724	7.5960	.7230	87.0658	6.0250	20.6400	95.2400	99.9186	2.9589	19.2044
August	58.5695	277.50	13.9696	13.8735	7.6221	.7209	87.5513	6.0283	21.0031	95.2400	99.9094	2.9596	18.4993
September	58.5886	277.13	13.9635	13.8606	7.6171	.7203	90.2636	6.0414	21.0404	95.2400	99.9118	2.9594	17.9781
October	58.5835	271.15	13.9550	13.8940	7.6214	.7200	91.2332	6.0250	20.8883	95.2400	99.9109	2.9606	17.6412
November	58.5837	261.50	13.9477	13.8723	7.6302	.7200	87.3000	6.0276	20.5937	95.2400	99.9237	2.9619	17.0613
December	58.5851	261.77	13.9581	13.8460	7.6327	.7200	86.5989	6.0274	19.4719	95.2400	99.9261	2.9613	17.0069
1933—January	58.5847	267.19	13.9715	13.8629	7.6352	.7195	87.4621	6.0275	19.7916	95.2400	99.9411	2.9614	16.9097
February	58.5804	272.17	13.9867	13.9638	7.6348	.7200	83.5084	6.0278	20.1136	94.4191	99.9790	2.9632	15.2612

Month	Egypt	England	Finland	France	Germany	Greece	Hong Kong	Hungary	India	Italy	Japan	Mexico	Netherlands
1932—February	354.4697	345.6316	1.5014	3.9379	23.7392	1.2875	25.3353	17.4397	26.0329	5.1799	34.3233	37.8712	40.3479
March	372.6136	363.9304	1.6015	3.9325	23.7812	1.2875	24.6856	17.4353	27.3121	5.1824	32.1562	33.6841	40.2799
April	384.7773	374.9994	1.7225	3.9430	23.7427	1.2318	23.7187	17.4298	28.0133	5.1493	32.8063	33.8728	40.4914
May	376.8328	367.5140	1.7171	3.9468	23.7947	.6641	23.4337	17.4364	27.3175	5.1491	31.9730	30.2540	40.5474
June	374.1009	364.6648	1.7019	3.9363	23.6878	.6387	23.3431	17.4740	27.1647	5.1162	30.2856	26.8977	40.4411
July	364.0790	354.9564	1.5350	3.9207	23.7176	.6399	22.8893	17.4612	26.6842	5.1009	27.4471	27.7321	40.2740
August	356.4018	347.5721	1.5114	3.9187	23.7838	.6321	23.2479	17.4507	26.1577	5.1144	24.4944	28.5682	40.2443
September	355.9494	347.1062	1.4953	3.9179	23.7814	.6060	23.4293	17.4653	26.2192	5.1264	23.6314	29.9159	40.1586
October	348.5176	339.6163	1.4823	3.9264	23.7692	.6014	22.9487	17.4452	25.6800	5.1195	23.0628	31.1060	40.2217
November	336.0492	327.5267	1.4441	3.9190	23.7536	.5743	22.4062	17.4356	24.7830	5.1124	20.6218	32.2205	40.1774
December	336.1120	327.8679	1.4239	3.9033	23.7869	.5418	21.3527	17.4265	24.7923	5.1088	20.7298	31.9923	40.1680
1933—January	336.1385	342.2073	1.4577	3.9034	23.7703	.5392	21.7525	17.4260	25.4055	5.1177	20.7393	30.1631	40.1797
February	336.1120	342.2073	1.4919	3.9228	23.8291	.5610	22.0710	17.4359	25.8336	5.1156	20.7945	28.4212	40.2691

Month	New Zealand ²	Norway	Poland	Portugal	Rumania	Spain	Straits Settlements	Sweden	Switzerland	Turkey	Union of South Africa ³	Uruguay	Yugoslavia
1932—February	315.65	18.7701	11.1896	3.1830	0.5950	7.7671	39.7745	19.2922	19.4961	47.4678	471.14	46.1521	1.7803
March	332.36	19.6003	11.1770	3.2832	.5958	7.5993	41.3333	19.8540	19.3405	47.3330	474.98	47.0796	1.7753
April	342.47	19.0780	11.1847	3.3804	.5960	7.6942	42.7404	19.0910	19.4374	47.4985	473.19	47.3186	1.7725
May	335.63	18.4823	11.1810	3.3267	.5970	8.1169	42.2400	18.7238	19.5579	47.5060	479.72	47.5433	1.7743
June	333.03	18.0626	11.1839	3.3320	.5966	8.2451	41.9567	18.7049	19.5141	47.3550	479.89	47.2115	1.7436
July	324.16	17.6386	11.1885	3.2240	.5972	8.0518	40.9675	18.2190	19.4684	47.1604	478.31	47.5680	1.6717
August	317.42	17.4101	11.1771	3.1679	.5978	8.0608	40.1042	17.8485	19.4528	47.1011	477.50	47.4413	1.6903
September	316.99	17.4470	11.1800	3.1481	.5982	8.1044	40.2475	17.8055	19.3007	47.1916	476.79	47.3900	1.5892
October	310.15	17.1752	11.1740	3.0872	.5978	8.1871	39.4372	17.5334	19.3041	47.2680	475.85	47.3466	1.4094
November	299.11	16.7252	11.1769	3.0293	.5975	8.1730	38.0026	17.4314	19.2470	47.2167	477.58	47.3402	1.3506
December	299.42	16.8899	11.1825	3.0191	.5973	8.1506	38.0123	17.9108	19.2354	47.0127	479.13	47.3397	1.3448
1933—January	292.13	17.2684	11.1872	3.0364	.5972	8.1777	38.9884	18.2982	19.2836	47.0260	340.63	47.3366	1.3555
February	272.87	17.5270	11.1940	3.1017	.5958	8.2446	39.5818	18.2670	19.3707	47.0000	338.90	47.3363	1.3593

Monetary units and pars of exchange (in cents per unit of foreign currency):

Country	Monetary unit	Par of exchange	Country	Monetary unit	Par of exchange	Country	Monetary unit	Par of exchange
Argentina	Gold peso	96.48	Finland	Markka	2.52	Poland	Zloty	11.22
Australia	Pound	486.66	France	Franc	3.92	Portugal	Escudo	4.42
Austria	Schilling	14.07	Germany	Reichsmark	23.82	Rumania	Leu	.60
Belgium	Belga	13.90	Greece	Drachma	1.30	Spain	Peseta	19.30
Brazil	Milreis	11.96	Hong Kong	Hong Kong dollar	20.58	Straits Settlements	Singapore dollar	39.92
Bulgaria	Lev	.72	Hungary	Pengo	17.49	Sweden	Krona	26.80
Canada	Dollar	100.00	India	Rupee	46.50	Switzerland	Franc	19.30
Chile	Peso	12.17	Italy	Lira	5.26	Turkey	Turkish pound	439.65
China	Yuan ¹	20.28	Japan	Yen	49.85	Union of South Africa	Pound	486.66
Colombia	Peso	97.33	Mexico	Silver peso	49.85	Uruguay	Peso	103.42
Cuba	do	100.00	Netherlands	Florin	40.20	Yugoslavia	Dinar	1.76
Egypt	Egyptian pound	494.31	New Zealand	Pound	486.66			
England	Pound	486.66	Norway	Krone	26.80			

¹ Silver currencies—Figures given for parity represent gold value of unit in February, 1933, computed by multiplying silver content of unit by New York average price of silver for February, 1933, which was \$0.26386 per fine ounce.
² Straits Settlements dollar is legally equivalent to seven-sixtieths of one English pound. Figure given for parity represents seven-sixtieths of average quotation of pound in New York for February, 1933.
³ Monthly averages for Australia, New Zealand, and South Africa from February through December, 1932, are taken from the League of Nations Monthly Bulletin of Statistics.
⁴ Average based on quotations for Dec. 1-27.
⁵ Average based on quotations for Jan. 7-31.
 Back figures.—See BULLETIN for January, 1933, 1932, 1931, 1930, 1929, and 1928.

PRICE MOVEMENTS IN PRINCIPAL COUNTRIES

SECURITY PRICES

[Index numbers except as otherwise specified]

Month	Bonds				Common stocks (1925 average=100) ¹			
	United States (average price)	England (December, 1921=100)	France (1913 average=100)	Germany (average price) ²	United States	England	France	Germany
Number of Issues.....	60	87	36	169	421	278	300	329
1931—January.....	99.6	112.8	95.7	82.7	112.3	89.6	156.7	75.0
February.....	99.4	109.7	97.1	82.7	119.8	89.3	160.1	78.5
March.....	100.0	111.6	97.9	83.8	121.6	89.4	155.4	83.6
April.....	99.6	111.3	99.0	84.8	109.2	85.1	148.5	84.8
May.....	99.7	110.8	98.4	84.2	98.0	76.8	138.2	76.1
June.....	99.4	111.1	98.8	82.4	95.1	77.8	141.2	69.6
July.....	99.4	111.2	98.9	81.4	98.2	79.2	132.6	70.5
August.....	98.5	107.2	99.5	(3)	95.5	78.8	130.5	(3)
September.....	95.6	103.5	97.7	70.4	81.7	67.2	115.5	52.3
October.....	89.4	104.2	94.8	(3)	69.7	75.6	106.9	(3)
November.....	89.0	104.8	94.4	(3)	71.7	74.7	104.3	(3)
December.....	81.6	102.2	90.8	(3)	57.7	68.1	94.8	(3)
1932—January.....	81.0	104.7	91.5	(3)	58.0	69.7	107.3	(3)
February.....	80.3	106.5	90.3	(3)	56.4	68.9	126.2	(3)
March.....	80.8	111.6	90.5	(3)	56.8	69.6	117.6	(3)
April.....	79.4	110.6	89.0	63.0	43.9	63.5	107.3	45.5
May.....	75.2	111.4	85.9	64.4	39.8	61.6	94.4	46.4
June.....	72.2	111.0	85.2	60.4	34.0	59.3	97.4	45.6
July.....	74.2	115.6	87.4	62.2	35.9	63.5	100.4	45.8
August.....	85.2	116.1	88.6	63.2	53.3	69.5	103.4	47.9
September.....	85.8	118.4	89.5	67.4	58.2	72.7	104.3	54.1
October.....	84.1	120.3	89.1	70.1	49.9	72.4	97.4	52.5
November.....	81.9	115.9	88.9	72.9	47.5	72.7	100.0	53.4
December.....	81.2	116.1	87.8	76.3	47.4	72.0	104.3	56.7
1933—January.....	84.1	116.9	86.4	81.4	49.1	72.4	101.3	59.3

¹ Stock price series for England, France, and Germany have been converted from original bases to a 1925 base.² New series compiled by the Statistisches Reichsam; weighted average of the prices of one hundred sixty-nine 6 per cent bonds.³ Figures not available because of closing of the exchange.⁴ Based on data for part of month, no quotations being available for remainder of month.

Back figures.—See BULLETIN for February, 1932, page 121, and sources there cited.

WHOLESALE PRICES—ALL COMMODITIES

Month	United States (1926=100)	Canada (1926=100)	England (1913=100)	France (1913=100)	Germany (1913=100)	Italy (1913=100)	Japan (Oct., 1900=100)	Netherlands (1913=100)
1931—January.....	78	77	107	541	115	342	158	105
February.....	77	76	106	538	114	338	158	104
March.....	76	75	106	539	114	339	158	103
April.....	75	74	106	540	114	337	158	102
May.....	73	73	104	520	113	332	154	102
June.....	72	72	103	518	112	327	151	100
July.....	72	71	102	500	112	324	153	97
August.....	72	71	100	488	110	322	152	94
September.....	71	70	99	473	109	319	150	91
October.....	70	70	104	457	107	322	147	89
November.....	70	71	106	447	107	320	147	89
December.....	69	70	106	442	104	319	151	85
1932—January.....	67	69	106	439	100	317	160	84
February.....	66	69	105	446	100	314	161	83
March.....	66	69	105	444	100	315	159	82
April.....	66	68	102	439	98	311	154	80
May.....	64	68	101	438	97	305	150	79
June.....	64	67	98	425	96	297	146	78
July.....	65	67	98	430	96	296	148	76
August.....	65	67	100	415	95	296	156	75
September.....	65	67	102	413	95	300	167	76
October.....	64	65	101	412	94	299	169	77
November.....	64	65	101	413	94	298	178	77
December.....	63	64	101	413	92	296	185	76
1933—January.....	61	64	100	411	91	292	185	75

PRICE MOVEMENTS IN PRINCIPAL COUNTRIES—Continued

WHOLESALE PRICES—GROUPS OF COMMODITIES

(Groups are those included in indexes shown in preceding table)

Month	United States (1926=100)			England (1913=100)		France (1913=100)		Germany (1913=100)			
	Farm products	Foods	Other commodities	Foods	Industrial products	Farm and food products	Industrial products	Agricultural products	Provisions	Industrial raw and semi-finished products	Industrial finished products
1931—January.....	73	81	79	113	104	580	507	107	102	108	142
February.....	70	78	78	112	103	575	505	105	100	106	140
March.....	71	78	77	111	103	581	503	107	99	106	139
April.....	70	76	76	113	102	592	495	108	97	105	138
May.....	67	74	75	113	100	566	480	109	96	103	137
June.....	65	73	74	113	98	571	472	107	95	103	137
July.....	65	74	74	110	98	541	465	105	97	103	136
August.....	64	75	74	108	95	528	452	103	96	102	136
September.....	61	74	74	108	95	508	443	101	94	100	135
October.....	59	73	73	113	100	489	429	99	95	99	133
November.....	59	71	74	115	102	482	416	99	94	99	132
December.....	56	69	72	113	102	491	400	95	91	97	130
1932—January.....	53	65	72	114	101	496	390	92	90	92	125
February.....	51	63	71	114	101	511	389	95	91	91	122
March.....	50	62	71	116	99	510	388	97	89	90	121
April.....	49	61	71	115	96	506	381	95	88	89	120
May.....	47	59	70	114	94	511	374	93	87	88	119
June.....	46	59	70	112	91	490	369	92	85	87	118
July.....	48	61	70	108	92	498	370	93	84	87	117
August.....	49	62	70	107	95	453	382	91	83	88	116
September.....	49	62	70	107	99	445	384	89	85	89	115
October.....	47	61	70	106	98	450	379	88	83	88	115
November.....	47	61	70	107	98	458	373	88	81	88	114
December.....	44	58	69	108	97	456	375	84	80	87	114
1933—January.....	43	56	67	107	97	455	372	81	81	87	113

RETAIL FOOD PRICES

COST OF LIVING

Month	United States (1913=100)		England (July, 1914=100)		France (July, 1914=100)		Germany (1913-14=100) ¹		Month	United States (1913=100)		England (July, 1914=100)		France (Jan.-June, 1914=100)		Germany (1913-14=100) ¹	
	1932	1933	1932	1933	1932	1933	1932	1933		1932	1933	1932	1933	1932	1933	1932	1933
January.....	109	95	131	123	114	102	116	107	January.....			147	142			125	117
February.....	105		131		115		114		February.....			147				122	
March.....	105		129		115		114		March.....			146		108		122	
April.....	104		126		115		113		April.....			144				122	
May.....	101		125		114		113		May.....			143				121	
June.....	100		123		111		113		June.....	136		142		109		121	
July.....	101		125		108		114		July.....			143				122	
August.....	101		123		104		112		August.....			141				120	
September.....	100		123		102		111		September.....			141		105		120	
October.....	100		125		102		110		October.....			143				119	
November.....	99		125		104		110		November.....			143				119	
December.....	99		125		103		109		December.....	132		143				118	

¹ Average of October, 1913, January, April, and July, 1914=100.

SOURCE: Wholesale prices.—For original sources, see BULLETIN for March, 1931 (p. 159). Retail food prices and cost of living.—United States—Bureau of Labor Statistics, Department of Labor; England—MINISTRY OF LABOUR; Germany—Statistisches Reichsamt; France—For retail food prices, Statistique Générale, and for cost of living, Commission d'études relatives au coût de la vie à Paris.

LAW DEPARTMENT

CONSTITUTIONALITY OF LEGISLATION PROVIDING A UNIFIED COMMERCIAL BANKING SYSTEM FOR THE UNITED STATES

The Federal Reserve Board, at the time of the appearance of the Governor of the Board on March 29, 1932, before the Senate Committee on Banking and Currency in connection with the Glass bill (S. 4115), which was then under consideration by the committee, was requested to suggest a constitutional method of creating a unified banking system in the United States. In accord with this request, the General Counsel of the Federal Reserve Board prepared an opinion, which was transmitted to the Chairman of the Senate Committee on Banking and Currency. The text of the opinion is published below:

CONSTITUTIONALITY OF LEGISLATION PROVIDING A UNIFIED COMMERCIAL BANKING SYSTEM FOR THE UNITED STATES

To the Federal Reserve Board:

Senate Resolution 71, adopted on May 5, 1930, directed the Committee on Banking and Currency to conduct an investigation and recommend legislation "to provide for a more effective operation of the national and Federal reserve banking systems of the country." Following extensive hearings by a subcommittee of which he was chairman, Senator Glass introduced Senate bill 4115, Seventy-second Congress. At a hearing on the bill before the Committee on Banking and Currency on March 29, 1932, Governor Meyer presented a letter expressing the unanimous views of the members of the Federal Reserve Board, which contained the following statement:

It should be recognized that effective supervision of banking in this country has been seriously hampered by the competition between member and nonmember banks, and that the establishment of a unified system of banking under national supervision is essential to fundamental banking reform.

Bankers had testified that certain provisions of the bill would make it difficult for member banks to compete with nonmember banks and would cause defections from the Federal reserve system and the national banking system; and during his testimony Governor Meyer called attention to the statement quoted above and stressed the fact that "effective supervision of banking in this country has been seriously affected by competition between member and nonmember banks," and that "competition between the State and national banking systems

has resulted in weakening both steadily." Thereupon Senator Glass requested Governor Meyer to "suggest to us a constitutional method of creating a unified banking system in this country."

In view of the circumstances under which this request was made, the history of our banking system, and the provisions of Senate Resolution No. 71, it appears that, by "creating a unified banking system," is meant bringing all commercial banking business in the United States into a single banking system subject to effective regulation and supervision by the Federal Government.

Congress has already created the national banking system and the Federal reserve system; and the problem is how to achieve uniformity of corporate powers, regulation and supervision with respect to banks engaged in the commercial banking business and to provide for their safe and effective operation, by eliminating the existing competition between the Federal Government and the 48 States for the privilege of granting charters to banks transacting that type of business.

Since commercial banking necessarily involves the receipt of deposits subject to withdrawal by check, Congress can achieve that result if it can enact legislation which will have the effect of confining the business of receiving deposits subject to withdrawal by check to national banks, which have uniform powers under the national bank act, are subject to effective regulation and supervision by the Federal Government, and are required to be members of the Federal reserve system.

The question presented, therefore, is whether, in order to provide for a more effective operation of the national banking system and the Federal reserve system, Congress has the power under the Constitution to restrict the business of receiving deposits subject to withdrawal by check to national banks.

A consideration of the decisions of the Supreme Court of the United States leaves no room for doubt that this question must be answered in the affirmative. While numerous authorities supporting this conclusion are cited and discussed below, the principal reasons may be stated concisely as follows:

1. The power to create the national banking system and the Federal reserve system as useful instrumentalities to aid the Federal Govern-

ment in the performance of certain important Governmental functions includes the power to take such action as Congress may deem necessary to preserve the existence and promote the efficiency of those systems. *McCulloch v. Maryland*, 4 Wheat. 316; *Farmers and Mechanics National Bank v. Dearing*, 91 U. S. 29; *Westfall v. United States*, 274 U. S. 256.

2. Having provided the country with a national currency through the national banking system and the Federal reserve system, Congress may constitutionally preserve the full benefits of such currency for the people by appropriate legislation. *Veazie Bank v. Fenno*, 8 Wall. 533; *Legal Tender Cases*, 12 Wall. 457.

3. The existence of a heterogeneous banking structure in which there have been more than 10,000 bank failures during the past 12 years constitutes a burden upon and an obstruction to interstate commerce; and Congress may enact appropriate legislation to correct this condition. *United States v. Ferges*, 250 U. S. 195; *Stafford v. Wallace*, 258 U. S. 495; *Board of Trade v. Olsen*, 262 U. S. 1.

Any one of these grounds standing alone would be a sufficient constitutional justification for the enactment of legislation restricting the conduct of the commercial banking business to national banks; and, when all three grounds are considered together, there can be no doubt that such legislation would be not only constitutional but also entirely appropriate and in accordance with a proper division of authority between the Federal Government and the States.

Having the power to confine the commercial banking business to national banks, Congress can exercise that power in any manner which it deems appropriate and adequate for its purposes. It is not necessary that the legislation assume the form of a revenue act or an act to regulate interstate commerce, though either of these means would be appropriate.

I. THE POWER TO CREATE AND MAINTAIN A BANKING SYSTEM

Ample authority for the first conclusion stated above is contained in the opinion of Chief Justice Marshall in the case of *McCulloch v. Maryland* (1819), 4 Wheat. 316, 4 L. Ed. 579, wherein the Supreme Court of the United States established the following principles:

(1) Congress has the power to create banks as convenient, appropriate, and useful instrumentalities to aid the Federal Government in the performance of its functions.

(2) This power is derived from a group of great powers, including the powers to lay and collect taxes, to borrow money, to regulate commerce, to declare and conduct wars, to raise and support armies and navies and, "To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof."

(3) If the end be legitimate and within the scope of the Constitution, all the means which are appropriate, which are plainly adapted to that end, and which are not prohibited, may constitutionally be employed to carry it into effect.

(4) If a certain means to carry into effect any of the powers, expressly given by the Constitution to the Government of the Union, be an appropriate measure, not prohibited by the Constitution, the degree of its necessity is a question of legislative discretion, not of judicial cognizance.

(5) The States have no power by taxation or otherwise to retard, impede, burden, or in any manner control the operation of the Constitutional laws enacted by Congress to carry into execution the powers vested in the Federal Government.

(6) The Constitution and laws of the United States are the supreme laws of the land; and "it is of the very essence of supremacy to remove all obstacles to its action within its own sphere."

Applying these principles, Congress has created the national banking system and the Federal reserve system, which are now recognized as appropriate, if not indispensable, agencies to assist the Government in the performance of certain essential Governmental functions. The States have no legal power to retard, impede, burden, or in any manner control the operation of these agencies; and Congress clearly has the right to enact such legislation as it may deem necessary to "remove all obstacles" to their safe and effective operation. If it deems it necessary to prevent banks organized under State laws from engaging in the commercial banking business in order to accomplish this object, Congress may lawfully do so.

Since the decision of the Supreme Court in *McCulloch v. Maryland* is the legal foundation stone upon which our national banking system, our Federal reserve system and our Federal farm loan system have been built and their constitutionality sustained, that case should be considered in more detail. The essential facts giving rise to the decision were as follows:

The Bank of the United States was granted a special charter by the act of Congress approved April 10, 1816, and was authorized to establish branches throughout the United States. It established its head office in Philadelphia and a branch in Baltimore, Md. The Legislature of the State of Maryland enacted a statute taxing all banks or branches thereof in the State which were not chartered by the State and prescribing a penalty to be collected from the officers of any bank that failed to pay the tax. The Bank of the United States did not pay this tax on the transactions of its Baltimore branch, and a suit was brought against McCulloch, the cashier of the branch, to recover the penalty.

McCulloch defended on the ground that the State law was unconstitutional and void because it was in conflict with a valid Federal statute. The State contended that the act of Congress chartering the Bank of the United States was unconstitutional and that, therefore, the State statute was valid. By a unanimous opinion, the Supreme Court of the United States held that the act of Congress chartering the Bank of the United States was valid and that the State law purporting to tax the bank was invalid.

The following quotations from the masterful opinion rendered by Chief Justice Marshall will illustrate the profound reasoning upon which the court's decision was based (4 Wheat. 407, 411, 415, 421, 422, 424):

Although, among the enumerated powers of government, we do not find the word "bank" or "incorporation," we find the great powers to lay and collect taxes; to borrow money; to regulate commerce; to declare and conduct a war; and to raise and support armies and navies. The sword and the purse, all the external relations, and no inconsiderable portion of the industry of the nation, are entrusted to its Government. It can never be pretended that these vast powers draw after them others of inferior importance, merely because they are inferior. Such an idea can never be advanced. But it may with great reason be contended, that a government, entrusted with such ample powers, on the due execution of which the happiness and prosperity of the Nation so vitally depends, must also be entrusted with ample means for their execution.

But the Constitution of the United States has not left the right of Congress to employ the necessary means for the execution of the powers conferred on the Government to general reasoning. To its enumeration of powers is added that of making "all laws which shall be necessary and proper, for carrying into execution the foregoing powers, and all other powers vested by this Constitution, in the Government of the United States, or in any department thereof."

To have prescribed the means by which Government should, in all future time, execute its powers, would have been to change, entirely, the character of the in-

strument, and give it the properties of a legal code. *It would have been an unwise attempt to provide, by immutable rules, for exigencies which, if foreseen at all, must have been seen dimly, and which can be best provided for as they occur.* To have declared that the best means shall not be used, but those alone without which the power given would be nugatory, would have been to deprive the legislature of the capacity to avail itself of experience, to exercise its reason, and to accommodate its legislation to circumstances.

We admit, as all must admit, that the powers of the Government are limited, and that its limits are not to be transcended. But we think the sound construction of the Constitution must allow to the national legislature that discretion, with respect to the means by which the powers it confers are to be carried into execution, which will enable that body to perform the high duties assigned to it, in the manner most beneficial to the people. *Let the end be legitimate, let it be within the scope of the Constitution, and all means which are appropriate, which are plainly adapted to that end, which are not prohibited, but consistent with the letter and spirit of the Constitution, are constitutional.*

If a corporation may be employed indiscriminately with other means to carry into execution the powers of the government, no particular reason can be assigned for excluding the use of a bank, if required for its fiscal operations. To use one, must be within the discretion of Congress, if it be an appropriate mode of executing the powers of government. That it is a convenient, a useful, and essential instrument in the prosecution of its fiscal operations, is not now a subject of controversy.

After this declaration, it can scarcely be necessary to say that the existence of State banks can have no possible influence on the question. No trace is to be found in the Constitution of an intention to create a dependence of the Government of the Union on those of the States, for the execution of the great powers assigned to it. Its means are adequate to its ends; and on those means alone was it expected to rely for the accomplishment of its ends. To impose on it the necessity of resorting to means which it can not control, which another government may furnish or withhold, would render its course precarious; the result of its measures uncertain, and create a dependence on other governments, which might disappoint its most important designs, and is incompatible with the language of the Constitution. But were it otherwise, *the choice of means implies a right to choose a national bank in preference to State banks, and Congress alone can make the election.* [Italics supplied.]

Having announced that it was "the unanimous and decided opinion" of the court that the act to incorporate the Bank of the United States was a law made in pursuance of the Constitution, and was a part of the supreme law of the land, the Chief Justice proceeded to consider the question whether the State could tax the bank (4 Wheat. 426, 427, 436):

This great principle is, that the Constitution and the laws made in pursuance thereof are supreme; that they control the Constitution and laws of the respective States, and can not be controlled by them. From this, which may be almost termed an axiom, other proposi-

tions are deduced as corollaries, on the truth or error of which, and on their application to this case the cause has been supposed to depend. These are, 1st. *That a power to create implies a power to preserve.* 2d. *That a power to destroy, if wielded by a different hand, is hostile to, and incompatible with these powers to create and to preserve.* 3d. *That where this repugnancy exists, that authority which is supreme must control, not yield to that over which it is supreme.*

* * * *It is of the very essence of supremacy to remove all obstacles to its action within its own sphere, and so to modify every power vested in subordinate governments as to exempt its own operations from their own influence. This effect need not be stated in terms. It is so involved in the declaration of supremacy, so necessarily implied in it, that the expression of it could not make it more certain. We must, therefore, keep it in view while construing the Constitution.*

The court has bestowed on this subject its most deliberate consideration. The result is a conviction that the States have no power, by taxation or otherwise, to retard, impede, burden, or in any manner control the operations of the constitutional laws enacted by Congress to carry into execution the powers vested in the general government. This is, we think, the unavoidable consequence of that supremacy which the constitution has declared. [Italics supplied.]

