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FEDERAL RESERVE BOARD.

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SUBSCRIPTION PRICE OF BULLETIN.

The Federal Reserve Bulletin is distributed without charge to member banks of the system and to the officers and directors of Federal Reserve Banks. In sending the Bulletin to others the Board feels that a subscription should be required. It has accordingly fixed a subscription price of $2 per annum. Single copies will be sold at 20 cents. Foreign postage should be added when it will be required. Remittances should be made to the Federal Reserve Board. Member banks desiring to have the Bulletin supplied to their officers and directors may have it sent to not less than ten names at a subscription price of $1 per annum.

No complete sets of the Bulletin for 1915 or 1916 are available. Bound copies of the Bulletin for 1917 may be had at $5 per copy.

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FEDERAL RESERVE BULLETIN

VOL. 4 MAY 1, 1918. No. 5

REVIEW OF THE MONTH.

The Third Liberty Loan.

The third Liberty loan, offered by the Secretary of the Treasury at the opening of April, closed on May 4 with a gross subscription reported to that date of $3,316,628,250. The original minimum issue having been fixed at $3,000,000,000, it is thus seen that oversubscriptions amounted to at least $316,628,250, and probably to much more than this sum. Organization for the purpose of placing the bonds was much more perfect during this loan than during either of its predecessors, and the absorption of the loan proceeded steadily and with increasing success up to the time of closing.

It is yet too early to give with any degree of accuracy the distribution of the loan by districts. Preliminary returns, however, show that all districts oversubscribed their quotas and that the total number of separate subscriptions was in the neighborhood of 17,000,000. So great is the number of subscribers that it will probably not be possible to give definite figures before the middle of May. There has been a much wider participation on the part of the public, and the facts indicate that general distribution of future loans may be confidently relied upon. With only a part of the last day's returns showing, the number of subscribers in each Federal Reserve district may be fairly indicated as follows:

New York, 4,000,000; Chicago, 2,498,000; Cleveland, 1,561,979; Philadelphia (estimated), 1,200,000; Boston (estimated), 1,200,000; San Francisco, 1,000,000; Atlanta, 1,000,000; Minneapolis, 1,000,000; Kansas City (estimated), 900,000; Richmond (estimated), 900,000; St. Louis, 866,342; Dallas, 850,000; total, 16,976,321.

The Secretary of the Treasury, in a statement issued on May 6, says: "I earnestly hope that everyone who has bought Liberty bonds will try to keep them for the period of the war at least. The slogan now should be 'Keep your Liberty bond.' No one does his share fully if he merely buys a bond and then sells it immediately below par on the market."

Issues of certificates.

Preceding the third Liberty loan, as already explained in previous numbers of the Bulletin, has been a series of certificate issues which have been placed with the banks and whose proceeds have been used for the purpose of anticipating the sale of the new bonds, and providing for the needs of the Government meanwhile. These certificates have been taken up by the banks under the plan announced by the Secretary of the Treasury two months ago, wherein it was suggested to the banks that they set aside weekly 1 per cent of their resources for a period of 10 weeks. The aggregate of the certificates thus placed shows the amount of the proceeds of the new loan which it will be necessary to devote to the funding of these outstanding obligations, $400,000,000 maturing April 22 having already been redeemed. In the following table are presented consolidated returns for the subscriptions to certificates up to April 22:

Distribution of Treasury certificates of indebtedness in anticipation of the third Liberty loan.

	Jan. 22 to Apr. 22.	Feb. 8 to May 9.	Feb. 27 to May 28.
Treasury Department	....	$3,119,000	$3,389,000
Boston	$20,025,000	29,134,000	35,369,000
New York	209,685,000	241,322,000	172,666,500
Philadelphia	22,500,000	30,000,000	33,000,000
Cleveland	26,000,000	34,000,000	44,500,000
Richmond	7,000,000	12,131,000	18,148,000
Atlanta	9,507,000	12,391,000	14,814,000
Chicago	30,359,000	42,352,000	59,168,000
St. Louis	18,090,000	20,064,000	25,709,000
Minneapolis	10,750,000	15,000,000	17,000,000
Kansas City	12,000,000	21,411,000	23,736,500
Dallas	13,084,000	14,076,000	19,000,000
San Francisco	21,000,000	25,000,000	33,500,000
Total	400,000,000	500,000,000	500,000,000

	Mar. 20 to June 18.	Apr. 10 to July 9.	Apr. 22 to July 18.
Treasury Department	$3,828,000	....	$1,559,000
Boston	53,690,000	$39,731,000	36,468,000
New York	193,700,500	215,448,000	222,486,000
Philadelphia	38,000,000	38,000,000	35,000,000
Cleveland	48,400,000	46,000,000	39,133,500
Richmond	16,234,500	11,219,000	11,097,000
Atlanta	14,557,000	17,095,000	11,209,000
Chicago	64,414,000	65,850,000	63,212,000
St. Louis	22,842,000	21,181,000	25,698,500
Minneapolis	16,000,000	15,600,000	15,000,000
Kansas City	26,116,500	25,000,000	20,260,500
Dallas	15,000,000	16,602,500	13,162,500
San Francisco	30,250,000	39,500,000	23,540,500
Total	543,032,500	551,226,500	517,826,500

Operations of the Reserve Banks.

For the five-weeks period March 22 to April 26 the Federal Reserve Banks report an aggregate increase of 332.6 millions in their bill holdings, the amount of discounted paper held on the later date showing an increase of 359.1 millions. As against this large increase, the combined holdings of Government securities, mainly certificates of indebtedness, show a decrease of 208.2 millions. These changes followed the enactment on April 5 of the War Finance Corporation Bill whereby promissory notes secured by United States war obligations are no longer subject to stamp taxes, and Federal Reserve Banks instead of purchasing these securities under "repurchase agreements" may accept from their members United States war obligations again as collateral for promissory notes, as was their practice prior to December 1, 1917. The shift is most noticeable in the case of the New York bank, which thus increased its holdings of discounted paper by 185 millions and reduced its Government security holdings by 153.5 millions. Like changes, though on a much smaller scale, are reported by the Cleveland and Chicago banks.

Of the total discounts on hand at the earlier date, 543.1 millions, paper directly traceable to Government operations, i. e., member banks' own notes and customers' paper secured by Government war obligations, constituted 282.9 millions, or 52.1 per cent. By April 26 total discounts on hand had increased to 902.2 millions, of which war-loan paper constituted 642.4 millions, or 71 per cent. In addition, the Federal Reserve Banks held on the latter date among their investments 4.2 millions of United States war bonds and certificates under repurchase agreements, as against 208.4 millions on March 22. Of the total earning assets such holdings of bonds and certificates constituted 42.2 per cent on March 22 and 50.3 per cent on April 26.

Acceptances on hand fluctuated within narrow limits, the total holdings on the latter date 302.4 millions, being 26.5 millions below the total shown on March 22. Total earning assets increased from 1,163.3 to 1,286.2 millions.

During the period under review the banks' gold reserves increased from 1,802.8 to 1,827.0 millions, while their net deposits went up from 1,505.8 to 1,556.3 millions, both Government deposits and member-bank reserve deposits showing larger totals at the later date. Federal Reserve notes in circulation increased from 1,429.5 to 1,526.2 millions. The decline in the ratio of total reserves to aggregate net deposit and Federal Reserve note liabilities was from 63.4 to 61.3 per cent.

In the following table are shown the changes between March 22 and April 19, 1918, in the totals of discounted and purchased bills held by each of the Federal Reserve Banks, also changes between the two dates in the total holdings of other classes of investments:

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

Federal Reserve Bank.	Mar. 22.	Apr. 26.	Net increase.	Net decrease.
Boston	$68,304	$70,913	$2,609	....
New York	429,185	555,283	126,098	....
Philadelphia	47,437	61,654	14,217	....
Cleveland	54,033	78,840	24,807	....
Richmond	39,915	52,510	12,595	....
Atlanta	19,589	29,403	9,814	....
Chicago	61,202	136,555	75,353	....
St. Louis	33,026	55,037	22,011	....
Minneapolis	8,850	26,137	17,287	....
Kansas City	30,220	51,044	20,824	....
Dallas	20,223	30,722	10,499	....
San Francisco	60,015	56,489	....	$3,526
Total	871,999	1,204,587	332,588	....
United States long-term securities	61,039	41,446	....	19,593
United States short-term securities	226,036	37,407	....	188,629
Other earning assets	4,240	2,722	....	1,518
Total investments held	1,163,314	1,286,162	122,848	....

Condition of member banks.

Reports from member banks in about 100 leading cities showing condition each week between March 15 and April 19 indicate considerable investment by the banks in Treasury certificates of indebtedness, the holdings of these securities increasing from 999.8 to 1,497.7 millions. Circulation bonds show a slight decrease, while other United States bonds, mainly Liberty bonds, on hand declined from 367.1 to 341.3 millions. In addition, the reporting banks increased their loans secured by war bonds and Treasury certificates from 302.7 to 320.1 millions. Comparative figures for 120 banks in the three central reserve cities indicate net purchases by these banks during the 5 weeks of over 310 millions of Treasury certificates, though a decline of 3.4 millions in loans secured by United States war obligations. Circulation bonds standing in the names of these banks show a slight increase, while Liberty bonds on hand show a decline from 185.2 to 170.2 millions. For the member banks in Greater New York an increase of 271.3 millions in certificates is shown as against decreases of 7.7 millions in loans secured by United States war obligations and of 15.7 millions in other United States securities, largely Liberty bonds.

The larger part taken in recent Government financing operations by the banks in the interior is seen from the fact that while on March 15 about 71.5 per cent of the Treasury certificates then held by banks in the larger cities were reported by the banks in Greater New York, on April 19 only about 66 per cent of reported certificate holdings are credited to these banks. Of the reported circulation bonds, the share of the New York banks increased from 13.3 to about 13.6 per cent, while of the remaining Government securities, chiefly Liberty bonds, reported on both dates, the share of the New York banks remained practically unchanged at about 44 per cent.

Other loans and investments of all reporting banks remained practically unchanged at 9,986 millions, a decrease of 32.7 millions for the banks in central reserve cities being offset by gains under this head shown for the remaining reporting banks.

Reserves and deposits.

Reserves of all reporting banks (all with the Federal Reserve Banks) show a total increase of 14.9 millions, the banks in both central and other reserve cities reporting larger figures on the more recent date. Cash in the vaults of the central reserve city banks shows a gain of about 5.9 millions, while the gain for all reporting banks is 9.8 millions.

An increase of 128.6 millions is indicated in demand deposits, largely at the banks in the central reserve cities, the New York and Brooklyn banks alone reporting an increase under this head of 78.6 millions. For the banks in the other reserve cities this class of deposits indicates an increase of 11.1 millions. Time deposits show a slight increase, net withdrawals from central reserve city banks being more than offset by gains reported for the other reporting banks. Government deposits, as the result of large issues of Treasury certificates, increased by about 115.1 millions. Of the total of 633.6 millions held by all reporting banks on April 19, about 52 per cent is credited to the banks in Greater New York, 61 per cent to the banks in the three central reserve cities, and over 35 per cent to the banks in the other reserve cities.

For all reporting banks the ratio of combined vault cash and reserve to total, including Government deposits, declined from 13.7 to 13.6 per cent. For the central reserve city banks this rate shows a decrease from 14.9 to 14.8 per cent. Excess reserves, in the calculation of which no account is taken of Government deposits, from about 72 millions on March 15 rose to 112.2 millions the following week. Since then a gradual decline set in, the figure for April 12 being 53.1 millions. At the end of the following week excess reserves work out at 61.6 millions. For the central reserve city banks excess reserve figures, after an increase from 38.1 millions on March 15 to 75.4 millions on March 22, show a continuous decline to 26.9 millions on April 12, and an increase to 31.1 millions on April 19.

Equalizing reserves by rediscounts.

Operations incident to the rapid and wide distribution of the Liberty loans have again brought opportunity to test the value and practicability of the discount machinery of the Federal Reserve system. Equalization of reserves among the different

Federal Reserve Banks is accomplished by rediscounts among Federal Reserve Banks. As announced in former numbers of the Federal Reserve Bulletin this method of readjusting holdings of paper and equalizing reserves has already several times been employed. Payments are effected through the gold settlement fund, and arrangements have been made to the effect that the paper sold may remain in trust with the Federal Reserve Bank which disposes of it unless actual physical transfer is desired by the purchasing Federal Reserve Bank. The desirability of such rediscounts may, in some cases, be due to special requirements of a given district, coinciding, as is likely to be the case, with the pressure of Government demands or the fact of very heavy subscriptions to public loans made in some particular district by persons who find it necessary to obtain from the banks assistance in carrying bonds until they can be paid for out of private funds.

Rates of interest.

During the past month Federal Reserve Banks have slightly increased their discount rates, a new schedule involving an advance of about one-quarter of 1 per cent on paper of the various maturities having been put into effect on April 11. The action taken makes the rate on 90-day paper secured by Government obligations identical with the rate borne by the third Liberty bonds, so that banks desiring to obtain accommodation for the carrying of such obligations can do so without expense to themselves. The advance, too, corresponds to the general tendency toward an increase of rates in the commercial-paper market, making the Federal Reserve Banks' rediscount charge for 90-day paper $4\frac{3}{4}$–5 per cent. The general increase in rates is thus distinctly moderate and has been adjusted in such a way as to preserve differentials in favor of acceptances and other preferred classes of paper as heretofore. During the past month the provision of the war finance corporation act, eliminating the stamp tax from notes secured by Government obligations, became effective, with the result that the practice of Federal Reserve Banks in entering into purchase and resale agreements intended to relieve borrowers of this tax whenever they presented short-term paper secured by Government obligations has been modified. Such paper will henceforward be classified as notes of member banks, secured by Government obligations. This elimination of the tax creates a very distinct differential in favor of paper secured by Government obligations running for short terms.

The proper development of public financing upon the sound basis of the establishment of equitable and reasonable rates of interest on Government obligations plainly demands as uniform a policy with respect to rates of interest on bank deposits throughout the country and as great a degree of moderation in the establishment of such rates as can be developed.

Interest on deposits.

For this reason it is necessary that the banks throughout the country should adopt the policy applied in New York of keeping the rate allowed on deposits as stable as possible and of preventing it from being artificially advanced by competitive bidding in different places for deposits which some banks might attempt to attract by the offer of higher rates of interest. Such competition between banks is an inheritance from the older reserve city situation under which, as is well known, it was to the advantage of country banks to maintain reserve balances in the various reserve cities. Since the abolition of the practice of counting bank balances as reserves, the offer of higher rates of interest remains the chief inducement to the placing of these balances with the city banks instead of buying liquid paper. Temptation to offer unreasonably high interest rates for deposits is thereby increased. Some evidences of the sort have come to the Board's attention and in communications addressed to Federal Reserve Banks, as well as to others who have made inquiry during the course of the month, the Board has endeavored to make plain its feeling that it would be a wise and conservative policy on the part of banks everywhere to refrain from bidding up the rates of interest against one another. Special emphasis has been placed upon the fact that such competitive bidding may render it impossible for any group of banks, however strong and conservative, to adhere to a policy which places them at a disadvantage as compared with more aggressive and less public-spirited institutions. The Board therefore urges all banks to cooperate in making effective the policies above outlined.

Sale of silver.