In the case of *Osborn v. United States Bank* (1824), 9 Wheat. 738, 6 L. Ed. 204, substantially the same questions as had been considered by the Supreme Court in *McCulloch v. Maryland*, were presented in substantially the same form. Yielding to the request of counsel, the whole subject was reexamined and the principles announced in *McCulloch v. Maryland* were restated and upheld.

Considering more fully the question of the possession by the bank of private powers associated with its public authority and meeting the contention that the two were separable and that the public power should be treated as within, and the private power as without, the implied power of Congress, the Supreme Court expressly held that the authority of Congress was to be ascertained by considering the bank as an entity, possessing the rights and powers conferred upon it, and that the lawful power to create the bank and give it the attributes which were deemed essential should not be rendered unavailing by detaching particular powers and considering them alone and thus destroying the efficacy of the bank as a national instrument.

The ruling of the court, therefore, was to the effect that, although a particular character of business might not, when considered alone, be within the implied power of Congress, yet, if such business was appropriate or relevant to the banking business, the implied power was to be tested by the right to create a bank and the authority to attach to it that which was

relevant in the judgment of Congress to make the business of the bank successful.

In rendering the opinion of the court, Chief Justice Marshall said (9 Wheat. 860-863):

* * * That the mere business of banking is, in its own nature, a private business, and may be carried on by individuals or companies having no political connection with the Government, is admitted; but the bank is not such an individual or company. It was not created for its own sake, or for private purposes. It has never been supposed that Congress could create such a corporation. The whole opinion of the court, in the case of *McCulloch v. The State of Maryland*, is founded on, and sustained by, the idea that the bank is an instrument which is "necessary and proper for carrying into effect the powers vested in the Government of the United States."

* * * Can this instrument, on any rational calculation, effect its object, unless it be endowed with that faculty of lending and dealing in money which is conferred by its charter? * * * The distinction between destroying what is denominated the corporate franchise, and destroying its vivifying principle, is precisely as incapable of being maintained as a distinction between the right to sentence a human being to death, and a right to sentence him to a total privation of sustenance during life. Deprive a bank of its trade and business, which is its sustenance, and its immortality, if it have that property, will be a very useless attribute. This distinction, then, has no real existence. To tax its faculties, its trade and occupation, is to tax the bank itself. To destroy or preserve the one, is to destroy or preserve the other.

* * * The operations of the bank are believed not only to yield the compensation for its services to the Government, but to be essential to the performance of those services. *Those operations give its value to the currency in which all the transactions of the Government are conducted. They are, therefore, inseparably connected with those transactions. They enable the bank to render those services to the Nation for which it was created, and are, therefore, of the very essence of its character, as national instruments* * * *. [Italics supplied.]

The charter of the Bank of the United States, having expired in 1836, the country was left to depend for its currency on a multitude of State banks which sprang up under numerous different State laws, most of which contained either no provisions or inadequate provisions regarding capital, reserves, and supervision.

Having experienced the difficulty of conducting the War of 1812 without the aid of a Federal banking system, however, Congress, during the Civil War enacted the national bank act on February 25, 1863, and revised it on June 3, 1864. This time it did not undertake to create a single bank with branches throughout the Union, but provided for the creation of numerous local banks each independent of the other but all operating under a single banking law and under the supervision of the Treasury Department of the United States Government.

In the case of *Farmers and Mechanics National Bank v. Dearing* (1875), 91 U. S. 29, 23 L. Ed. 197, the Supreme Court applied the doctrines of its earlier decisions to national banks organized under the national bank act of 1864. The case involved the question whether State usury laws were applicable to national banks; and, in holding that they were not, the court said (p. 33):

The constitutionality of the act of 1864 is not questioned. It rests on the same principle as the act creating the second bank of the United States. The reasoning of Secretary Hamilton and of this court in *McCulloch v. Maryland* (4 Wheat. 316) and in *Osborn v. Bank* (9 Wheat. 738), therefore, applies. *The national banks organized under the act are instruments designed to be used to aid the Government in the administration of an important branch of the public service. They are means appropriate to that end. Of the degree of the necessity which existed for creating them, Congress is the sole judge.*

Being such means, brought into existence for this purpose, and intended to be so employed, the States can exercise no control over them, nor in any wise affect their operation, except in so far as Congress may see proper to permit. Anything beyond this is "an abuse, because it is the usurpation of power which a single State can not give." Against the national will "the States have no power, by taxation or otherwise, to retard, impede, burthen, or in any manner control the operation of the constitutional laws enacted by Congress to carry into execution the powers vested in the general Government." *Osborn v. Bank*, supra; *Weston and Others v. Charleston*, 2 Pet. 466; *Brown v. Maryland*, 12 Wheat. 419; *Dobbins v. Erie County*, 16 Pet. 435.

The power to create carries with it the power to preserve. The latter is a corollary from the former. [Italics supplied.]

In *Davis v. Elmira Savings Bank* (1896), 161 U. S. 275, 16 Sup. Ct. 502, the same question arose in another form. The Legislature of the State of New York provided by law that a savings bank organized under the laws of that State should have a preference as a depositor in other banks in case of the insolvency of the latter, and it was sought to apply this provision to the case of a deposit by a savings bank in a national bank which had subsequently become insolvent. The Supreme Court of the United States held that such a provision of a State law could not apply to national banks, because it was in conflict with that provision of the national bank act which requires the assets of an insolvent national bank to be distributed ratably among its creditors. In so holding, the court said (p. 503):

National banks are instrumentalities of the Federal Government, created for a public purpose, and as such necessarily subject to the paramount authority of the United States. *It follows that an attempt by a State to define their duties or control the conduct of their affairs is absolutely void, wherever such attempted exercise of authority expressly conflicts with the laws of the United States,*

and either frustrates the purpose of the national legislation or impairs the efficiency of these agencies of the Federal Government to discharge the duties, for the performance of which they were created. These principles are axiomatic, and are sanctioned by the repeated adjudications of this court. [Italics supplied.]

In *Easton v. Iowa* (1903), 188 U. S. 220, 23 Sup. Ct. 288, Easton, the president of a national bank was convicted in the State court under a State law making it a crime to receive deposits while the bank was insolvent. On appeal, the Supreme Court of the United States held that the State law had no application to a national bank. In so holding, the court said (pp. 290, 293):

* * * the Federal legislation creating and regulating national banks * * * has in view the erection of a system extending throughout the country, and independent, so far as powers conferred are concerned, of State legislation which, if permitted to be applicable, might impose limitations and restrictions as various and as numerous as the States. Having due regard to the national character and purposes of that system, we can not concur in the suggestions that national banks, in respect to the powers conferred upon them, are to be viewed as solely organized and operated for private gain. *The principles enunciated in McCulloch v. Maryland, 4 Wheat. 316, 425, and in Osborn v. United States Bank, 9 Wheat. 738, though expressed in respect to banks incorporated directly by acts of Congress, are yet applicable to the later and present system of national banks.*

* * * * *
Our conclusions, upon principle and authority, are that Congress, having power to create a system of national banks, is the judge as to the extent of the powers which should be conferred upon such banks, and has the sole power to regulate and control the exercise of their operations; * * * *that it is not competent for State legislatures to interfere, whether with hostile or friendly intentions, with national banks or their officers in the exercise of the powers bestowed upon them by the general government.* [Italics supplied.]

Having been denied the right to impose limitations and restrictions upon national banks, the States have granted increasingly liberal powers to competing State banks and, in many instances, have subjected them to fewer restrictions and less effective regulation and supervision. This has led Congress to modify the safeguards contained in the original national bank act, in order to enable national banks to compete with State banks and thus to preserve the existence of the national banking system. Such competition between the Federal Government and the various States has led to more and more laxity in bank regulation and supervision.

Moreover, when Congress has undertaken to enact legislation designed to "provide for the safer and more effective use of the assets of national banking associations" it has been told that the proposed legislation would make it difficult for national banks to compete with

State banks and would cause national banks to reorganize as State banks.

Since "it is not competent for State legislatures to interfere * * * with national banks or their officers in the exercise of the powers bestowed upon them by the general government," they can not do so indirectly by granting State banks competitive advantages; and, if the competition of State banks interferes with the safe and effective operation of national banks, Congress can put an end to such interference with the national purpose by preventing State banks from competing with national banks for commercial banking business.

First National Bank v. Union Trust Co. (1917), 244 U. S. 416, 37 Sup. Ct. 734, turned upon the constitutionality of section 11 (k) of the Federal reserve act, which granted to national banks the right to act, in certain circumstances, as trustees, executors and administrators. It was contended that, unlike the business of banking, there was no natural connection or relationship between acting in these capacities and carrying on the fiscal operations of the Federal Government and that, moreover, the legislation constituted a direct invasion of the sovereignty of the States, which control not only the devolution of the estates of deceased persons and the conduct of private business within the States, but as well the creation of corporations and the qualifications and duties of such as may engage in the business of acting as trustees, executors and administrators. The Supreme Court of the United States, however, took cognizance of the fact that Congress had authorized national banks to act in these capacities in order to enable them to compete with State corporations which were authorized to transact such business in connection with their banking business; and, therefore, the court sustained the constitutionality of the law.

In rendering the opinion of the court on this question, Chief Justice White reviewed the earlier decisions of the Supreme Court in the cases of *McCulloch v. Maryland* and *Osborn v. Bank* and said (p. 737):

* * * What those cases established was that although a business was of a private nature and subject to State regulation, if it was of such a character as to cause it to be incidental to the successful discharge by a bank chartered by Congress of its public functions, it was competent for Congress to give the bank the power to exercise such private business in cooperation with or as part of its public authority. Manifestly this excluded the power to the State in such case, although it might possess in a general sense authority to regulate such business, to use that authority to prohibit such business from being united by Congress

with the banking function, since to do so would be but the exertion of State authority to prohibit Congress from exerting a power which, under the Constitution, it had a right to exercise. From this it must also follow that even although a business be of such a character that it is not inherently considered susceptible of being included by Congress in the powers conferred on national banks, that rule would cease to apply if, by State law, State banking corporations, trust companies, or others which, by reason of their business, are rivals or quasi rivals of national banks, are permitted to carry on such business. This must be, since *the State may not by legislation create a condition as to a particular business which would bring about actual or potential competition with the business of national banks, and at the same time deny the power of Congress to meet such created condition by legislation appropriate to avoid the injury which otherwise would be suffered by the national agency.* [Italics supplied.]

Likewise, the States may not, by granting increasingly liberal powers to State banks and trust companies, create a competitive situation that makes it impossible for Congress to preserve the existence of the national banking system without removing the safeguards necessary to make it a safe and effective system and at the same time deny the right of Congress to meet the situation by putting an end to such competition.

In the case of *State of Missouri v. Duncan* (1924), 265 U. S. 17, 44 Sup. Ct. 427, the Burnes National Bank of St. Joseph, Mo., being duly authorized to act as executor by a permit issued by the Federal Reserve Board under the provisions of section 11 (k) of the Federal reserve act, was named as executor by a citizen of Missouri who died leaving a will. The bank applied to the probate court for letters testamentary but was denied appointment on the ground that national banks were not permitted to act as executors under the laws of Missouri. Thereupon, the national bank applied to the supreme court of the State for a writ of mandamus to require the judge of the probate court to issue letters testamentary. The Supreme Court of Missouri denied a writ of mandamus and an appeal was taken to the Supreme Court of the United States, which reversed the opinion of the State court and held that the probate court had no right to deny the national bank letters testamentary.

After quoting the second paragraph of section 11 (k) of the Federal reserve act, as amended by the act of September 26, 1918 (40 Stat. 967), the Supreme Court said, through Mr. Justice Holmes (pp. 23, 24):

* * * This says in a roundabout and polite but unmistakable way that whatever may be the State law, national banks having the permit of the Federal Reserve Board may act as executors if trust companies competing with them have that power. The relator has the permit, competing trust companies can act as

executors in Missouri, the importance of the powers to the sustaining of competition in the banking business is so well known and has been explained so fully heretofore that it does not need to be emphasized, *and thus the naked question presented is whether Congress had the power to do what it tried to do.*

* * * * *
 The States can not use their most characteristic powers to reach unconstitutional results. *Western Union Telegraph Co. v. Kansas*, 216 U. S. 1. *Pullman Co. v. Kansas*, 216 U. S. 56. *Western Union Telegraph Co. v. Foster*, 247 U. S. 105, 114. There is nothing over which a State has more exclusive authority than the jurisdiction of its courts, but it can not escape its constitutional obligations by the device of denying jurisdiction to courts otherwise competent. *Kenney v. Supreme Lodge of the World*, 252 U. S. 411, 415. So here—the State can not lay hold of its general control of administration to deprive national banks of their power to compete that Congress is authorized to sustain. [Italics supplied.]

Nor would it seem that the States, through the exercise of their power to charter banks, can maintain a situation which impairs the efficiency of the national banking system and the Federal reserve system. The power to create these systems includes the power to preserve them; and Congress can eliminate the ruinous competition that now exists between the national banking system and the 48 State banking systems if it finds it necessary to do as a means of preserving the efficacy of its own instrumentalities.

In *Westfall v. United States* (1927), 274 U. S. 256, 47 Sup. Ct. 629, the defendant, who was not even an official of any member bank of the Federal reserve system, was indicted for aiding and procuring a branch manager of a State bank which was a member of the Federal reserve system to misapply the funds of the bank in violation of a provision of section 9 of the Federal reserve act. He attacked the constitutionality of the Statute on the ground that Congress had no power to punish offenses against the property rights of State banks and that the statute is so broad that it covers such offenses when they would not result in any loss to the Federal reserve bank. The Supreme Court of the United States, however, held that the statute was constitutional and said (p. 258):

* * * And if a State bank chooses to come into the system created by the United States, the United States may punish acts injurious to the system, although done to a corporation that the State also is entitled to protect. The general proposition is too plain to need more than statement. That there is such a system and that the reserve banks are interested in the solvency and financial condition of the members also is too obvious to require a repetition of the careful analysis presented by the Solicitor General. The only suggestion that may deserve a word is that the statute applies indifferently whether there is a loss to the reserve banks or not. *But every fraud like the one before us weakens the member bank and therefore weakens*

the system. Moreover, when it is necessary in order to prevent an evil to make the law embrace more than the precise thing to be prevented, it may do so. It may punish the forgery and utterance of spurious interstate bills of lading in order to protect the genuine commerce. *United States v. Ferger*, 250 U. S. 199. See further *Southern Ry. Co. v. United States*, 222 U. S. 20, 26. That principle is settled. Finally Congress may employ State corporations with their consent as instrumentalities of the United States, *Clallam County v. United States*, 263 U. S. 321, and may make frauds that impair their efficiency crimes. *United States v. Walter*, 263 U. S. 15. [Italics supplied.]

If Congress can go to that length in order to protect the Federal reserve system from a relatively minor danger, it can relieve the member banks of that system of the competition of nonmember banks for commercial banking business, in order to protect the Federal reserve system from the greater danger of having the efficiency and safety of its operations impaired by such competition. If, in order to accomplish this object, it deems it appropriate to restrict the transaction of a commercial banking business to national banks, which are required to be members of the Federal reserve system, Congress clearly has the right to do so.

A brief review of the history of Federal banking legislation will disclose that Congress already has made two attempts to create a unified banking system for the United States and that, in the language of Mr. Justice Holmes in *State of Missouri v. Duncan*, "The naked question presented is whether Congress has the power to do what it tried to do."

When it enacted the national bank act, Congress recognized that banking is a matter of national public interest and attempted to create a unified banking system under Federal supervision. As will be shown in more detail hereinafter, the act of March 3, 1865, which imposed a prohibitive tax on the circulating notes of State banks, was intended not only to provide a uniform currency but also to compel State banks to convert into national banks. It succeeded in eliminating State bank currency and almost succeeded in eliminating State banks; but the State banks overcame the handicap of not being able to issue currency and multiplied in number until, by 1910, their number was almost twice that of national banks.

By the enactment of the Federal reserve act of December 23, 1913, Congress made another attempt to create a unified banking system, by requiring all national banks in the continental United States to become members of the Federal reserve system and inviting State banks to do so voluntarily. This object was recognized by the Federal Reserve Board in a circular issued on June 7, 1915, and published in the FEDERAL

RESERVE BULLETIN for July, 1915, at page 145, wherein the board said:

A unified banking system, embracing in its membership the well-managed banks of the country, small and large, State and national, is the aim of the Federal reserve act. There can be but one American credit system of nation-wide extent, and it will fall short of satisfying the business judgment and expectation of the country and fail of attaining its full potentialities if it rests upon an incomplete foundation and leaves out of its membership any considerable part of the banking strength of the country.

When we entered the Great War, however, only 53 State banks with resources aggregating \$756,000,000 had become members of the Federal reserve system; and, in order to induce additional State banks to become members, so that the financial resources of the Nation might be mobilized for the great struggle then confronting it, Congress made a number of concessions which materially diminished its own control over State member banks of the Federal reserve system.

By the act of June 21, 1917 (40 Stat. 232), it eliminated the requirements of the original Federal reserve act that State member banks must comply with the loan limitations of the national bank act and must be examined at least twice a year by the Comptroller of the Currency and provided that, subject to the provisions of the Federal reserve act and the regulations of the Federal Reserve Board made pursuant thereto, such banks should retain their full charter and statutory rights as State banks or trust companies and might continue to exercise all corporate powers granted by the States in which they were created.

On October 13, 1917, the President of the United States appealed to the State banks and trust companies to become members of the Federal reserve system for patriotic purposes, saying that, "The extent to which our country can withstand the financial strains for which we must be prepared will depend very largely upon the strength and staying power of the Federal reserve banks." (Ann. Rep. F. R. Board, 1917, p. 9.)

Notwithstanding these concessions by Congress and this appeal of President Wilson, however, there were only 936 State member banks with resources aggregating \$7,338,813,000 in the Federal reserve system on January 1, 1919. Only 11 per cent of the State banks had become members of the Federal reserve system, and these banks held only 54.5 per cent of the resources of all State banks and trust companies in the country. (Ann. Rep. F. R. Board, 1918, pp. 26 and 27.)

Moreover, at the peak of State bank membership, which occurred on June 30, 1922, there were only 1,648 State banks and trust companies which were members of the Federal reserve system out of a total of approximately 20,000 State banks and trust companies in the country; and the member State banks and trust companies held only 51 per cent of the total resources of all State banks and trust companies. (Ann. Rep. F. R. Board, 1922, p. 29; Ann. Rep. Comp. Cur., 1931, pp. 3, 5.) And on June 30, 1932, there were only 835 State member banks and trust companies in the Federal reserve system.

Furthermore, the amendments of June 21, 1917, which were enacted in order to induce State banks to become members of the Federal reserve system voluntarily, had greatly weakened the control of the Federal Government over State member banks; the successive amendments to the national bank act, which were intended to enable national banks to compete more effectively with State banks, had materially lowered the standard previously set by the national bank act; the "better supervision of banking," which is one of the major purposes of the Federal reserve act, had been seriously impeded; and the 10 years 1921 to 1931 witnessed numerous failures of State member banks and a larger number of failures of national banks than had occurred previously in the entire history of the national banking system from 1863 to 1921.

Mr. Eugene Meyer, then managing director of the War Finance Corporation, made the following statement on January 31, 1923, in testifying before the Committee on Banking and Currency of the House of Representatives (Hearings on S. 4280, 67th Cong., Pt. I, p. 56):

There are necessarily many difficulties involved in our dual system of banking. We have a State banking system, a national banking system, and a Federal reserve system, the latter having a membership derived from both the State and the national systems. The State banking departments supervise the State banks, and the Comptroller of the Currency supervises the national banks, while the Federal reserve system has a supervision of its own for the member banks, and there has been at times some disposition to competition between the State and the national banking systems.

The State banking laws frequently permit practices which national banks can not legally engage in. This is creating competition between the two systems which can not be regarded as wholesome and may lead to the gradual weakening of both. * * * The competition that exists at the present time between State and national banks can not fail to remind one of the competition that prevailed a generation ago among the various States seeking to become domiciles for corporations—a competition that was based upon the

laxity of the laws governing incorporation. *Nothing could be more disastrous than competition between the State and national banking groups, based upon competition in laxity.* [Italics supplied.]

In testifying before the Committee on Ways and Means of the House of Representatives on April 27 and 28, 1932, in his capacity as governor of the Federal Reserve Board and chairman of the board of directors of the Reconstruction Finance Corporation and in the light of his experience as managing director of the War Finance Corporation, Mr. Eugene Meyer discussed this subject again. (Hearings re payment of adjusted service certificates, 72d Cong., 1st sess., pp. 631, 642, 643). His testimony was, in part, as follows:

Personally I feel, as I stated to a subcommittee of the Banking and Currency Committee the other day, that we will never have a satisfactory banking system in the United States until banks of deposit, commercial banks, can be gathered under one chartering, supervising, and regulatory power. The constant competition between State and national banking systems has resulted in a weakening of the laws and the safeguards of both systems which I think contributed in no small degree to the excesses of the inflation period and to the suffering of the deflation period. The minds of the committees charged with banking and currency responsibilities are engaged in studying this problem.

* * * * *

I am entirely in favor of maintaining State rights to the extent that they can properly be maintained. But there are various functions over which the Federal Government has had to assume jurisdiction. We have the Postal Service and have had it since the beginning of the Government. As other activities become national and interstate on a greater scale, I feel that we must take account of these changed conditions. We must have elasticity in our conception of decentralization and the advantage of local control when there are vital changes in financial and economic conditions.

This subject was also discussed by Mr. Owen D. Young, deputy chairman of the Federal Reserve Bank of New York, in his testimony before the subcommittee of the Senate Committee on Banking and Currency on February 4, 1931. (Hearings pursuant to Senate Resolution No. 71 of the 71st Cong., pp. 353 et seq.) He said:

I want to say, first, Mr. Chairman, * * * that all commercial deposit banking in the United States should be carried on under one law, that examinations of banks and their control should be under one authority. Their reserves should be mobilized in the Federal reserve system. Then we could develop for the country as a whole a sound banking system, and definitely fix responsibility. That would mean that all banks of deposit, as distinguished from savings, should be national banks.

As it is now, banks are chartered both by the National Government and by each of the 48 States. They are in competition, each endeavoring to offer the most attractive charters and the most liberal laws, to say nothing of the liberality of administrative

officials in interpreting the laws. The national banking act has to compete not only with the most conservative States but the most liberal ones. Consequently, there has been a constant tendency to liberalize banking laws and to weaken their administration. In such cases the argument is always made that it is desirable to liberalize the law so as to enable the banks to be of great service to borrowers.

The first question always regarding banks doing a demand deposit business should be the safety of the deposits and the ability of the bank to return them to depositors instantly on request, unless they be time deposits. No thought of service to borrowers should be permitted to impair the safety and security of deposits. Banks of deposit are, after all, primarily custodians of liquid funds. Only such use of such funds should be permitted as may be consistent with the interests of the depositors.

In the early years of our Government, our business was largely done by currency moving from hand to hand. It was felt at that time, and properly so, that we should have a national and uniform currency. Consequently, Congress was given power to coin money and regulate the value thereof. This power was made effective as to paper money by the national bank act. Now our business is carried on mostly by transfers of bank deposits, currency forming only a small part of our money transfers. If control of our currency were necessary in the beginning by the Federal Government, control of our bank deposits by it now would seem desirable. We have transferred, either affirmatively or by acquiescence, many powers to the Federal Government which ought not to be there. I am bitterly opposed to the impairment of the rights of the States in their appropriate field. It does seem strange, however, that in the face of such gravitation toward Federal authority, we should have retained divided rather than unified power over our deposit banking system.

Except for the currency in our pockets, our banks of deposit hold the liquid capital of the people of the United States. The transfer of this capital from one of us to another, promptly and safely, should be facilitated. That means, however, that every bank of deposit is truly engaged in a national business. Its soundness and safety is of concern to our people everywhere. Our business of deposit banks is not local in character; it is, and should be, national. Therefore, in my judgment, it should be governed by the national law.

* * * * *

I should hope, sir, that you might find a way to bring all State banks holding themselves out to do a national business and carrying demand deposits into the Federal reserve system by compulsion.

Having failed to accomplish fully its purposes by creating the Federal reserve system and inviting State banks to become members voluntarily and by modifying the safeguards contained in the national bank act and the Federal reserve act, in order to encourage the organization of national banks and to induce State banks to become members of the Federal reserve system, Congress may resort to other measures. It can abandon inducement and resort to compulsion. In other words, it can prevent the transaction of a commercial banking business except by national banks, which must be members of the Federal reserve system.

That Congress has the power to adopt this means to accomplish its great objects follows necessarily from the fundamental principles established by the Supreme Court of the United States in its decision in the case of *McCulloch v. Maryland* and the other cases discussed above; but there are also other reasons and additional authorities for this conclusion.

II. THE POWER TO PROVIDE A NATIONAL CURRENCY

A separate and independent ground for the above conclusion and an effective method of bringing all commercial banking into the national banking system is found in the measures adopted by Congress to provide a national currency for the Nation and in the decisions of the Supreme Court regarding the constitutionality of such measures.

By the act of March 3, 1865 (13 Stat. 484), later reenacted as the Act of July 13, 1866 (14 Stat. 146), Congress imposed a tax of 10 per cent on the circulating notes of State banks paid out by National or State banks. The avowed purpose of this legislation was to create a uniform currency by driving the circulating notes of State banks out of existence and, if necessary, by driving all State banks into the national banking system; and the Supreme Court of the United States upheld its constitutionality. *Veazie Bank v. Fenno* (1869), 8 Wall. 533, 19 L. Ed. 482.

How near this legislation came to creating a unified banking system is indicated by the fact that up to November 15, 1864, there were only 584 national banks with capital aggregating \$81,961,450 and, by October 1, 1865, there were 1,566 national banks capitalized at \$276,219,450. In 1862, prior to the passage of the national bank act, there were 1,492 State banks; in July, 1864, there were 467 national banks and 1,089 State banks; in 1865, there were 1,294 national banks and 349 State banks; in 1866, there were 1,634 national banks and 297 State banks; and by 1868, the number of State banks fell to 247, the lowest figure for any time since 1857. (Report, National Monetary Commission, vol. 5, pp. 22, 103; Annual Report, Comp. Cur., 1931, p. 3.)

It is appropriate, therefore, to examine in this connection not only the legal basis for the decision of the Supreme Court in the case of *Veazie Bank v. Fenno*, but also the circumstances giving rise to that opinion. While the situation then confronting Congress assumed a different form, the problem of the Sixties and

the method of its solution furnish a guide to the method of dealing with the problem of effecting desirable reforms in our present banking system.

In his report to Congress dated November 28, 1863, (p. 57) the Comptroller of the Currency said:

* * * The idea that the national banks can not supersede the State banks without breaking them down and ruining their stockholders is an erroneous one, and can only be honestly entertained by those who have not carefully considered the subject or noticed the process of conversion, which has changed some banks in the West, and is changing others in the East, from one system to the other. No war is being waged, or is intended to be waged, by the national system upon State institutions. So far from it, it opens the way by which the interests of stockholders can be protected, at the same time that the character of their organizations is changed.