In order to protect the gold holdings of the country while at the same time providing exchange for the purpose of paying for necessary goods imported from the Orient, and especially India, it has been necessary to procure a larger volume of silver. Accordingly, on April 22 the House of Representatives passed a measure authorizing the withdrawal of certificates and the sale of the silver securing such certificates, the purpose being to provide bullion as a means of remittance to foreign countries. The act as adopted authorizes the Secretary of the Treasury to break up the silver dollars to the number not to exceed 350,000,000 and to dispose of the silver thus obtained at a minimum price of $1 per fine ounce. At the same time the Secretary of the Treasury is authorized to make contracts with producers of silver for the purpose of restoring the bullion obtained through the breaking up of the silver dollars and subsequently disposed of. The price at which such purchases are to be made is identical with that fixed for the silver to be sold, a maximum of $1 per fine ounce. It thus appears that when the operation has been carried out it will have resulted in temporarily supplying silver for immediate use in large quantities, while the Treasury stock of silver will eventually be restored to the same amount as before the transactions were undertaken. One feature of the measure which directly affects the Federal Reserve system is found in the provision that, in order to take the place of silver certificates which are withdrawn as the dollars securing them are melted and sold, the Federal Reserve Banks may be called upon to issue Federal Reserve bank notes. Up to date the amount of Federal Reserve bank notes issued has been very limited, there being outstanding on April 27 only $11,611,000 and in actual circulation outside the Treasury and the issuing Federal Reserve Banks $8,773,000. The Federal Reserve bank notes will be secured by United States certificates of indebtedness to be acquired under the provisions of the act, and one-year Treasury notes, of which $19,150,000 are now owned by the Federal Reserve Banks. The Secretary of the Treasury is given authority from time to time to extend the maturity of such certificates as are actually pledged with the Treasury as security for Federal Reserve bank notes. It is not possible to state in advance what amount of silver is likely to be sold under the provisions of the law, but theoretically the measure would permit the substitution of $350,000,000 of Federal Reserve bank notes for an equal amount of silver certificates. The process of substitution will necessarily be slow, depending upon the gradual withdrawal of silver certificates from circulation and the printing and substitution therefor of the new bank notes, thus avoiding any shrinkage in the denominations of $1 and $2. In the same way there will be a later withdrawal of an equal amount of Federal Reserve bank notes and a reissue of an equivalent sum in silver certificates. It is worth noting that the act contains provision for the maintenance of the existing embargo on silver, if desired, up to the date when the operation may have been completely carried through to success, and the necessary amount of silver restored to the Treasury.

Collection system.

An important step forward has been taken during the past month by the Federal Reserve Board in transmitting to all Federal Reserve Banks a letter instituting certain changes in the present system of clearings and collections. These changes are intended to render the system more serviceable than in the past. Details are given on page 371 of the present issue, which furnishes correspondence on the subject. In brief, the new plan provides for a suspension of service charges on the collection of cash items, and for the elimination

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of charges on collection items under certain conditions. The mail transfer system is also modified, and provision is made for the revision of time schedules. While under existing conditions of mail and transportation the granting of credit on items of all kinds is necessarily somewhat delayed, the effort of all Federal Reserve Banks will be to shorten the deferring of credit on their books as much as they reasonably can. By eliminating the service charges, as they are able to do in view of the present high level of earnings, Federal Reserve Banks will place their services much more broadly within the reach of the banks of the country, besides approaching closer to the ideal of free transfer of funds.

War finance act.

The President on April 5 signed the War Finance Corporation bill, already printed in the April issue of the Federal Reserve Bulletin, pages 300-306. The measure as approved is identical with the form as published in the Bulletin. On April 29 the President sent to the Senate the names of nominees for appointment as members of the Capital Issues Committee and the War Finance Corporation, the two new bodies provided for by the act in question. Under the terms of the law there are required to be appointed four directors who, with the Secretary of the Treasury, make up the board in charge of the War Finance Corporation. The four directors nominated by the President in this connection are Messrs. W. P. G. Harding, now member and governor of the Federal Reserve Board; Allen B. Forbes, of New York; Eugene Meyer, jr., of New York; and Angus W. McLean, of North Carolina. Mr. Forbes having declined appointment, the President nominated Mr. C. M. Leonard, of Chicago. For the Capital Issues Committee there have been named from the Federal Reserve Board Messrs. Charles S. Hamlin, member and former governor of the Board; Mr. John Skelton Williams, member of the Board and Comptroller of the Currency; and Mr. Frederic A. Delano, member and former vice governor of the Board. The four additional names transmitted to the Senate are those of Messrs. James B. Brown, of Louisville, Ky.; John S. Drum, of San Francisco, Cal.; Frederick H. Goff, of Cleveland, Ohio; and Henry C. Flower, of Kansas City, Mo. The Federal Reserve Board's Capital Issues Committee, shortly to be superseded by the new body, continues in existence and at work pending the actual confirmation of the new body and the taking of the oath of office by its members. The War Finance Corporation will, it is understood, be definitely organized as soon as the directors nominated by the President have been confirmed and have taken the oath of office.

Movement of gold.

For the five weeks ending April 19 the net outward gold movement totaled about $987,000 as compared with $2,743,000 for the preceding four weeks. Gold imports for the five weeks totaling $2,564,000 came largely from the Dutch East Indies, Canada, Mexico, Colombia, and Portuguese East Africa, while gold exports totaling about $3,551,000 were consigned chiefly to Mexico and the Dutch East Indies.

The gain in the country's stock of gold since August 1, 1914, was $1,047,180,000 as may be seen from the following exhibit:

[000 omitted.]

	Imports.	Exports.	Excess of imports over exports.
Aug. 1 to Dec. 31 1914	$23,253	$104,972	[1] $81,719
Jan. 1 to Dec. 31, 1915	451,955	31,426	420,529
Jan. 1 to Dec. 31, 1916	685,745	155,793	529,952
Jan. 1 to Dec. 31, 1917	553,713	372,171	181,542
Jan. 1 to Apr. 19, 1918	10,561	13,685	[1] 3,124
Total	1,725,227	678,047	1,047,180

[1] Excess of exports over imports.

The work of the Board's gold export committee has continued to be governed by the same principles as in the past, and during the month few licenses for the shipment of coin or bullion have been granted, those which have received favorable consideration being generally for shipments to Mexico or Canada, and in a few cases to South American countries, the principles involved being those which have already been set forth. In one case during the past month the Board has, however, granted a license for the exportation of gold to Spain.

Branches. The personnel of the directorates of the Salt Lake City and El Paso branches has been determined and made known, the former on April 13 and the latter March 28. Both branches have been duly officered and made ready for business. This makes a total of 13 branches of Federal Reserve Banks now in active operation.

Directors of Branch Banks.

The Federal Reserve Board on March 28 announced the following as directors of the El Paso branch of the Federal Reserve Bank of Dallas:

Appointed by the Federal Reserve Board: W. W. Turney and A. P. Coles.

Appointed by the Federal Reserve Bank: Sam R. Lawder, U. S. Stewart, and A. F. Kerr.

On April 13 the names of the directors for the Salt Lake City branch of the Federal Reserve Bank of San Francisco were announced, as follows:

Appointed by the Federal Reserve Board: Joseph L. Rawlins, Salt Lake City; G. G. Wright, Idaho Falls.

Appointed by the Federal Reserve Bank: L. H. Farnsworth, Salt Lake City; R. T. Badger, Salt Lake City; W. A. Day, San Francisco.

Assistant Secretaryship of the Board.

The resignation of Mr. Sherman P. Allen, effective April 1, has been accepted by the Board with regret, and Mr. Louis C. Adelson has been elected as his successor, effective May 15. Mr. Allen has served as assistant secretary of the Board since September, 1914. Mr. Adelson came to Washington, as secretary to Mr. W. P. G. Harding, at the time of the Board's organization, and continued in that capacity for eighteen months, being then transferred to the division of audit and examination, where he served as examiner under the direction of Chief Examiner Broderick for about two years. When the Board's division of foreign exchange was organized he was transferred to duty in its New York office and has continued there up to the present date.

License to Collect Securities of Alien Enemies in France and Great Britain.

The War Trade Board on April 15 issued the following statement to the press:

The War Trade Board has issued a general license authorizing dealers in the United States to collect securities or coupons held by official custodians of the property of alien enemies in France and Great Britain without requiring, in connection with such collection, the forms of declaration of no enemy interest required by the President's Executive order of January 26, 1918. In lieu of such declaration, it is directed that there be filed a declaration to the effect that the said securities are in the official custody of the official custodians of France or Great Britain; and this declaration must be filed either by the collecting dealer in the United States or by a correspondent in France or Great Britain who has signed the declaration of foreign correspondents required by the Executive order of January 26, 1918, or by the official custodian of the property of alien enemies in said countries.

This action has been taken for the reason that when securities are held by official custodians of the property of alien enemies, the collecting agencies are not in a position to make the declaration of no enemy interest required by the Executive order of January 26, 1918.

New Issue of Treasury Certificates.

Secretary McAdoo on April 15 authorized the following announcement:

"The Secretary of the Treasury, under authority of the act approved September 24, 1917, as amended by the act approved April 4, 1918, offers for subscription at par and accrued interest through Federal Reserve Banks a minimum of $500,000,000 Treasury certificates of indebtedness, payable July 18, 1918, with interest at the rate of 4½ per cent per annum from April 22, 1918. Applications will be received at the Federal Reserve Banks. Subscription books will close at the close of business April 25.

MINIMUM DENOMINATION $500.

"Certificates will be in denominations of $500, $1,000, $5,000, $10,000, and $100,000. Said certificates shall be exempt both as to principal and interest from all taxation now or hereafter imposed by the United States, any State or any of the possessions of the United States or by any local taxing authority, except (*a*) estate or inheritance taxes and (*b*) graduated additional income taxes, commonly known as surtaxes, and excess-profits and war-profits taxes, now or hereafter imposed by the United States upon the income or profits of individuals, partnerships, associations, or corporations. The interest on an amount of bonds and certificates authorized by said act approved September 24, 1917, or by said act as amended by said act approved April 4, 1918, the principal of which does not exceed, in the aggregate, $5,000 owned by any individual, partnership, association, or corporation, shall be exempt from the taxes provided for in clause (*b*) above.

REDEEMABLE ON OR AFTER MAY 9.

"Upon 10 days' public notice, given in such manner as may be determined by the Secretary of the Treasury, this series of certificates may be redeemed as a whole at par and accrued interest on or after May 9, 1918. The certificates of this series, whether or not called for redemption, will be accepted at par with an adjustment of accrued interest to May 9, 1918, if tendered on May 4, 1918, in payment on the subscription price then payable of any bonds of the third Liberty loan subscribed for by and allotted to holders of such certificates. The certificates of this series, unless called for previous redemption, will be accepted at par with an adjustment of accrued interest if tendered on July 18, 1918, in payment on the subscription price then payable of any bonds of the third Liberty loan subscribed for by and allotted to holders of said certificates. The certificates of this series will not be accepted in payment of taxes.

RIGHT RESERVED TO REJECT.

"The right is reserved to reject any subscription and to allot less than the amount of certificates applied for and to close the subscriptions at any time without notice. This, it is expected, will be the last offering of Treasury certificates of indebtedness in anticipation of the third Liberty loan.

"As fiscal agents of the United States Federal Reserve Banks are authorized and requested to receive subscriptions up to an aggregate in each district, as follows:

Boston	$35,000,000
New York	175,000,000
Philadelphia	38,000,000
Cleveland	46,000,000
Richmond	18,000,000
Atlanta	15,000,000
Chicago	62,000,000
St. Louis	23,000,000
Minneapolis	15,000,000
Kansas City	25,000,000
Dallas	15,000,000
San Francisco	33,000,000

"Payment at par and accrued interest for certificates allotted must be made on and after April 22 and on or before April 25. After allotment and upon payment Federal reserve banks will issue interim receipts pending delivery of the definite certificates. Qualified depositaries will be permitted to make payment by credit for certificates allotted to them for themselves and their customers up to an amount for which each shall have qualified in excess of existing deposits when so notified by Federal Reserve Banks. Payment for certificates allotted upon this offering may be made at the holder's option in United States Treasury certificates of indebtedness dated January 22, 1918, and maturing April 22, 1918, at par with adjustment of accrued interest.

"The issue of a minimum of $500,000,000 United States Treasury certificates of indebtedness dated April 10, 1918, was oversubscribed. The Federal Reserve districts of Richmond and St. Louis were the only districts which did not equal or exceed their tentative quota. The following is a list of the tentative quota by districts and a list of the subscriptions allotted:

District.	Tentative quota.	Subscriptions allotted.
Boston	$33,000,000	$39,731,000
New York	175,000,000	215,448,000
Philadelphia	38,000,000	38,000,000
Cleveland	46,000,000	46,000,000
Richmond	18,000,000	11,219,000
Atlanta	15,000,000	17,095,000
Chicago	62,000,000	65,850,000
St. Louis	25,000,000	21,181,000
Minneapolis	15,000,000	15,600,000
Kansas City	25,000,000	25,000,000
Dallas	15,000,000	16,602,500
San Francisco	33,000,000	39,500,000
Total	500,000,000	551,226,500

Collection and Payment of Checks.

The following opinion, relating to charges for the collection and payment of checks cleared through a Federal Reserve Bank, has been rendered by the Attorney General of the United States:

MARCH 21, 1918.

SIR: You have requested my opinion as to whether the limitations contained in section 13 of the Federal Reserve Act relating to charges for the collection and payment of checks can be held to apply to State banks which are neither members of the Federal Reserve system nor depositors in Federal Reserve Banks.

As originally enacted, the first paragraph of section 13 reads as follows:

Any Federal Reserve Bank may receive from any of its member banks, and from the United States, deposits of current funds in lawful money, national-bank notes, Federal Reserve notes, or checks and drafts upon solvent member banks, payable upon presentation, or, solely for exchange purposes, may receive from other Federal Reserve Banks deposits of current funds in lawful money, national-bank notes, or checks and drafts upon solvent member or other Federal Reserve Banks, payable upon presentation.

In section 16, apparently as the basis of a system of check clearing or collection, it is provided that Federal Reserve Banks *shall receive on deposit at par checks and drafts* on member and other Federal Reserve Banks; and the Federal Reserve Board is authorized to fix by rule the *charges to be collected by member banks from patrons whose checks are cleared through the Federal Reserve Bank* and any charge for the service of clearing or collection rendered by the Federal Reserve Bank.

It will be noted that under the first paragraph of section 13 in its original form the only classes of banks which might be depositors in and thus clear through a Federal Reserve Bank were its member banks and other Federal Reserve Banks, and the only checks and drafts specified as receivable on deposit were checks and drafts drawn upon member banks or upon other Federal Reserve Banks.

The acts of September 7, 1916, and June 21, 1917, so amended the first paragraph of section 13 as to extend the clearing and collection facilities of the Federal Reserve system to include checks and drafts generally, to make these facilities directly available to nonmember banks and to establish the limitations as to charges referred to in the question submitted. The paragraph as so amended reads as follows:

Any Federal Reserve Bank may receive from any of its member banks, and from the United States, deposits of current funds in lawful money, national-bank notes, Federal Reserve notes, or checks and drafts, payable upon presentation, and also, for collection, maturing notes and bills; or, solely for purposes of exchange or of collection, may receive from other Federal Reserve Banks deposits of current funds in lawful money, national-bank notes, or checks upon other Federal Reserve Banks, and checks and drafts, payable upon presentation within its district, and maturing notes and bills payable within its district; or, solely for the purposes of exchange or of collection, may receive from any nonmember bank or trust company deposits of current funds in lawful money, national-bank notes, Federal Reserve notes, checks and drafts payable upon presentation, or maturing notes and bills: *Provided,* Such nonmember bank or trust company maintains with the Federal Reserve Bank of its district a balance sufficient to offset the items in transit held for its account by the Federal Reserve Bank: *Provided further,* That *nothing in this* or any other section of this *act shall be construed as prohibiting a member or nonmember bank from making reasonable charges, to be determined and regulated by the Federal Reserve Board, but in no case to exceed 10 cents per $100,* or fraction thereof, based on the total of checks and drafts presented at any one time, *for collection or payment of checks and drafts and remission therefor* by exchange or otherwise; *but no such charges shall be made against the Federal Reserve Banks.* Italics mine.]

The limitations as to charges referred to in the question submitted are contained in the second proviso quoted above. This proviso, apparently recognizing an existing right of member and nonmember banks to make reasonable charges for the collection or payment of checks and drafts and remission therefor by exchange or otherwise, provides (1) that these charges are "to be determined and regulated by the Federal Reserve Board, but in no case to exceed 10 cents per $100," but (2) that "no such charges shall be made against the Federal Reserve Banks.