* * * The amount of losses which the people have sustained by insolvent State banks, and by the high rate of exchanges—the result of a depreciated currency—can hardly be estimated. That some of the new States have prospered, notwithstanding the vicious and ruinous banking systems with which they have been scourged, is evidence of the greatness of their resources and the energy of their people. *The idea has at last become quite general among the people that the whole system of State banking, as far as circulation is regarded, is unfitted for a commercial country like ours.* The United States is a nation as well as a union of States. Its vast railroad system extends from Maine to Kansas, and will soon be extended to the Pacific Ocean. Its immense trade is not circumscribed by State lines, nor subject to State laws. Its internal commerce is national, and so should be its currency. At present some 1,500 State banks furnish the people with a bank-note circulation. This circulation is not confined to the States by which it is authorized, but is carried by trade or is forced by the banks all over the Union. People receive it and pay it out, scarcely knowing from whence it comes or in what manner it is secured. Banks have been organized in some States with a view to lending their circulation to the people of others. Probably not one-quarter of the circulation of the New England banks is needed or used in New England—the balance being practically loaned to other States. The national currency system is intended to change this state of things, not by a war upon the State banks, but by providing a means by which the circulation which is intended for national use shall be based upon national securities through associations organized under a national law. [Italics supplied.]

In his report of November 25, 1864, (p. 54) the Comptroller of the Currency said:

As long as there was any uncertainty in regard to the success of the national banking system, or the popular verdict upon its merits and security, I did not feel at liberty to recommend discriminating legislation against the State banks. It is for Congress to determine if there is any longer a reasonable uncertainty on these points, and if the time has not arrived when all these institutions should be compelled to retire their circulation. It is indispensable for the financial success of the Treasury that the currency of the country should be under the control of the Government. This can not be the case as long as State institutions have the right

to flood the country with their issues. As a system has been devised under which State banks, or at least as many of them as are needed, can be reorganized, so that the Government can assume a rightful control over bank-note circulation, it could hardly be considered oppressive if Congress should prohibit the further issue of bank notes not authorized by itself, and compel, by taxation, (which should be sufficient to effect the object without being oppressive), the withdrawal of those which have been already issued. My own opinion is, that this should be done, and that the sooner it is done the better it will be for the banks themselves and for the public. *As long as the two systems are contending for the field, (although the result of the contest can be no longer doubtful), the Government can not restrain the issue of paper money; and as the preference which is everywhere given to a national currency over the notes of the State banks indicates what is the popular judgment in regard to the merits of the two systems, there seems to be no good reason why Congress should hesitate to relieve the Treasury of a serious embarrassment, and the people of an unsatisfactory circulation. [Italics supplied.]*

The circumstances giving rise to the enactment of the act of March 3, 1865, and the purposes sought to be accomplished thereby were graphically described by Senator Sherman, Chairman of the Finance Committee, when he reported the bill to the Senate on February 27, 1865. His entire speech is worthy of careful study; but the following quotations will suffice. (Congressional Globe, 38th Cong., 2d Sess., pp. 1138, 1139.)

The people of the United States having definitely determined to prosecute war, it only remained for Congress to provide the ways and means to carry it on * * * I still think that with parsimonious economy and heavy taxes from the beginning, we might have borrowed money enough on a specie basis to have avoided a suspension of specie payments; but when it came we were without a currency and without a system of taxation. Gold disappeared and was hoarded by banks and individuals. It flowed in a steady stream from our country. By the Sub-Treasury act we could not use the irredeemable bills of State banks, and with the terrible lessons of 1815 and 1837 staring us in the face, *no one was bold enough to advise us to make as a standard of value the issues of 1,500 banks founded upon as many banking systems as there were States. Under these circumstances we had but one resource.*

We had to borrow vast sums, and as a means to do it we had to make a currency. This was done by the issue of United States notes. Subsequently, to unite the interests of private capital with the security of the Government as a basis of banking, we established a system of national banks, and upon this currency, as a medium for collecting taxes and borrowing money, have waged a war unexampled in the grandeur of its operations, and, as I trust, soon to be crowned with unconditional success.

* * * * *

A still more important feature of this bill is the section to compel the withdrawal of State bank notes. As the volume of currency affects the price of all commodities, I have no doubt the amount of such paper money now outstanding adds to the cost of our purchases \$50,000,000. The refusal of Congress, at the last session, to pass restrictive measures to compel its re-

demption has seriously affected the value of our currency. *The national banks were intended to supersede the State banks. Both can not exist together; yet, while the national system is extending, the issues of State banks have not materially decreased. Indeed, many local banks have been converted into national banks, and yet carefully keep out their State circulation. They exact interest from the people on this circulation, and yet avail themselves of the benefits of the new system. They transfer their capital to national banks, issue new circulation upon it, and yet studiously keep out the old. They issue two circulations upon the same capital. It is far better at once to abandon the national banking system than to leave it as a cloak for outstanding State issues.*

If the State banks have power enough in Congress to prolong their existence beyond the present year, we had better suspend the organization of national banks. As the first friend of this measure in the Senate, I would vote today for its repeal rather than allow it to be the agency under which State banks can inflate our currency. *And the power of taxation can not be more wisely exercised than in harmonizing and nationalizing and placing on the secure basis of national credit all the money of the country. [Italics supplied.]*

The various legislative steps leading up to the passage of the act of July 13, 1866, were stated as follows in the opinion of the Supreme Court in the case of *Veazie Bank v. Fenno* by Mr. Chief Justice Chase, who had been Secretary of the Treasury during the events related (8 Wall. 536-540):

At the beginning of the rebellion the circulating medium consisted almost entirely of bank notes issued by numerous independent corporations variously organized under State legislation, of various degrees of credit, and very unequal resources, administered often with great, and not unfrequently with little skill, prudence and integrity. The acts of Congress, then in force, prohibiting the receipt or disbursement, in the transactions of the National government, of anything except gold and silver, and the laws of the States requiring the redemption of bank notes in coin on demand, prevented the disappearance of gold and silver from circulation. There was, then, no national currency except coin; there was no general regulation of any other by national legislation; and no national taxation was imposed in any form on the State bank circulation.

The first act authorizing the emission of notes by the Treasury Department for circulation was that of July 17, 1861. The notes issued under this act were treasury notes, payable on demand in coin. * * *

On the 31st of December, 1861, the State banks suspended specie payment. Until this time the expenses of the war had been paid in coin, or in the demand notes just referred to; and, for some time afterwards, they continued to be paid in these notes, which, if not redeemed in coin, were received as coin in the payment of duties.

Subsequently, on the 25th of February, 1862, a new policy became necessary in consequence of the suspension and of the condition of the country, and was adopted. The notes hitherto issued, as has just been stated, were called Treasury notes, and were payable on demand in coin. The act now passed authorized the issue of bills for circulation under the name of United States notes, made payable to bearer, but not expressed to be payable on demand, * * *.

This currency, issued directly by the Government for the disbursement of the war and other expenditures, could not, obviously, be a proper object of taxation.

But on the 25th of February, 1863, the act authorizing national banking associations was passed, in which, for the first time during many years, Congress recognized the expediency and duty of imposing a tax upon currency. By this act a tax of 2 per cent annually was imposed on the circulation of the associations authorized by it. Soon after, by the act of March 3d, 1863, a similar but lighter tax of 1 per cent annually was imposed on the circulation of State banks, in certain proportions to their capital, and of 2 per cent on the excess; and the tax on the national associations was reduced to the same rates.

* * * * *

At a later date, by the act of June 3d, 1864, which was substituted for the act of February 25th, 1863, authorizing national banking associations, the rate of tax on circulation was continued and applied to the whole amount of it, and the shares of their stockholders were also subjected to taxation by the States; and a few days afterwards, by the act of June 30, 1864, to provide ways and means for the support of the Government, the tax on the circulation of the State banks was also continued at the same annual rate of 1 per cent as before, but payment was required in monthly installments of one-twelfth of 1 per cent with monthly reports from each State bank of the amount in circulation.

It can hardly be doubted that the object of this provision was to inform the proper authorities of the exact amount of paper money in circulation, with a view to its regulation by law.

* * * The act just referred to was * * * followed some months later by the act of March 3d, 1865, amendatory to the prior internal revenue acts, the sixth section of which provides, "that every national banking association, State bank or State banking association, shall pay a tax of 10 per centum on the amount of the notes of any State bank, or State banking association, paid out by them after the 1st day of July, 1866."

The same provision was reenacted, with a more extended application, on the 13th of July, 1866, in these words: "Every national banking association, State bank, or State banking association, shall pay a tax of 10 per centum on the amount of notes of any person, State bank, or State banking association used for circulation, and paid out by them after the first day of August, 1866, and such tax shall be assessed and paid in such manner as shall be prescribed by the Commissioner of Internal Revenue."

The constitutionality of this last provision is now drawn in question, and this brief statement of the recent legislation of Congress has been made for the purpose of placing in a clear light its scope and bearing, especially as developed in the provisions just cited. It will be seen that when the policy of taxing bank circulation was first adopted in 1863, Congress was inclined to discriminate for, rather than against, the circulation of the State banks; but that when the country had been sufficiently furnished with a national currency by the issues of United States notes and of national bank notes, the discrimination was turned, and very decidedly turned, in the opposite direction.

Let us consider the present problem in the light of past experience: By the revenue act of 1932, approved June 6, 1932, Congress recently imposed a tax of 2 cents on each

check, without making any distinction between checks drawn on State banks and those drawn on national banks. Is there any reason why Congress could not increase this tax to 10 per cent of the amount of each check but exempt therefrom the checks drawn upon national banks and Federal reserve banks, the instrumentalities which it has created to aid the Government in the performance of certain important functions?

While there are other grounds for holding that Congress could do so, adequate grounds for such a conclusion are contained in the reasons given by Mr. Chief Justice Chase for the court's decision in the case of *Veazie Bank v. Fenno*.

After disposing of the contentions that the tax was a direct tax and had not been apportioned among the States, as required by the Constitution, and that the act imposing the tax impaired a franchise granted by the State, which it was urged Congress had no right to do, he stated and disposed of the principal question as follows (8 Wall. 548-550):

It is insisted, however, that the tax in the case before us is excessive, and so excessive as to indicate a purpose on the part of Congress to destroy the franchise of the bank, and is, therefore, beyond the constitutional power of Congress.

The first answer to this is that *the judicial can not prescribe to the legislative departments of the Government limitations upon the exercise of its acknowledged powers*. The power to tax may be exercised oppressively upon persons, but the responsibility of the legislature is not to the courts, but to the people by whom its members are elected. So if a particular tax bears heavily upon a corporation, or a class of corporations, it can not, for that reason only, be pronounced contrary to the Constitution.

But there is another answer which vindicates equally the wisdom and the power of Congress.

It can not be doubted that under the Constitution the power to provide a circulation of coin is given to Congress. And it is settled by the uniform practice of the Government and by repeated decisions, that Congress may constitutionally authorize the emission of bills of credit. It is not important here to decide whether the quality of legal tender, in payment of debts, can be constitutionally imparted to these bills; it is enough to say, that there can be no question of the power of the Government to emit them; to make them receivable in payment of debts to itself; to fit them for use by those who see fit to use them in all the transactions of commerce; to provide for their redemption; to make them a currency, uniform in value and description, and convenient and useful for circulation. These powers, until recently, were only partially and occasionally exercised. Lately, however, they have been called into full activity, and Congress has undertaken to supply a currency for the entire country.

The methods adopted for the supply of this currency were briefly explained in the first part of this opinion. It now consists of coin, of United States notes, and of the notes of the national banks. Both descriptions of notes may be properly described as bills of credit, for

both are furnished by the Government; both are issued on the credit of the Government; and the Government is responsible for the redemption of both; primarily as to the first description, and immediately upon default of the bank, as to the second. When these bills shall be made convertible into coin, at the will of the holder, this currency will, perhaps, satisfy the wants of the community, in respect to a circulating medium, as perfectly as any mixed currency that can be devised.

Having thus, in the exercise of undisputed constitutional powers, undertaken to provide a currency for the whole country, it can not be questioned that Congress may, constitutionally, secure the benefit of it to the people by appropriate legislation. To this end, Congress has denied the quality of legal tender to foreign coins, and has provided by law against the imposition of counterfeit and base coin on the community. To the same end, Congress may restrain, by suitable enactments, the circulation as money of any notes not issued under its own authority. Without this power, indeed, its attempts to secure a sound and uniform currency for the country must be futile.

Viewed in this light, as well as in the other light of a duty on contracts or property, we can not doubt the constitutionality of the tax under consideration. [Italics supplied.]

Likewise, having undertaken to provide an elastic currency for the country by enacting the Federal reserve act, which authorized the issuance of Federal reserve notes through the Federal reserve banks, Congress may constitutionally secure the benefit of that currency to the people by appropriate legislation.

Federal reserve notes are secured by the assets of Federal reserve banks; and the Federal reserve banks depend largely upon their member banks to furnish the assets required for this purpose. They derive all their capital from subscriptions by member banks to their capital stock and most of their deposits consist of the legal reserves deposited with them by their member banks.

In normal times, Federal reserve notes are secured largely by eligible paper acquired by the Federal reserve banks from their member banks, and, as pointed out by the Federal Reserve Board in the circular quoted in part above, the Federal reserve act contemplated the creation of a banking system which would include most, if not all, of the commercial banks in the country.

This result not having been accomplished by the methods heretofore adopted, it would seem clear that Congress has the power to enact appropriate legislation in order to preserve for the Nation the full benefits of the flexible currency which it undertook to provide by the enactment of the Federal reserve act. If it finds that, in order to accomplish this purpose, it is necessary to prevent the transaction of a commercial banking business except by national banks, which must be members of the Federal

reserve system, Congress may constitutionally adopt this means and the courts will not interfere; because the degree of the necessity for the enactment of such legislation is a question of legislative discretion, not of judicial cognizance. *McCulloch v. Maryland.*

At one time it was contended that Congress is not authorized to provide the people of the United States with a national currency, that the only power of this general character granted to it was the power to coin money and regulate the value thereof, and that this power is confined to matters pertaining to metallic money.

Such an argument was answered, however, in the decision of the Supreme Court of the United States in the *Legal Tender Cases* (1871), 12 Wall. 457, 20 L. Ed. 287, wherein the Supreme Court upheld the validity of certain acts of Congress making United States notes and Treasury notes legal tender for the payment of debts. In that case, the court, speaking through Mr. Justice Strong, said (544-546):

It is not easy to see why, if State bank notes can be taxed out of existence for the purposes of indirectly making United States notes more convenient and useful for commercial purposes, the same end may not be secured directly by making them a legal tender.

* * * *The Constitution was intended to frame a government as distinguished from a league or compact, a government supreme in some particulars over States and people. It was designed to provide the same currency, having a uniform legal value in all the States. It was for this reason the power to coin money and regulate its value was conferred upon the Federal Government, while the same power as well as the power to emit bills of credit was withdrawn from the States. The States can no longer declare what shall be money, or regulate its value. Whatever power there is over the currency is vested in Congress. If the power to declare what is money is not in Congress, it is annihilated.* * * * it might be argued with much force that when it is considered in what brief and comprehensive terms the Constitution speaks, how sensible its framers must have been that emergencies might arise when the precious metals (then more scarce than now) might prove inadequate to the necessities of the Government and the demands of the people—when it is remembered that paper money was almost exclusively in use in the States as the medium of exchange, and when the great evil sought to be remedied was the want of uniformity in the current value of money, it might be argued, we say, that the gift of power to coin money and regulate the value thereof, was understood as conveying general power over the currency, the power which had belonged to the States, and which they surrendered. [Italics supplied.]

In a separate concurring opinion, Mr. Justice Bradley said (p. 562):

Another ground of the power to issue Treasury notes or bills is the necessity of providing a proper currency for the country, and especially of providing for the failure or disappearance of the ordinary currency in times of financial pressure and threatened collapse of commercial credit. *Currency is a national necessity. The operations of the Government, as well as private trans-*

actions, are wholly dependent upon it. The State governments are prohibited from making money or issuing bills. *Uniformity of money was one of the objects of the Constitution.* The coinage of money and regulation of its value is conferred upon the General Government exclusively. That Government has also the power to issue bills. It follows, as a matter of necessity, as a consequence of these various provisions, that it is specially the duty of the General Government to provide a national currency. *The States can not do it, except by the charter of local banks, and that remedy, if strictly legitimate and constitutional, is inadequate, fluctuating, uncertain, and insecure, and operates with all the partiality to local interests, which it was the very object of the Constitution to avoid.* But regarded as a duty of the General Government, it is strictly in accordance with the spirit of the Constitution, as well as in line with the national necessities. [Italics supplied.]

The tax imposed by the act of July 13, 1866, accomplished the object of eliminating the circulating notes of State banks and thus giving us a national currency of uniform value; but it has not accomplished the object of eliminating the competition of State banks and thus creating a unified commercial banking system as a basis for that currency.

Prior to the Civil War, banks derived most of their profits from the issuance of circulating notes and relied to a much lesser extent than they do now on deposits as a source of earning power. In fact, the amount of their circulating notes frequently exceeded the amount of their deposits. (Rep. National Monetary Commission, vol. 5, pp. 16, 27.) It was expected, therefore, that the imposition of a prohibitive tax on their circulating notes would cause all State banks either to convert into national banks or to go out of business.

A way was soon found, however, to conduct a profitable banking business without issuing circulating notes. It was through the development of the use of checks in lieu of currency as a means of payment. This was convenient to depositors and profitable to the banks, since the latter could enjoy the use of the money pending its withdrawal and even while the checks were in process of collection; and the practice was encouraged by national banks as well as State banks. Moreover, arrangements facilitating the easy flow of checks throughout the country made the use of checks so popular that it has been estimated that, at the present time, more than 90 per cent of all payments are made by means of checks.

Checks, therefore, have to a very large extent taken the place of currency as a medium of payment; and State banks, operating under laws allowing a greater latitude and requiring less rigorous supervision and regulation than the national bank act, have grown in number until,

in the peak year of 1921, there were 20,349 State banks (other than mutual savings banks) compared with 8,154 national banks and, in 1931, there were 13,728 State banks compared with 6,805 national banks. The reduction in the number of banks of both classes resulted principally from failures and consolidations. (Ann. Rep. Compt. Currency, 1931, p. 3.)

Moreover, with the return of the predominance of State banks, many of the disadvantages of a heterogeneous banking structure have reappeared in another form; and checks, which have replaced currency as the principal medium of payment, frequently prove to be an ineffective medium. Checks go unpaid because the banks upon which they were drawn have failed. Balances against which depositors expected to draw checks in settlement of their business transactions are unavailable for that purpose, because the banks have closed their doors.

Not only has the effective operation of the national banking system and the Federal reserve system been seriously impaired by the "competition in laxity" of bank regulation and supervision, described in the statements of Governor Meyer and Mr. Owen D. Young quoted above, but the proportion of national banks to the total number of commercial banks in the country has fallen from 87 per cent in 1868 to 33 per cent in 1931; and only 38 per cent of all the commercial banks were members of the Federal reserve system in 1931. A material portion of commercial banking business, therefore, is conducted outside of the Federal reserve system and contributes nothing to the basis for our currency.

The tax on circulating notes having become ineffective as a result of the use of checks in lieu of currency, Congress has the right to bring the act of July 13, 1866, up to date by making the tax applicable to checks drawn on State banks.

III. THE POWER TO REGULATE AND PROTECT INTERSTATE COMMERCE

Either one of the two grounds discussed above is sufficient to sustain the conclusion herein reached; but there is still another separate ground upon which the same conclusion could be sustained independently. The right to enact legislation to make banks more reliable instrumentalities of interstate commerce is included in the power granted to Congress by section 8 of article 1 of the Constitution, "To regulate commerce with foreign nations, and among the several States, and with the Indian tribes."

In a long series of decisions, this clause of the Constitution has been held to give Congress control over all phases of interstate commerce, as well as over all other matters so connected with interstate commerce as to require Congressional control over them in order to make effective the control over such commerce itself. The rule of these decisions is that "commerce" does not include merely the transfer of goods, but that the proper regulation of commerce must include the regulation of all aspects of commerce and of all instrumentalities upon which the carrying on of commerce depends. *Mondou v. New York, New Haven, and Hartford R. R. Co.*, 223 U. S. 1, 32 Sup. Ct. 169. Since the transportation system of the country is regarded as an essential instrumentality to this end, it has, under the commerce clause, been subjected to Congressional regulation on a vast scale. Railroad cars not used in interstate commerce, but which may be placed in the same train with those that are, must conform to the Federal safety appliance act. *Southern Railway Co. v. United States*, 222 U. S. 20, 32 Sup. Ct. 2. Intrastate freight rates are subjected to Federal regulation when they interfere with interstate rates. *Railroad Commission of Wisconsin v. Chicago, B. & Q. R. R. Co.*, 257 U. S. 563, 42 Sup. Ct. 232. The issuance of fraudulent bills of lading is punishable under a Federal statute, even when they cover no interstate shipment. *United States v. Feger*, 250 U. S. 199, 39 Sup. Ct. 445. Stockyards, although engaged in dealing locally in livestock, are subjected to Federal control, because they are essential cogs in the machinery of interstate commerce. *Stafford v. Wallace*, 258 U. S. 495, 42 Sup. Ct. 397. The same is true of the principal grain markets. *Board of Trade of City of Chicago v. Olsen*, 262 U. S. 1, 43 Sup. Ct. 470. The decisions contain many other examples of a similar nature.

Although the courts have held that the powers of Congress under the commerce clause extend to a great variety of matters related to commerce—from the quality of radio broadcasting stations to the criminality of traffic in certain articles—no judicial interpretation nor any extension of the literal terms of that clause is necessary to make it include the very essentials of commerce, i. e., the acts of transferring the goods and of transmitting the consideration for them. The one is as essential as the other. A breakdown in the means of payment would be as disastrous as a breakdown in the means of shipment, since virtually every commercial transaction requires the

services of a commercial bank for its consummation.

That the power to regulate commerce among the several States includes the power to remove obstructions and impediments to such commerce and to regulate the instrumentalities as well as the articles of that commerce is too well settled by numerous decisions of the Supreme Court to require argument. No attempt will be made, therefore, to review the multitude of decisions of the Supreme Court regarding the extent of this important power. A few leading cases will suffice.

The scope of the power of Congress over interstate commerce was stated concisely by the Supreme Court in *Mondou v. New York, N. H. & H. R. R. Co.* (1911), 223 U. S. 1, 32 Sup. Ct. 169, wherein the court sustained the validity of the Federal employees' liability act and reaffirmed the power of Congress to determine the necessity for, and to enact, uniform national legislation to replace the variant State legislation governing the same subject (pp. 173, 174):

The clauses in the Constitution (art. I., sec. 8, clauses 3 and 18) which confer upon Congress the power "to regulate commerce * * * among the several States," and "to make all laws which shall be necessary and proper" for the purpose, have been considered by this court so often and in such varied connections that some propositions bearing upon the extent and nature of this power have come to be so firmly settled as no longer to be open to dispute, among them being these:

1. The term "commerce" comprehends more than the mere exchange of goods. It embraces commercial intercourse in all its branches, including transportation of passengers and property by common carriers, whether carried on by water or by land.

2. The phrase "among the several States" marks the distinction, for the purpose of governmental regulation, between commerce which concerns two or more States and commerce which is confined to a single State and does not affect other States,—the power to regulate the former being conferred upon Congress and the regulation of the latter remaining with the States severally.

3. "To regulate," in the sense intended, is to foster, protect, control, and restrain, with appropriate regard for the welfare of those who are immediately concerned and of the public at large.

4. This power over commerce among the States, so conferred upon Congress, is complete in itself, extends incidentally to every instrument and agent by which such commerce is carried on, may be exerted to its utmost extent over every part of such commerce, and is subject to no limitations save such as are prescribed in the Constitution. But, of course, it does not extend to any matter or thing which does not have a real or substantial relation to some part of such commerce. [Italics supplied.]

That these considerations apply as much to the instruments as to the agents of such commerce, is shown by the brilliant passage which immediately follows in the opinion (p. 174):

As is well said in the brief prepared by the late Solicitor General: "Interstate commerce—if not always, at any rate when the commerce is transportation—is an act. Congress, of course, can do anything which, in the exercise by itself of a fair discretion, may be deemed appropriate to save the act of interstate commerce from prevention or interruption, or to make that act more secure, more reliable, or more efficient. The act of interstate commerce is done by the labor of men and with the help of things; and these men and things are the agents and instruments of the commerce. If the agents or instruments are destroyed while they are doing the act, commerce is stopped; if the agents or instruments are interrupted, commerce is interrupted; if the agents or instruments are not of the right kind or quality, commerce in consequence becomes slow or costly or unsafe or otherwise inefficient; and if the conditions under which the agents or instruments do the work of commerce are wrong or disadvantageous, those bad conditions may and often will prevent or interrupt the act of commerce or make it less expeditious, less reliable, less economical, and less secure. *Therefore, Congress may legislate about the agents and instruments of interstate commerce, and about the conditions under which those agents and instruments perform the work of interstate commerce, whenever such legislation bears, or, in the exercise of a fair legislative discretion, can be deemed to bear, upon the reliability or promptness or economy or security or utility of the interstate commerce act.*" [Italics supplied.]

If banks are destroyed, commerce is stopped; if banks are suspended, commerce is interrupted; if banks are not of the right kind or quality, "commerce in consequence becomes slow or costly or unsafe or otherwise inefficient"; and if the laws, regulations, and supervision under which banks perform their functions are wrong or inadequate, "these bad conditions may and often will prevent or interrupt the act of commerce or make it less expeditious, less reliable, less economical, and less secure." Therefore, it would seem that Congress may legislate about banks as agents and instruments of interstate commerce and may prescribe the conditions under which banks perform the work of finally consummating transactions in interstate commerce, "whenever such legislation bears, or, in the exercise of a fair legislative discretion, can be deemed to bear, upon the reliability or promptness or economy or security or utility" of the act of interstate commerce.

The fundamental incentive for interstate commerce is profit; and no transaction in interstate commerce is finally consummated until payment has been received for the goods which have been sold and shipped. In many instances, the very act of shipping goods in interstate commerce is inseparably connected with the forwarding, through a series of banks, of bills of lading attached to bills of exchange which must be paid or accepted before the goods are released. The ultimate payment which

constitutes the object and the final act of nearly every transaction in interstate commerce is made by means of a check drawn upon a bank in one State in favor of a payee in another State; and such checks are forwarded for collection through a series of banks scattered over at least two, and frequently more, different States. Banks, therefore, are essential instrumentalities of interstate commerce.

Nearly every bank failure delays or prevents the final consummation of numerous transactions in interstate commerce by preventing or delaying the payment of the checks given in settlement therefor; and Congress clearly would be justified in finding that a heterogeneous banking system in which there have been more than 10,000 suspensions involving deposits amounting to nearly \$5,000,000,000 since 1920, is a burden upon and an obstruction to interstate commerce.

Since "Congress * * * can do anything which, in the exercise by itself of a fair discretion, may be deemed appropriate to save the act of interstate commerce from prevention or interruption, or to make the act more secure, more reliable, or more efficient," it would seem clear that Congress can create a unified banking system in order to remove such an obstruction and burden to interstate commerce.