Clearly these limitations apply to national banks which are compelled to be member banks, to such State banks as become member banks by voluntarily accepting the terms and provisions of the Federal Reserve Act, and to such other State banks as do not become member banks but by becoming depositors in Federal Reserve Banks upon the conditions specified avail themselves directly of the facilities of the Federal Reserve clearing system.

The specific question to be determined is whether these limitations apply to nonmember State banks which do not become depositors but checks upon which may pass through Federal Reserve Banks in process of clearing or collection.

The theory and scheme of the Federal reserve legislation seems inconsistent with the purpose on the part of Congress to subject State banks *against their will* to Federal control or regulation. State banks are not compelled to become members of the Federal Reserve system or depositors therein. Those possessing the necessary qualifications are, however, invited to become members. They are not only free to accept or decline, but if they accept remain at liberty to withdraw from the system. (Sec. 9.) By section 13 as amended, State banks not desiring to become members or too small to be eligible for membership are likewise *invited* to share in the clearing and collection facilities of the system by becoming depositors in Federal Reserve Banks. But they may accept or reject the invitation, and if they become depositors may close their accounts at their pleasure.

It would accordingly seem that the limitations referred to ought not to be regarded as intended to be imposed upon State banks not connected with the Federal Reserve system as members or depositors, against the will of such banks, unless that intention clearly appears.

The term "nonmember bank" as used in the proviso may reasonably be construed as referring to a nonmember bank that has become a depositor as authorized in the preceding provisions of the paragraph. If this term is so construed, obviously the provision requiring charges "to be determined and regulated by the Federal Reserve Board, but in no case to exceed 10 cents per $100," will have no application to nonmember State banks which are not depositors in a Federal Reserve Bank. The broad language of the concluding clause, "no such charges shall be made against the Federal Reserve Banks," may be construed not as directed against State banks which are not depositors but merely as specifying a condition upon which checks may clear through the Federal Reserve Banks—in effect a prohibition against the payment of such charges by the Federal Reserve Banks.

Under this construction, member banks and nonmember banks which are depositors in the Federal Reserve Banks will be subject to the limitations in the proviso, but nonmember banks which are not depositors will not be subject to the limitations. All, however, will have to adjust their charges among themselves and with their own depositors, the Federal Reserve Banks being prohibited from paying such charges.

This construction seems to be in harmony with the intention of the framers of the amendment to section 13 embodying the abovementioned proviso.

The act of June 21, 1917, amending section 13 and other sections of the Federal Reserve Act, as originally introduced in both the House and Senate contained no part of the (second) proviso, the section in the proposed amended form ending with the preceding proviso. The Senate, adopting an amendment offered by Senator Hardwick, added the second proviso in the following form:

Provided further, That nothing in this or any other section of this act shall be construed as prohibiting a member or nonmember bank from making reasonable charges, but in no case to exceed 10 cents per $100 or fraction thereof, based on the total of checks and drafts presented at any one time, for collection or payment of checks and drafts and remission therefor by exchange or otherwise. (55 Cong. Rec., 1988.)

It was thought the effect of the Hardwick amendment would be to recognize the right of any bank upon which checks are drawn to make charges against the Federal Reserve Bank through which such checks might be cleared or collected. The Hardwick amendment was opposed by the Federal Reserve Board, as appears from letters from its governor to Senator Owen and Congressman Glass, chairmen of the respective Committees on Banking and Currency of the Senate and House. (Pp. 1984, 3527.) The President also called attention to the seeming effect of the amendment in a letter to Senator Owen, reading as follows:

I have been a good deal disturbed to learn of the proposed amendment to the Federal Reserve Act which seems to contemplate *charging the Federal Reserve Banks for payment of checks cleared by them,* or charging the payee of such checks passing through the reserve banks with a commission. I should regard such a provision as most unfortunate and as almost destructive of the function of the Federal Reserve Banks as a clearing house for member banks, a function which they have performed with so much benefit to the business of the country.

I hope most sincerely that this matter may be adjusted without interfering with this indispensable clearing function of the banks. (P. 3761.)

In conference, apparently as the result of the letters of the Governor of the Federal Reserve Board and the President, the proviso took its present form, two changes being made by the conferees: First, the charges which member or nonmember banks may make were made subject "to be determined and regulated by the Federal Reserve Board"; and second, the final clause was added, "but no such charges shall be made against the Federal Reserve Banks."

In presenting the conference report to the Senate, Senator Owen emphasized the importance of not interfering with the clearing functions of the Federal Reserve Banks, explained that under the proviso as amended—

the banks can charge each other for making these accommodations if they like, and they can adjust that to their own satisfaction with one another, without troubling the reserve banks,

and apparently conceded that State banks not connected as members or depositors with the Federal Reserve system could not be subjected to Federal legislation. (P. 3761.)

Mr. Glass, in presenting the report to the House, said:

The Congress has no control whatsoever over nonmember banks. It can not regulate their charges and will not regulate them if this Hardwick amendment should prevail. * * * This House has no control over the nonmember bank in this matter. Even the Federal Reserve Board has no control over their operations unless they voluntarily join the voluntary collection system established by the Federal Reserve Board. (P. 3526.)

And, further—

No nonmember bank that does not voluntarily join the collection system established by the Federal Reserve Board will be specifically affected. No law that we pass here can directly affect them. The only way they can be affected is incidental. (P. 3528.)

It thus seems clear that the proviso was understood by Congress as designed to protect the clearing functions of the Federal Reserve Banks and not directed at State banks which have no connection as members or depositors with the Federal Reserve system and upon which it was considered the effect of the proviso could be only incidental.

It may be argued and is probably true that the proviso will necessarily affect the practice of State banks, though not members or depositors, as to making charges for the payment of checks drawn upon them. With the concentration of reserve balances in Federal Reserve Banks, as required by the Federal Reserve Act, the Federal Reserve clearing system may offer the only adequate and convenient facilities for clearing or collecting checks drawn upon banks at a distance, and depositors may find it inadvisable to maintain accounts with banks upon which checks can not be cleared or collected by the use of these facilities.

The Federal Reserve Act, however, does not command or compel these State banks to forego any right they may have under the State laws to make charges in connection with the payment of checks drawn upon them. The act merely offers the clearing and collection facilities of the Federal Reserve Banks upon specified conditions. If the State banks refuse to comply with the conditions by insisting upon making charges against the Federal Reserve Banks, the result will simply be, so far as the Federal Reserve Act is concerned, that since the Federal Reserve Banks can not pay these charges they can not clear or collect checks on banks demanding such payment from them.

From what has been said it follows that in my opinion the limitations contained in section 13 relating to charges for the collection and payment of checks do not apply to State banks not connected with the Federal Reserve system as members or depositors. Checks on banks making such charges can not, however, be cleared or collected through Federal Reserve Banks.

Respectfully,

T. W. GREGORY,
Attorney General.

The PRESIDENT,
The White House.

As this issue goes to press there is received from the Attorney General under date of April 30 the following letter supplementary to the foregoing opinion:

MY DEAR GOVERNOR: I acknowledge receipt of your letter of the 19th instant with reference to my opinion of March 21, 1918, holding that Federal Reserve Banks are prohibited from paying the charges for collection and payment of checks and drafts mentioned in the first paragraph of section 13 of the Federal Reserve Act.

In a memorandum by the general counsel of the American Bankers Association, which you inclose, the point is raised that the prohibition against the charges referred to must be confined to checks owned by the Federal Reserve Bank as distinguished from checks deposited to be cleared or collected for the account of a member or depositor.

You ask to be advised whether the Board correctly interprets my opinion as implying that no such distinction can be recognized and that no member bank can under any circumstances make any charge against its Federal Reserve Bank in connection with the collection or payment of checks deposited with the Federal Reserve Bank as provided in the paragraph mentioned.

The reason for the suggested distinction is not apparent. I do not understand why checks deposited with a Federal Reserve Bank to be cleared or collected can not be considered as owned by the bank.

As the basis of the check clearing system contemplated by the Federal Reserve Act, the Federal Reserve Banks are required by section 16 to "*receive on deposit at par,*" *unconditionally*, the checks therein specified drawn on Federal Reserve and member banks. If the phrase "receive on deposit" is given its ordinary signification, it seems clear that the Federal Reserve Bank becomes the owner of the checks so deposited, title to the checks passing to that bank and the depositors receiving immediate credit therefor. (Burton *v.* United States, 196 U. S., 283; Security National Bank *v.* Old National Bank, 241 Fed., 1, and cases therein cited at pages 10 to 12.)

The first paragraph of section 13, as amended to extend the clearing facilities of the Federal Reserve Banks to nonmember banks and to include checks generally, requires each nonmember bank availing itself of these facilities to maintain with the "Federal Reserve Bank of its district a balance sufficient to offset the items in transit held by the Federal Reserve Bank." As so amended the paragraph may be regarded as at least authorizing the Federal Reserve Bank to receive on deposit from nonmember depositors as well as from member banks all classes of checks to be cleared or collected, taking the title thereto and giving credit therefor to the depositing banks.

As a Federal Reserve Bank may thus become the owner of all the checks cleared or collected through it, there appears to be no basis in the act for drawing a distinction between checks owned by the Federal Reserve Bank and checks deposited with it to be cleared or collected.

But even if the checks received could be classified on the basis suggested, the language of the paragraph seems to preclude the idea of excluding checks deposited to be cleared or collected from the checks as to which charges are prohibited.

The charges which the Federal Reserve Banks are prohibited from paying by the final clause, "*no such charges shall be made against the Federal Reserve Banks*," obviously include the "charges * * * for collection or payment of checks and drafts and remission therefor by exchange or otherwise" mentioned in the preceding clause. The checks authorized by the paragraph to be deposited with the Federal Reserve Bank, upon being received by that bank, are to be collected from and paid by the banks upon which they are drawn. To say that charges in connection with the payment of these checks made by the banks drawn upon and collected from the Federal Reserve Bank are not made against that bank seems to do violence to the ordinary meaning of the words used, regardless of whether the charges are ultimately borne by it or subsequently transferred to the banks by which the checks were deposited.

Moreover, the legislative history of the amendment as referred to in the opinion shows clearly that the prohibition was directed primarily against the making of charges in connection with the clearing of checks. It was a proposed amendment to the Federal Reserve Act which apparently contemplated "charging the Federal Reserve Banks for payment of checks cleared by them" that the President opposed in his letter to Senator Owen. And it was to prevent the possibility of such charges being made that the final clause was added, which, as explained by Senator Owen, prevented "troubling the reserve banks" or "interfering with the clearing of checks at par by the reserve banks." (55 Cong. Rec., p. 3761.)

I construe the first paragraph of section 13 as prohibiting member banks under any circumstances from making the charges therein referred to against Federal Reserve Banks.

You are accordingly advised that the interpretation placed by the Board upon my opinion of March 21 is correct.

Respectfully,

(Signed) T. W. GREGORY,
Attorney General.

Hon. W. P. G. HARDING,
Governor, Federal Reserve Board,
Washington, D. C.

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Development of the Collection System.

The following letter, sent out by the Federal Reserve Board under date of April 5 to Federal Reserve Banks, gives the substance of the changes made by the Board in the existing practice as to collection at Federal Reserve Banks, and indicates some of the important developments in the general collection system:

The Federal Reserve Board has carefully considered the report submitted by the transit managers of the Federal Reserve Banks, indorsed by the governors of the banks, which was discussed in conference in Washington recently, and has reached the following conclusions:

1. The Board approves the recommendation to suspend, or eliminate for the time being, service charges for the collection of cash items; this elimination of charges to apply to checks received from member banks and from other Federal Reserve Banks and to become effective on and after June 15, 1918.

2. The Board approves the recommendation that the 10-cent charge on collection items between Federal Reserve Banks and their member banks be eliminated for the present and until further notice, but that a charge of 15 cents per item be made on all such items returned unpaid, this rule to become effective June 15, 1918.

3. The Board approves the recommendation that telegraphic transfers be bought and sold at par, each Federal Reserve Bank absorbing the telegraphic expense, but with the proviso that checks on other Federal Reserve cities or Federal Reserve branch cities be taken at par, subject only to deferred availability in accordance with regular time schedules.

4. The Board approves in principle the recommendation that the discount rate on mail transfers shall be based upon the 15-day rate, but, because it is desirable that the rate for such transfers shall remain as nearly uniform as possible and not vary too frequently, suggests that for the time being and until further notice a charge of 10 cents per day per thousand, or at the rate of 3.65 per cent, be fixed as the rate for all mail transfers.

5. The Board approves the recommendation of the transit managers, indorsed by the governors, "that all mail transfers to banks in other Federal Reserve cities be made by draft on the Federal Reserve Bank and sent direct

to the bank to which the transfer is ordered, rather than to the Federal Reserve Bank."

6. The Board approves the suggestion that there shall be a general revision of all time schedules, effective June 15, 1918, which shall take into consideration recent changes in mail train schedules, and the creation of new collection centers at branch bank cities.

7. The Board approves the recommendation that "trade acceptances," wherever payable, be handled as collection items, not as checks or cash items, but suggests that "bankers' acceptances" be treated as cash items.

The Board has under consideration and expects to approve within a few days a plan for linking together by private telegraph system the 12 Federal Reserve Banks with its office at Washington, and expects to have these additional facilities available within a short time.

A number of other recommendations relating to details and standard accounting methods have not been considered by the Board and are left for your determination.

National Banks and the Liberty Loan.

The Comptroller of the Currency, on April 17, authorized the following statement:

The opening of the third Liberty loan finds the national banks of the country splendidly prepared to play a big part in making this loan a success.

The subscriptions which were sent in by the national banks of the country to the first and second Liberty loans for themselves and for their customers aggregated the vast sum of $4,175,000,000; and there were allotted to the national banks on the subscriptions thus sent in by them a total of $3,090,000,000 of bonds of the first and second Liberty issues. These huge subscriptions were practically paid in full many weeks ago.

On March 5, 1917, the total deposits of the national banks of the country amounted to $12,957,000,000. Since that date the Secretary of the Treasury has sold and collected for $5,808,000,000 of Liberty bonds, of which sum nearly three-fifths were taken by the national banks of the country and their customers.

And yet, after making settlements for these huge investments, the reports of the national banks for March 4, 1918, show that their deposits were not only not diminished on account of withdrawals to pay for Liberty bonds, but the national banks show in the period from March 5, 1917, to March 4, 1918, an actual increase in deposits of $1,480,589,000.

The total resources of the national banks between March 5, 1917, and March 4, 1918, increased $2,035,789,000, and amounted on the latter date to $18,014,911,000.

The deposits of the national banks on March 4, 1918, show very little change as compared with December 31, 1917, there being a total reduction of $6,920,000 in deposits; but loans and discounts in the same period show a reduction of $251,611,000.

The national banks were never in a better position to assist in the placing of a great Government loan than they are at this time. Their total resources are now about $2,000,000,000 in excess of what they were when the first Liberty loan was offered in the summer of 1917; and the records show that the great bulk of Liberty bonds which these banks placed have passed on to permanent investors and to customers who have been able to pay for their bonds and carry them without finding it necessary to borrow money upon them.

The national banks report that on March 4, 1918, the total amount of 3½ per cent Liberty bonds held by them amounted to only $86,577,000. The total amount of 4 per cent Liberty bonds owned by them on the same date was $347,161,000, making the total amount of Liberty 3½ per cent and 4 per cent bonds owned by national banks $433,738,000, which is only about 7 per cent of the total of Liberty bonds issued to date.

The amount of money loaned by national banks on the 3½ per cent and 4 per cent Liberty bonds was reported on March 4, 1918, at $299,684,000. The amount of Liberty bonds owned by the national banks of the country plus the money which they are lending on Liberty bonds is therefore only $733,422,000.