In *Houston, etc. R. Co. v. United States* (1914), 234 U. S. 342, 34 Sup. Ct. 833, wherein the Supreme Court sustained the validity of an act of Congress regulating purely intrastate freight rates when such rates were found by the Interstate Commerce Commission to interfere with interstate rates, the court said (p. 836):

It is unnecessary to repeat what has frequently been said by this court with respect to the complete and paramount character of the power confided to Congress to regulate commerce among the several States. *It is of the essence of this power that, where it exists, it dominates. Interstate trade was not left to be destroyed or impeded by the rivalries of local government. The purpose was to make impossible the recurrence of the evils which had overwhelmed the Confederation, and to provide the necessary basis of national unity by insuring "uniformity of regulation against conflicting and discriminating state legislation."* *By virtue of the comprehensive terms of the grant, the authority of Congress is at all times adequate to meet the varying exigencies that arise, and to protect the national interest by securing the freedom of interstate commercial intercourse from local control.* [Italics supplied.]

It has been recognized that one of the principal reasons for subjecting interstate commerce and matters related to it to national rather than local regulation is the fact that *interstate commerce "is of national importance, and admits and requires uniformity of regulation."* *Walton v. Missouri* (1876), 91 U. S. 275.

In *Mondou v. New York, N. H. & H. R. Co.*, supra, the court said, (p. 175):

We are not unmindful that that end was being measurably attained through the remedial legislation of the several states, but that legislation has been far from uniform, and it undoubtedly rested with Congress to determine whether a national law, operating uniformly in all the States, upon all carriers by railroad engaged in interstate commerce, would better subserve the needs of that commerce. [Italics supplied.]

Obviously the same principle applies to banks or a banking system which Congress has created. See *Easton v. Iowa*, supra, wherein the court said that the national bank legislation "has in view the erection of a system extending throughout the country, and independent so far as powers conferred are concerned, of State legislation which, if permitted to be applicable might impose limitations and restrictions as various and as numerous as the States."

It is not only within the power of Congress, therefore, to create a unified banking system in order to remove existing impediments and obstructions to interstate commerce resulting from the existence of 48 different State banking systems, but it is also right, meet, and proper for Congress to do so, since the object is a national one which can be dealt with effectively only by the national legislature.

This conclusion is not based upon the theory that the banking business is itself commerce, but upon the fact that banks are instrumentalities of interstate commerce and that an unsound and unsatisfactory banking system is a burden upon and an impediment to interstate commerce.

If, therefore, Congress decides to solve this problem through the exercise of its powers over interstate commerce and as a means to removing an obstruction to interstate commerce, it need not confine the legislation to transactions of an interstate character, but may legislate for the banking system as a whole; since every commercial bank actually functions as an instrumentality of interstate commerce and every failure of a commercial bank obstructs and impedes the consummation of numerous transactions in interstate commerce.

The effective regulation of interstate commerce requires the regulation of some matters which in and of themselves are not interstate commerce, but which have a direct relationship to such commerce. In other words, if the transaction which is of itself purely intrastate is a vital part of interstate commerce, the regulation of that transaction may be undertaken by Congress under the commerce clause.

In *Stafford v. Wallace* (1922), 258 U. S. 495, 42 Sup. Ct. 397, the court considered the validity of an act of Congress which, among other things, provided for Federal supervision and control of stockyards. The court found that, although many of their transactions are purely local, the business of the packers and of the stockyards is an integral and essential part of the interstate commerce in livestock and meat, and accordingly held the statute to be a valid exercise of the power conferred on Congress by the commerce clause.

In rendering the opinion of the court, Mr. Chief Justice Taft said (pp. 517, 521):

* * * The only question here is whether the business done in the stockyards, between the receipt of the livestock in the yards and the shipment of them therefrom, is a part of interstate commerce, or is so associated with it as to bring it within the power of national regulation. A similar question has been before this court and had great consideration in *Swift v. United States*, 196 U. S. 375, 25 Sup. Ct. 276, 49 L. Ed. 518. The judgment in that case gives a clear and comprehensive exposition, which leaves to us in this case little but the obvious application of the principles there declared.

* * * Whatever amounts to more or less constant practice, and threatens to obstruct or unduly to burden the freedom of interstate commerce is within the regulatory power of Congress under the commerce clause, and it is primarily for Congress to consider and decide the fact of the danger and meet it. This court will certainly not substitute its judgment for that of Congress in such a matter unless the relation of the subject to interstate commerce and its effect upon it are clearly nonexistent. [Italics supplied.]

Two cases dealing with Congressional legislation regarding grain futures markets have an important bearing not only upon the right of Congress to regulate the commercial banking business in order to prevent an obstruction to interstate commerce but also upon the proper method of preparing such legislation.

In the first of these cases, *Hill v. Wallace* (1922), 259 U. S. 44, 42 Sup. Ct. 453, an act of Congress designed to regulate the conduct of business of boards of trade through the exercise of the power of taxation was held to be unconstitutional. In *Board of Trade v. Olsen* (1923), 262 U. S. 1, 43 Sup. Ct. 470, however, the court upheld the validity of a statute having the same object, on the ground that it was intended to remove an obstruction or interference with interstate commerce in the form of price manipulation and control in these markets.

Unlike the statute held unconstitutional in *Hill v. Wallace*, the statute which was sustained as constitutional in *Board of Trade v. Olsen*

clearly stated its relation to interstate commerce. It contained a recital and finding of the facts disclosed in the hearings and committee reports, to the effect that transactions in grain involving sales for future delivery as commonly conducted on boards of trade are affected with a national public interest and that they are susceptible of speculation, manipulation and control resulting in fluctuations in prices which constitute an obstruction to and a burden upon interstate commerce in grain.

With certain exceptions, the act forbade boards of trade to use the mails or interstate telephone, telegraphic, wireless, or other communication in offering or accepting sales of grain for future delivery or to disseminate prices or quotations thereof, unless such boards of trade are located at terminal markets which have been designated by the Secretary of Agriculture as contract markets, comply with certain regulations and restrictions contained in the act, and submit to the supervision of the Secretary of Agriculture.

In rendering the opinion of the court sustaining the constitutionality of the act, Mr. Chief Justice Taft said (262 U. S. 31-41, 43 Sup. Ct. 475-479):

Appellants contend that the decision of this court in *Hill v. Wallace*, 259 U. S. 44, is conclusive against the constitutionality of the Grain Futures Act. Indeed in their bill they pleaded the judgment in that case as *res judicata* in this, as to its invalidity. The act whose constitutionality was in question in *Hill v. Wallace* was the Future Trading Act (c. 86, 42 Stat. 187). It was an effort by Congress, through taxing at a prohibitive rate sales of grain for future delivery, to regulate such sales on boards of trade by exempting them from the tax if they would comply with the congressional regulations. It was held that sales for future delivery where the parties were present in Chicago, to be settled by offsetting purchases or by delivery, to take place there, were not interstate commerce and that Congress could not use its taxing power in this indirect way to regulate business not within Federal control.

The Grain Futures Act which is now before us differs from the Future Trading Act in having the very features the absence of which we held in the somewhat carefully framed language of the foregoing prevented our sustaining the Future Trading Act. As we have seen in the statement of the case, the act only purports to regulate interstate commerce and sales of grain for future delivery on boards of trade *because it finds that by manipulation they have become a constantly recurring burden and obstruction to that commerce.* Instead, therefore, of being an authority against the validity of the Grain Futures Act, it is an authority in its favor.

It is impossible to distinguish the case at bar, so far as it concerns the cash grain, the sales to arrive, and the grain actually delivered in fulfillment of future contracts, from the current of stock shipments declared to be interstate commerce in *Stafford v. Wallace*, 258 U. S. 495, 42 Sup. Ct. 397, 66 L. Ed. 735. That case

presented the question whether sales and purchases of cattle made in Chicago at the stockyards by commission men and dealers and traders under the rules of the stockyards corporation could be brought by Congress under the supervision of the Secretary of Agriculture to prevent abuses of the commission men and dealers in exorbitant charges and other ways, and in their relations with packers prone to monopolize trade and depress and increase prices thereby. It was held that this could be done, *even though the sales and purchases by commission men and by dealers were in and of themselves intrastate commerce, the parties to sales and purchases and the cattle all being at the time within the city of Chicago.*

This case was but the necessary consequence of the conclusions reached in the case of *Swift & Co. v. United States*, 196 U. S. 375, 25 Sup. Ct. 276, 49 L. Ed. 518. That case was a milestone in the interpretation of the commerce clause of the Constitution. It recognized the great changes and development in the business of this vast country and drew again the dividing line between interstate and intrastate commerce where the Constitution intended it to be. *It refused to permit local incidents of great interstate movement, which taken alone were intrastate, to characterize the movement as such.* The Swift Case merely fitted the commerce clause to the real and practical essence of modern business growth. It applies to the case before us just as it did in *Stafford v. Wallace*.

In the act we are considering, Congress has expressly declared that transactions and prices of grain in dealing in futures are susceptible to speculation, manipulation, and control which are detrimental to the producer and consumer and persons handling grain in interstate commerce and render regulation imperative for the protection of such commerce and the national public interest therein.

It is clear from the citations, in the statement of the case, of evidence before committees of investigation as to manipulations of the futures market and their effect, that *we would be unwarranted in rejecting the finding of Congress as unreasonable, and that in our inquiry as to the validity of this legislation we must accept the view that such manipulation does work to the detriment of producers, consumers, shippers and legitimate dealers in interstate commerce in grain and that it is a real abuse.*

The question of price dominates trade between the States. Sales of an article which affect the country-wide price of the article directly affect the country-wide commerce in it. By reason and authority, therefore, in determining the validity of this act, we are prevented from questioning the conclusion of Congress that manipulation of the market for futures on the Chicago Board of Trade may, and from time to time does, directly burden and obstruct commerce between the States in grain, and that it recurs and is a constantly possible danger. For this reason, Congress has the power to provide the appropriate means adopted in this act by which this abuse may be restrained and avoided. [Italics supplied.]

Likewise, if Congress finds that our present banking system, which has given rise to more than 10,000 bank failures since 1920, which necessarily have delayed and obstructed the consummation of innumerable transactions in interstate commerce, is a burden upon and

obstruction to interstate commerce, the Supreme Court would not be warranted in rejecting the finding of Congress as unreasonable or in concluding that legislation designed to correct this situation and remove such an obstruction to interstate commerce is not a proper exercise of the power to regulate commerce among the States.

If the purchase and sale of cattle by commission men, dealers and traders at the Chicago stock yards, and the sale of grain for future delivery on the Chicago Board of Trade and the dissemination of prices and quotations thereof, can be brought by Congress under the supervision of the Federal Government, on the ground that abuses in such business constitute obstructions to interstate commerce, it seems clear that the transaction of a commercial banking business, involving the payment of checks given in settlement of transactions in interstate commerce and the handling of innumerable bills of exchange secured by bills of lading growing out of transactions in interstate commerce, can also be brought under the supervision of the Federal Government.

Such cases as *Hammer v. Dagenhart* (1918), 247 U. S. 251, 38 Sup. Ct. 529, and *Bailey v. Drexel Furniture Co.* (1922), 259 U. S. 20, 42 Sup. Ct. 449, need not be distinguished in detail; because they relate to Federal legislation wherein Congress attempted to deal with purely local questions having no essential connection with interstate commerce; whereas commercial banking is a matter of national rather than local concern and is essentially connected with, and inextricably related to, interstate commerce.

Federal legislation to relieve interstate commerce of the impediments and obstructions resulting from a heterogeneous and inefficient banking structure would not constitute an invasion of the rights of the States; because it would relate to a subject which the fathers of the Constitution clearly intended to intrust to the National Government, in order that we might have a Nation and not a mere confederation of States and in order that the free flow of commerce between the different parts of the Nation might not be impeded by State legislation.

The importance of banking as an indispensable aid to commerce has already been recognized by the Supreme Court of the United States in the case of *Noble State Bank v. Haskell* (1911), 219 U. S. 104, 31 Sup. Ct. 186, wherein the court said, through Mr. Justice Holmes (p. 188):

* * * Among matters of that sort probably few would doubt that both usage and preponderant opinion give their sanction to enforcing the primary conditions of successful commerce. *One of those conditions at the present time is the possibility of payment by checks drawn against bank deposits, to such an extent do checks replace currency in daily business.* * * * Even the primary object * * * is not a private benefit, * * * but it is to make the currency of checks secure and by the same stroke to make safe the almost compulsory resort of depositors to banks as the only available means for keeping money on hand. * * * [Italics supplied.]

It is appropriate and in accordance with the fundamental principles of our Government for Congress to undertake the task of making "the currency of checks secure"; because it is essential to the free and unhampered flow of commerce between the States, the regulation of which is intrusted to Congress alone by the Constitution.

If Congress should decide that more effective regulation and supervision of the commercial banking business is desirable in order to make the currency of checks secure, it is peculiarly fitting and proper that Congress should undertake to provide that remedy; because the problem is not a local one but relates directly to matters of national concern which are expressly intrusted to Congress by the Constitution.

In the case of *United States v. Ferger* (1919), 250 U. S. 199, the Supreme Court of the United States sustained the constitutionality of section 41 of the act of August 29, 1916 (39 Stat. 538), which provides for the punishment of any person who forges or counterfeits a bill of lading, even though that section applies to cases where no shipment from one State to another is made or intended. The court held that, in order to protect and sustain interstate commerce, Congress may prohibit and punish the forgery and utterance of bills of lading for fictitious shipments in interstate commerce.

In delivering the opinion of the court, Mr. Chief Justice White said (250 U. S. 203-205):

* * * Thus both in the pleadings and in the contention as summarized by the court below it is insisted that, as there was and could be no commerce in a fraudulent and fictitious bill of lading, therefore the power of Congress to regulate commerce could not embrace such pretended bill. *But this mistakenly assumes that the power of Congress is to be necessarily tested by the intrinsic existence of commerce in the particular subject dealt with, instead of by the relation of that subject to commerce and its effect upon it.* We say mistakenly assumes, because we think it clear that if the proposition were sustained it would destroy the power of Congress to regulate, as obviously that power, if it is to exist, *must include the authority to deal with obstructions to interstate commerce (In re Debs, 158 U. S. 564) and with a host of other acts which, because of their relation to and influence upon interstate commerce, come within the*

power of Congress to regulate, although they are not interstate commerce in and of themselves. It would be superfluous to refer to the authorities which from the foundation of the Government have measured the exertion by Congress of its power to regulate commerce by the principle just stated, since the doctrine is elementary and is but an expression of the text of the Constitution. Art. I, sec. 8, clause 18. A case dealing with a somewhat different exercise of power, but affording a good illustration of the application of the principle to the subject in hand, is *First National Bank v. Union Trust Co.*, 244 U. S. 416.

* * * * *

** * * That, as instrumentalities of interstate commerce, bills of lading are the efficient means of credit resorted to for the purpose of securing and fructifying the flow of a vast volume of interstate commerce upon which the commercial intercourse of the country, both domestic and foreign, largely depends, is a matter of common knowledge as to the course of business of which we may take judicial notice. Indeed, that such bills of lading and the faith and credit given to their genuineness and the value they represent are the producing and sustaining causes of the enormous number of transactions in domestic and foreign exchange, is also so certain and well known that we may notice it without proof.*

With this situation in mind the question therefore is, Was the court below right in holding that Congress had no power to prohibit and punish the fraudulent making of spurious interstate bills of lading as a means of protecting and sustaining the vast volume of interstate commerce operating and moving in reliance upon genuine bills? To state the question is to manifest the error which the court committed. * * * It proceeds further, as we have already shown, upon the erroneous theory that the credit and confidence which sustains interstate commerce would not be impaired or weakened by the unrestrained right to fabricate and circulate spurious bills of lading apparently concerning such commerce. Nor is the situation helped by saying that as the manufacture and use of the spurious interstate commerce bills of lading were local, therefore the power to deal with them was exclusively local, since the proposition disregards the fact that the spurious bills were in the form of interstate commerce bills which in and of themselves involved the potentiality of fraud as far reaching and all embracing as the flow of the channels of interstate commerce in which it was contemplated the fraudulent bills would circulate. *As the power to regulate the instrumentality was coextensive with interstate commerce, so it must be, if the authority to regulate is not to be denied, that the right to exert such authority for the purpose of guarding against the injury which would result from the making and use of spurious imitations of the instrumentality must be equally extensive.* [Italics supplied.]

The reference to the court's decision in the case of *First National Bank v. Union Trust Co.*, which appears at the end of the first paragraph quoted from the opinion in the Fergar Case, is significant; because that is the case discussed elsewhere in this opinion, wherein the Supreme Court upheld the right of Congress to grant trust powers to national banks in order to enable them to compete with State banks and trust companies. While that case dealt with a somewhat different exercise of power, the

Supreme Court recognized that it afforded a good illustration of the application of the principle to the subject dealt with in the Fergar Case. Conversely, it would seem that the court would not hesitate to apply the principle underlying its decision in the Fergar Case to the subject of banking.

If bills of lading are instrumentalities of interstate commerce, so are checks and the banks upon which they are drawn, and if Congress has the right to prohibit and to punish the fraudulent making of spurious bills of lading in order to protect and sustain the vast volume of interstate commerce operating and moving in reliance upon genuine bills, then Congress must have the right to enact legislation to safeguard the use of checks in order to protect and sustain the vast volume of interstate commerce which is consummated by payments made by means of checks. Since the safe use of checks depends primarily upon the solvency of the banks upon which they are drawn, Congress must have the right to enact legislation to promote the safer and more effective operation of commercial banks.

Nor is Congress prevented from exercising this power by the fact that part of the business of commercial banks is purely local in character; but the power to regulate interstate commerce "must include the authority to deal with obstructions to interstate commerce * * * and with a host of other acts which, because of their relation to and influence upon interstate commerce, come within the power of Congress to regulate, although they are not interstate commerce in and of themselves."

If Congress in its wisdom should find that our heterogeneous banking structure, which has given rise to more than 10,000 bank failures in the last 12 years, constitutes a burden upon or an obstruction to interstate commerce, therefore, there can be no doubt that Congress has the constitutional power to correct the situation by bringing all commercial banking business into a single system subject to effective regulation and supervision by the Federal Government, to the end that the currency of checks upon which practically every transaction in interstate commerce depends for its consummation may be made more secure.

IV. METHODS WHICH COULD BE ADOPTED

Having the power to enact such legislation, Congress could exercise the power in any manner which it deems appropriate and adequate for this purpose. It is not necessary that the legislation assume the form of a revenue act

or an act to regulate interstate commerce, though either of these means would be appropriate. In the light of the decisions of the Supreme Court of the United States in *Stafford v. Wallace*, and *Board of Trade of Chicago v. Olsen*, however, it would be desirable for such legislation to contain findings of fact and a recital of the national objects to be attained, as did the grain futures act.

Among the constitutional means which Congress could adopt in order to accomplish these objects or to aid in their accomplishment are the following:

(1) It could forbid the receipt of deposits subject to withdrawal by check by any individual, partnership, or corporation other than a bank organized under the laws of the United States and provide suitable penalties for violations of this prohibition.

(2) It could impose a prohibitive tax on all checks and similar documents drawn on, or payable at, banks not organized under the laws of the United States.

(3) It could forbid any officer of the United States or any Federal reserve bank, national bank, Federal land bank, joint stock land bank, Federal intermediate credit bank, or Federal home loan bank to receive in payment, on deposit, for the purposes of exchange or collection, or for any other purpose, any check drawn upon any bank not organized under the laws of the United States.

(4) It could forbid any bank organized under the laws of the United States to make loans or extend credit to, or deposit any of its funds in, or permit the use of any of its facilities by, any commercial bank not organized under such laws.

(5) It could forbid the deposit of public funds of the United States in any bank not organized under the laws of the United States.

(6) It could exempt all national banks from taxation, State or Federal, except taxes on real estate.

In order to be completely effective, the legislation could combine several of the measures suggested above. Thus, a comprehensive bill on this subject might include the following:

(1) A finding of facts by the Congress (on the basis of evidence already obtained pursuant to Senate Resolution No. 71 and other evidence which may be produced) to the effect that, in order (a) to provide for the safe and more effective operation of the national banking system and the Federal reserve system, (b) to preserve for the people the full benefits of the currency provided for by the Congress, and (c)

to relieve interstate commerce of the burdens and obstructions resulting from the existing situation, it is necessary to restrict the business of receiving deposits subject to withdrawal by check to national banks and thereby to subject all commercial banking business to national regulation and supervision;

(2) A prohibition against the receipt of deposits subject to withdrawal by check except by banks organized under the laws of the United States;

(3) A prohibition against any officer of the United States or any bank organized under the laws of the United States receiving in payment, on deposit, for exchange or collection, or for any other purpose, any check drawn upon any bank not organized under such laws;

(4) A prohibition against any bank organized under the laws of the United States making loans or extending credit to, depositing any of its funds in, or permitting the use of any of its facilities by, any commercial banking institution not organized under such laws;

(5) A provision imposing a prohibitive tax on all checks or substitutes therefor drawn upon or payable at any bank not organized under the laws of the United States; and

(6) A provision prescribing suitable penalties for violations of the above provisions.

If such legislation is enacted, its effective date necessarily would have to be postponed for a sufficient length of time to avoid too sudden and revolutionary a change in our existing financial structure and to allow time for existing State banks to adjust themselves to the situation, by converting into national banks or discontinuing the transaction of commercial banking business.

The time intervening between the enactment of such legislation and the date when it becomes effective could be devoted to the preparation and enactment of additional legislation for the purpose of providing further for the more effective operation, regulation, and supervision of the national banking system and the Federal reserve system, by repealing undesirable amendments to the national bank act and Federal reserve act which grew out of the competition in laxity, equipping the supervisory authorities with adequate powers to enable them to perform their functions more effectively, and adopting such other measures as might be deemed appropriate.

Respectfully,

WALTER WYATT,
General Counsel.

WASHINGTON, D. C., December 5, 1932.

Joint Resolution authorizing Comptroller of the Currency to exercise additional powers.

[PUBLIC RESOLUTION—No. 58—72D CONGRESS]

[S. J. Res. 256]

JOINT RESOLUTION

Authorizing the Comptroller of the Currency to exercise with respect to national banking associations powers which State officials, may have with respect to State banks, savings banks, and/or trust companies under State laws.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, with the approval of the Secretary of the Treasury, the Comptroller of the Currency shall have and may exercise to such extent as he deems advisable with respect to any national banking association any powers which the State officials having supervision of State banks, savings banks and/or trust companies in the State in which such national banking associations are located may have with respect to such State institutions under State laws now in force or hereafter enacted: *Provided*, That nothing herein shall be construed to permit the establishment of branches of either national or State member banks or allow consolidation of either national or State member banks not allowed by existing laws.

Expenses incurred by the Comptroller of the Currency in the exercise of such powers may be assessed by him against the banks concerned and, when so assessed, shall be paid by such banks.

Nothing herein shall be construed to impair any power otherwise possessed by the Comptroller of the Currency, the Secretary of the Treasury or the Federal Reserve Board.

The powers herein conferred shall terminate six months from its approval by the President; but the President of the United States may extend its force by proclamation for an additional six months.

Approved, February 25, 1933.

Collective investments of trust funds by national banks.

There are summarized below two rulings made by the Federal Reserve Board regarding the collective investment of trust funds by national banks exercising trust powers.

Under the provisions of Section VII of the Federal Reserve Board's Regulation F, relating to the exercise of trust powers by national banks, the securities and investments held in each trust are required to be kept separate and distinct one from another; but the board has ruled that an exception may be made to this requirement *where the cash balances to the credit of trust estates are too small to be invested separately to advantage.* The board's ruling in this connection is to the effect that such small amounts may be invested together in United States bonds, first mortgage real estate loans, or other proper securities and participation certificates may be issued by the trust department to the various participating estates; *Provided*, (1) *That the bank owns no participation in the securities and has no interest in them except*

as trustee or other fiduciary; (2) that the mortgages or other securities which are owned by the participating estates are held in the trust department and are properly earmarked so as to show that they are held for a particular group of participating estates; (3) that the records of the trust department show at all times the securities held for a particular group of participating estates and the proportionate shares of the group owned by each estate; (4) that, in the case of a payment on the principal of any one of the mortgages or securities so held by a fund of this kind, the amount of the payment will ordinarily be retained in the fund as a part thereof for reinvestment as soon as practicable; (5) that any such investment of trust funds must be authorized or permitted in accordance with Section IX of the Federal Reserve Board's Regulation F, and must comply in all respects with the provisions of the Federal reserve act, the State laws, the board's regulations and the provisions of the will, trust agreement, court order, or other instrument governing the powers and duties of the trustee or other fiduciary; and (6) that *this method of handling trust funds is permissible only in those cases in which the cash balances to the credit of certain trust estates are too small to be invested separately to advantage.*

In another ruling the board considered a proposal by a national bank to deliver to its trust department all real-estate bonds and mortgages then owned or thereafter acquired by it, to be held in a revolving pool in trust for the commercial department of the bank and for the various trusts administered in the trust department of the same bank. Trust funds were to be invested in participations in the revolving pool and participation certificates were to be issued to the various trusts for the amounts of their respective investments. *The proportionate share of the entire pool over and above the amounts allotted to the various trusts was to be owned by the bank in its own right.* The participating trusts were not to own or receive the income from any particular bonds and mortgages, but each trust was to own merely a participation in the pool and was to receive an income on the amount of such participation equal to the average income realized on all bonds or mortgages in the pool. Any losses incurred in the revolving pool were to be borne by all the participants in proportion to their respective participations at the time the amount of such losses was definitely ascertained. After careful consideration, the Federal Reserve Board ruled that it was unlawful and improper for a national bank to handle trust funds in this manner; because: (1) It would

violate the provisions of section 11(k) of the Federal reserve act which requires national banks to "segregate all the assets held in any fiduciary capacity from the general assets of the bank"; (2) it would violate Section VII of the Board's Regulation F which requires that, "Securities and investments held in each trust shall be kept separate and distinct from the securities owned by the bank and separate and distinct one from another"; (3) it would violate the general rule of equity jurisprudence that a trustee must not mingle funds of various trusts with each other or with his own funds but must keep the funds of each trust separate and distinct from his own and from those of any other trust; (4) it would violate the general rule of equity jurisprudence that, in administering a trust and investing trust funds, a trustee shall not deal with himself, buy from or sell to himself, have any pecuniary interest in any transaction which he handles on behalf of a cestui que trust, or otherwise acquire any selfish interest which might interfere with the faithful discharge of his duty as a fiduciary; and (5) such a method of investing trust funds is subject to important practical objections and might lead to abuses resulting in substantial losses to the trust estates. The fact that corporate fiduciaries in at least one State are permitted by State law to invest trust funds collectively in real-estate mortgage pools in this manner was brought to the board's attention when it was considering this question; but the board held that this did not authorize national banks to engage in such practices. The ruling just described, however, was not intended to supersede the earlier ruling wherein an exception to the general rule was made solely to cover the case of balances too small to be invested separately to advantage.

Warehouse receipts securing bankers' acceptances.

The Federal Reserve Board has had occasion to consider the question whether receipts proposed to be issued by a warehouse company under a certain field-warehousing arrangement would comply with the requirements of the Federal reserve act and the board's regulations with reference to warehouse receipts securing bankers' acceptances drawn to finance the storage of readily marketable staples.

The following are the principal facts upon which the board's consideration and conclusion with respect to this question were based: It was proposed that premises, which were situated in several different localities, should

be leased to the warehouse company for the purpose of warehousing certain products owned by the lessor. It was understood that the warehoused products would be properly segregated from other goods on the premises in separate buildings or in portions of buildings partitioned off for that purpose and locked with the warehouse company's own locks and that conspicuous signs giving notice that the products thus segregated were in the custody of the warehouseman would be placed both inside and outside the premises. In the operation of these warehouses, however, the company was not to detail men already in its employ to take charge of the leased premises, but for this purpose was to transfer to its pay roll employees of the lessor, paying them the same salary that they were receiving from the lessor at the time of the transfer. It was expected that these employees would be reemployed by the lessor at the close of the storage season or when the products had been removed from storage; but the warehouse company was to have the right to terminate their services at any time. These local custodians were to be the only representatives of the company at the warehouses; but periodical audits were to be made by auditors sent from the district office of the company, which was located at a considerable distance from the proposed warehouses. The premises were to be leased at a nominal rental only and the lessor, in addition to paying a monthly storage fee, was to reimburse the warehouse company for all expenses, including the compensation of the custodians, the salaries and expenses of auditors, and the costs of the bonds which were to be required of the custodians. A local custodian was not to be permitted to issue warehouse receipts or to authorize releases, but these functions were to be performed at the district office of the warehouse company upon the basis of statements signed by the custodian and a representative of the lessor.

In order for a bankers' acceptance drawn to finance the domestic storage of readily marketable staples to be eligible for rediscount by Federal reserve banks: (1) Section 13 of the Federal reserve act requires that it be "secured at the time of acceptance by a warehouse receipt or other such document *conveying or securing title covering readily marketable staples*"; and (2) Section XI of the board's regulation A requires that it be "secured at the time of acceptance by a warehouse, terminal, or other similar receipt, conveying security title to such staples, *issued by a party independent of the customer.*"

The requirement of the law that such warehouse receipts must convey or secure title to readily marketable staples obviously contemplates that the accepting bank shall have a lien on such staples which is valid and enforceable against general creditors of the person for whose benefit such acceptance credit is granted. Among the requirements generally recognized as essential to the creation of a valid lien through the pledge of warehouse receipts are that the warehouseman must take and maintain actual physical possession of the goods and that his possession must be exclusive and unequivocal. Under the arrangement above described, however, the actual possession of the goods would be maintained by persons closely identified with the owner of the goods and naturally subject to his influence. Such a custodian, who might be regarded by the owner and his creditors as the employee of the owner rather than of the warehouseman, probably would find it difficult to deny access to the premises to his former employer and the person to whom he looks for future employment. In the circumstances, it is open to serious question whether the pledge of receipts issued under the arrangement described would fulfill the requirements for the creation of a valid lien.

The requirement of the board's regulations that warehouse receipts securing bankers' acceptances be issued by a party independent of the customer contemplates that the actual custody of the goods shall be maintained by an independent and disinterested party, so that the bank holding the warehouse receipt may be able to identify and obtain possession of the goods and thus enforce its lien without any difficulty. A lien on personal property is, of course, of no practical value unless such property can be found and identified when it becomes necessary to enforce the lien; and, if custody of the goods is not maintained by a disinterested party, there is danger that the goods may be improperly released or disposed of. In the case under consideration, whatever may be the theoretical requirements as to the control and custody of the goods by the warehouseman, it is obvious that in fact the warehouseman would not be independent of the owner; because the warehouse company would have to rely upon its local custodians and they would not be independent of the owner.

After carefully considering this question and studying all information received on the subject, the Federal Reserve Board expressed the opinion that bankers' acceptances issued against receipts, such as those proposed to be issued

under the circumstances above described, are not eligible for rediscount at Federal reserve banks; because it is doubtful whether such receipts comply with the requirement of section 13 of the Federal reserve act that warehouse receipts securing bankers' acceptances drawn to finance the storage of readily marketable staples must convey or secure title to such staples, and because such receipts do not, in the board's judgment, comply with the requirement of Section XI of the board's Regulation A that warehouse receipts securing such bankers' acceptances must be "issued by a party independent of the customer."

In giving expression to this opinion, the Federal Reserve Board did not undertake to pass upon the merits of field warehousing in general, either as conducted by the warehouse company in question or as conducted by any other company; and the board's opinion relates solely to warehouse receipts such as those proposed to be issued under the facts of the arrangement as above described.

REGULATIONS OF THE SECRETARY OF AGRICULTURE FOR FIELD WAREHOUSEMEN

There is published below a copy of the regulations prescribed by the Secretary of Agriculture under date of July 30, 1932, for field warehousemen, supplementary to the commodity regulations under the United States warehouse act, with a foreword by the chief of the Bureau of Agricultural Economics.

REGULATIONS OF THE SECRETARY OF AGRICULTURE FOR FIELD WAREHOUSEMEN, SUPPLEMENTARY TO THE COMMODITY REGULATIONS, UNDER THE UNITED STATES WAREHOUSE ACT OF AUGUST 11, 1916, AS AMENDED

FOREWORD

In the marketing and financing of our agricultural products warehousing plays an important part. In connection with some products "field warehousing," as distinguished from warehousing as practiced in concentration centers is being employed more and more.

"Field warehousing" carries warehouse service to the patron of the warehouseman and thus avoids the necessity of the patron moving his products to a concentration warehouse located at some distance from the depositor who already has a building suitable for warehousing. The depositor usually finds it more convenient and less expensive to store his products in his own building. Overhead expense usually is less. He can avoid a multiplicity of handling and rehandling charges. Sometimes back hauls may be avoided. Duplication in inspection and grading may be eliminated. But the primary purpose of field warehousing is to obtain warehouse receipts which may be used as collateral to loans.

In the administration of the United States warehouse act the Bureau of Agricultural Economics has frequently received applications for licenses from so-called field warehousemen. The impression seems to exist in some quarters that the bureau is opposed to "field warehousing." This is not so. In the past six years a number of licenses have been issued to field warehousemen. The bureau has repeatedly stated that under certain conditions "field warehousing" could render a valuable economic service. But it has also consistently pointed out that unless the warehousing arrangement rests on a correct basis it must fail in accomplishing its primary purpose of converting eligible agricultural products into sound collateral.

A convenient and generally recognized method of converting commodities into such collateral is by storing them with public warehousemen. The warehouseman issues to the depositor his warehouse receipt. The receipt is offered to the banker as collateral. But a receipt is good collateral only in proportion as there is responsibility back of it, as it conveys information as to the value of the product it represents, and as a real disinterested custody of the product exists. Regardless of its terms, to constitute the best collateral a warehouse receipt must have back of it a disinterested custody of the product.

The regulations of the Federal Reserve Board provide that warehouse receipts covering readily marketable staples and given as security to bankers' acceptances must be issued by a party independent of the customer.

To introduce the disinterested feature in field warehousing the borrower's building is leased to another party as warehouseman. The value of such warehouse receipts depends upon how independent the warehouseman may be of the depositor. Receipts which on their face convey an apparent disinterested relationship between the depositor and the warehouseman may not actually represent disinterested custodianship of the product.

To lease a building from a depositor and then to permit the depositor free access to the building in the absence of the warehouseman, or to transfer employees of the depositor to the pay roll of the warehouseman, can hardly create such a degree of disinterested custody of the product as to commend itself to sound banking. Any number of circumstances and conditions may defeat real disinterested custodianship of the commodity which after all constitutes the real collateral.

With a view to pointing out features peculiar to field warehousing, the observance of which this bureau considers essential to creating sound warehouse receipts, the attached regulations have been promulgated by the Secretary of Agriculture to supplement all commodity regulations now in effect under authority of the United States warehouse act.

We also desire to emphasize that this bureau has always made a clear distinction between field warehousing and subsidiary warehousing. It is possible to create disinterested custodianship in field warehousing but we have not been able to develop such custodianship in connection with subsidiary warehousing. For this reason the bureau has insisted that where subsidiary warehousing exists the warehouse receipts must show such relationship.

The attached regulations should be helpful to those engaged or about to engage in field warehousing, to patrons of field warehouses, and to bankers who are approached for loans on the basis of field warehouse receipts.

NILS A. OLSEN,
Chief, Bureau of Agricultural Economics.

DEPARTMENT OF AGRICULTURE,
Washington, D. C.

By virtue of the authority vested in the Secretary of Agriculture by the United States warehouse act, approved August 11, 1916 (39 U. S. Stat. L., p. 486), as amended, I, R. W. Dunlap, Acting Secretary of Agriculture, do make, prescribe, publish and give public notice of the following rules and regulations to be known as the regulations supplementary to the commodity regulations under the United States warehouse act for field warehousemen, and to be in force and effect until amended or superseded by rules and regulations which may hereafter be made by the Secretary of Agriculture under said act.

In testimony whereof I have hereunto set my hand and caused the official seal of the Department of Agriculture to be affixed, in the city of Washington, this 30th day of July, 1932.

[SEAL.]

R. W. DUNLAP,
Acting Secretary.

SECTION 1. *Definitions.*—For the purposes of these regulations, unless the context otherwise require, the following terms shall be construed, respectively, to mean:

Paragraph 1. Commodity regulations.—Rules and regulations made under the act by the Secretary for warehousemen storing certain designated agricultural products.

Par. 2. Field warehouse.—A warehouse that is operated or is to be operated for the purpose of issuing warehouse receipts representing a disinterested custodianship of the products stored therein and which is leased from any person having a financial interest in the products.

Par. 3. Field warehouseman.—Unless otherwise clearly indicated by the context, any person lawfully engaged in the business of operating a field warehouse as defined in paragraph 2.

Par. 4. Custodian.—A person appointed or designated by a field warehouseman to supervise or manage a field warehouse licensed under the act.

Par. 5. Assistant custodian.—A person appointed or designated by a warehouseman to assist the custodian of a field warehouse in the supervision and management thereof.

SEC. 2. Nothing in these field warehouse regulations shall be construed to conflict with, or to authorize any conflict with, or in any way impair or limit, the effect or operation of the commodity regulations issued by the Secretary for warehousemen storing any specified product or products, but these regulations shall be considered as supplemental to all such commodity regulations and to be effective as to all field warehouses and field warehousemen operating under the act.

SEC. 3. Applications for licenses to operate field warehouses shall be made in accordance with the commodity regulations for warehousemen storing the particular agricultural product or products stored or to be stored in the field warehouse.

SEC. 4. Compliance with all the preliminary requirements of the commodity regulations applicable to the agricultural product or products in question, as well as these regulations, shall be prerequisite to issuing a license to operate a field warehouse.

SEC. 5. There shall be no close relationship, either by blood or marriage, between the field warehouseman or his custodians and any depositor or the lessor of the field warehouse.

SEC. 6. *Paragraph 1.* No employee, either full or part-time, of any depositor, nor any person who is a close blood or other relative of any person occupying a

supervisory or directing position in the business or organization of any depositor, or closely interested with any depositor in any business, shall be appointed as a custodian or an assistant custodian by a licensed field warehouseman; nor shall any person be appointed as a custodian or an assistant custodian if he has resigned from the employ of any depositor for the purpose of accepting employment from the warehouseman at the warehouse.

Par. 2. The compensation, or any part thereof, of any custodian, assistant custodians, or any other employee of the warehouseman, if any there be, must be paid by the warehouseman and not by any depositor. The custodian or assistant custodians need not be full-time employees of the warehouseman, but shall not be, under any conditions, part or full-time employees of any depositor of products in the warehouse.

Par. 3. Each person designated by a licensed field warehouseman as a custodian or an assistant custodian shall file with the bureau a statement, on a form provided by the bureau for the purpose, setting forth his qualifications and experience in warehouse work, the occupation or business he has been engaged in during the five years next preceding the date of the statement, the names of his employers, if any, during such 5-year period, the names of at least five persons who can vouch for his character and qualifications for the position, and such other information as the Secretary, or his designated representative, may require.

Par. 4. No custodian shall accept instructions from anyone other than the warehouseman.

Par. 5. No custodian or assistant custodian shall enter upon his duties as such at a licensed field warehouse until he has been notified in writing by the bureau that his appointment has been approved.

Sec. 7. The warehouse space licensed or to be licensed shall be substantially separated from other space and shall be kept securely locked or sealed in accordance with section 15 of these regulations. All keys to locks shall be kept in the possession of the warehouseman or his authorized agent at all times. In case there is any doubt whether all keys to the warehouse are in possession of the warehouseman or his agents the warehouseman shall provide new locks and keys for the warehouse.

Sec. 8. It shall be the duty of a licensed field warehouseman to keep the licensed field warehouse securely locked at all times except when the warehouseman, the custodian, or an assistant custodian is present, and no person other than the warehouseman, the custodian, or an assistant custodian shall have access to the licensed warehouse or the products stored therein except in the presence of and with the consent of such warehouseman, custodian, or assistant custodian: *Provided*, That if any night watchman in the employ of the owner of the building is required to enter the licensed warehouse under an insurance requirement and his only duties at the warehouse building are those of a night watchman he may be given a key to the warehouse for that purpose, if the approval of the bureau is first secured and the watchman's service is fully provided for in the field warehouse lease agreement: *Provided further*, That the provisions of this section shall not apply in the case of warehouses where the bin system is in effect as outlined in section 15 of these regulations. The warehouseman shall at all times exercise absolute and complete control and dominion over the licensed warehouse and the products stored therein to the complete exclusion of all parties except as provided herein.

Sec. 9. No misleading name or designation shall be applied to any field warehouse licensed under the act, but in every case the name shall indicate that the warehouse is being operated as a public warehouse by the warehouseman as lessee.

Sec. 10. Paragraph 1. Before a license to conduct a field warehouse is granted under the act, the warehouseman shall file with the bureau, in accordance with the requirements of the commodity regulations, a copy of his rules and a schedule of charges; and, in addition, he shall file copies of all contracts and agreements entered into by and between him and any depositor or the lessor of the field warehouse which in any way relate to the establishment, operation, management, or payment of expenses connected with the operation of the warehouse. If there are any agreements or understandings between the lessor of the warehouse and the lessee with respect to any of the aforementioned that have not been reduced to writing, the warehouseman shall file with the bureau a written statement setting forth the substance of such verbal agreements and understandings.

Par. 2. All warehouses licensed under the act must be operated as public warehouses, and no rules or schedules of charges filed by any warehouseman applying for a license under the act shall be approved by the Secretary, or his designated representative, if it is not clear that the requirements of section 13 of the act can and will be met.

Sec. 11. Every receipt, whether negotiable or non-negotiable, issued for products stored in a field warehouse, shall, in addition to complying with the requirements of section 13 of the act and regulation 4 of the applicable commodity regulations, embody within its printed terms a statement that the warehouseman is lessee of the warehouse.

Sec. 12. Warehouse receipts for products stored in a field warehouse licensed under the act shall be issued in the town or city where the warehouse is located, except that where two or more licensed field warehouses are operated by a warehouseman receipts for all such warehouses may be issued from a central point, provided such central point is not more than 25 miles distant from the farthest warehouse. In cases where receipts are issued from central points the warehouseman shall, when requested by the department representatives, provide transportation for such representatives, when engaged in regular inspection work, to and from such warehouses.

Sec. 13. No field warehouse license shall be issued by the Secretary, or his designated representative, unless the lessee is wholly disinterested with respect to depositors and the application is supported by the original lease and one copy, dated and signed by the contracting parties, and embodying the following: (a) A definite period of time not less than one year after the date of execution, (b) a description of the exact space leased to the field warehouseman and a statement that all of such space is to be covered by the license, if issued, and (c) evidence that said lease has been duly recorded in the county where such warehouse is located, except where there is a statutory inhibition against the recording of such leases, and (d) a clause prohibiting the cancellation of the lease or ejecting the warehouseman so long as any receipt issued under the act and the regulations is outstanding.

Sec. 14. A license to conduct a field warehouse under the act shall not be issued, or if issued, shall not be allowed to remain in effect, if any depositor agrees or has agreed with the warehouseman to indemnify him

against loss due to failure of the warehouseman to exercise such care of the products in his custody as a reasonably prudent owner would exercise or as the warehouseman is required to exercise under the act and regulations.

SEC. 15. In the case of warehouses where approved storage bins have been erected and such bins can be sealed with seals furnished by the department for the purpose, the bins may be licensed and the depositors may, with the consent of the warehouseman, have access to such bins for the purpose of placing goods therein before the seals are affixed and before warehouse receipts are issued by the warehouseman, or for the purpose of removing goods therefrom after the outstanding receipts for all goods in such bin or bins have been surrendered to and cancelled by the warehouseman, and the warehouseman or his custodian, or assistant custodian, has broken the seals. Under no circumstances shall anyone other than the licensed warehouseman, the custodian, assistant custodian, or duly appointed employees of the Department of Agriculture in the performance of their official duties, affix any seals to a licensed bin or remove a seal therefrom. Where bins are licensed no receipts may be issued for products stored in any bin until after the seals have been affixed, and no seals may be broken for the purpose of delivering the products until the receipts covering such products have been surrendered and

cancelled. Seals may be broken to permit inspecting and reasonable sampling of the goods; but such work must be done by the licensed warehouseman, the custodian, or an assistant custodian, and after inspecting or sampling new seals shall be affixed to the bin.

SEC. 16. *Paragraph 1.* Each licensed field warehouseman shall, during the period of his license, maintain suitable signs on the licensed property in such manner as to give ample public notice that such property has been leased by the warehouseman and is controlled and operated by him. Such signs must be of such size and be so affixed to the outside of each licensed building, and at appropriate places within the building, as to attract the attention of and give notice to the public as to the real tenancy, and must be placed at each point of entry to and exit from the licensed space.

Par. 2. Such signs shall include the following: (a) The name and address of the licensee, (b) the name of the warehouse, (c) the license number of the warehouse, (d) a statement that the warehouseman is lessee, and (e) the words "Public Warehouse."

Par. 3. Such other wording or lettering as is not inconsistent with the purpose of the act and these regulations and is approved by the bureau may appear in the sign or signs.

Par. 4. The warehouseman shall not permit signs to remain on his licensed property which might lead to confusion as to the tenancy.

FEDERAL RESERVE STATISTICS, BY DISTRICTS, ETC.

DISCOUNTS BY MONTHS

[In millions of dollars]

Federal reserve bank	1933		1932
	February	January	February
Boston.....	12.1	12.3	39.9
New York.....	68.2	57.7	179.0
Philadelphia.....	53.9	47.0	121.9
Cleveland.....	37.8	24.5	121.7
Richmond.....	18.2	16.2	36.4
Atlanta.....	19.2	17.5	48.9
Chicago.....	26.2	16.1	79.9
St. Louis.....	5.7	7.9	22.0
Minneapolis.....	10.4	10.2	14.3
Kansas City.....	14.7	11.7	38.6
Dallas.....	4.1	4.4	14.6
San Francisco.....	36.1	29.8	130.5
Total.....	306.5	255.3	847.6

Back figures.—See Annual Reports for 1931 (Table 80), 1928 (Table 72), and 1927 (Table 55).

DISCOUNTS BY WEEKS

[In thousands of dollars]

Federal reserve bank	Wednesday series (1933)			
	Feb. 1	Feb. 8	Feb. 15	Feb. 21
Boston.....	11,928	11,382	11,694	12,423
New York.....	57,572	54,042	58,187	63,696
Philadelphia.....	45,123	46,141	49,236	55,582
Cleveland.....	25,454	26,983	43,030	46,041
Richmond.....	16,249	15,996	17,494	18,452
Atlanta.....	19,692	17,728	18,703	18,657
Chicago.....	18,118	17,756	18,825	38,099
St. Louis.....	6,764	5,555	5,520	5,575
Minneapolis.....	10,298	10,253	10,174	10,409
Kansas City.....	12,723	14,438	15,061	14,978
Dallas.....	4,119	3,926	4,024	4,166
San Francisco.....	40,650	28,440	34,425	39,060
Total.....	268,690	252,640	286,373	327,138

Back figures.—See Annual Report for 1931 (Table 83), 1930 (Table 78), etc.

RESERVES, DEPOSITS, NOTE CIRCULATION, AND RESERVE PERCENTAGES

[Amounts in thousands of dollars]

Federal reserve bank	Averages of daily figures											
	Total cash reserves			Total deposits			Federal reserve notes in circulation ¹			Reserve percentages		
	1933		1932	1933		1932	1933		1932	1933		1932
	February	January	February	February	January	February	February	January	February	February	January	February
Boston.....	262,145	253,537	220,940	162,336	151,576	126,944	190,957	189,696	183,859	74.2	74.3	71.1
New York.....	871,643	1,071,162	992,212	1,017,653	1,257,902	848,019	600,972	564,858	576,725	53.9	58.8	69.6
Philadelphia.....	217,122	211,601	233,215	135,031	131,778	126,282	245,940	231,820	264,657	57.0	58.2	59.7
Cleveland.....	260,468	256,850	295,111	145,168	149,223	151,661	299,838	280,226	312,482	58.5	59.8	63.6
Richmond.....	112,875	99,606	108,613	69,627	58,807	57,364	103,892	98,530	105,595	65.1	63.3	66.7
Atlanta.....	93,314	84,978	107,917	49,337	47,759	51,964	109,389	97,563	120,671	58.8	58.5	62.5
Chicago.....	914,923	872,811	660,779	416,785	430,958	267,918	759,105	689,087	570,770	77.8	77.9	78.8
St. Louis.....	135,581	120,965	105,053	65,232	64,158	62,090	136,155	122,653	93,216	67.3	64.8	67.6
Minneapolis.....	69,252	61,961	70,948	44,889	40,466	43,987	86,535	81,294	68,693	52.7	50.9	63.0
Kansas City.....	114,928	97,060	92,954	82,419	69,702	71,544	101,557	91,847	83,130	62.5	60.1	60.1
Dallas.....	46,296	43,192	52,961	55,785	49,426	52,245	36,371	37,525	41,800	50.2	49.7	56.3
San Francisco.....	261,063	243,409	214,207	162,002	150,461	154,379	247,983	229,559	242,246	63.7	64.1	54.0
Total.....	3,359,610	3,417,132	3,154,910	2,406,264	2,602,216	2,014,397	2,918,694	2,714,658	2,663,844	63.1	64.3	67.4

¹ Includes "Federal reserve notes of other reserve banks" as follows: Latest month, \$11,663,000; month ago, \$16,702,000; year ago, \$14,185,000. Back figures.—See Annual Report for 1931 (Table 8), and 1928 (Table 2).

EACH FEDERAL RESERVE BANK—RESOURCES AND LIABILITIES, ALSO FEDERAL RESERVE NOTE STATEMENT, FEBRUARY 28, 1933

[In thousands of dollars]

	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
RESOURCES													
Gold with Federal reserve agents.....	2, 225, 068	170, 327	386, 453	107, 500	206, 470	88, 495	57, 770	784, 850	104, 515	47, 990	80, 280	30, 655	159, 763
Gold redemption fund with U. S. Treasury.....	74, 233	1, 673	24, 378	9, 190	9, 325	2, 183	3, 972	9, 363	1, 777	2, 206	2, 353	1, 210	6, 603
Gold held exclusively against Federal reserve notes.....	2, 299, 301	172, 000	410, 831	116, 690	215, 795	90, 678	61, 742	794, 213	106, 292	50, 196	82, 633	31, 865	166, 366
Gold settlement fund with Federal Reserve Board.....	379, 251	25, 627	100, 849	17, 830	30, 583	11, 188	7, 104	90, 518	19, 999	14, 133	22, 411	16, 036	22, 973
Gold and gold certificates held by banks.....	273, 198	12, 881	163, 913	6, 735	17, 449	6, 528	6, 839	21, 903	2, 487	2, 222	6, 629	2, 790	22, 822
Total gold reserves.....	2, 951, 750	210, 508	675, 593	141, 255	263, 827	108, 394	75, 685	906, 634	128, 778	66, 551	111, 673	50, 691	212, 161
Reserves other than gold.....	174, 636	16, 043	61, 626	20, 379	8, 429	7, 858	5, 029	20, 808	6, 361	3, 171	6, 631	8, 180	10, 121
Total reserves.....	3, 126, 386	226, 551	737, 219	161, 634	272, 256	116, 252	80, 714	927, 442	135, 139	69, 722	118, 304	58, 871	222, 282
Nonreserve cash.....	67, 872	4, 414	18, 293	3, 683	3, 346	2, 563	3, 431	14, 335	2, 493	2, 286	2, 356	3, 607	7, 065
Bills discounted:													
Secured by U. S. Government obligations.....	325, 493	4, 564	158, 472	64, 480	35, 417	11, 751	2, 385	20, 323	5, 000	541	1, 533	1, 174	19, 853
Other bills discounted.....	256, 941	10, 261	35, 924	48, 502	39, 382	13, 708	20, 773	16, 953	3, 229	10, 328	14, 470	3, 944	34, 467
Total bills discounted.....	582, 434	14, 825	194, 396	112, 982	74, 799	30, 459	23, 158	37, 276	8, 229	10, 869	16, 003	5, 118	54, 320
Bills bought.....	336, 018	40, 806	89, 242	19, 249	7, 994	12, 206	19, 643	54, 428	16, 635	13, 890	9, 600	3, 361	48, 994
U. S. Government securities:													
Bonds.....	420, 846	19, 740	187, 234	30, 909	36, 361	9, 917	10, 036	39, 903	13, 957	17, 281	11, 758	18, 019	25, 731
Treasury notes.....	450, 355	23, 977	184, 173	34, 716	45, 810	12, 493	12, 617	50, 265	16, 953	12, 266	14, 595	10, 105	32, 415
Certificates and bills.....	995, 146	59, 395	356, 504	71, 516	94, 369	25, 739	25, 992	183, 807	34, 922	25, 242	30, 067	20, 816	66, 777
Total U. S. Government securities.....	1, 866, 377	103, 112	727, 911	137, 141	176, 540	48, 149	48, 645	273, 975	65, 832	54, 789	56, 420	48, 940	124, 923
Other securities.....	4, 552	-----	4, 014	525	-----	-----	-----	-----	-----	13	-----	-----	-----
Total bills and securities.....	2, 789, 381	158, 743	1, 015, 563	269, 897	259, 303	90, 814	91, 446	365, 679	90, 696	79, 561	82, 023	67, 419	228, 237
Due from foreign banks.....	3, 515	268	1, 298	386	847	137	123	478	17	12	102	102	245
Federal reserve notes of other banks.....	10, 889	271	2, 856	203	896	725	722	2, 207	722	445	766	251	835
Uncollected items.....	358, 654	38, 844	111, 488	28, 714	39, 603	32, 048	11, 653	29, 275	13, 830	7, 066	17, 955	11, 207	16, 971
Bank premises.....	53, 962	3, 280	12, 818	3, 106	6, 929	3, 237	2, 422	7, 595	3, 285	1, 746	3, 559	1, 741	4, 244
All other resources.....	53, 709	751	28, 230	4, 481	1, 859	3, 092	5, 450	1, 705	1, 153	2, 008	1, 312	1, 530	2, 138
Total resources.....	6, 464, 368	433, 122	1, 927, 765	472, 104	584, 539	248, 868	195, 961	1, 348, 716	247, 335	162, 846	226, 367	134, 728	482, 017
LIABILITIES													
Federal reserve notes in actual circulation.....	3, 417, 319	208, 323	751, 771	279, 604	374, 994	133, 023	117, 847	886, 595	149, 841	92, 971	108, 305	40, 040	274, 005
Deposits:													
Member bank—reserve account.....	2, 140, 924	150, 947	886, 488	112, 433	113, 808	58, 955	46, 388	362, 573	59, 287	49, 441	85, 251	67, 405	147, 948
Government.....	14, 919	97	12, 979	164	159	8	113	205	112	512	13	176	381
Foreign bank.....	40, 125	3, 333	9, 713	4, 795	4, 521	1, 781	1, 598	5, 936	1, 553	1, 050	1, 324	1, 324	3, 197
Other deposits.....	40, 213	32	14, 554	213	3, 213	3, 010	776	3, 679	5, 674	602	481	389	7, 590
Total deposits.....	2, 236, 181	154, 409	923, 734	117, 605	121, 701	63, 754	48, 875	372, 393	66, 626	51, 605	87, 069	69, 294	159, 116
Deferred availability items.....	357, 056	38, 549	103, 123	29, 173	43, 698	30, 701	11, 168	31, 039	15, 238	7, 254	17, 710	11, 860	17, 543
Capital paid in.....	150, 309	10, 789	58, 409	15, 935	13, 934	5, 135	4, 696	16, 007	4, 320	2, 866	4, 027	3, 796	10, 395
Surplus.....	278, 599	20, 460	85, 058	29, 242	28, 294	11, 616	10, 544	39, 497	10, 186	7, 019	8, 263	8, 719	19, 701
All other liabilities.....	24, 904	592	5, 670	545	1, 918	4, 639	2, 831	3, 185	1, 124	1, 131	993	1, 019	1, 257
Total liabilities.....	6, 464, 368	433, 122	1, 927, 765	472, 104	584, 539	248, 868	195, 961	1, 348, 716	247, 335	162, 846	226, 367	134, 728	482, 017
Reserve ratio (per cent).....	55.3	62.5	44.0	40.7	64.8	59.1	48.4	73.7	62.4	48.2	60.6	53.8	51.3
FEDERAL RESERVE NOTE STATEMENT													
Federal reserve notes:													
Issued to Federal reserve bank by Federal reserve agent.....	3, 673, 332	229, 529	819, 047	287, 705	335, 512	141, 533	136, 187	951, 945	157, 188	95, 132	116, 993	44, 021	314, 040
Held by Federal reserve bank.....	261, 513	21, 206	67, 276	8, 101	10, 518	8, 510	13, 340	65, 350	7, 347	2, 161	8, 688	3, 981	40, 035
In actual circulation.....	3, 417, 319	208, 323	751, 771	279, 604	374, 994	133, 023	117, 847	886, 595	149, 841	92, 971	108, 305	40, 040	274, 005
Collateral held by agent as security for notes issued to bank:													
Gold.....	2, 225, 068	170, 327	386, 453	107, 500	206, 470	88, 495	57, 770	784, 850	104, 515	47, 990	80, 280	30, 655	159, 763
Eligible paper.....	855, 908	53, 500	293, 140	120, 449	79, 860	41, 262	39, 892	86, 681	23, 711	22, 984	21, 694	7, 274	90, 461
U. S. Government securities.....	611, 600	7, 000	169, 000	60, 000	100, 000	12, 000	42, 000	81, 000	29, 200	24, 700	16, 000	6, 700	64, 000