The Government has in the past 12 months sold and collected for $5,880,000,000 of Liberty bonds. We therefore find that the people of the country have bought and paid for over $5,000,000,000 of Liberty bonds exclusive of all bonds owned by national banks or bonds upon which national banks are lending money. Except in so far as the holders of some of these bonds may be borrowing on them from State banks or trust companies or elsewhere, this great sum may now be regarded as held for investment.

It is a tribute to the solidity and a powerful evidence of the success of our banking system that these gigantic transactions have been carried through without creating the slightest flurry or derangement in the money market. Despite the large withdrawals which were necessary in order to pay for the new Liberty bond issues, the deposits of the national banks actually increased, as compared with their deposits made prior to the offering of the first Liberty loan, about a billion and a half dollars, as shown by their sworn reports of March 4, 1918, while total resources, as shown above, are nearly two billion dollars greater.

In addition to the investments by national banks in the 3½ per cent and 4 per cent Liberty bonds, these banks also held on March 4, 1918, United States certificates of indebtedness aggregating $876,917,000, which the banks can largely utilize, if they should care to do so, in making subscriptions for themselves and their customers to the third Liberty loan.

Organization of Federal Reserve Banks.

On behalf of the Federal Reserve Board, Governor Harding on March 25 transmitted to all Federal Reserve Banks an outline of organization of Federal Reserve Banks, together with a typical chart, requesting that it be brought to the attention of the board of directors with the request that it consider making any changes in by-laws necessary to carry into effect the plan of organization proposed.

OUTLINE OF ORGANIZATION OF FEDERAL RESERVE BANKS.

While the office of chairman of the board of directors and that of the Federal Reserve agent are by statute required to be held by one and the same person, the duties and responsibilities of the two offices are separate and distinct. The holder of these offices occupies, therefore, a dual capacity in relation to the Federal Reserve Bank.

CHAIRMAN OF THE BOARD.

Under the terms of the act the chairman of the board must be a person of "tested banking experience," and it is evidently contemplated that he should be qualified to judge intelligently as to the efficiency and orderly conduct of the management of the bank. In so far as his duties as chairman of the board are specifically defined, they are (*a*) to preside at meetings of the board of directors; (*b*) to conduct elections of directors; and (*c*) to transfer "public stock," i. e., stock held by subscribers other than member banks.

These appear to be the only specific duties and powers vested by the act in any officer connected with the bank. All other powers are conferred by the board of directors, which is expressly authorized to appoint such officers and employees as it deems necessary and to define their duties.

FEDERAL RESERVE AGENT.

The duties of the Federal Reserve agent are defined in detail by the statute. Under the terms of the act he is the official representative of the Federal Reserve Board in the exercise of its supervisory powers over the bank, and all of his duties are performed in the capacity of a representative of the United States rather than in the capacity of an officer of the bank. It will be observed that the statute provides that the duties of the Federal Reserve agent shall be in addition to his duties as chairman of the board of directors of the Federal Reserve Bank.

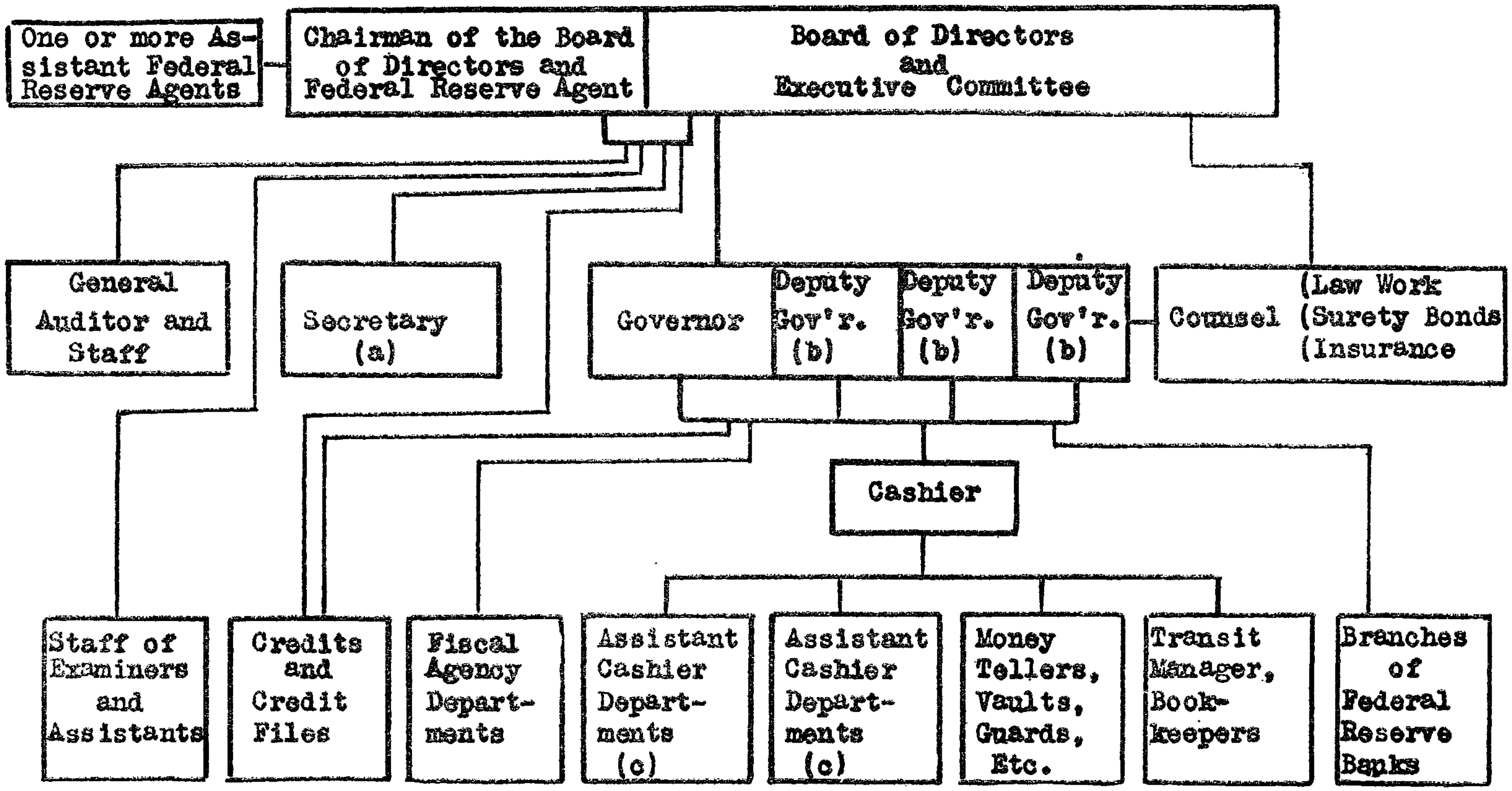
The chairman of the board and Federal Reserve agent is appointed by the Federal Reserve Board, and the chief executive officer or manager of the bank, who has been styled "governor," is elected by the directors of the bank, two-thirds of whom are chosen by the member banks, and he derives his authority from the board of directors.

In accordance with the evident intent of the act, the following division of functions in the organization and administration of Federal Reserve Banks is suggested: (1) Administrative, supervisory, and advisory; (2) managerial and executive.

The first of these functions is governmental in character and is performed by the chairman of the board and the Federal Reserve agent, who acts as the official representative of the Federal Reserve Board and who is required by law "to maintain * * * a local office of said board on the premises of the Federal Reserve Bank."

The second group of functions belongs to the governor of the bank, subject to such limita-

TYPICAL ORGANIZATION CHART FOR FEDERAL RESERVE BANKS



Notes: (a) Instead of making the position of Secretary an independent one, it may be combined as part of the Chairman's Staff or with the Counsel's Staff.

(b) The number of Deputy Governors should be adjusted to the business of the Bank.

(c) Two or more Assistant Cashiers.

tions as may be prescribed by the board of directors.

From the foregoing a chart of organization has been developed, which is submitted herewith and which may be explained as follows:

EXPLANATION OF ORGANIZATION CHART.

I. The chairman and Federal Reserve agent, in his dual capacity, as chairman of the board of directors of his bank and representative of the Federal Reserve Board, must have active supervision of the bank through the auditor, who will be elected by the board of directors of the bank and will report to the board through him.

It will probably be found convenient for the auditor to make his reports in duplicate or triplicate, so that at least one copy may be given to the chairman of the board and one copy to the governor of the bank.

The chairman and Federal Reserve agent will have on his staff one or more assistant Federal Reserve agents to aid him in his work as custodian of the notes of the bank and of the collateral for which he is responsible.

He will also have on his staff such examiner or examiners as may be required for the examination of member banks or of State banks desiring admission to the system, operating in this respect under direction of the Federal Reserve Board at Washington.

The credit files of the bank should be in the joint custody of the Government's representative and the chief executive officer of the bank.

II. The governor, as the chief executive or managerial officer of the bank, will have direct charge of the various activities of the bank. There will be one or more deputy governors, a cashier, and one or more assistant cashiers who, under direction of the governor, will have charge of the various operating departments of the bank.

III. The auditor of the bank may be styled "general auditor," or, in the case of the larger banks, "comptroller."

While this independent officer reports directly to the board of directors, by which he is elected, and is not on the staff of the chairman and Federal Reserve agent, he should transmit his reports through the chairman as the representative of the board of directors.

No changes in the personnel or salaries of the auditing department should be made until submitted for approval through the chairman to the board of directors.

IV. It is assumed, though it is not mandatory under the law, that the counsel of the bank should be elected by the board of directors reporting directly to it as the legal adviser of the board, and that he be consulted as occasion requires, by the chairman as well as by the executive officers of the bank. Inasmuch as the Federal Reserve Board from time to time makes rulings on questions of law, or gives its interpretation of the law, it is obvious that the counsel of each Federal Reserve Bank should work in absolute harmony with the counsel of the Federal Reserve Board.

V. The board of directors of the Federal Reserve Bank will require a secretary, to have charge of all its official minutes and records. The position may be elective by the board, its incumbent reporting directly to the board of directors, or it may very properly be merged with that of counsel or with that of some member of the chairman's staff. The latter method, on the whole, is to be preferred.

Finance, Banking, and Foreign Exchange in Neutral Countries, 1914–1917.

In continuation of similar figures for the belligerent countries shown in the April BULLETIN, there are presented below principal financial and banking data regarding the six neutral countries in Europe. Data given on page 269 of the April BULLETIN indicate the large gains between July, 1914, and the end of 1917 in the metallic reserves of their central banks of issue, which for all the six countries amount to about 145 per cent. During the same period the banknote circulation of these countries more than doubled, while deposits at their central banks of issue increased by over 160 per cent. On the whole, the financial position of these countries, notwithstanding the substantial increases in their public debts and in national taxation, shows considerable improvement since the outbreak of the war. As the result of the large demand for their products and the severe restrictions on the supply of materials and merchandise formerly drawn from the belligerent countries, large credit balances were built up in the trade with most of the belligerent nations which could not be liquidated by the shipments of gold, partly for the reason that the central banks in the neutral countries themselves very soon began to discourage such imports. This attitude was most emphatic in Sweden and Spain, where gold is taken by the banks only at a substantial discount. Vicissitudes in the foreign trade as well as in the military situation are some of the factors, though not the only ones, responsible for the remarkable changes in the exchange rates, both on belligerent and on other neutral countries, shown for each of the countries comprised in the following discussion.

Public debts of neutral European countries.

[In thousands of dollars.]

Country.	Before the outbreak of the war.		At most recent date.	
	Date.	Amount.	Date.	Amount.
Denmark	Mar. 31, 1914	96,716	Mar. 31, 1917	157,875
Netherlands	Jan. 1, 1914	[1] 469,538	Jan. 1, 1918	[2] 762,527
Norway	June 30, 1914	95,782	June 30, 1916	133,574
Spain	Jan. 1, 1914	1,888,442	Jan. 1, 1918	1,987,454
Sweden	do	166,846	June 30, 1917	[3] 260,120
Switzerland	do	28,230	Nov. 30, 1917	187,876
Total		2,745,554		3,489,426

[1] Inclusive of floating debt of 19,624,000 florins ($7,888,848) on Jan. 17, 1914.
[2] Inclusive of floating debt of 287,362,000 florins ($115,519,524) on Nov. 17, 1917. This figure does not embrace borrowings that may have been contracted during the last year or so.
[3] Partial estimate by adding to the figure of Dec. 31, 1915, which was 812,608,666 crowns ($217,779,122), the anticipated receipts from loans as estimated in the budgets for 1916 and 1917.

SWEDEN.

[Source: Statistisk Årsbok för Sverige, 1917.]

On December 31, 1913, the public debt of Sweden stood at 622,560,572 crowns, or approximately $166,846,233. By December 31, 1915, it had risen to 812,608,666 crowns, or approximately $217,779,122. If to the indebtedness on the latter date there are added the estimated receipts from loans as contained in the budgets for the financial years 1916 and 1917, the approximate debt on June 30, 1917, was 950,000,000 crowns, or $255,000,000 in round numbers.

On December 31, 1913, the assets of the State were 1,476,447,878 crowns; at the end of 1914, 1,541,760,670 crowns, and on December 31, 1915, they were 1,659,119,664 crowns. The excess of assets over liabilities thus declined slightly, from 853,887,306 crowns at the end of 1913 to 846,510,998 crowns at the end of 1915.

Receipts and expenditures for the last five years are given below:

Receipts.

June 30—	Taxes.	Duties.	Net income from Government enterprises.	Miscellaneous.	Total revenue.	Receipts from loans.	Grand total of receipts.
	Crowns.	*Crowns.*	*Crowns.*	*Crowns.*	*Crowns.*	*Crowns.*	*Crowns.*
1913	197,029,429	6,804,646	52,998,427	7,405,720	264,238,222	40,428,793	305,910,179
1914	190,177,652	7,932,977	57,415,824	5,875,193	261,401,646	37,704,500	299,980,932
1915	279,522,532	9,132,499	70,647,126	5,585,296	364,887,453	49,345,400	415,357,962
1916 [1]	216,700,000	7,568,600	62,375,000	6,488,600	293,132,200	53,675,000	400,682,400
1917 [1]	239,150,000	7,471,300	65,663,000	8,075,000	320,359,300	104,314,300	446,995,100

Expenditures.

June 30—	War Department.	Navy Department.	Other departments.	Total ordinary expenditures.	Capital expenditures.	Grand total of expenditures.
	Crowns.	*Crowns.*	*Crowns.*	*Crowns.*	*Crowns.*	*Crowns.*
1913	61,644,161	25,716,752	122,495,272	209,856,185	56,373,134	266,229,319
1914	55,380,179	31,803,718	135,622,279	222,806,176	54,275,920	277,082,096
1915	73,095,100	35,425,581	182,944,707	291,465,388	132,785,750	424,251,138
1916 [1]	104,123,700	40,470,600	191,635,100	336,229,400	64,453,000	400,682,400
1917 [1]	112,234,500	45,230,200	193,338,200	350,852,900	96,142,200	446,995,100

[1] Budget estimates.

CONDITION OF THE SWEDISH RIKSBANK.

Between June 30, 1914, and the end of 1917 the Riksbank increased its gold reserve from 105.4 to 244.5 million crowns (1 crown = 26.8 cents nominal). Its note circulation went up from 239 to 572.2 millions, while the ratio of gold to aggregate deposit and note liabilities decreased from 35 to 32 per cent. Changes in the principal assets and liabilities appear from the following statement of condition of the bank on June 30, 1914, and at the end of the last five years.

Balance sheet of the Bank of Sweden 1913–1917.

[In kroner of 26.8 cents.]

	Dec. 31, 1913.	June 30, 1914.	Dec. 31, 1914.	Dec. 31, 1915.	Dec. 30, 1916.	Dec. 31, 1917.
ASSETS.						
Gold coin and bullion	102,133,021	105,429,805	108,537,244	124,571,534	183,519,645	244,457,273
Subsidiary coin	5,202,537	5,975,157	1,888,039	2,134,372	2,338,949	1,600,453
Checks and sight drafts	11,043,100	7,141,657	13,327,993	18,029,959	17,170,610	25,209,787
Current account deposits held abroad	30,457,529	54,748,417	16,750,943	51,084,129	39,070,349	19,149,534
Government securities	30,900,881	28,020,198	27,575,386	52,156,410	62,909,709	59,855,663
Securities of domestic corporations		2,631,422		5,334,422	5,691,975	5,538,550
Bills payable in Sweden	157,268,004	98,923,426	174,938,409	113,620,242	121,622,711	186,344,734
Bills payable abroad	69,803,570	67,486,211	43,400,154	91,141,106	122,413,249	110,128,803
Advances in current account	3,303,033	4,128,865	2,505,011	2,288,898	2,497,692	1,396,129
Other advances	19,576,830	14,976,260	42,694,220	24,879,780	52,898,405	121,296,145
Sundry assets	608,176	133,481	71,972,655	63,963,440	66,389,874	85,031,323
Total	430,296,681	389,594,899	503,590,054	549,204,292	676,523,168	860,008,394
LIABILITIES.						
Capital	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000
Surplus	12,500,000	12,500,000	12,500,000	12,500,000	12,500,000	12,500,000
Deposits	107,899,760	62,182,250	107,024,388	126,575,286	148,420,420	191,012,726
Due to foreign banks	5,917,462	8,295,272	9,019,331	9,954,639	4,810,458	1,933,608
Notes in circulation	234,471,580	238,971,258	304,057,554	327,885,943	417,517,403	572,722,994
Bank orders	1,972,323	1,414,459	2,049,208	2,608,145	3,597,679	8,820,717
Dividends due and payable to the Government	7,058,000	12,301,084	8,800,000	8,760,000	8,120,000	....
Sundry liabilities	10,477,556	3,930,576	10,139,573	10,920,279	31,557,208	23,018,349
Total	430,296,681	389,594,899	503,590,054	549,204,292	676,523,168	860,008,394
Ratio of gold holdings to combined note and deposit liabilities (per cent)	29.83	35.01	26.40	27.41	32.43	32.01

GOLD POLICY OF THE SWEDISH BANK.

[Sources: Annual Reports of the Swedish Riksbank, 1914–1916. G. M. Etude sur la dépréciation de l'or dans les pays Scandinaves (Revue d'Economie politique, 1916, p. 297–303). Wicksell, Prof. K.—The Scandinavian Gold Policy (Economic Journal, Sept., 1916, pp. 313–318). Hahn, Albert.—Die Goldpolitik der Bank von Schweden während des Krieges (Schmoller's Jahrbuch, 1917, N. 2, pp. 53–66).]

According to the bank act of May 12, 1897, and amendments thereto, the Swedish Riksbank, an institution owned by the National Parliament, at the outbreak of the war had authority to issue notes up to double amount of its gold holdings, which must not be less than 100 million kronor (1 krona = 26.8 cents), plus an excess of 125 millions. Against the portion not covered by gold the bank must hold—

(*a*) Easily marketable public securities.

(*b*) Mortgage bonds and like securities quoted on foreign exchanges.

(*c*) Gold coin or bullion held abroad or in transit, when insured against maritime risk.

(*d*) Bills payable within the country or abroad.

(*e*) Net balances due from foreign banks and bankers.

(*f*) Loans secured by public securities and mortgage bonds.

As in other countries, the outbreak of the war caused substantial withdrawals of gold from the bank and even larger increases in note issues, as may be seen from the following figures taken from the weekly and monthly statements of the bank:

Date.	Gold holdings.	Notes in circulation.
	Kronor.	*Kronor.*
July 25, 1914	105,814,100	206,214,200
July 31, 1914	103,974,500	228,432,700
Aug. 1, 1914	102,921,700	241,777,500

According to the act the maximum note issue permissible on August 1, was 2×102.9 millions + 125 millions = 330.8 millions, as against an actual note circulation of 241.8 millions. Since July 25, when the gold reserve showed a normal total, the loss was about 3 millions, with the demand for gold by depositors on the increase.

On August 2, 1914, the management of the Riksbank suspended the redemption of notes in gold and in addition submitted to the legislature an amendment to the bank act, which became law on April 15, 1915, and reads as follows (sec. 72, par. 3):

The Riksbank has the exclusive right to issue notes, which are to be legal tender within the Kingdom ("som för mynt i riket må erkannas"). These notes shall be redeemed upon demand in gold at their nominal amounts. However, in case of necessity caused by war or danger of war or serious money crisis, the King and the Riksdag together, or when the Riksdag is not in session, the King alone, at the proposal of the Riksbank commissioner, and after consultation with the commissioner of the Riksgöldskontor (public debt office) may free (the bank) of this obligation for a fixed period.[1]

Suspension of gold payments by the bank was sanctioned by royal order of May 11, 1915, to October 1 of the same year, and on that date to February 4, 1916. However, gold purchases were resumed by the bank as early as January 3, 1916.

Early in 1916 the gold holdings of the bank showed substantial and continuous increases. These holdings averaged about 113 million kronor in 1915, but were about 160 millions in February, 1916. According to paragraph 10 of the bank act the Riksbank had to purchase any amount of gold at the fixed price of 2,480 kronor per kilo fine, paying therefor in gold coin and, since gold does not circulate in Sweden, practically in its own notes. With the growing influx of gold the bank had therefore the alternative of either increasing its note issues indefinitely or else of obtaining notes through the liquidation of productive assets. The latter procedure, while not causing an undesirable increase in circulation, would, however, have seriously affected the earning power of the bank.

In view of this peculiar situation the Government presented to the Chambers a bill amending the existing bank and mint acts, whereby the Riksbank no longer was obliged to buy gold tendered to it and providing also as a necessary corrollary for the suspension by royal order of the free and unlimited coinage of gold. The bill, which became law on February 8, 1916, reads as follows:[2]

In case extraordinary circumstances due to war make it appear imperative, the King, at the proposal of the bank commissioner and after consultation with the public debt commissioner, may suspend for a fixed period the obligation of the Riksbank imposed by paragraph 10–II of the bank act of May 12, 1897, of purchasing gold in bars for the purpose of having it coined for its own account. Furthermore, the King may also declare inapplicable for a definite period the provision of paragraph 9 of the mint act of May 30, 1873, according to which all persons presenting gold at the mint shall receive gold coin therefor.

The law was to remain in force until February 4, 1917. The royal order suspending the gold purchases by the bank was issued on February 8, 1916, and the order suspending the free coinage of gold on April 28, after the governments of Denmark and Norway had been induced to adopt the same policy. This was essential, since the free coinage of gold could be suspended only by a common understanding between the three countries, because Danish and Norwegian gold coins are legal tender in Sweden.

If the purpose of the 1916 amendment was to stop the importation of gold and to force the shipments by the Allies of larger quantities of raw materials needed by Swedish industry, the success of the measure seems doubtful. Gold continued to flow into the country in increasing volume and the amount of bank notes outstanding shows a more than cor-

[1] Sveriges Riksbank, 1915 Arsbok, p. 4*

[2] Sveriges Riksbank Arsbok, 1916, p. 5*–6*.

responding increase, as may be seen from the following comparative figures taken from the bank's monthly condition reports:

[In thousands of kronor.]

Month.	Gold in vault.		Maximum permissible note issue.		Actual note circulation.	
	1916	1917	1916	1917	1916	1917
January	142,278	186,582	408,425	492,557	293,597	376,133
February	160,908	191,374	419,814	479,173	303,587	393,468
March	160,813	193,173	435,146	511,346	331,606	438,826
April	164,991	194,281	447,422	513,562	322,392	434,333
May	166,311	202,941	435,518	530,883	328,812	433,338
June	166,131	202,701	451,480	530,402	352,475	466,021
July	165,918	204,638	449,476	534,276	324,793	442,413
August	165,758	204,501	456,516	534,002	345,547	467,083
September	170,947	214,554	466,894	554,109	386,885	520,962
October	177,952	223,494	480,904	571,988	375,984	522,632
November	182,380	226,399	489,761	577,798	380,745	535,001
December	183,520	244,457	492,039	613,915	417,517	572,723

FOREIGN EXCHANGE RATES IN SWEDEN.

In the following table and diagram is shown the course of foreign exchange rates quoted in Stockholm between July, 1914, and December, 1917. All rates are quoted in terms of Swedish crowns and the relative depreciation of the foreign currency is measured in percentages of the par of exchange. Thus, for example, the British pound sterling, which in July, 1914, was quoted at 18.25 kronor or 0.5 per cent above par, was worth in December, 1917, only 13.97 kronor, or 76.93 per cent of the par rate of exchange, having therefore depreciated over 23 per cent to the end of the past year. The American dollar, which in July, 1914, stood 0.8 per cent above par, was quoted below par for the first time in October, 1915. By the end of 1917 the rate of depreciation on the dollar was 21.4 per cent, or 2.6 per cent less than on the British pound and 7.84 per cent less than on the French franc. The German mark, which by October, 1917, had fallen to 41.78 per cent of its par value, showed a notable recovery during the late part of the year, the December average being 60.65 per cent of par, an improvement of 18.87 per cent over the October quotation. It may also be noted that the Swedish crown has been for some time at a premium in exchange with the currencies of the other two Scandinavian countries, whose gold coins are legal tender in Sweden, the rate of depreciation of the Norwegian crown averaging 4.1 per cent and that of the Danish crown 6.89 per cent for December, 1917.

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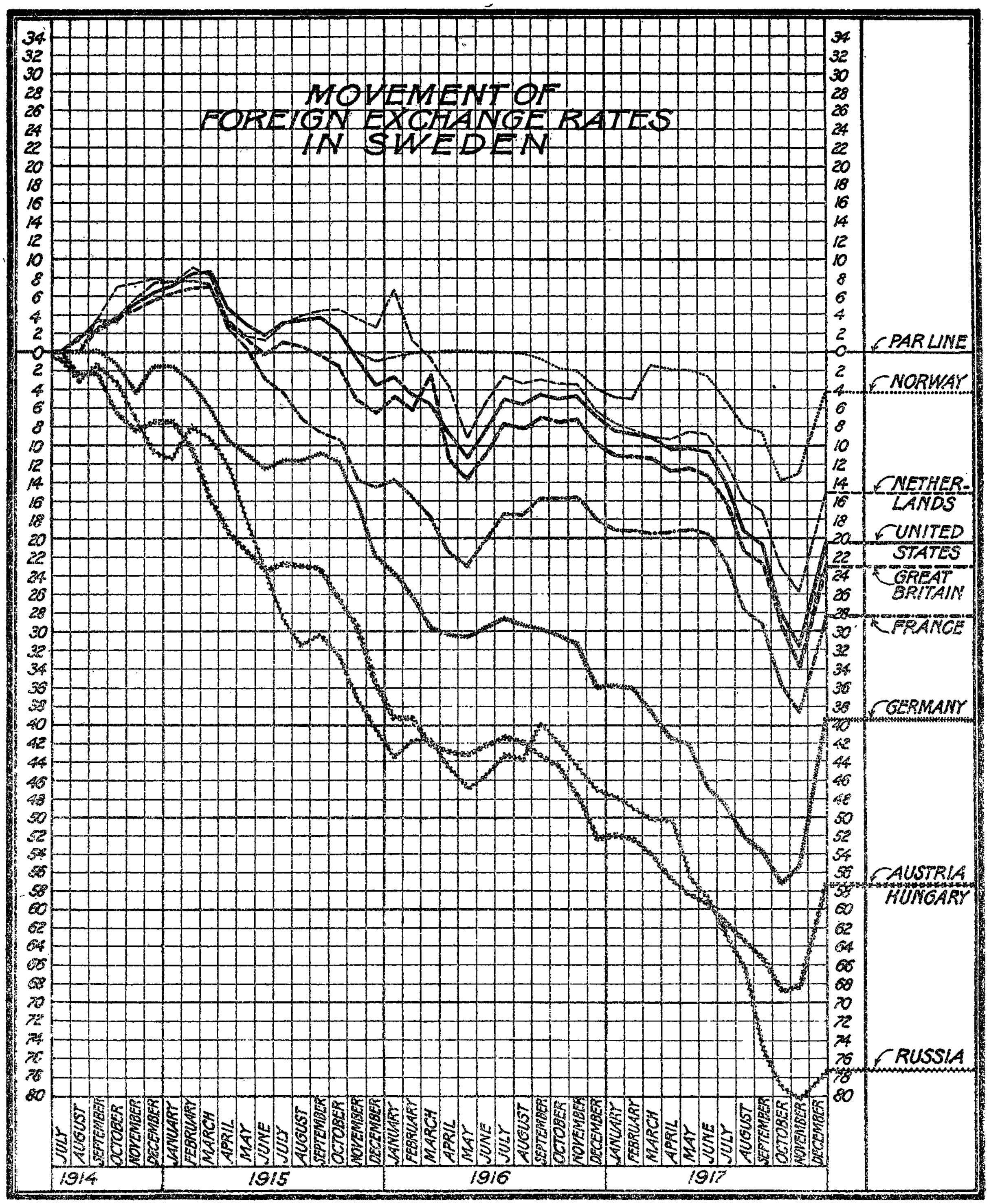
Average monthly rates of exchange of the Bank of Sweden on principal financial centers during period from July, 1914, to December, 1917.

[From Kommersiella Meddelanden Jan. 15, 1918.]