ALL MEMBER BANKS IN EACH DISTRICT

RESERVES HELD, EXCESS RESERVES, AND BORROWINGS AT FEDERAL RESERVE BANKS

[In millions of dollars]

Federal reserve district	Averages of daily figures									
	Reserves held						Borrowings at Federal reserve banks			
	Total			Excess						
	1933		1932		1933		1932		1933	1932
	January	December	January	January	December	January	January	December	January	
Boston.....	147.2	119.8	126.2	34.2	7.8	5.5	12.3	14.0	47.0	
New York.....	1,230.3	1,205.0	856.8	294.3	290.8	10.6	57.2	62.8	188.2	
Philadelphia.....	127.0	126.5	121.9	10.7	9.6	1.5	47.0	50.6	119.2	
Cleveland.....	141.5	139.5	145.4	4.9	3.4	2.2	24.5	29.0	123.8	
Richmond.....	52.8	51.2	52.2	3.9	2.4	.9	16.2	17.0	43.1	
Atlanta.....	44.2	42.8	48.8	2.5	1.9	2.1	17.4	21.4	45.6	
Chicago.....	420.6	399.1	269.0	197.6	180.1	9.8	16.0	17.8	84.5	
St. Louis.....	59.1	56.5	60.0	8.0	5.5	3.0	7.9	7.6	24.5	
Minneapolis.....	38.3	39.0	42.9	4.8	4.1	2.3	10.1	11.4	9.5	
Kansas City.....	67.0	65.8	71.0	9.0	7.2	5.4	11.6	12.7	30.6	
Dallas.....	46.4	45.8	48.9	5.3	4.5	3.5	4.4	5.8	15.3	
San Francisco.....	141.7	143.4	136.1	8.5	8.6	-11.4	29.8	31.1	85.3	
Total.....	2,515.9	2,434.6	1,979.1	583.8	525.8	35.4	254.4	281.3	816.6	

Back figures.—For reserves held and borrowings at Federal reserve banks, see Annual Reports for 1931 (Tables 100 and 101), 1929 (Tables 91), and 1927 (Tables 89 and 90).

NET DEMAND AND TIME DEPOSITS OF BANKS IN LARGER AND SMALLER CENTERS

[In millions of dollars]

Federal reserve district	Averages of daily figures											
	Member banks in larger centers (places over 15,000)						Member banks in smaller centers (places under 15,000)					
	Net demand			Time			Net demand			Time		
	1933		1932		1933		1932		1933		1932	
	January	December	January	January	December	January	January	December	January	January	December	January
Boston.....	951	940	1,018	671	669	712	76	78	88	137	138	147
New York.....	6,854	6,675	6,179	1,955	1,971	1,937	192	200	226	466	465	510
Philadelphia.....	830	843	866	628	608	611	138	142	157	391	388	412
Cleveland.....	960	957	998	987	981	1,038	128	127	148	253	253	273
Richmond.....	330	334	350	301	293	295	76	77	87	159	158	170
Atlanta.....	301	298	343	296	283	298	55	53	70	59	62	72
Chicago.....	1,517	1,482	1,773	1,141	1,158	1,338	131	134	169	221	227	277
St. Louis.....	362	356	405	279	290	316	81	85	94	91	96	102
Minneapolis.....	176	188	213	188	189	211	91	94	121	183	186	215
Kansas City.....	381	384	429	212	213	219	164	169	198	111	112	125
Dallas.....	285	286	316	163	161	164	132	134	152	32	31	33
San Francisco.....	819	834	929	1,504	1,495	1,549	86	93	118	98	99	122
Total.....	13,767	13,578	13,818	8,324	8,311	8,687	1,349	1,387	1,628	2,201	2,216	2,458

WEEKLY REPORTING MEMBER BANKS IN LEADING CITIES
PRINCIPAL RESOURCES AND LIABILITIES BY DISTRICTS AND FOR NEW YORK CITY
AND CHICAGO

[In millions of dollars]

	Total	Federal Reserve District											City		
		Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco	New York	Chicago
Loans and investments:															
Feb. 1.....	18,725	1,154	8,193	1,070	1,886	554	502	1,981	514	295	500	371	1,705	7,222	1,019
Feb. 8.....	18,573	1,151	8,044	1,070	1,883	543	503	2,008	508	293	498	369	1,703	7,073	1,051
Feb. 15.....	18,571	1,164	8,045	1,075	1,881	551	501	2,007	503	290	496	360	1,698	7,078	1,052
Feb. 21.....	18,257	1,168	7,775	1,074	1,843	561	497	2,004	504	289	494	359	1,689	6,809	1,048
Loans:															
Feb. 1.....	10,166	657	4,101	574	1,059	295	312	1,331	261	171	233	222	950	3,521	641
Feb. 8.....	10,028	655	3,985	574	1,056	294	312	1,326	260	170	231	220	945	3,405	640
Feb. 15.....	10,083	664	4,048	573	1,056	294	310	1,321	259	168	229	218	943	3,472	638
Feb. 21.....	9,865	669	3,848	576	1,039	295	311	1,319	261	167	226	216	938	3,274	636
On securities—															
Feb. 1.....	4,259	270	1,889	289	478	111	105	578	106	53	75	69	236	1,643	349
Feb. 8.....	4,204	262	1,853	289	477	110	105	570	106	53	76	68	235	1,606	343
Feb. 15.....	4,206	261	1,859	289	477	111	105	569	106	52	75	69	233	1,614	343
Feb. 21.....	4,199	254	1,865	291	474	110	106	567	106	52	75	67	232	1,621	343
All other—															
Feb. 1.....	5,907	387	2,212	285	581	184	207	753	155	118	158	153	714	1,878	292
Feb. 8.....	5,824	393	2,132	285	579	184	207	756	154	117	155	152	710	1,799	297
Feb. 15.....	5,877	403	2,189	284	579	183	205	752	153	116	154	149	710	1,858	295
Feb. 21.....	5,666	415	1,983	285	565	185	205	752	155	115	151	149	706	1,653	293
Investments:															
Feb. 1.....	8,559	497	4,092	496	827	259	190	650	253	124	267	149	755	3,701	378
Feb. 8.....	8,545	496	4,059	496	827	249	191	682	248	123	267	149	758	3,668	411
Feb. 15.....	8,488	500	3,997	502	825	257	191	686	244	122	267	142	755	3,606	414
Feb. 21.....	8,392	499	3,927	498	804	266	186	685	243	122	268	143	751	3,535	412
U. S. Govt. securities:															
Feb. 1.....	5,253	309	2,752	238	509	148	108	335	132	57	149	94	422	2,600	181
Feb. 8.....	5,248	307	2,725	237	510	138	109	366	127	58	149	95	427	2,572	213
Feb. 15.....	5,206	309	2,675	242	510	146	109	369	126	57	149	89	425	2,522	215
Feb. 21.....	5,115	308	2,609	239	490	155	104	368	125	57	150	89	421	2,452	212
All other—															
Feb. 1.....	3,306	188	1,340	258	318	111	82	315	121	67	118	55	333	1,101	197
Feb. 8.....	3,297	189	1,334	259	317	111	82	316	121	65	118	54	331	1,096	198
Feb. 15.....	3,282	191	1,322	260	315	111	82	317	118	65	118	53	330	1,084	199
Feb. 21.....	3,277	191	1,318	259	314	111	82	317	118	65	118	54	330	1,083	200
Reserve with F. R. bank:															
Feb. 1.....	1,994	116	1,017	93	108	42	28	369	37	18	51	28	87	967	310
Feb. 8.....	1,977	126	971	93	108	55	28	359	42	20	55	29	91	924	303
Feb. 15.....	1,794	122	826	79	105	47	28	352	39	21	57	29	89	775	289
Feb. 21.....	1,814	117	830	77	104	39	27	373	42	27	61	31	86	782	314
Cash in vault:															
Feb. 1.....	193	14	43	10	21	12	7	39	9	5	13	6	14	34	17
Feb. 8.....	213	15	48	11	23	12	11	42	9	5	14	8	15	38	18
Feb. 15.....	249	15	53	13	36	15	8	60	8	5	13	7	16	42	32
Feb. 21.....	283	15	59	14	33	18	8	82	10	5	14	8	17	48	42
Net demand deposits:															
Feb. 1.....	11,899	741	6,308	649	843	273	209	1,300	293	154	338	223	568	5,862	928
Feb. 8.....	11,699	725	6,159	653	836	270	205	1,285	293	151	332	221	569	5,717	923
Feb. 15.....	11,552	741	5,993	653	831	272	203	1,288	289	151	335	222	574	5,545	919
Feb. 21.....	11,286	752	5,818	642	791	272	198	1,279	288	144	333	217	552	5,380	915
Time deposits:															
Feb. 1.....	5,648	403	1,284	299	804	234	201	875	184	149	176	130	909	859	320
Feb. 8.....	5,626	405	1,273	298	802	235	198	868	184	147	175	130	911	849	317
Feb. 15.....	5,608	406	1,270	295	799	235	198	863	183	147	175	130	907	847	315
Feb. 21.....	5,499	396	1,223	290	789	233	196	837	182	145	174	129	905	803	302
Government deposits:															
Feb. 1.....	300	14	126	26	26	9	25	19	3	1	4	13	34	114	11
Feb. 8.....	245	12	103	21	21	7	22	15	2	-----	3	11	28	92	9
Feb. 15.....	190	8	79	16	17	6	19	13	2	-----	2	8	20	71	7
Feb. 21.....	148	6	61	13	14	3	17	10	2	-----	2	6	14	54	5
Due from banks:															
Feb. 1.....	1,832	199	157	158	116	108	74	407	91	78	147	109	188	78	309
Feb. 8.....	1,734	197	148	151	104	106	65	365	95	77	142	112	172	75	275
Feb. 15.....	1,583	180	143	121	73	92	56	317	92	73	139	113	164	73	242
Feb. 21.....	1,287	157	124	87	78	77	58	211	77	59	124	97	138	72	153
Due to banks:															
Feb. 1.....	3,558	181	1,721	221	253	110	85	380	110	55	160	97	185	1,655	293
Feb. 8.....	3,440	176	1,603	219	252	118	81	372	111	57	162	104	185	1,537	287
Feb. 15.....	3,218	178	1,451	207	227	100	74	349	105	56	159	101	181	1,418	268
Feb. 21.....	2,778	155	1,234	168	188	92	69	316	96	53	153	89	165	1,176	240
Borrowings from F. R. banks:															
Feb. 1.....	81	-----	9	6	12	4	10	4	2	-----	2	-----	32	-----	-----
Feb. 8.....	70	-----	6	7	14	3	11	4	1	-----	4	-----	20	-----	-----
Feb. 15.....	100	-----	9	7	30	5	11	5	2	-----	5	-----	26	-----	-----
Feb. 21.....	130	-----	12	13	33	6	11	19	1	-----	4	-----	30	-----	-----

* Revised.

RATES CHARGED CUSTOMERS BY BANKS IN PRINCIPAL CITIES OF EACH DISTRICT

Federal reserve bank or branch city	Prime commercial paper			Loans secured by prime stock-exchange collateral			Loans secured by warehouse receipts			Interbank loans		
	1933		1932	1933		1932	1933		1932	1933		1932
	February	January	February	February	January	February	February	January	February	February	January	February
Boston	3 -4½	3 -4½	4 -5	4 -5	4 -5	5 -5½	5 -5½	5 -5½	5 -6	4 -5	4 -5	4½-6
New York	3 -4	3 -4	4 -5	4 -5	4 -5	4½-5½	3 -4	3 -4	4½	4 -4¾	4 -5	4½-5
Buffalo	5 -6	5 -6	5 -6	5½-6	5½-6	5½-6	5 -6	5 -6	6	6	5½-6	5½-6
Philadelphia	4 -5	4½-5	4¾-5	4½-5½	5 -6	5 -6	5½-6	5 -6	5 -5½	4 -5	4 -5½	4 -5
Cleveland	4 -6	4 -6	5 -6	5½-6	5½-6	5½-6	4½-6	5 -6	6	5 -6	5 -6	5 -6
Cincinnati	5½-6	5½-6	5½-6	5½-6	5½-6	5½-6	5 -7	5 -7	6 -7	5 -6	5 -6	5 -6
Pittsburgh	6	5½-6	6	5½-6	6	5½-6	6	6	6	5½-6	6	6
Richmond	3½-5	5 -4½	5 -5½	-----	5	6	-----	-----	-----	4¾	4½-5	5 -5½
Baltimore	5 -6	5 -6	5 -6	5 -6	5 -6	5 -6	6	6	6	5½-6	5½-6	5 -6
Charlotte	4½-6	5 -6	5½-6	5 -6	5½-6	5½-6	5½-6	5½-6	6	6	5½-6	6
Atlanta	4½-5½	4½-5½	5 -6	4½-6	4½-6	5 -7	4 -5	4 -5	4½-6	5	5 -6	5 -5½
Birmingham	4½-8	4½-8	5 -6	6 -8	6 -8	6 -8	6 -8	6 -8	6 -8	6	6	6
Jacksonville	5 -7	5 -7	5 -8	6 -8	6 -8	6 -8	6 -8	6 -8	6 -8	6	6	6
Nashville	6	6	6	6	6	6	6	6	6	6	6	6
New Orleans	5½-6	5 -6	5½-6	5½-7	5½-7	5½-7	5½-7	5½-7	5½-7	5½-6	5½-6	5½-6
Chicago	3 -4½	3½-4½	4¼-5¼	4 -5	4 -5	4½-5½	5 -5½	4½-5½	4½-5½	5 -5½	5 -5½	4¾-5½
Detroit	5½-6	5½-6	5 -5½	5½-6	5½-6	5 -6	5 -6	5 -6	6	5½-6	5½-6	-----
St. Louis	4 -5	4 -5½	4½-5½	5 -6	5 -6	5½-6	4 -6	4 -6	5 -6	5 -5½	5 -6	5 -6
Little Rock	6 -6½	6 -7	6 -6½	6½-7	6½-7	6 -6½	6½-7	6 -7	6 -7	6 -7	6 -7	6
Louisville	6	6	6	6	6	6	6	6	6	5½-6	5½-6	5 -6
Minneapolis	2 -4¼	2 -5	4 -4½	4 -6	4 -6	5 -6	2 -4	2 -4½	4 -4½	5½-6	5½-6	6
Helena	7 -8	7 -8	6 -8	7 -8	7 -8	6 -8	6 -7	6 -7	6 -8	6 -7	6 -7	6 -8
Kansas City	4 -6	4½-6	4½-6	5½-6	5½-6	5½-6	4½-6	4½-6	5 -6	5½-6	5½-6	5½-6
Denver	4½-6	4½	4 -6	6	6	6	6 -8	6 -8	5½-8	6	6	6 -6½
Oklahoma City	6	6	6	8	8	8	6 -8	6 -8	6 -8	6	6	6
Omaha	4½-5½	5 -5½	5 -6	5½-7	5½-7	5½-7	6 -6½	6 -6½	6 -6½	6	6	6
Dallas	3 -6	3 -6	5 -6	6 -7	6 -7	5 -7	3½-7	5½-6	6	5 -5½	5 -5½	5
El Paso	7 -8	7 -8	7 -8	7 -8	7 -8	7 -8	8	8	8	5 -6	5 -6	5½-6
Houston	5½-6	5½-6	5½-6	5½-7	5½-7	5 -7	5 -6	5½-6	5½-6	5 -5½	5 -5½	4½-5½
San Antonio	5 -7	6 -7	6 -6½	6 -7	6 -7	6 -7	6 -8	6 -8	6 -8	6	6	6
San Francisco	5 -5½	5 -5½	4½-5½	5 -6	5 -6	5 -6	5½-6	5½-6	5½-6	5	5 -5½	5
Los Angeles	5½-6	5½-6	5½-6	6 -6½	6 -6½	5 -7	6 -6½	6 -6½	6 -6½	6	6	6
Portland	6	6	6 -6½	6	6 -6½	6 -6½	6 -7	6 -7	6 -6½	6	6	6
Salt Lake City	6	6	6	6	6	6	7	7	7	6 -7	6 -7	6
Seattle	5½-6	5½-6	6	6 -6½	6 -6½	6½-7	6½-7	6½-7	6½-7	6	6	6
Spokane	6 -6½	6	6	6 -7	6 -7	6½-7	6½-7	6½-7	6½-7	6	6	6

NOTE.—Rates at which the bulk of the loans of each class were made by representative banks during the week ending 15th of month. Rates from about 200 banks with loans exceeding \$8,000,000,000; reporting banks are usually the largest banks in their respective cities.

OTHER BANKING AND FINANCIAL STATISTICS

SHIPMENTS AND RECEIPTS OF AMERICAN CURRENCY TO AND FROM EUROPE

BY SELECTED BANKS IN NEW YORK CITY

[Paper currency only. In thousands of dollars]

Month	1932			1933		
	Shipments to Europe	Receipts from Europe	Net shipments (-) or receipts (+)	Shipments to Europe	Receipts from Europe	Net shipments (-) or receipts (+)
January.....	25	3,335	+3,316	3	5,304	+5,301
February.....	0	5,221	+5,221	105	5,589	+5,484
March.....	0	8,468	+8,468	-----	-----	-----
April.....	0	4,563	+4,563	-----	-----	-----
May.....	0	10,938	+10,938	-----	-----	-----
June.....	12	16,265	+16,253	-----	-----	-----
July.....	20	6,694	+6,674	-----	-----	-----
August.....	152	6,458	+6,306	-----	-----	-----
September.....	36	6,603	+6,567	-----	-----	-----
October.....	7	5,294	+5,287	-----	-----	-----
November.....	70	6,013	+5,943	-----	-----	-----
December.....	245	3,986	+3,742	-----	-----	-----

For description and back figures see BULLETIN for January, 1932, pp. 7-9.

MEMBERSHIP IN PAR-COLLECTION SYSTEM

[Number of banks at end of January]

	Member banks		Nonmember banks			
	1933	1932	On par list		Not on par list	
			1933	1932	1933	1932
United States.....	6,661	7,138	7,892	8,927	3,006	3,147
Boston.....	367	371	222	226	-----	-----
New York.....	748	836	282	335	-----	-----
Philadelphia.....	692	710	300	341	-----	-----
Cleveland.....	631	648	760	780	5	6
Richmond.....	391	396	424	437	358	365
Atlanta.....	317	342	131	146	696	736
Chicago.....	775	875	2,155	2,506	247	243
St. Louis.....	411	450	1,082	1,198	402	389
Minneapolis.....	539	574	312	382	813	871
Kansas City.....	775	815	1,396	1,597	218	215
Dallas.....	576	609	409	460	219	219
San Francisco.....	439	512	439	519	48	53

Figures cover all incorporated banks (other than mutual savings banks).

MATURITY DISTRIBUTION OF BILLS AND SHORT-TERM SECURITIES

[In thousands of dollars]

	Total	Within 15 days	16 to 30 days	31 to 60 days	61 to 90 days	91 days to 6 mos.	Over 6 mos.
Bills discounted:							
Feb. 1.....	268,690	189,603	20,796	27,747	20,084	9,066	1,394
Feb. 8.....	252,640	173,661	19,978	28,259	19,979	9,256	1,507
Feb. 15.....	286,373	203,195	19,631	29,926	22,787	8,897	1,937
Feb. 21.....	327,138	239,487	21,807	31,696	23,619	8,642	1,887
Bills bought in open market:							
Feb. 1.....	31,338	7,184	5,020	8,654	10,480	-----	-----
Feb. 8.....	31,338	7,581	8,733	5,148	9,876	-----	-----
Feb. 15.....	30,784	6,407	8,411	5,799	10,167	-----	-----
Feb. 21.....	179,576	64,812	30,319	35,753	48,481	211	-----
Certificates and bills:							
Feb. 1.....	1,008,547	82,800	89,950	203,031	203,897	128,526	300,343
Feb. 8.....	963,847	73,550	60,000	203,031	203,897	128,525	304,844
Feb. 15.....	950,165	89,950	169,301	63,250	174,497	143,825	309,342
Feb. 21.....	960,551	89,950	138,686	92,250	197,797	130,525	311,343
Municipal war-rants:							
Feb. 1.....	3,415	3,377	10	3	-----	25	-----
Feb. 8.....	3,435	3,397	13	-----	-----	25	-----
Feb. 15.....	4,797	4,769	3	-----	-----	25	-----
Feb. 21.....	4,697	4,672	-----	-----	-----	25	-----

UNITED STATES POSTAL SAVINGS

[Balance to credit of depositors. In millions of dollars]

End of month	1928	1929	1930	1931	1932	1933
January.....	148.9	153.5	165.1	278.4	665.6	942.5
February.....	151.1	154.8	167.9	292.1	691.8	1,500.6
March.....	152.0	155.0	169.5	302.7	705.3	-----
April.....	152.2	154.3	170.2	313.8	722.1	-----
May.....	152.0	153.8	171.2	325.0	742.6	-----
June.....	152.1	153.6	175.3	347.4	784.8	-----
July.....	151.7	157.8	180.7	372.5	828.5	-----
August.....	152.2	160.1	186.5	422.7	848.5	-----
September.....	152.3	160.3	189.8	469.9	857.4	-----
October.....	153.1	161.6	192.5	538.1	870.8	-----
November.....	153.9	163.7	200.7	565.5	885.2	-----
December.....	153.9	164.3	245.4	605.1	900.2	-----

* Preliminary.

BANK SUSPENSIONS AND BANKS REOPENED

BANK SUSPENSIONS AND BANKS REOPENED, BY DISTRICTS

[Banks closed to public either temporarily or permanently, on account of financial difficulties by order of supervisory authorities or directors of the bank. The figures do not include banks closed temporarily under special or "moratorium" holidays declared by civil authorities. Figures for banks reopened during given period include reopenings both of banks closed during that period and of banks closed in prior periods. Deposits (including those of banks reopened) are as of date of suspension where available, otherwise as of the latest available call date preceding suspension]

[Figures for latest month are preliminary]

Federal reserve district	Banks suspended							Banks reopened								
	Number			Deposits (in thousands of dollars)				Number			Deposits (in thousands of dollars)					
	All banks	Members		Non-members	All banks	Members		Non-members	All banks	Members		Non-members	All banks	Members		Non-members
		National	State			National	State			National	State			National	State	
Year, 1932 (revised):																
Boston	11	2	1	8	72,563	4,031	10,258	58,274	3	2	1	8,571	2,271		6,300	
New York	14	10	1	3	25,773	20,580	797	4,396	10	3	1	23,274	2,117	12,170	8,987	
Philadelphia	27	10		17	30,682	6,358		24,324	7	7		7,446	7,446			
Cleveland	58	22	1	35	36,870	22,655	512	13,703	19	2		17	69,645	1,000	68,645	
Richmond	70	12		58	53,546	14,526		39,020	41	11		30	29,377	13,152	16,225	
Atlanta	89	21	6	62	23,576	8,386	2,655	12,535	27	1		1	11,988	680	11,308	
Chicago	507	78	22	407	262,739	70,092	29,197	163,450	77	8	4	65	79,343	17,301	60,112	
St. Louis	155	22	6	127	45,987	16,159	5,610	24,218	38	4	1	33	11,076	794	9,943	
Minneapolis	136	25		111	27,899	6,681		21,218	14	1		13	5,582	1,132	4,450	
Kansas City	205	28	2	175	30,587	9,064	481	21,042	24			24	4,234		4,234	
Dallas	38	10	3	25	9,553	3,941	433	5,179	10	3		7	5,767	4,231	1,536	
San Francisco	146	36	13	97	95,851	31,677	5,210	58,964	20	2	2	16	19,891	6,143	12,788	
Total	1,456	276	55	1,125	715,626	214,150	55,153	446,323	290	44	8	238	276,194	56,267	15,399	204,528
February, 1933:																
Boston									1			1	2,894		2,894	
New York	5	2	1	2	3,779	1,179	660	1,940								
Philadelphia	2	1		1	2,089	274		1,815								
Cleveland	2			2	145			145	2			2	7,812		7,812	
Richmond	8	1		7	18,235	10,117		8,118								
Atlanta	4	1		3	1,083	303		780	3			3	675		675	
Chicago	36	2	2	32	21,109	366	3,408	17,335	3			3	557		557	
St. Louis	36	4	2	30	9,392	1,230	2,230	5,932	4			4	696		696	
Minneapolis	13	2		11	4,048	572		3,476								
Kansas City	27	5		22	7,174	1,329		5,845	8			8	2,324		2,324	
Dallas	3			3	414			414								
San Francisco	12	2	2	8	5,402	511	1,490	3,401								
Total	148	20	7	121	72,870	15,881	7,788	49,201	21			21	14,958		14,958	
January-February, 1933:																
Boston									2			2	5,659		5,659	
New York	7	4	1	2	6,131	3,531	660	1,940								
Philadelphia	4	3		1	15,101	13,286		1,815								
Cleveland	10	1		9	3,462	835		2,627	4			4	10,766		10,766	
Richmond	16	2		14	20,358	10,517		9,841	1	1			3,627	3,627		
Atlanta	19	5		14	13,916	10,995		2,921	7			7	1,378		1,378	
Chicago	97	12	3	82	39,393	6,056	4,092	29,245	10			10	4,525		4,525	
St. Louis	94	10	14	70	39,035	7,243	15,488	16,304	6			6	852		852	
Minneapolis	29	6		23	9,151	3,367		5,784								
Kansas City	71	13		58	16,634	2,691		13,943	11			11	2,624		2,624	
Dallas	8	2		6	3,005	1,137		1,868								
San Francisco	34	6	4	24	41,704	12,161	1,942	27,601								
Total	389	64	22	303	207,890	71,819	22,182	113,889	41	1		40	29,431	3,627	25,804	

¹ At time of suspension the following number of banks with deposits as indicated, were State member banks: Cleveland district, 7 banks with deposits of \$42,333,000; Atlanta district, 2 banks with deposits of \$889,000; Chicago district, 9 banks with deposits of \$36,151,000; St. Louis district, 1 bank with deposits of \$400,000, and San Francisco district, 1 bank with deposits of \$5,691,000.

² Includes 1 newly organized bank with 4 branches, which took over 6 banks previously suspended.

³ At time of suspension 1 bank in Cleveland district with deposits of \$7,290,000 was a State member bank.

⁴ At time of suspension 3 banks in Cleveland district with deposits of \$10,244,000, and 1 in Atlanta district with deposits of \$269,000 were State member banks.

Back figures.—See BULLETIN for February, 1932, also Annual Reports for 1931 (Table 123), 1930 (Table 117), 1929 (Table 111), 1928 (Table 115), 1927 (Table 111), and 1926 (Table 98).

BANK SUSPENSIONS AND BANKS REOPENED—Continued

BANK SUSPENSIONS AND BANKS REOPENED, BY STATES, JANUARY 1 TO DECEMBER 31, 1932

[Banks closed to public either temporarily or permanently, on account of financial difficulties, by order of supervisory authorities or directors of the bank. The figures do not include banks closed temporarily under special or "moratorium" holidays declared by civil authorities. Figures for banks reopened during given period include reopenings both of banks closed during that period and of banks closed in prior periods. Deposits (including those of banks reopened) are as of date of suspension where available, otherwise as of the latest available call date preceding suspension]

[Revision of preliminary data published in January Bulletin]

State	Banks suspended						Banks reopened									
	Number			Deposits (in thousands of dollars)			Number			Deposits (in thousands of dollars)						
	All banks	Members		Non-members	All banks	Members		Non-members	All banks	Members		Non-members				
		National	State			National	State			National	State					
New England:																
Maine.....								1	1			402	402			
New Hampshire.....																
Vermont.....																
Massachusetts.....	5	1	1	3	29,678	1,334	10,258	18,086	2	1	1	8,169	1,869	6,300		
Rhode Island.....																
Connecticut.....	6	1		5	42,885	2,697		40,188								
Middle Atlantic:																
New York.....	10	8		2	15,316	12,016		3,300	5	1	1	3	18,453	507	12,170	5,776
New Jersey.....	8	5	1	2	14,369	10,680	797	2,892	7	4		3	9,389	6,178		3,211
Pennsylvania.....	42	20	1	21	50,937	22,208	512	28,217	6	5		1	5,575	2,509		3,066
East North Central:																
Ohio.....	26	2		24	8,293	1,678		6,615	15	1		14	65,009	577		64,432
Indiana.....	68	12		56	37,216	11,366		25,850	11			11	5,725			5,725
Illinois.....	209	46	11	152	128,878	46,796	18,955	61,127	23	5	1	17	10,018	5,092	628	4,298
Michigan.....	87	5	11	71	36,358	2,634	7,363	26,361	36	3	3	30	30,968	10,092	1,302	19,574
Wisconsin.....	67	4		63	18,769	2,932		15,837	16	2		14	9,364	2,220		7,144
West North Central:																
Minnesota.....	62	9		53	12,029	2,302		9,727	4			4	1,205			1,205
Iowa.....	147	24	3	120	75,710	18,314	5,561	51,835	5	1		14	30,639	1,409		29,230
Missouri.....	80	8	1	71	13,903	4,324	455	9,124	7			7	1,013			1,013
North Dakota.....	14	3		11	1,066	243		823	4			4	597			597
South Dakota.....	23	6		17	5,183	1,027		4,156	4			4	597			597
Nebraska.....	51	3	2	46	6,884	408	481	5,995	13			13	2,650			2,650
Kansas.....	69	9		60	9,386	3,304		6,082	3			3	536			536
South Atlantic:																
Delaware.....	1	1			792	792			1	1			792	792		
Maryland.....	4	1		3	5,520	839		4,681	8			8	2,957			2,957
District of Columbia.....	4			4	3,497			3,497								
Virginia.....	9	2		7	879	339		540	2	1		1	591	567		24
West Virginia.....	6	2		4	922	411		511	11	6		5	12,961	8,043		4,918
North Carolina.....	31	5		26	14,129	9,967		4,162	14	4		10	11,800	4,542		7,258
South Carolina.....	18	3		15	28,076	3,239		25,737	8			8	2,215			2,215
Georgia.....	25	8	2	15	3,947	986	839	2,122	2			12	667			1,667
Florida.....	11	2		9	3,977	1,494		2,483	4			4	933			933
East South Central:																
Kentucky.....	38	10	1	27	10,493	4,186	2,347	3,960	8	1		7	1,094	160		924
Tennessee.....	28	3		25	4,806	1,616		3,190	5			5	642			642
Alabama.....	18	6	3	9	5,797	3,155	1,285	1,357	3			3	863			863
Mississippi.....	12	1		11	1,944	455		1,489	15			15	7,411			7,411
West South Central:																
Arkansas.....	13	1	1	11	925	85	126	714	7	1	1	5	1,216	254	339	623
Louisiana.....	14	1	1	12	5,432	680	581	4,221	8	1		7	6,079	680		5,399
Oklahoma.....	32	9		23	8,240	4,219		4,021	6			6	613			613
Texas.....	35	10	3	22	8,526	3,941	433	4,152	10	3		7	5,767	4,231		1,536
Mountain:																
Montana.....	8	3		5	1,364	716		648								
Idaho.....	24	6	2	16	11,620	7,408	173	4,039	8	1		7	8,254	5,258		2,996
Wyoming.....	2			2	878			878								
Colorado.....	24	6		18	2,844	1,090		1,754								
New Mexico.....	1			1	83			83								
Arizona.....	7	1		6	5,862	354		5,508								
Utah.....	14		2	12	9,816		863	8,953	5		2	3	2,194		960	1,234
Nevada.....	16	2		14	17,531	5,556		11,975								
Pacific:																
Washington.....	28	5	5	18	23,764	3,955	2,521	17,288	2			2	1,223			1,223
Oregon.....	26	8	4	14	8,032	3,731	1,653	2,648	3	1		2	6,726	885		5,841
California.....	33	14		19	20,170	10,673		9,497	2			2	1,494			1,494
Total.....	1,456	276	55	1,125	715,626	214,150	55,153	446,323	290	44	8	238	276,194	56,267	15,399	204,528

¹ At time of suspension the following number of banks, with deposits as indicated, were State member banks: Ohio, 7 banks with deposits of \$42,333,000; Michigan, 8 banks with deposits of \$9,293,000; Iowa, 1 bank with deposits of \$26,858,000; Georgia, 1 bank with deposits of \$358,000; Mississippi, 1 bank with deposits of \$400,000; Louisiana, 1 bank with deposits of \$531,000; and Oregon, 1 bank with deposits of \$5,691,000.

² Includes 1 newly organized bank with 4 branches, which took over 6 banks previously suspended.

Back figures.—See Annual Reports for 1931 (Table 124), 1930 (Table 118), 1929 (Table 112), 1928 (Table 116), 1927 (Table 112), 1926 (Table 100), and 1925 (Tables 97 and 98).

BANK SUSPENSIONS AND BANKS REOPENED—Continued

BANK SUSPENSIONS AND BANKS REOPENED, BY STATES, DURING FEBRUARY, 1933

[Banks closed to public, either temporarily or permanently, on account of financial difficulties, by order of supervisory authorities or directors of the bank. The figures do not include banks closed temporarily under special or "moratorium" holidays declared by civil authorities. Figures for banks reopened during given period include reopenings both of banks closed during that period and of banks closed in prior periods. Deposits (including those of banks reopened) are as of date of suspension where available, otherwise as of the latest available call date preceding suspension]

[Figures are preliminary and subject to revision]

State	Banks suspended							Banks reopened						
	All banks	Number			Deposits (in thousands of dollars)			Number			Deposits (in thousands of dollars)			
		Members		Non-members	All banks	Members		Non-members	All banks	Members	Non-members	All banks	Members	Non-members
		National	State			National	State							
New England:														
Maine.....														
New Hampshire.....														
Vermont.....														
Massachusetts.....								1		1	2,894		2,894	
Rhode Island.....														
Connecticut.....														
Middle Atlantic:														
New York.....	3	1	1	1	1,454	267	660							
New Jersey.....	3	2		1	2,599	1,186								
Pennsylvania.....	1			1	1,815									
East North Central:														
Ohio.....	2			2	145					2		1	7,812	
Indiana.....	9	1	1	7	5,796	175	3,000			1		1	142	
Illinois.....	23	4	1	18	13,424	1,151	408							
Michigan.....	4	1		3	2,166		270			2		2	415	
Wisconsin.....	6			6	1,077									
West North Central:														
Minnesota.....	7	2		5	2,939	572								
Iowa.....	3			3	718									
Missouri.....	20		1	19	4,759		1,160			4		4	696	
North Dakota.....														
South Dakota.....	3			3	418									
Nebraska.....	14	4		10	3,646	1,125				7		7	1,991	
Kansas.....	9			9	3,059									
South Atlantic:														
Delaware.....														
Maryland.....	1			1	4,954									
District of Columbia.....	1	1			10,117		10,117							
Virginia.....														
West Virginia.....														
North Carolina.....	4			4	2,948									
South Carolina.....	2			2	216									
Georgia.....														
Florida.....														
East South Central:														
Kentucky.....	1			1	290									
Tennessee.....	5			5	881					3		3	675	
Alabama.....														
Mississippi.....	4	1	1	2	2,143	303	1,070							
West South Central:														
Arkansas.....	3			3	424									
Louisiana.....	2			2	645									
Oklahoma.....	1			1	50					1		1	333	
Texas.....	2			2	366									
Mountain:														
Montana.....														
Idaho.....	2			2	463									
Wyoming.....	1			1	86									
Colorado.....	2	1		1	333	204								
New Mexico.....														
Arizona.....														
Utah.....														
Nevada.....														
Pacific:														
Washington.....	4		2	2	2,995		1,400							
Oregon.....	1			1	294									
California.....	5	2		3	1,650	511								
Total.....	148	20	7	121	72,870	15,881	7,788	49,201	21		21	14,958	14,958	

1 At time of suspension 1 bank with deposits of \$7,290,000 was a State member bank.

ALL MEMBER BANKS—CONDITION ON CALL DATES DECEMBER 31, 1929, TO DECEMBER 31, 1932

[Amounts in thousands of dollars]

	1929				1930				1931				1932		
	Dec. 31	Mar. 27	June 30	Sept. 24	Dec. 31	Mar. 25	June 30	Sept. 29	Dec. 31	June 30	Sept. 30	Dec. 31			
RESOURCES															
Loans (including overdrafts).....	26,150,061	25,118,783	25,213,770	24,738,011	23,870,488	22,839,946	21,816,243	20,874,084	19,260,685	16,587,185	15,923,841	15,204,050			
United States Government securities.....	3,862,968	4,085,006	4,061,395	4,095,270	4,124,776	5,002,262	5,343,032	5,564,461	5,318,654	5,627,854	6,366,099	6,539,706			
Other securities.....	5,920,921	5,851,908	6,380,494	6,638,969	6,864,247	6,886,357	6,763,247	6,634,689	5,995,786	5,785,764	5,754,743	5,725,714			
Total loans and investments.....	35,933,950	35,055,697	35,655,659	35,472,250	34,859,511	34,728,565	33,922,522	33,073,234	30,575,125	28,000,803	28,044,633	27,469,470			
Customers' liability on account of acceptances.....	1,290,306	1,111,153	928,807	912,852	1,117,833	1,035,978	888,454	662,415	718,500	458,592	440,276	412,248			
Banking house, furniture, and fixtures.....	1,100,306	1,202,486	1,217,963	1,230,754	1,240,444	1,239,935	1,234,404	1,220,317	1,174,957	1,166,263	1,167,763	1,150,245			
Other real estate owned.....	183,989	188,815	190,995	197,869	191,169	190,935	206,560	209,518	211,755	233,014	253,342	268,945			
Cash in vault.....	558,450	496,633	484,262	470,367	592,504	461,267	519,135	554,150	522,551	478,224	406,688	422,838			
Reserve with Federal reserve banks.....	2,373,760	2,352,738	2,407,960	2,414,991	2,474,509	2,364,478	2,396,421	2,339,230	1,975,169	1,997,656	2,234,919	2,511,374			
Items with Federal reserve banks in process of collection.....	994,373	719,201	836,471	698,871	757,216	524,765	629,418	531,691	598,285	419,706	387,225	449,848			
Due from banks in United States.....	2,167,756	1,901,517	2,360,377	2,462,827	2,455,948	2,791,204	2,517,096	1,935,119	1,662,226	1,730,706	2,048,644	2,415,656			
Due from banks in foreign countries (including own branches).....	263,394	247,612	220,793	202,447	260,818	296,376	351,320	215,692	174,183	192,619	175,377	193,881			
Exchanges for clearing house and other checks on local banks.....	2,762,463	1,616,954	2,645,057	1,146,915	2,076,189	975,215	1,771,312	959,218	1,383,409	859,849	802,881	594,665			
Outside checks and other cash items.....	139,056	65,331	118,552	51,706	32,766	43,344	87,858	50,696	108,128	58,992	47,102	77,406			
Redemption fund and due from United States Treasurer.....	32,889	32,823	32,658	32,604	32,706	32,264	32,001	31,372	31,372	31,372	37,627	39,242			
Acceptances of other banks and bills of exchange or drafts sold with indorsement.....	735,193	612,193	557,748	592,732	662,686	524,104	452,045	329,756	310,502	55,022	18,558	14,869			
Securities borrowed.....	35,533	25,744	26,324	23,866	21,069	24,822	20,279	17,150	13,473	11,664	11,259	12,928			
Other assets.....	219,379	231,482	223,114	242,062	222,911	300,024	260,254	249,067	223,687	216,368	233,501	226,261			
Total.....	48,843,078	45,860,379	47,906,740	46,153,113	47,057,891	45,542,276	45,288,588	42,378,777	39,688,322	35,911,061	36,309,845	36,259,926			
LIABILITIES															
Capital stock paid in.....	2,757,113	2,744,975	2,721,997	2,728,664	2,665,151	2,657,172	2,620,606	2,580,550	2,499,098	2,440,467	2,431,688	2,409,859			
Surplus.....	2,864,612	2,881,944	2,870,800	2,903,258	2,822,091	2,804,906	2,741,351	2,695,285	2,524,460	2,366,239	2,262,122	2,148,260			
Undivided profits—net.....	909,548	956,053	950,072	1,009,435	894,388	910,480	804,199	811,466	605,403	510,696	516,491	438,521			
Reserves for contingencies ¹	177,252	176,610	182,940	185,602	211,407	225,483	264,068	271,408	370,368	343,518	360,860	412,529			
Due to Federal reserve banks.....	54,458	51,915	46,206	47,147	49,267	43,323	41,073	41,070	48,381	38,362	32,196	36,663			
Due to other banks in United States.....	3,517,325	3,204,316	3,831,656	3,817,132	3,872,842	4,236,451	4,004,077	3,222,466	2,882,296	2,870,029	3,268,854	3,607,649			
Due to banks in foreign countries (including own branches).....	576,664	498,075	571,766	660,612	634,927	566,579	657,285	747,282	433,740	200,569	262,676	295,989			
Certified and officers' checks outstanding.....	1,603,562	1,134,283	1,493,437	771,941	1,223,777	626,747	999,310	617,053	729,301	503,336	464,006	369,891			
Cash letters of credit and travelers' checks outstanding.....	23,460	25,038	41,389	26,638	20,960	22,506	33,231	23,701	19,581	24,475	17,958	15,250			
Demand deposits.....	18,861,582	17,078,905	18,061,977	16,838,351	17,501,550	16,338,728	16,622,224	15,526,182	14,955,400	13,203,732	13,081,243	13,393,235			
Time deposits.....	13,233,481	13,518,731	13,811,978	13,944,868	13,546,201	13,663,258	13,515,468	12,776,332	11,315,842	10,636,021	10,601,689	10,549,579			
United States deposits.....	143,203	324,893	280,769	257,185	287,415	502,204	395,397	526,161	411,845	387,463	737,769	474,741			
Total Deposits.....	38,013,735	35,836,156	38,139,176	36,363,874	37,116,939	35,999,796	36,268,065	33,480,247	30,746,386	27,863,957	28,466,391	28,742,997			
Agreements to repurchase U. S. Government or other securities sold.....	136,957	66,214	37,164	38,144	158,141	23,599	15,371	25,303	81,583	62,983	42,111	45,579			
Bills payable and rediscounts:															
With Federal reserve banks.....	646,334	206,124	273,880	172,578	248,017	165,106	146,810	323,354	622,652	440,504	331,345	234,524			
All other.....	232,188	140,467	161,090	143,402	107,151	116,336	70,079	142,357	216,476	374,619	365,404	312,261			
Acceptances of other banks and bills of exchange or drafts sold with indorsement.....	735,193	612,193	557,748	592,732	662,686	524,104	452,045	329,756	310,502	55,022	18,558	14,869			
Acceptances executed for customers.....	1,276,159	1,125,907	925,576	929,337	1,138,624	1,063,334	901,351	681,145	732,253	483,064	448,440	429,738			
Acceptances executed by other banks for account of reporting banks.....	29,647	24,654	34,998	18,127	15,031	15,553	11,514	13,197	14,169	6,912	5,416	7,335			
National-bank notes outstanding.....	645,562	647,481	649,098	648,909	639,640	642,284	636,041	628,334	624,234	648,906	739,793	776,749			
Securities borrowed.....	35,533	25,744	26,324	23,866	21,069	24,822	20,279	17,150	13,473	11,664	11,259	12,928			
Interest, taxes, and other expenses accrued and unpaid.....	137,060	175,896	148,960	182,397	151,190	158,416	127,345	162,507	98,068	109,927	129,969	73,276			
Other liabilities.....	245,585	239,961	229,915	212,698	236,366	210,885	209,455	216,728	228,597	192,553	179,998	200,501			
Total.....	48,843,078	45,860,379	47,906,740	46,153,113	47,057,891	45,542,276	45,288,588	42,378,777	39,688,322	35,911,061	36,309,845	36,259,926			
Number of banks.....	8,522	8,406	8,315	8,246	8,052	7,928	7,782	7,599	7,246	6,980	6,904	6,816			

¹ Prior to Dec. 31, 1932, included reserves for dividends, etc.

NATIONAL AND STATE MEMBERS—CONDITION ON DECEMBER 31, 1932, BY CLASSES OF BANKS

[Amounts in thousands of dollars]

	All member banks				National banks				State bank members			
	Total	Central reserve city banks	Other reserve city banks	Country banks	Total	Central reserve city banks	Other reserve city banks	Country banks	Total	Central reserve city banks	Other reserve city banks	Country banks
RESOURCES												
Loans (including overdrafts).....	15,204,050	4,169,417	5,541,560	5,493,073	9,828,142	2,077,846	3,650,606	4,099,690	5,375,908	2,091,571	1,890,954	1,393,383
United States Government securities.....	6,539,706	2,831,066	2,234,362	1,474,278	3,755,379	937,783	1,604,902	1,212,694	2,784,327	1,893,283	629,460	261,584
Other securities.....	5,725,714	1,372,126	1,713,569	2,640,019	3,815,311	696,453	1,051,186	2,067,672	1,910,403	675,673	662,383	572,347
Total loans and investments	27,469,470	8,372,609	9,489,491	9,607,370	17,398,832	3,712,082	6,306,694	7,380,056	10,076,638	4,660,527	3,182,797	2,227,314
Customers' liability on account of acceptances.....	412,248	360,810	47,184	4,254	198,403	160,944	35,373	2,086	213,845	199,866	11,811	2,168
Banking house, furniture, and fixtures.....	1,150,245	277,050	412,190	461,005	758,676	119,821	275,122	363,733	391,569	157,229	137,068	97,272
Other real estate owned.....	268,945	18,676	108,038	142,231	169,759	6,269	57,646	105,844	99,186	12,407	50,392	36,387
Cash in vault.....	422,838	64,373	126,473	231,992	306,349	26,555	90,528	189,266	116,489	37,818	35,945	42,726
Reserve with Federal reserve banks.....	2,511,374	1,416,793	646,104	448,477	1,625,840	825,877	461,880	348,083	885,534	590,916	194,224	100,394
Items with Federal reserve banks in process of collection.....	449,848	149,075	203,545	97,228	279,014	65,529	146,798	66,687	170,834	83,546	56,747	30,541
Due from banks in United States.....	2,415,656	409,108	1,239,605	766,943	1,849,678	271,404	952,317	625,957	565,978	137,704	287,288	140,980
Due from banks in foreign countries (including own branches).....	193,881	151,600	39,636	2,645	139,335	103,835	33,785	1,715	54,546	47,765	5,861	990
Exchanges for clearing house and other checks on local banks.....	594,695	386,954	158,471	49,270	315,554	168,584	114,035	32,935	279,141	218,370	44,436	16,335
Outside checks and other cash items.....	77,406	5,427	54,768	17,211	60,847	1,833	44,733	14,281	16,559	3,594	10,035	2,930
Redemption fund and due from United States Treasurer.....	39,242	1,220	13,592	24,430	39,242	1,220	13,592	24,430	-----	-----	-----	-----
Acceptances of other banks and bills of exchange or drafts sold with indorsement.....	14,869	4,290	9,678	901	5,422	1,560	3,148	714	9,447	2,730	6,530	187
Securities borrowed.....	12,928	-----	5,382	7,546	8,027	-----	2,409	5,618	4,901	-----	2,973	1,928
Other assets.....	226,281	82,682	91,546	52,053	113,958	26,957	52,401	34,600	112,323	55,725	39,145	17,453
Total	36,259,926	11,700,667	12,645,703	11,913,556	23,268,936	5,492,470	8,580,461	9,196,005	12,990,990	6,208,197	4,065,242	2,717,551
LIABILITIES												
Capital stock paid in.....	2,409,859	753,899	783,044	872,916	1,631,059	415,429	534,286	681,344	778,800	338,470	248,758	191,572
Surplus.....	2,148,260	831,628	660,821	655,811	1,171,215	307,650	365,402	498,163	977,045	523,978	295,419	157,648
Undivided profits—net.....	438,521	134,090	135,397	169,034	269,197	35,190	95,891	138,116	169,324	98,900	39,506	30,918
Reserves for contingencies.....	412,529	186,242	140,803	85,484	166,627	71,924	64,863	29,840	245,902	114,318	75,940	55,644
Due to Federal reserve banks.....	36,663	7	8,004	27,672	-----	-----	6,674	20,998	8,991	7	1,330	7,654
Due to other banks in United States.....	3,607,649	1,841,180	1,503,241	263,228	2,210,690	881,900	1,124,551	204,239	1,396,959	959,280	378,690	58,989
Due to banks in foreign countries (including own branches).....	295,989	273,212	21,470	1,307	199,428	184,301	14,308	819	96,561	88,911	7,162	488
Certified and officers' checks outstanding.....	369,891	179,130	129,656	61,105	220,150	78,052	98,102	43,996	149,741	101,078	31,554	17,109
Cash letters of credit and travelers' checks outstanding.....	15,250	11,373	3,651	6,665	6,665	3,104	3,566	55	8,585	8,269	145	171
Demand deposits.....	13,393,255	5,507,956	4,280,757	3,604,522	8,264,158	2,557,436	2,966,929	2,739,793	5,129,077	2,950,520	1,313,828	864,729
Time deposits.....	10,549,579	1,255,858	4,217,439	5,076,282	7,359,689	646,759	2,773,476	3,939,454	3,189,890	609,099	1,443,963	1,136,828
United States deposits.....	474,741	191,438	210,912	72,391	250,602	64,504	132,229	53,869	224,139	126,934	78,683	18,522
Total deposits	28,742,997	9,260,154	10,375,130	9,167,713	18,539,654	4,416,656	7,119,775	7,003,223	10,203,943	4,844,098	3,255,355	2,164,490
Agreements to repurchase U. S. Government or other securities sold.....	45,579	13,388	12,291	19,900	22,053	1,000	2,749	18,304	23,526	12,388	9,542	1,596
Bills payable and rediscounts:												
With Federal reserve banks.....	234,524	-----	40,987	193,537	185,015	-----	30,256	154,759	49,509	-----	10,731	38,778
All other.....	312,261	13,172	74,279	224,810	163,513	172	19,217	144,124	148,748	13,000	55,062	80,686
Acceptances of other banks and bills of exchange or drafts sold with indorsement.....	14,869	4,290	9,678	901	5,422	1,560	3,148	714	9,447	2,730	6,530	187
Acceptances executed for customers.....	429,738	376,004	51,324	2,410	207,285	167,671	37,853	1,761	222,453	208,333	13,471	649
Acceptances executed by other banks for account of reporting banks.....	7,355	3,703	1,978	2,747	2,747	948	1,445	354	4,588	2,755	209	1,624
National-bank notes outstanding.....	776,749	21,315	268,087	487,347	776,749	21,315	268,087	487,347	-----	-----	-----	-----
Securities borrowed.....	12,928	-----	5,382	7,546	8,027	-----	2,409	5,618	4,901	-----	2,973	1,928
Interest, taxes, and other expenses accrued and unpaid.....	73,276	24,656	28,077	20,543	46,147	15,234	17,951	12,962	27,129	9,422	11,626	7,581
Other liabilities.....	200,501	78,126	58,749	63,626	74,826	38,321	17,129	19,376	125,675	39,805	40,128	44,250
Total	36,259,926	11,700,667	12,645,703	11,913,556	23,268,936	5,492,470	8,580,461	9,196,005	12,990,990	6,208,197	4,065,242	2,717,551
Number of banks.....	6,816	48	322	6,446	6,011	20	232	5,759	805	28	90	687

INDUSTRIAL PRODUCTION, BY INDUSTRIES

[Index numbers of the Federal Reserve Board, 1923-1925 average=100]

Industry	Without seasonal adjustment			Adjusted for seasonal variation		
	1933	1932		1933	1932	
	January	December	January	January	December	January
Manufactures—Total	p 63	58	70	p 64	64	71
IRON AND STEEL	28	24	41	29	27	43
Pig iron.....	19	18	32	19	18	32
Steel ingots.....	29	24	42	30	28	44
TEXTILES	92	86	94	87	91	89
Cotton consumption.....	92	86	87	88	93	83
Wool.....	67	68	65	66	67	64
Consumption.....	75	77	73	72	76	71
Machinery activity.....	76	74	67	(?)	(?)	(?)
Carpet and rug-loom activity.....	31	32	38	(?)	(?)	(?)
Silk.....	129	113	156	118	123	142
Deliveries.....	138	118	179	121	133	157
Loom activity.....	111	103	111	(?)	(?)	(?)
FOOD PRODUCTS	94	86	98	89	84	93
Slaughtering and meat packing.....	103	95	110	86	79	92
Hogs.....	116	109	124	87	83	93
Cattle.....	79	70	84	78	67	83
Calves.....	86	79	87	93	83	93
Sheep.....	138	126	174	137	129	173
Wheat flour.....	93	88	85	95	92	86
Sugar meltings.....	63	51	71	95	89	108
PAPER AND PRINTING	p 84	81	99	p 86	86	101
Wood pulp and paper.....	p 78	74	92	p 79	80	93
Newsprint.....	64	64	75	59	64	74
Book paper.....			87		88	98
Wrapping paper.....			57		58	82
Fine paper.....			64		67	95
Box board.....			85		105	106
Wood pulp, mechanical.....			65		65	80
Wood pulp, chemical.....			73		75	91
Paper boxes.....	119	112	138	135	137	157
Newsprint consumption.....	94	97	112	98	94	116
LUMBER	23	20	r 23	26	23	r 26
TRANSPORTATION EQUIPMENT:						
Automobiles.....	40	32	38	43	60	45
Locomotives.....	3	2	1	3	2	2
Shipbuilding.....	64	60	17	91	78	24
LEATHER AND PRODUCTS	p 79	p 73	79	p 85	p 85	85
Tanning.....			77			79
Sole leather.....			77	(?)	(?)	(?)
Upper leather—						
Cattle.....			80			73
Calf and kip.....			54			65
Goat and kid.....			96			101
Boots and shoes.....	84	73	81	93	93	89
CEMENT AND GLASS:						
Cement.....	23	34	40	38	43	65
Glass, plate.....	78	54	r 69	88	72	r 78
NONFERROUS METALS¹—Tin deliveries	55	50	47	(?)	(?)	(?)
FUELS, MANUFACTURED:						
Petroleum refining.....	132	132	141	132	132	140
Gasoline.....	165	169	178	(?)	(?)	(?)
Kerosene.....	88	82	76	86	76	75
Fuel oil.....	93	89	96	(?)	(?)	(?)
Lubricating oil.....	76	68	87	(?)	(?)	(?)
Coke, by-product.....	57	57	67	56	56	66
RUBBER TIRES AND TUBES	54	46	85	59	67	92
Tires, pneumatic.....	56	48	88	61	70	95
Inner tubes.....	38	32	64	42	44	70
TOBACCO PRODUCTS	107	91	116	113	112	124
Cigars.....	52	45	63	68	60	82
Cigarettes.....	144	123	153	147	149	156
Minerals—Total	71	72	74	73	76	77
Bituminous coal.....	63	70	65	57	66	58
Anthracite coal.....	57	74	59	53	75	54
Petroleum, crude.....	102	93	107	107	96	111
Zinc.....	42	39	48	40	38	45
Lead.....	46	r 39	60	45	r 39	59
Silver.....	36	30	36	36	30	39

p Preliminary.
r Revised.