Date.	A. Rates on markets in belligerent countries.														B. Rates on markets in neutral countries.					
	London (18.16=100).		Paris (72=100).		Berlin (88.89=100).		Vienna (75.60=100).		Petrograd (192=100).		New York (3.73=100).		Helsingfors (72=100).		Christiana (100=100).		Copenhagen (100=100).		Amsterdam (150=100).	
	Average rates.	Per cent.	Average rates.	Per cent.	Average rates.	Per cent.	Average rates.	Per cent.	Average rates.	Per cent.	Average rates.	Per cent.	Average rates.	Per cent.	Average rates.	Per cent.	Average rates.	Per cent.	Average rates.	Per cent.
1914.																				
July	18.25	100.50	72.53	100.74	89.0	100.13	75.73	100.17	190.61	99.28	3.75	100.80	71.89	99.86	100.0	100.0	100.0	100.0	150.60	100.0
Aug	18.36	100.11	73.25	101.74	89.16	100.30	73.80	97.62	186.40	97.08	3.78	101.34	71.70	99.58	100.0	100.0	100.0	100.0	150.84	100.01
Sept	18.63	102.59	73.73	102.40	89.26	100.41	74.0	97.88	189.40	98.65	3.85	103.22	71.61	99.46	100.0	100.0	100.0	100.0	155.57	103.71
Oct	18.85	103.80	74.67	103.71	87.62	98.57	70.77	93.61	185.80	96.77	3.86	103.48	70.95	98.54	100.0	100.0	100.0	100.0	160.57	107.04
Nov	18.99	104.57	76.07	105.65	84.97	95.59	69.33	91.71	178.53	92.98	3.92	105.09	67.63	93.93	100.0	100.0	100.0	100.0	161.03	107.35
Dec	19.19	105.67	77.45	107.56	87.41	98.34	69.94	92.51	171.30	89.22	3.97	106.43	66.0	91.67	100.0	100.0	100.0	100.0	161.90	107.93
1915.																				
Jan	19.28	106.17	77.49	107.62	87.40	98.32	69.97	92.55	170.0	88.54	4.00	107.23	66.0	91.67	100.0	100.0	100.0	100.0	161.27	107.51
Feb	19.41	106.88	77.60	107.78	85.91	96.65	67.70	89.55	176.53	91.94	4.04	108.31	67.95	94.38	100.0	100.0	100.0	100.0	163.58	109.05
Mar	19.43	106.99	77.22	107.25	83.57	94.02	63.63	84.17	174.43	90.85	4.05	108.57	66.90	92.92	100.0	100.0	100.0	100.0	162.20	108.13
Apr	18.72	103.08	73.75	102.43	80.64	90.72	60.85	80.49	168.67	87.85	3.91	104.83	65.15	90.49	100.0	100.0	100.0	100.0	155.18	103.45
May	18.42	101.43	72.22	100.31	79.15	89.04	59.44	78.62	157.53	82.05	3.84	102.95	62.05	86.17	100.0	100.0	100.0	100.0	152.56	101.71
June	18.13	99.83	69.93	97.13	77.77	87.49	57.94	76.64	147.27	76.70	3.80	101.88	57.38	79.70	100.0	100.0	100.0	100.0	151.85	101.23
July	18.34	100.99	68.96	95.78	78.56	88.38	58.35	77.18	136.88	71.29	3.85	103.22	55.73	77.40	100.0	100.0	100.0	100.0	154.41	102.94
Aug	18.25	100.50	66.92	92.94	78.50	88.31	58.21	77.0	131.83	68.66	3.86	103.49	54.48	75.67	100.0	100.0	100.0	100.0	155.93	103.95
Sept	18.11	99.72	65.82	91.42	79.21	89.11	58.00	76.72	133.53	69.55	3.87	103.75	55.37	76.90	100.0	100.0	100.0	100.0	156.66	104.44
Oct	17.88	98.46	65.32	90.72	78.35	88.14	55.75	73.74	129.58	67.49	3.81	102.14	55.97	77.74	100.0	100.0	99.62	99.62	156.87	104.58
Nov	17.22	94.82	62.19	86.37	74.60	83.92	53.22	70.40	120.63	62.83	3.70	99.20	53.24	73.94	100.0	100.0	99.08	99.08	155.18	103.45
Dec	16.97	93.45	61.64	85.61	69.43	78.11	48.63	64.33	113.90	59.32	3.60	96.51	50.76	70.50	99.17	99.17	98.10	98.10	153.85	102.57
1916.																				
Jan	17.27	95.10	62.04	86.17	67.71	76.17	45.97	60.81	108.63	56.58	3.63	97.32	50.32	69.88	99.56	99.56	99.46	99.46	159.99	106.66
Feb	17.02	93.72	60.73	84.35	65.61	73.81	45.91	60.73	111.73	58.19	3.565	95.58	51.65	71.74	99.98	99.98	99.93	99.93	151.66	101.11
Mar	17.70	97.47	59.21	82.24	62.57	70.39	43.82	57.96	111.80	58.23	3.517	94.29	51.48	71.50	100.0	100.0	100.0	100.0	149.01	99.40
Apr	16.09	88.60	56.56	78.56	61.94	69.68	43.09	57.0	106.17	55.30	3.40	91.15	49.59	68.88	100.13	100.13	100.0	100.0	144.43	96.29
May	15.66	86.23	55.51	77.10	61.71	69.42	42.96	56.83	102.0	53.12	3.312	88.79	47.31	65.71	100.41	100.41	100.0	100.0	136.44	90.96
June	16.17	89.04	57.52	79.89	62.54	70.36	43.69	57.79	104.73	54.55	3.415	91.55	48.75	67.71	100.0	100.0	100.0	100.0	141.55	94.37
July	16.73	92.13	59.58	82.75	63.55	71.49	44.28	58.57	108.67	56.60	3.541	94.93	50.68	70.39	100.0	100.0	100.0	100.0	146.09	97.39
Aug	16.68	91.85	59.38	82.47	62.80	70.65	43.86	58.02	108.0	56.25	3.521	94.40	50.58	70.25	99.95	99.95	99.02	99.02	145.01	96.67
Sept	16.88	92.95	60.61	84.18	62.35	70.14	42.64	56.40	115.50	60.16	3.561	95.47	53.70	74.58	99.15	99.15	97.47	97.47	145.62	97.08
Oct	16.79	92.46	60.65	84.24	61.83	69.56	41.92	55.45	111.33	57.98	3.547	95.09	52.26	72.58	98.26	98.26	96.60	96.60	144.85	96.57
Nov	16.82	92.62	60.70	84.31	60.97	68.59	39.57	52.34	106.28	55.35	3.557	95.36	50.18	69.69	97.98	97.98	95.88	95.88	144.75	96.50
Dec	16.38	90.20	59.06	82.03	56.94	64.06	36.15	47.82	101.75	52.99	3.474	93.14	48.18	66.92	96.10	96.10	94.19	94.19	140.59	93.73
1917.																				
Jan	16.16	88.99	58.28	80.94	57.01	64.14	36.31	48.03	100.20	52.19	3.414	91.53	47.62	66.14	95.15	95.15	93.28	93.28	138.56	92.37
Feb	16.14	88.88	58.17	80.79	56.87	63.98	36.0	47.62	97.88	50.98	3.403	91.23	46.98	65.25	95.05	95.05	93.47	93.47	137.72	91.81
Mar	16.08	88.55	57.98	80.53	54.47	61.28	34.70	45.90	95.65	49.82	3.391	90.91	46.60	64.72	98.52	98.52	96.45	96.45	136.43	90.95
Apr	15.85	87.28	58.17	80.79	52.05	58.56	32.71	43.27	94.87	49.41	3.341	89.57	45.90	63.75	98.07	98.07	95.57	95.57	136.17	90.78
May	15.89	87.50	58.25	80.90	51.48	57.91	31.50	41.67	83.50	43.49	3.348	89.76	46.46	64.53	98.04	98.04	95.83	95.83	137.27	91.51
June	15.76	86.78	57.87	80.38	47.32	53.23	30.66	40.56	79.0	41.15	3.328	89.22	47.77	66.35	97.60	97.60	96.18	96.18	136.66	91.11
July	15.20	83.70	55.69	77.35	45.56	51.25	29.11	38.51	71.18	37.07	3.209	86.03	51.23	71.15	94.93	94.93	93.69	93.69	132.35	88.23
Aug	14.28	78.63	52.16	72.44	42.61	47.94	27.57	36.47	64.70	33.70	3.013	80.78	45.77	63.57	92.01	92.01	91.71	91.71	126.12	84.08
Sept	14.04	77.31	51.06	70.92	41.17	46.32	26.20	34.66	47.90	24.95	2.959	79.33	42.53	59.07	91.32	91.32	91.06	91.06	124.35	82.90
Oct	12.72	70.04	46.32	64.33	37.14	41.78	23.52	31.11	40.15	20.91	2.681	71.88	35.24	48.94	86.19	86.19	86.13	86.13	115.49	76.99
Nov	12.02	66.19	44.18	61.36	38.05	42.81	23.91	31.63	35.0	18.23	2.548	68.31	31.29	43.46	86.95	86.95	86.43	86.43	111.32	74.21
Dec	13.97	76.93	51.67	71.76	53.91	60.65	32.23	42.63	43.73	22.78	2.969	79.60	41.38	57.47	95.90	95.90	93.11	93.11	127.48	84.99


MOVEMENT OF
FOREIGN EXCHANGE RATES
IN SWEDEN
PAR LINE
NORWAY
NETHERLANDS
UNITED STATES
GREAT BRITAIN
FRANCE
GERMANY
AUSTRIA HUNGARY
RUSSIA
JULY AUGUST SEPTEMBER OCTOBER NOVEMBER DECEMBER
JANUARY FEBRUARY MARCH APRIL MAY JUNE JULY AUGUST SEPTEMBER OCTOBER NOVEMBER DECEMBER
1914
1915
1916
1917

NORWAY.

[Source: Statistisk Aarbok for Kongeriket Norge, 1916.]

Public debt and assets.

[In crowns.]

June 30—	Internal debt.	Foreign debt.	Total debt.	Nominal value of state assets.	Current value of state assets.	Excess of liabilities over current value of assets.
1913	21,952,795	340,790,704	362,743,499			
1914	20,921,928	336,472,534	357,394,462	388,445,000	206,661,000	150,733,462
1915	67,229,862	354,093,890	421,323,752	389,620,000	200,328,000	220,995,752
1916	65,744,795	357,230,645	422,975,440	420,441,000	228,152,000	194,823,440

Receipts and expenditures.

June 30—	Total receipts.	Expenditures for defense.	Expenditures for public works.	Interest.	Total expenditures.
1914	175,961,915	27,317,066	67,760,232	24,404,592	166,716,323
1915	197,838,596	27,760,981	72,987,941	24,504,236	208,294,394
1916	240,382,678	30,381,001	79,413,827	22,787,179	218,389,978

Bank of Norway.

[In crowns.]

	Dec. 31, 1913.	Dec. 31, 1914.	Dec. 31, 1915.	Dec. 31, 1916.
ASSETS.				
Gold in vault	44,374,330	38,394,259	51,680,356	123,236,286
Held with Scandanavian banks of issue	3,558,847	3,326,656	15,688,464	3,088,670
Held with other foreign agencies	26,269,186	27,883,819	63,289,580	79,206,308
Bills, domestic	71,381,960	119,649,504	81,209,410	152,380,338
Bills, foreign	3,458,109	808,897		
Collateral loans	1,622,648	1,512,320	1,385,327	1,256,338
Securities	8,828,084	8,962,725	13,394,353	13,439,907
Sundry assets	6,370,340	6,541,100	5,806,910	8,832,069
Total	165,858,454	207,074,280	232,306,400	381,573,287
LIABILITIES.				
Capital	25,000,000	25,000,000	25,000,000	25,000,000
Surplus	13,600,132	13,361,873	11,944,212	11,453,230
Notes in circulation	107,612,078	134,181,896	162,210,585	251,452,881
Deposits	12,582,004	21,140,216	24,944,582	81,045,833
Profit and loss account	3,680,598	4,018,381	4,127,588	5,689,605
Sundry liabilities	3,374,652	9,871,914	4,079,433	6,932,238
Total	165,858,454	207,074,280	232,306,400	381,573,287
Ratio of gold in vault to combined note and deposit liabilities (per cent)	36.92	24.72	27.59	37.96

Foreign rates of exchange at Christiania, 1914–1917.

[Source: Aftenposten and Norges Officiele Statistik.]

	London.	Hamburg.	Paris.	Amsterdam.	New York.
1914.					
June 30	18.24–18.25	88.95–89.88	72.45–72.50	150.50–150.60	....
Sept. 28	18.32–18.75	89.00–89.20	73.00–74.50	155.00–156.00	3.81–3.87
Oct. 31	18.93–18.95	85.00–86.25	74.00–75.50	157.50–159.50	3.82–3.88
Nov. 30–Dec. 1	19.20	85.00	77.00	162.00	4.00
Dec. 28	19.33	87.75	77.50	162.00	4.00
1915.					
Jan. 30	19.30	87.40	77.10	162.00	4.03
Feb. 27	19.60	85.00	78.00	164.00	4.10
Mar. 29	19.10	82.50	75.00	158.00	4.00
Apr. 30	18.55	80.50	73.00	154.00	3.90
May 29	18.30	78.50	71.50	152.50	3.88
June 30	18.15	77.30	69.00	152.50	3.87
July 29	18.35	78.75	69.00	155.50	3.90
Aug. 30	18.17	79.00	66.50	157.00	3.95
Sept. 29	18.13	79.50	66.25	157.50	3.89
Oct. 28	17.70	77.75	65.00	159.50	3.85
Nov. 30	17.05	72.25	62.50	152.75	3.69
Dec. 30	17.35	70.50	63.00	161.50	3.71
1916.					
Jan. 31	17.50	67.50	62.00	157.00	3.70
Feb. 29	16.97	64.40	60.60	151.75	3.57
Mar. 31	16.47	62.25	58.00	148.50	3.50
Apr. 29	15.75	63.50	55.75	140.00	3.30
May 31	16.05	63.00	57.00	140.00	3.32
June 30	16.40	63.50	58.25	143.50	3.47
July 31	16.60	63.50	59.00	145.25	3.52
Aug. 31	17.05	63.00	60.75	148.00	3.62
Sept. 30	17.20	63.75	62.00	148.25	3.64
Oct. 31	17.15	63.25	62.00	147.75	3.64
Nov. 30	17.24	60.75	62.25	148.25	3.67
Dec. 30	17.15	61.25	61.75	147.00	3.61
1917.					
Jan. 31	17.64	60.65	61.40	146.00	3.60
Feb. 28	16.90	58.75	60.75	143.50	3.56
Mar. 30	16.03	53.50	57.75	137.00	3.37
Apr. 30	16.25	53.00	60.00	140.00	3.43
May 31	16.19	51.40	59.60	140.40	3.41
June 30	16.16	49.00	59.25	140.00	3.41
July 31	15.55	47.00	57.00	137.50	3.30
Aug. 31	15.43	44.75	56.00	137.00	3.25
Sept. 30	15.15	45.00	55.00	134.50	3.21
Oct. 31	13.50	41.50	49.50	128.00	2.85
Nov. 30	14.20	46.50	52.50	131.00	3.00
Dec. 31	14.45	61.00	53.25	131.75	3.05

DENMARK.

[Source: Statistisk Aarbog, 1917.]

A.—PUBLIC DEBT AND ASSETS.

[In thousands of crowns.]

Mar. 31—	Assets of the State.	Public debt.	Excess of assets.
1913	812,753	356,639	456,114
1914	846,694	360,880	485,814
1915	844,506	392,636	451,870
1916	867,706	460,955	406,751
1917	1,084,174	589,086	495,088

B.—RECEIPTS.

Mar. 31—	Ordinary receipts.	Receipts from loans.	Sale of assets.	Total receipts.
1913	114,176	70,864	9,478	224,196
1914	123,875	2,817	1,392	162,347
1915	121,781	32,548	2,346	195,432
1916	142,634	80,585	1,766	242,428
1917	255,288	153,624	87,858	521,461

C.—EXPENDITURES.

Mar. 31—	National defense.		Interest on debt.	Amortization of debt.	Miscellaneous.	Total.
	Ordinary.	Extraordinary.				
1913	23,908	4,840	11,386	71,114	112,948	**224,196**
1914	24,509	4,621	12,401	1,731	119,085	**162,347**
1915	24,175	44,705	12,780	3,063	110,709	**195,432**
1916	24,687	62,015	14,761	14,699	126,266	**242,428**
1917	25,787	82,410	16,778	29,369	367,117	**521,461**

National Bank, Copenhagen, Denmark.

[In crowns.]

	July 31, 1915.	July 31, 1916.	July 31, 1917.
ASSETS.			
Gold coin and bullion	107,028,802	161,454,958	195,113,002
Subsidiary coin	5,413,416	3,910,922	2,732,266
Foreign credits	37,575,487	59,914,874	41,774,543
Danish Government securities	19,599,027	27,467,795	31,777,784
Foreign government securitie	8,989,820	8,892,298	8,647,057
Notes of other Scandinavian banks of issue	314,913	173,525	15,207
Domestic bills	35,598,622	33,133,204	36,664,637
Foreign bills	1,125,019	10,951,909	10,116,799
Loans and discounts	17,324,361	22,066,879	18,055,797
Real estate	2,030,527	2,347,644	2,806,413
Other assets	34,093,012	74,700,540	100,641,856
Total	269,093,009	405,014,548	448,345,361
LIABILITIES.			
Capital	27,000,000	27,000,000	27,000,000
Surplus	8,197,950	8,320,144	8,442,602
Notes in circulation	204,325,210	245,013,124	289,308,095
Government deposits	3,532,146	3,426,358	3,316,944
Current account deposits	4,091,614	87,898,269	97,421,738
Other deposits	11,722,721	22,006,304	9,515,329
Due to foreign central banks of issue	4,838,752	5,723,556	1,769,257
Profit and loss	3,771,886	3,805,163	9,722,000
Other liabilities	1,612,730	1,821,630	1,849,396
Total	269,093,009	405,014,548	448,345,361
Ratio of gold holdings to combined note and deposit liabilities per cent	47.85	45.06	48.83

Foreign rates of exchange at Copenhagen, 1914–1918.

[Source: Kjöbenhavn Politiken.]