¹ Includes also lead and zinc; see "Minerals."
² Without seasonal adjustment.

NOTE.—For description see BULLETIN for February and March, 1927. For latest revisions see BULLETIN for March, 1932, pp. 194-196.

FACTORY EMPLOYMENT AND PAY ROLLS, BY INDUSTRIES

[Index numbers of the Federal Reserve Board; adjusted to Census of Manufactures through 1927. 1923-1925 average=100]

Industry	Factory employment						Factory pay rolls		
	Without seasonal adjustment			Adjusted for seasonal variation			Without seasonal adjustment		
	1933	1932		1933	1932		1933	1932	
	Jan.	Dec.	Jan.	Jan.	Dec.	Jan.	Jan.	Dec.	Jan.
Total	58.1	59.6	66.3	59.4	60.6	68.1	39.2	40.9	52.4
IRON AND STEEL AND PRODUCTS	49.6	52.1	62.8	50.6	52.8	64.0	22.7	24.2	36.3
Steel works and rolling mills.....	53.2	54.9	65.8	53.9	55.8	66.6	23.3	23.8	35.7
Hardware.....	49.3	50.7	60.4	49.0	50.7	60.1	23.9	26.7	40.4
Structural iron work.....	43.7	45.8	67.4	45.0	46.2	69.4	21.8	25.6	47.3
Heating apparatus.....	37.4	45.4	47.9	40.9	46.1	52.1	19.6	25.0	29.8
Steam fittings.....	34.6	37.6	48.8	35.7	39.5	50.4	19.1	21.8	30.8
Stoves.....	40.2	52.5	47.1	45.7	52.1	53.6	20.1	28.1	28.8
Cast-iron pipe.....	30.8	33.1	51.9	32.2	33.9	54.3	15.0	16.9	34.9
MACHINERY	44.0	46.0	61.2	44.5	46.4	61.8	26.0	28.0	44.5
Foundry and machine-shop products.....	42.3	44.4	54.9	43.2	45.3	56.0	22.6	24.9	36.4
Machine tools.....	39.4	39.0	59.4	39.4	38.9	59.4	24.5	23.6	43.6
Agricultural implements.....	36.0	34.1	61.0	34.8	34.2	49.3	26.4	25.1	38.6
Electrical machinery.....	49.3	51.5	76.3	49.2	51.5	76.3	34.0	36.2	64.4
TEXTILES AND PRODUCTS	69.6	71.1	71.6	69.2	70.4	71.1	44.2	46.4	55.5
A. Fabrics.....	72.8	74.1	73.4	72.2	72.9	72.9	46.6	50.1	57.1
Cotton goods.....	74.9	75.2	73.0	73.9	73.7	72.0	47.1	48.4	53.7
Woolen and worsted manufactures.....	61.1	61.2	59.7	59.8	59.3	58.4	38.9	40.8	46.5
Woolen and worsted goods.....	63.7	63.7	60.0	62.4	61.6	58.7	42.1	43.6	48.0
Carpets and rugs.....	47.4	48.4	58.2	46.3	47.4	56.8	24.1	27.7	39.8
Hosiery and knit goods.....	83.4	89.7	84.3	84.3	89.4	85.2	55.9	68.5	68.3
Silk manufactures.....	61.4	61.4	71.5	61.7	61.2	72.0	39.0	41.9	57.6
Dyeing and finishing textiles.....	87.4	88.3	93.9	86.8	87.0	93.3	62.9	64.0	83.8
B. Wearing apparel.....	61.7	63.4	66.9	61.5	64.0	66.6	39.2	39.1	52.4
Clothing, men's.....	48.2	50.4	51.6	48.3	51.3	51.7	27.3	26.7	37.8
Shirts and collars.....	61.1	73.2	68.6	60.6	70.4	68.1	35.9	49.3	47.5
Clothing, women's.....	80.7	82.8	91.3	78.7	84.0	88.9	54.1	54.4	72.8
Millinery.....	63.6	51.4	59.4	67.3	53.4	62.9	41.7	32.8	50.2
FOOD AND PRODUCTS	78.6	81.5	84.2	79.6	80.0	85.3	64.1	66.1	78.6
Baking.....	81.4	83.1	88.8	83.4	83.7	90.9	67.4	68.7	82.8
Slaughtering and meat packing.....	80.1	81.7	86.8	77.4	77.8	83.8	66.6	67.6	82.4
Confectionery.....	79.1	89.6	78.5	80.7	81.2	80.1	57.3	67.5	70.3
Ice cream.....	62.9	63.4	70.0	73.4	72.3	81.7	52.3	52.1	69.6
Flour.....	73.7	74.2	76.3	74.0	73.7	76.7	61.0	61.1	67.4
Sugar refining, cane.....	69.8	72.7	77.0	74.9	77.9	82.7	51.3	55.9	62.3
PAPER AND PRINTING	80.2	81.6	89.0	79.6	80.2	88.3	67.0	69.8	85.5
Printing, book and job.....	77.1	78.2	92.3	75.3	76.3	90.2	64.3	66.2	88.8
Printing, newspapers and periodicals.....	94.2	95.1	99.8	93.8	93.4	99.4	86.8	90.1	103.5
Paper and pulp.....	75.0	75.8	80.4	75.1	75.9	80.4	49.0	50.9	63.1
Paper boxes.....	69.4	74.1	76.9	69.8	71.1	77.4	53.5	60.4	68.3
LUMBER AND PRODUCTS	33.8	36.6	42.4	35.0	36.8	43.9	16.3	18.8	26.6
Lumber, sawmills.....	29.2	31.6	35.3	30.6	32.2	36.9	13.4	15.2	20.3
Lumber, millwork.....	31.2	33.9	44.4	32.0	34.4	45.6	16.3	18.4	30.2
Furniture.....	48.4	52.6	61.0	49.3	51.3	62.3	22.4	27.0	37.9
TRANSPORTATION EQUIPMENT	46.1	44.8	53.9	47.4	47.4	55.6	34.0	33.8	44.3
Car building and repairing.....	41.3	42.7	43.9	42.0	42.8	44.4	30.8	33.5	38.0
Automobiles.....	50.4	45.2	63.4	53.3	51.6	67.1	36.3	32.0	47.7
Shipbuilding.....	60.9	62.4	84.3	59.1	62.4	81.9	46.6	52.4	81.2
LEATHER AND MANUFACTURES	73.3	70.0	75.7	72.9	72.0	75.4	43.7	42.0	53.3
Boots and shoes.....	74.6	70.3	77.5	74.4	72.9	77.4	41.7	38.7	52.5
Leather.....	68.1	68.6	68.3	66.9	68.3	67.1	50.9	53.9	56.3
CEMENT, CLAY, AND GLASS PRODUCTS	36.7	41.4	47.7	39.4	42.6	51.6	20.2	23.3	31.1
Clay products.....	30.4	36.1	42.6	32.8	37.1	46.3	13.4	17.5	24.1
Brick, tile, and terra cotta.....	20.4	25.4	33.1	23.3	26.8	37.6	8.0	10.2	16.4
Pottery.....	57.4	65.3	68.6	58.5	65.1	70.0	28.0	36.8	44.3
Glass.....	52.2	56.2	59.1	55.7	57.7	63.0	36.0	37.8	44.9
Cement.....	31.0	34.0	45.7	34.0	35.3	50.2	16.1	18.4	31.4
NONFERROUS METAL PRODUCTS	44.4	46.8	56.8	44.8	47.4	57.4	27.5	30.1	44.9
Stamped and enameled ware.....	21.4	23.6	31.4	22.3	24.6	32.7	14.3	15.6	26.2
Brass, bronze, and copper.....	52.3	54.8	65.4	52.5	55.2	65.8	31.4	34.3	50.4
CHEMICALS AND PRODUCTS	76.2	75.4	81.7	76.4	75.2	81.9	60.7	59.8	71.4
Chemicals and drugs.....	80.2	79.6	85.9	79.7	78.3	85.3	60.6	60.5	71.4
Petroleum refining.....	75.0	75.4	81.2	76.4	76.3	82.8	64.6	62.8	75.9
Fertilizers.....	54.9	47.8	56.3	56.2	51.7	57.7	36.4	34.1	45.4
RUBBER PRODUCTS	59.1	61.8	69.1	59.7	63.2	69.7	35.4	39.8	53.0
Automobile tires and tubes.....	61.3	62.2	69.7	62.6	65.4	71.2	34.8	36.7	54.3
Rubber boots and shoes.....	52.7	60.3	67.2	51.2	56.3	65.2	38.0	52.2	48.3
TOBACCO MANUFACTURES	60.4	68.8	69.0	64.9	67.7	74.3	38.3	50.4	53.0
Cigars and cigarettes.....	58.8	68.7	68.4	64.3	67.7	74.7	35.4	49.5	51.0
Chewing and smoking tobacco, snuff.....	72.6	70.0	74.2	69.4	68.0	71.0	61.7	57.8	69.5

NOTE.—For description of these indexes see BULLETIN for November, 1929, pp. 706-716, and November, 1930, pp. 662-677.

WHOLESALE PRICES, BY GROUPS OF COMMODITIES

[Index of Bureau of Labor Statistics (784 price series); 1926=100]

Year and month	All commodities	Farm products	Foods	Other commodities									
				Total	Hides and leather products	Textile products	Fuel and lighting materials	Metals and metal products	Building materials	Chemicals and drugs	House-furnishing goods	Miscellaneous	
1928.....	96.7	105.9	101.0	92.9	121.4	95.5	84.3	97.0	94.1	95.6	95.1	85.4	
1929.....	95.3	104.9	99.9	91.6	109.1	90.4	83.0	100.5	95.4	94.2	94.3	82.6	
1930.....	86.4	88.3	90.5	85.2	100.0	80.3	78.5	92.1	89.9	89.1	92.7	77.7	
1931.....	73.0	64.8	74.6	75.0	86.1	66.3	67.5	84.5	79.2	79.3	84.9	69.8	
1932.....	64.8	48.2	61.0	70.2	72.9	54.9	70.3	80.2	71.4	73.5	75.1	64.4	
1932—January.....	67.3	52.8	64.7	71.7	79.3	59.8	67.9	81.8	74.8	75.7	77.7	65.6	
February.....	66.3	50.6	62.5	71.3	78.3	59.8	68.3	80.9	73.4	75.5	77.5	64.7	
March.....	66.0	50.2	62.3	70.9	77.3	58.7	67.9	80.8	73.2	75.3	77.1	64.7	
April.....	65.5	49.2	61.0	70.9	75.0	57.0	70.2	80.3	72.5	74.4	76.3	64.7	
May.....	64.4	46.6	59.3	70.4	72.5	55.6	70.7	80.1	71.5	73.6	74.8	64.4	
June.....	63.9	45.7	58.8	70.1	70.8	53.9	71.6	79.9	70.8	73.1	74.7	64.2	
July.....	64.5	47.9	60.9	69.7	68.6	52.7	72.3	79.2	69.7	73.0	74.0	64.3	
August.....	65.2	49.1	61.8	70.1	69.7	54.0	72.1	80.1	69.6	73.3	73.6	64.6	
September.....	65.3	49.1	61.8	70.4	72.2	57.0	70.8	80.1	70.5	72.9	73.7	64.7	
October.....	64.4	46.9	60.5	70.2	72.8	55.0	71.1	80.3	70.7	72.7	73.7	64.1	
November.....	63.9	46.7	60.6	69.8	71.4	53.9	71.4	79.6	70.7	72.4	73.7	63.7	
December.....	62.6	44.1	58.3	69.0	69.6	53.0	69.3	79.4	70.8	72.3	73.6	63.4	
1933—January.....	61.0	42.6	55.8	67.3	68.9	51.9	66.0	78.2	70.1	71.6	72.9	61.2	

Subgroups	1931		1932										1933		
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.
FARM PRODUCTS:															
Grains.....	51.3	47.0	46.7	46.1	43.5	44.5	42.6	37.7	36.7	38.2	37.4	34.4	33.2	31.7	32.9
Livestock and poultry.....	55.7	51.7	53.4	50.3	51.4	49.2	44.4	46.4	54.1	52.8	51.2	45.0	41.9	38.7	37.8
Other farm products.....	63.1	61.2	54.8	52.7	52.1	51.2	49.6	48.2	48.4	50.8	52.1	52.1	53.9	51.3	48.7
FOODS:															
Butter, cheese, and milk.....	80.7	79.8	67.8	64.1	64.2	61.6	59.6	57.4	58.2	60.2	60.6	60.5	62.3	59.5	55.2
Cereal products.....	73.1	72.2	71.6	69.6	68.3	68.2	68.1	66.8	65.7	66.0	65.8	64.1	62.7	61.7	60.9
Fruits and vegetables.....	65.1	63.5	62.2	61.8	62.3	62.3	61.5	62.4	59.7	55.6	52.5	52.2	52.4	52.8	53.0
Meats.....	67.7	63.2	61.9	59.5	61.4	59.8	56.5	56.0	62.0	61.9	60.9	56.4	53.7	49.4	49.5
Other foods.....	68.0	67.2	61.9	59.4	57.1	55.8	54.9	55.4	58.5	62.1	64.6	65.4	67.7	66.1	60.1
HIDES AND LEATHER PRODUCTS:															
Boots and shoes.....	92.5	89.2	88.8	88.5	88.5	88.4	88.4	87.5	84.4	84.4	84.4	84.6	84.2	83.8	83.3
Hides and skins.....	49.0	48.8	49.0	46.1	44.7	40.8	35.7	32.5	33.5	39.3	48.2	49.6	46.1	41.7	43.0
Leather.....	78.8	78.6	77.5	76.5	73.4	67.2	60.6	58.7	60.0	60.0	63.2	64.1	61.9	59.2	57.1
Other leather products.....	101.1	99.7	98.9	98.8	98.8	98.0	97.9	96.4	83.7	82.3	81.5	81.9	81.9	81.9	78.2
TEXTILE PRODUCTS:															
Clothing.....	72.6	70.8	70.7	70.6	69.0	68.7	68.2	67.4	66.0	66.0	67.3	62.5	62.2	62.5	61.9
Cotton goods.....	58.1	56.4	55.8	56.4	56.2	55.1	52.9	51.0	50.0	52.6	57.9	56.2	53.6	51.7	50.1
Knit goods.....	59.0	58.5	55.8	55.8	54.9	51.9	50.5	49.6	47.8	48.5	50.4	50.9	51.0	49.3	48.4
Silk and rayon.....	41.8	39.0	37.7	36.5	33.5	31.3	29.1	27.5	26.2	29.5	32.6	30.8	29.5	29.3	27.0
Woolen and worsted goods.....	64.2	63.9	63.3	63.1	62.7	59.7	58.3	55.0	53.6	53.4	50.7	56.5	55.3	54.2	53.4
Other textile products.....	72.5	71.3	70.7	69.7	69.5	68.2	67.2	66.7	66.5	67.4	68.6	67.7	67.1	66.6	66.3
FUEL AND LIGHTING MATERIALS:															
Anthracite coal.....	94.2	94.8	94.8	94.8	89.9	85.7	85.6	85.3	84.5	86.0	87.7	88.7	88.8	88.7	88.7
Bituminous coal.....	83.7	83.8	84.4	84.3	83.5	82.7	82.0	81.8	81.6	81.3	81.1	81.1	80.4	80.2	79.8
Coke.....	81.4	81.1	80.5	80.4	80.4	79.8	77.1	76.9	76.3	76.7	76.7	76.7	76.5	75.3	75.3
Electricity.....	103.4	104.1	107.5	104.8	104.4	103.5	106.1	105.5	105.8	104.4	103.4	104.6	103.1	104.1	-----
Gas.....	100.1	98.2	98.6	98.0	97.5	99.1	103.0	106.3	108.3	107.0	107.6	104.4	100.0	96.5	-----
Petroleum products.....	42.5	39.6	38.8	38.6	39.8	45.5	47.2	48.2	49.7	48.9	46.7	47.4	48.2	45.0	38.7
METALS AND METAL PRODUCTS:															
Agricultural implements.....	85.5	85.5	85.5	85.1	85.0	85.0	84.9	84.9	84.9	84.9	84.9	84.7	84.6	84.5	84.5
Iron and steel.....	81.5	81.0	79.9	79.3	79.7	80.1	80.0	79.8	77.2	78.7	79.7	80.4	79.4	78.8	78.5
Motor vehicles.....	95.2	95.2	95.3	95.3	95.3	93.8	93.8	93.8	95.3	95.3	92.7	92.7	92.7	93.0	91.3
Nonferrous metals.....	54.7	53.8	55.4	52.7	50.5	49.3	48.3	47.5	47.0	48.5	51.6	50.7	49.1	48.3	46.4
BUILDING MATERIALS:															
Brick and tile.....	81.4	80.0	79.3	79.3	79.3	78.4	77.4	76.1	75.9	75.2	75.4	75.3	75.4	75.1	74.9
Cement.....	74.6	74.6	75.2	75.3	75.0	75.0	75.0	77.1	77.3	79.0	79.0	79.0	79.0	81.1	81.2
Lumber.....	65.9	65.8	65.6	62.9	61.5	60.0	59.5	57.6	56.9	55.5	56.3	56.6	56.6	56.5	55.9
Paint materials.....	77.5	76.6	75.4	75.1	75.4	74.7	73.9	73.3	66.8	67.2	68.2	68.3	68.5	68.1	68.1
Plumbing and heating.....	81.4	79.9	74.1	65.8	64.4	64.4	64.4	66.7	67.1	67.1	66.8	67.5	67.5	67.5	62.8
Structural steel.....	81.7	81.7	77.3	77.9	79.7	81.7	81.7	81.7	81.7	81.7	81.7	81.7	81.7	81.7	81.7
Other building materials.....	81.9	81.5	81.0	80.2	80.6	80.2	78.2	77.6	77.9	78.3	79.9	80.0	80.1	80.1	79.4
CHEMICALS AND DRUGS:															
Chemicals.....	80.6	80.8	80.6	80.8	80.9	79.7	79.1	78.6	78.9	79.7	79.8	79.8	79.7	79.7	79.3
Drugs and pharmaceuticals.....	61.3	61.0	60.6	60.1	59.7	58.9	58.7	58.3	57.6	57.0	56.6	55.9	55.0	54.7	54.9
Fertilizer materials.....	70.1	70.1	69.9	69.8	68.6	70.1	69.4	68.0	66.8	66.4	63.6	63.4	63.5	63.1	62.3
Mixed fertilizers.....	77.7	77.1	75.5	73.7	73.2	71.1	69.0	69.0	68.8	68.3	66.9	66.5	65.6	65.6	62.7
HOUSEFURNISHING GOODS:															
Furnishings.....	79.7	76.6	76.1	75.9	75.4	75.4	75.5	75.4	75.1	74.8	74.7	74.7	74.7	74.7	73.5
Furniture.....	82.3	80.6	79.5	79.5	79.1	77.4	74.1	74.0	73.0	72.6	72.7	72.8	72.7	72.7	72.3
MISCELLANEOUS:															
Auto tires and tubes.....	46.0	40.8	39.7	39.5	39.2	39.2	39.2	39.6	40.1	40.1	42.7	44.6	44.6	44.6	44.6
Cattle feed.....	59.8	53.9	53.0	48.2	52.4	53.4	45.9	42.1	42.2	47.4	45.9	42.7	40.8	37.1	38.2
Paper and pulp.....	80.8	80.8	78.0	76.7	76.8	76.8	76.5	76.2	76.2	76.3	75.5	73.4	73.4	73.0	72.0
Rubber, crude.....	9.6	9.5	9.3	8.6	7.2	6.6	6.7	5.8	6.1	7.9	8.2	7.3	7.2	6.8	6.5
Other miscellaneous.....	86.7	85.9	85.2	84.4	84.5	84.5	84.6	84.6	84.5	84.2	83.2	82.1	81.5	81.3	76.8

Back figures.—For indexes of groups see BULLETIN for March, 1932, p. 199; indexes of subgroups available at Bureau of Labor Statistics.

CONSTRUCTION CONTRACTS AWARDED, BY TYPES OF CONSTRUCTION

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

Month	Total		Residential		Factories		Commercial		Public works and public utilities		Educational		All other	
	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933	1932	1933
January.....	84.8	83.4	27.5	12.0	3.4	4.3	9.1	5.8	24.1	42.7	4.4	1.4	16.3	17.3
February.....	89.0		24.4		4.4		10.1		28.3		10.8		11.0	
March.....	112.2		33.2		4.5		10.6		29.9		9.8		24.2	
April.....	121.7		28.9		4.5		12.9		47.3		10.7		17.5	
May.....	146.2		25.6		3.0		12.2		61.7		6.5		37.2	
June.....	113.1		23.1		2.1		13.0		50.1		7.2		17.6	
July.....	128.8		19.7		3.5		8.3		60.0		6.4		30.8	
August.....	134.0		20.8		3.3		18.4		64.2		5.5		21.9	
September.....	127.5		22.8		6.3		8.8		68.7		7.4		13.5	
October.....	107.1		21.9		3.2		7.0		58.5		3.6		13.1	
November.....	105.3		19.2		1.9		6.7		54.2		3.4		19.9	
December.....	81.2		13.0		3.3		5.7		43.3		6.7		9.2	
Year.....	1,351.2		280.1		43.5		122.7		590.3		82.3		232.3	

CONSTRUCTION CONTRACTS AWARDED, BY DISTRICTS

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

Federal reserve district	1933		1932	
	Jan.	Dec.	Jan.	
			Jan.	Dec.
Boston.....	4,696	5,643	7,175	
New York.....	23,731	19,496	24,803	
Philadelphia.....	6,084	5,984	8,400	
Cleveland.....	4,074	5,108	6,924	
Richmond.....	4,735	12,585	5,615	
Atlanta.....	14,325	6,348	5,711	
Chicago.....	8,214	9,298	12,628	
St. Louis.....	5,061	4,887	4,905	
Minneapolis.....	1,464	1,745	1,371	
Kansas City.....	4,165	4,705	4,059	
Dallas.....	6,807	5,422	3,205	
Total (11 districts).....	83,356	81,219	84,798	

BUILDING PERMITS ISSUED, BY DISTRICTS

[Value of permits in thousands of dollars]

Federal reserve district	Number of cities	1933		1932	
		Jan.	Dec.	Jan.	
				Jan.	Dec.
Boston.....	14	739	977	1,990	
New York.....	22	5,344	5,784	17,371	
Philadelphia.....	14	960	907	1,373	
Cleveland.....	12	2,087	992	4,241	
Richmond.....	15	1,286	1,321	2,638	
Atlanta.....	15	655	1,824	895	
Chicago.....	19	813	1,000	1,314	
St. Louis.....	5	267	244	649	
Minneapolis.....	9	155	2,369	742	
Kansas City.....	14	591	360	841	
Dallas.....	9	668	1,029	1,132	
San Francisco.....	20	16,497	5,213	6,359	
Total.....	168	30,061	22,031	39,544	

COMMERCIAL FAILURES, BY DISTRICTS

[Amounts in thousands of dollars; figures reported by R. G. Dun Co.]

Federal reserve district	Number			Liabilities		
	1933		1932	1933		1932
	Jan.	Dec.		Jan.	Dec.	
Boston.....	289	219	308	6,560	4,675	6,068
New York.....	691	590	827	23,671	16,609	21,799
Philadelphia.....	172	156	215	3,816	4,599	12,201
Cleveland.....	251	197	322	5,951	8,239	9,628
Richmond.....	187	148	159	3,056	2,742	2,404
Atlanta.....	176	114	188	5,372	1,749	5,608
Chicago.....	426	390	495	19,179	13,078	18,700
St. Louis.....	121	114	158	1,864	1,834	3,918
Minneapolis.....	100	74	74	1,207	945	671
Kansas City.....	114	145	157	1,842	2,326	5,692
Dallas.....	98	75	178	1,693	1,644	4,052
San Francisco.....	294	247	377	4,889	5,749	6,119
Total.....	2,919	2,469	3,458	79,101	64,189	96,860

BANK DEBITS

[Debits to individual accounts. In millions of dollars]

Federal reserve district	Number of centers	1933		1932	
		Jan.	Dec.	Jan.	
				Jan.	Dec.
New York City.....	1	12,413	13,967	17,676	
Outside New York City.....	140	12,053	12,820	15,893	
Federal reserve district:					
Boston.....	11	1,368	1,439	1,812	
New York.....	7	12,965	14,502	18,380	
Philadelphia.....	10	1,201	1,327	1,472	
Cleveland.....	13	1,204	1,274	1,723	
Richmond.....	7	470	512	593	
Atlanta.....	15	597	636	782	
Chicago.....	21	2,859	2,979	3,941	
St. Louis.....	5	674	657	819	
Minneapolis.....	9	349	412	456	
Kansas City.....	15	676	705	840	
Dallas.....	10	375	434	484	
San Francisco.....	18	1,727	1,910	2,267	
Total.....	141	24,466	26,787	33,599	

FEDERAL RESERVE DISTRICTS