	Hamburg.	London.	Paris.	Amsterdam.	Petrograd.	Helsingfors.	Vienna.	New York.
1914.								
July 31	89.15	18.33	73.30	....	190.00	71.70	75.00	375.50
1915.								
Jan. 29	87.15	19.30	77.50	163.00	172.00	68.00	70.50	405.00
Feb. 26	83.90	18.50	78.50	165.00	178.00	68.00	68.00	412.00
Mar. 31	82.25	18.95	76.00	158.00	177.00	67.00	62.00	404.00
Apr. 28	79.75	18.50	73.50	156.00	166.00	65.00	60.50	396.00
May 31	78.20	18.20	71.00	152.50	153.00	60.00	58.50	386.00
June 30	77.10	18.12	69.25	152.50	149.00	57.00	58.00	384.00
July 31	79.00	18.30	69.50	157.00	134.00	56.00	59.50	392.00
Aug. 31	78.70	18.20	67.00	157.00	137.00	54.00	59.00	395.00
Sept. 30	79.50	18.20	66.50	159.00	136.00	56.00	58.00	391.00
Oct. 30	77.50	17.60	65.25	160.00	132.00	57.00	56.00	390.00
Nov. 30	73.00	17.15	62.25	153.00	121.00	54.00	52.00	371.00
Dec. 31	69.50	17.30	63.00	161.00	115.00	51.00	49.00	374.00
1916.								
Jan. 31	67.10	17.47	63.00	158.00	114.00	51.50	46.50	373.00
Feb. 29	64.50	16.95	61.25	153.50	116.00	52.50	46.00	360.00
Mar. 31	62.00	16.48	58.50	149.00	113.00	51.50	43.00	352.00
Apr. 29	61.60	15.75	56.00	141.25	105.00	50.00	44.00	337.00
May 31	62.25	16.00	57.00	140.00	105.00	48.00	44.00	341.00
June 30	63.00	16.35	59.00	145.00	109.00	50.00	44.50	350.00
July 31	63.70	16.80	60.25	147.00	111.00	51.00	45.00	357.00
Aug. 31	63.70	17.37	62.25	150.50	120.00	52.50	44.50	368.00
Sept. 30	64.00	17.47	63.00	150.00	119.00	54.50	44.50	369.00
Oct. 31	64.25	17.48	63.25	151.50	114.00	54.00	44.00	370.00
Nov. 30	61.00	17.63	63.75	152.00	113.00	52.00	40.50	373.00
Dec. 30	61.50	17.40	62.75	150.00	113.00	51.00	38.50	368.00
1917.								
Jan. 31	61.50	17.34	62.75	149.25	106.00	51.00	39.50	366.00
Feb. 28	59.35	17.17	62.00	147.00	104.00	51.00	37.00	362.00
Mar. 31	55.00	16.46	59.60	141.00	99.00	50.00	35.75	348.00
Apr. 30	54.20	16.70	62.00	144.00	100.00	48.50	34.50	352.00
May 31	52.25	16.52	61.25	143.75	94.50	48.00	34.00	350.00
June 29	50.50	16.32	60.50	143.00	79.00	51.50	32.00	347.00
July 31	47.75	15.95	58.50	140.50	74.00	50.50	30.50	337.00
Aug. 31	46.00	15.62	57.00	138.25	62.00	50.00	30.00	329.00
Sept. 29	44.75	15.30	56.00	136.00	53.00	46.50	28.50	324.00
Oct. 31	41.75	13.70	51.75	....	40.00	40.00	27.00	293.00
Nov. 30	51.00	14.60	54.50	135.00	45.00	40.00	32.00	310.00
Dec. 31	64.00	15.40	57.50	139.50	50.00	56.00	40.00	328.00
1918.								
Jan. 30	60.25	15.40	57.50	142.00	....	48.00	39.50	326.00
Feb. 18	62.75	15.45	57.50	144.00	....	....	42.50	328.00

NETHERLANDS.

[Source: Jaarcijfers voor het Koninkrijk der Nederlanden, 1916.]

PUBLIC FINANCE.

Between 1914 and the end of 1917 the public debt of the Netherlands increased by 461,091,000 florins. The bulk of the present debt bears interest at 2½ and 3 per cent, the higher rates affecting recent loans only. The following table shows the distribution by interest rates of public indebtedness for the more recent years:

Funded debt (nominal).

[In thousands of florins.]

Jan. 1—	5 per cent.	4½ per cent.	4 per cent.	3½ per cent.	3 per cent.	2½ per cent.	Total
1913				51,918	516,636	587,704	1,156,258
1914				51,311	511,720	585,349	1,148,380
1915				50,681	506,657	582,934	1,140,272
1916	275,000			49,952	500,760	580,279	1,405,991
1917	261,250	125,000		49,212	495,027	577,593	1,508,082
1918	247,500	124,687	125,000	48,449	489,017	574,818	1,609,471

Four loans were floated in the first three years of the European war, two on behalf of the Dutch Government and two for the Dutch East Indies. The Dutch Government floated a 5 per cent loan in 1914 and a 4 per cent loan in 1916, calling for 275,000,000 florins and 125,000,000 florins, respectively. The over-subscription was 135,000,000 florins in the first case and 18,000,000 florins in the second. The Dutch East Indies loan of 1915 was issued at 97, for the nominal amount of 62,500,000 florins, and in 1916 another loan was floated at 99½ in the Netherlands proper and at 101¼ in the Dutch East Indies, to the amount of 80,000,000 florins. The interest rate of the latter two loans was 5 per cent and the over-subscriptions were 68,100,000 and 65,000,000 florins, respectively.

In addition to the funded debt, there is outstanding a comparatively large floating debt, which is shown for various dates in the following table:

[In thousands of florins.]

	Treasury bills (Schatkistbiljetten).	Treasury orders (Schatkistpromessen).	Advances of the Bank of Netherlands.	Paper money.	Total.
Jan. 17, 1914		6,000	13,624		19,624
July 18, 1914	20,770	28,150	12,568		61,488
Jan. 30, 1915	52,498	121,550	14,130	9,868	198,046
Jan. 22, 1916	44,026	110,080	13,494	4,801	172,401
Jan. 20, 1917	114,094	120,360	13,416	15,669	263,539
Nov. 17, 1917	107,187	147,370	5,982	26,712	287,362

Receipts and expenditures for the last four financial years for which information is available follows:

Receipts.

[In thousands of florins.]

	Ordinary.	Extraordinary.	Miscellaneous.	Total.
1913	223,507	3,715	201	227,423
1914	224,910	20,261	400	245,571
1915	244,031	41,225	600	285,856
1916	317,893	13,063	17,169	348,125

Expenditures.

	General services.	Interest on debt.	Extraordinary.	Miscellaneous.	Total.
1913	181,324	32,101	19,382	5,920	238,727
1914	286,518	34,051	32,582	6,122	359,273
1915	408,797	41,822	70,966	6,347	527,932
1916	458,969	52,932	34,081	20,335	566,317

BANK OF THE NETHERLANDS.

Since the outbreak of the great war the Bank of the Netherlands reports a gain in its gold reserve of over 500,000,000 florins. This gain would undoubtedly have been larger if extensive credit arrangements had not been made with foreign countries, including the United States. Under arrangements with the New York banks the bank undertook the payment of dividends to Dutch holders of American shares of stock, besides taking over a number of dollar balances which arose from ordinary commercial transactions dating before the depreciation of the dollar rate, both against the deposit of gold in the United States for the bank's account. The increase of the item "sundry assets" in the bank's balance sheet chiefly arises from payments in foreign countries for Dutch account.[1]

The condition of the Bank of Netherlands before the outbreak of the war and at the end of the last five years is presented in the following table:

Bank of Netherlands.

[Sources: De Nederlandsche Financier.]

	Dec. 27, 1913.	July 25, 1914.	Dec. 24, 1914.	Dec. 31, 1915.	Dec. 30, 1916.	Dec. 29, 1917.
ASSETS.						
Gold	160,506,072	162,113,683	211,611,508	429,181,626	587,602,462	698,232,602
Silver		8,228,004		6,194,793	6,984,902	7,027,844
Advances	86,025,836	61,685,883	133,353,220	93,579,272	85,505,222	107,448,386
Bills, domestic	67,504,474	67,947,052	154,784,717	76,348,212	66,685,017	81,819,459
Bills, foreign	14,300,258	20,188,148	667,100	2,505,911	8,024,184	8,039,342
Securities	8,968,220	8,985,271	8,998,761	8,924,812	9,096,143	9,078,132
Bank building, furniture, etc	2,000,000	1,800,000	1,800,000	1,600,000	1,400,000	1,465,000
Sundry assets	10,430,533	12,953,451	14,958,669	24,812,161	82,663,366	65,312,726
Total	349,735,393	343,901,492	526,173,975	643,146,787	847,961,296	978,423,491
LIABILITIES.						
Capital	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Surplus	5,000,000	5,003,039	5,003,039	5,000,000	5,155,091	5,234,534
Notes in circulation	312,695,155	310,437,275	473,106,585	577,056,380	758,379,115	890,272,715
Bank orders in circulation	1,522,285	1,460,545	1,599,286	3,469,362	3,738,961	3,568,735
Current accounts:						
Government				5,481,910		21,583,624
All others	4,332,735	4,737,223	17,454,889	24,288,562	54,577,360	32,048,137
Sundry liabilities	6,185,218	2,263,410	9,010,176	7,850,573	6,110,769	5,715,746
Total	349,735,393	343,901,492	526,173,975	643,146,787	847,961,296	978,423,491
Ratio of gold and silver holdings to combined note and deposit liabilities (per cent)	50.63	54.05	43.14	71.75	73.14	74.72

RATES OF FOREIGN EXCHANGE.

Official exchange quotations on principal European bank places and New York City for the last of each month since July, 1914, show on the whole the same development as the tables and diagrams of Swedish and Swiss rates, though the premium on the Dutch florin appeared somewhat later and is at present considerably lower than the premium on the Scandinavian currency and the Spanish peseta. Between April 1, 1916 and 1917, the Swedish crown appreciated in the Dutch markets by over 10 per cent and on October 31, 1917, stood at about 43 per cent above parity (66.67 florins). Since then the premium on Swedish currency has gone down considerably, the February 13 quotation indicating a premium of less than 13 per cent. The Spanish peseta began to appreciate in the Dutch market about the middle of 1916, and by March 31 had reached a rate of appreciation of 10.4 per cent above par, the upward movement continuing during the year 1917.

[1] Report of the Netherlands Bank, 1916-17; pp. 13-14.

Foreign exchange quotations at Amsterdam.

[Source: Nederlandsche Financier.]

	London (par £= 12.1075 fl.).	Paris (100 francs= 48 fl.).	Berlin (100 marks= 59.26 fl.).	Vienna (100 crowns= 50.41 fl.).	Stockholm (100 kroner= 66.67 fl.).	Copenhagen (100 kroner= 66.67 fl.).	Switzerland (100 francs= 48.0 fl.).	New York (cables $=2.4875 fl.).	Madrid (100 pesetas= 48 fl.).
1914.									
June 30	12.12¾-12.475	48.18 -47.825	59.105-59.425	50.075-49.475	66.35-66.50	66.30-65.375	48.095-47.625	2.48⅛-2.45⅜	.....
July 31	12.16	49.40	59.15	47.00	66.25	66.20	49.25	2.45	.....
Aug. 29	12.32	.....	57.30	.....	.....	.....	.....	2.445	.....
Sept. 30	12.02 -12.07	.....	50.60 -54.10	.....	.....	.....	.....	2.39¾	.....
Oct. 31	11.92 -11.02	47.35 -45.85	53.65 -54.15	.....	.....	.....	.....	2.445	.....
Nov. 30	11.99 -12.09	48.00 -48.50	54.45 -52.95	.....	.....	.....	.....	2.455	.....
Dec. 31	11.94 -12.04	47.60 -48.10	54.00 -54.50	.....	.....	.....	.....	2.46¾	.....
1915.									
Jan. 30	12.025-12.075	47.85 -48.05	54.025-54.225	.....	.....	.....	.....	2.48⅜	.....
Feb. 27	12.01 -12.06	47.30 - .50	51.05 - .55	.....	.....	.....	.....	2.50⅜	.....
Mar. 31	12.145- .195	47.60 - .80	51.725-52.225	38.60 -39.10	65¾	63⅜	46.95 -47.45	2.53¾	.....
Apr. 30	12.105- .155	47.50 - .070	50.70 -52.20	38⅞	.....	.....	47.55 -47.75	2.53	.....
May 31	11.99 -12.04	47.975-46.5	51.35 - .85	37.95 -38.45	65.85-66.35	.....	47.30 -47.80	2.50 -2.51	.....
June 30	11.905-12.005	44.35 - .85	50.45 - .95	37⅝	66	.....	46.00 -46.50	2.49¾	.....
July 30	11.66¼- .86¼	44.55 - .05	50.175- .675	37¼	64 15/16	.....	46.05 -46.55	2.47⅝	.....
Aug. 30	11.57 - .67	41.85 -42.35	50.175- .675	36.90 -37.40	63.90-64.40	.....	46.10 -46.60	2.47¼-2.50½	.....
Sept. 30	11.48 - .58	42.0 - .50	50.40 - .90	36 -36⅛	64	63⅝	45.90 -46.40	2.43½	46½
Oct. 30	11.10 - .20	40.15 - .65	48.675-49.175	34.30 -80	63.40-63.90	62.55-63.05	44.60 -45.10	2.40 -2.40¼	44¾
Nov. 30	11.20 - .30	40.675-41.175	46.80 -47.30	33⅛	67 -68	66 -66¼	44.30 -44.80	2.38	44⅝
Dec. 31	10.745-10.84	38.50 -39.00	42.10 - .60	28¾	63⅜	62¼	43.20 -43.70	2.26⅜	43-43¾
1916.									
Jan. 31	11.26	40.20	43.15	29.30	64.85	64.20	45.25	2.34¾	44.0
Feb. 29	11.215	40.05	43.325	29.75	66.10	65.90	44.75	2.355	44.55
Mar. 31	11.18	39.29	41.70	28.85	67.65	67.65	44.925	2.34¼	45.0
Apr. 29	11.38	40.25	44.20	30.60	72.45	72.45	46.00	2.38¼	46.35
May 31	11.495	40.825	44.625	31.15	72.00	71.85	45.95	2.41 -2.41¼	47.75
June 30	11.49	40.85	43.775	30.45	69.80	69.775	45.60	2.41¼	48.80
July 31	11.5125	40.95	43.175	29.95	69.15	68.175	45.625	2.41¾-2.42	48.70
Aug. 30	11.6175	41.45	42.60	29.40	69.20	67.00	45.90	2.44 -2.44¼	48.85
Sept. 30	11.665	41.875	42.525	29.0	69.05	66.45	46.05	2.44⅝-2.44⅞	49.15
Oct. 31	11.6275	41.85	42.50	27.60	69.25	66.25	46.575	2.44	49.525
Nov. 30	11.6725	42.0	40.15	25.15	69.60	66.05	47.50	2.45	50.60
Dec. 30	11.68375	42.10	41.20	25.75	71.80	67.00	48.575	2.45⅛	52.0
1917.									
Jan. 31	11.70¼	42.10	41.375	26.675	72.55	67.35	48.925	2.45⅝	52.50
Feb. 28	11.80¼	42.40	40.55	25.25	73.225	68.95	49.375	2.47 1/16	52.25-50
Mar. 31	11.675	42.35	38.925	24.525	74.425	71.35	49.05	2.47	53
Apr. 30	11.64	42.825	37.60	23.60	73.65	69.85	47.45	2.445	.....
May 31	11.59	42.65	36.475	23.45	73.15	70.125	48.30	2.43	.....
June 30	11.575	42.35	34.75	21.90	74.15	70.70	50.30	2.4225	.....
July 31	11.445	41.80	33.75	21.60	80.25	71.40	53.075	2.395	.....
Aug. 30	11.335	41.25	33.175	21.15	79.85	72.45	52.15	2.3675	.....
Sept. 29	11.315	40.925	32.80	20.85	82.35	73.90	50.45	2.367	.....
Oct. 31	10.195	39.75	32.55	20.65	95.25	79.25	50.50	[1] 2.174	.....
Nov. 30	11.0	40.55	36.10	22.20	86.90	76.50	54.20	[1] 2.247	.....
Dec. 29	11.0	40.75	45.30	27.325	77.50	72.75	52.85	[1] 2.273	.....
1918.									
Jan. 31	10.905	40.25	42.10	27.15	77.20	71.00	50.90	[1] 2.260	.....
Feb. 13	10.78	39.90	43.625	28.60	75.95	76.00	50.95	[1] 2.260	.....

[1] New York cables on Amsterdam.

SWITZERLAND.

[*Source:* Revue éonomique et financière Suisse, 1914-1917, Société de Banque Suisse.]

A. FINANCE.

Upon the outbreak of the European war, Switzerland like other neutral countries was compelled to mobilize its army to preserve its neutrality in the conflict. Surrounded on all sides by belligerent countries, Switzerland necessarily had to maintain a large force, and this policy entailed heavy expenditures. From August, 1914, to the end of November, 1917, the expenses of mobilization totaled 762,253,000 francs, a sum equivalent to approximately eight times the annual budget of the Confederation before the war. From August, 1914, to the end of the year, monthly expenditures were 21,778,327 francs; during 1915, owing to the partial demobilization of its army, they were reduced to 15,240,501 francs. During the calendar year 1916, monthly mobilization expenses rose to 17,162,562 francs and during the 11 months ending November 30, 1917, they exceeded the level reached in the first five months of the war, amounting to

22,043,717 francs. Higher prices undoubtedly contributed appreciably to this marked increase.

To meet the extraordinary expense the Confederation floated eight domestic loans and one foreign loan in the United States. The details of these borrowings are given in the following table.

Details of Swiss loans.

A. DOMESTIC LOANS.

Date of issue.	Rate of interest.	Payable.	Amount offered.	Issue price to bankers.	Issue price to public.	Amount subscribed.	Number of subscribers.	Average subscription.
	Per cent.		*Million francs.*			*Million francs.*		*Francs.*
Aug. 20, 1914	5	Feb. 26, 1917	30	....	99	41.9	16,662	2,509
Nov. 2-9, 1914	5	1919-1934	50	98.75	100	179.1	28,295	6,330
July 16-23, 1915	4½	1926-1955	100	95.25-95.50	96.5	190.6	(1)	(1)
Feb. 1-9, 1916	4½	1921	100	96.25	97.5	148.7	24,496	6,070
June 24-July 4, 1916	4½	1926	100	95.75	97	151.6	21,283	7,123
Jan. 22-30, 1917	4½	1926-1932	100	94.75	96	161.3	25,968	6,211
June 26-July 4, 1917	4½	1926-1934	100	94.75	96	150.4	23,681	6,351
Jan. 7-16, 1918	5	1928-1948	150	98.75	100	151.5	31,601	4,790
Total	....	....	730	....	....	1,175.1	....	....

B. FOREIGN LOAN.

Date of issue.	Rate of interest.	Payable.	Amount offered.	Issue price to bankers.	Issue price to public.	Amount subscribed.	Number of subscribers.	Average subscription.
March, 1915 (gold notes)	5	1916 1918 1920	82.2	....	99⅝ 97⅜ 95¾	....	....	....

[1] Data unavailable.

The public debt of the Federation rose from 146,270,000 francs at the end of 1913 to 973,450,000 francs on November 30, 1917. In January, 1918, an additional loan of 150 million francs was issued, carrying the present indebtedness of the Federation to approximately 1,125 million francs. The figures of the debt at the close of the last five years follow.

[In thousands of francs.]

	1913	1914	1915	1916	1917[1]
Consolidated debt	146,270	224,810	405,520	576,600	603,750
Floating debt	....	56,000	105,500	222,500	369,700
Total	146,270	280,810	511,020	799,100	973,450

[1] November 30.

In order to provide for the increased expenditures of the civil budget, particularly the heavier debt charges, new taxes became necessary. In 1915 a popular referendum permitted the Federal Government to levy a special war tax on property of every description, modeled after the German "Kriegsteuer." It was levied once for all time and was estimated to yield 80 million francs, a fifth of which was to revert to the cantons. To the end of November, 1917, the actual yield had been 76,243,000 francs. In addition, excess profit taxes, import and export license duties, and miscellaneous fees yielded an extraordinary revenue of 169,222,000 francs for the war period up to November 30, 1917. These receipts covered approximately 22 per cent of the mobilization expenses.

Ordinary receipts fell off considerably during the first two years of the war and ordinary expenditures likewise show a decline, though not equally marked. In 1916 both sides of the budget showed an increase, with expenditures outdistancing receipts by 22,853 francs, causing the largest deficit in the ordinary budget in the history of the Federation.

[In thousands of francs.]

	Receipts.	Expenditures.	Excess of receipts (+) or expenditures (−).
1910	96,018	90,482	+ 5,536
1911	98,044	98,296	− 252
1912	102,339	100,933	+ 1,406
1913	99,957	105,311	− 5,354
1914	78,311	100,844	−22,533
1915	77,626	99,178	−21,552
1916	86,773	109,627	−22,853

B. BANKING.

The Federal Council established loan banks by the act of September 9, 1914. The latter did not commence operations until the following month. By the end of October loans amounted to 5,706,091 francs and loan bank notes were issued to the extent of 5,640,925 francs, all of which were held in the vaults of the Banque Nationale Suisse[1] and were not put into circulation until some time in November. Loans and loan bank certificates rose steadily thereafter until the end of March, 1917, when they were 58,069,858 and 55,107,950 francs, respectively. The amount of notes in circulation, however, reached their maximum somewhat earlier, in October, 1915, when they totaled 36,396,925 francs. Since that date the circulation of these certificates has steadily decreased.

End of month.	Loans.	Loan bank certificates issued.	In the vaults of the Banque Nationale Suisse.	Amount in circulation.
	Francs.	*Francs.*	*Francs.*	*Francs.*
December, 1914	37,980,506	37,608,300	29,345,025	8,263,275
December, 1915	55,286,791	52,970,225	17,103,150	35,867,075
December, 1916	31,389,717	27,256,025	2,483,575	24,772,450
December, 1917	25,590,500	20,464,575	12,673,950	7,790,625
January, 1918	31,079,399	25,784,950	18,963,975	6,820,975

[1] Majority of the bank's paid-in capital is held by the cantons.

The net profits of the loan banks of the Swiss Confederation amounted to 850,144 francs in the year ending June 30, 1915, to 2,285,850 francs in 1916, and to 1,381,920 francs in 1917.

The character of the loans during the first three years of the banks' operations may be learned from the following table:

Character of security.	Per cent of the total.		
	1915	1916	1917
Mortgages	63.05	64.30	72.18
Savings bank books, bonds, etc	23.36	24.42	18.19
Stock	11.68	9.52	6.89
Raw materials and manufacture	1.63	1.32	2.29
Life insurance policies	.28	.44	.45

In addition to the certificates of the loan banks there are also in circulation notes of the Banque Nationale Suisse, secured by a minimum of 40 per cent of metallic reserve, according to article 20 of the bank act. From 313.8 million francs at the end of 1913, notes in circulation rose to 536.5 millions at the end of 1917 and 638.3 millions on March 15, 1918. The balance sheet of the bank for selected dates during the last five years appears below.

Banque Nationale Suisse.

[In francs.]

	July 23, 1914.	Dec. 31, 1914.	Dec. 31, 1915.	Dec. 31, 1916.	Dec. 31, 1917.	Mar. 23, 1918.
ASSETS.						
Gold	180,065,465	237,935,862	250,132,404	344,997,787	357,644,161	370,177,090
Silver	18,945,350	24,913,230	51,237,635	52,453,850	51,830,320	56,396,180
Loan bank certificates	....	29,345,025	17,103,150	2,483,575	12,673,950	20,618,325
Loans and discounts	107,763,681	215,748,845	210,838,580	244,276,844	406,702,519	252,068,137
Government securities	12,670,560	9,887,726	8,670,003	6,782,953	7,526,964	10,032,273
Due from correspondents, also postal checks on hand	19,282,581	36,221,678	35,296,477	45,265,200	36,404,933	60,935,071
Sundry assets	9,702,085	12,614,674	12,630,922	16,475,336	15,104,417	10,841,725
Total	348,429,722	566,667,040	585,909,171	712,735,545	887,887,264	795,068,801
LIABILITIES.						
Capital paid in	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000
Reserve	1,495,620	1,495,620	1,995,620	2,440,858	2,940,858	2,940,858
Notes in circulation	267,919,750	455,888,905	465,608,600	536,517,955	702,302,710	646,421,900
Deposits and general accounts	50,655,888	70,930,449	81,689,308	128,915,761	137,304,071	103,738,331
Sundry liabilities	3,358,464	13,352,066	11,615,643	19,860,971	20,339,625	16,967,712
Total	348,429,722	566,667,040	585,909,171	712,735,545	887,887,264	795,068,801
Ratio of gold and silver holdings to combined note and deposit liabilities (per cent)	62.47	49.89	55.07	59.73	48.77	56.86

FOREIGN EXCHANGE RATES.

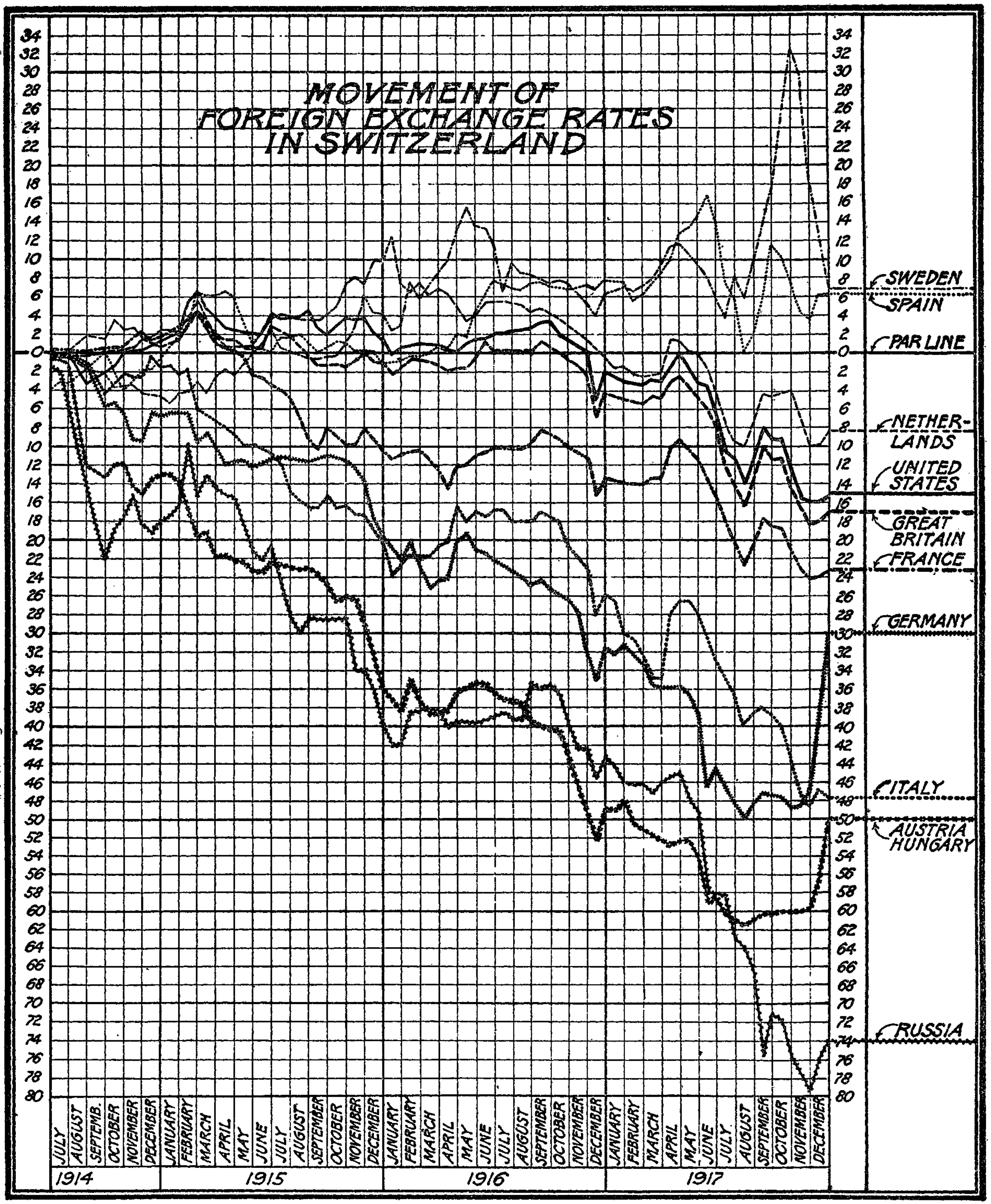
Owing to its central geographic position, foreign exchange rates quoted in Switzerland have come to be regarded as on the whole the most reliable basis for international comparisons. In the following table and accompanying diagram are shown the fluctuations of rates quoted on principal European belligerent countries, also on the leading neutral countries. Quotations of the American dollar to November, 1916, are all above par; since then, particularly since April, 1917, the rates of depreciation shown for the dollar have been following practically the same course as for the British and French currencies, though the relative depreciation on the dollar has been less than for the pound sterling.

Rates of exchange in Switzerland on principal financial centers during the period July, 1914, to December, 1917.[a]

[From the Swiss Bankvereins' Revue Economique et Financière, 1914-1917.]

Date.	A. Rates on centers in belligerent countries.														B. Rates on centers in neutral countries.					
	London (25.2215=100).		Paris (100=100).		New York (5.1826=100).		Petrograd (266.67=100).		Rome (100=100).		Berlin (123.457=100).		Vienna (105.01=100).		Amsterdam (208.3193=100).		Madrid (100=100).		Stockholm (138.89=100).	
Month.	Rates.	Per cent.	Rates.	Per cent.	Rates.	Per cent.	Rates.	Per cent.	Rates.	Per cent.	Rates.	Per cent.	Rates.	Per cent.	Rates.	Per cent.	Rates.	Per cent.	Rates.	Per cent.
1914.																				
July	25.17	99.80	100.03	100.03	5.14	99.18	250.59	93.97	99.45	99.45	122.67	99.36	103.92	98.96	207.55	99.63	96.49	96.49	138.02	99.37
Aug	25.10	99.52	100.00	100.00	5.00	96.48	Nom.	.....	98.50	98.50	121.00	98.01	92.00	87.61	212.00	101.77	Nom.	Nom.	Nom.	Nom.
Sept	25.25	100.11	100.50	100.50	5.07	97.83	206.93	77.60	95.00	95.00	116.00	93.96	91.00	86.66	211.00	101.29	100.00	100.00	135.55	97.60
Oct	25.36	100.55	100.75	100.75	5.17	99.76	219.05	82.14	97.85	97.85	115.12	93.25	92.50	88.09	213.00	102.25	96.00	96.00	134.00	96.48
Nov	25.49	101.06	102.00	102.00	5.20	100.34	217.00	81.37	97.75	97.75	111.25	90.11	89.00	84.75	212.00	101.77	98.00	98.00	133.00	95.76
Dec	25.47	100.99	101.65	101.65	5.23	100.91	217.50	81.56	98.65	98.65	114.50	92.74	91.00	86.66	212.50	102.01	99.00	99.00	132.00	95.04
1915.																				
Jan	25.65	101.70	102.15	102.15	5.29	102.07	222.50	83.44	97.55	97.55	115.22	93.33	90.00	85.71	212.75	102.13	102.00	102.00	132.25	95.22
Feb	26.36	104.51	104.25	104.25	5.49	105.93	225.00	84.37	93.50	93.50	111.62	90.41	84.00	79.99	220.00	105.61	106.50	106.50	134.50	96.84
Mar	25.80	102.29	101.40	101.40	5.37	103.62	228.00	85.50	92.50	92.50	110.22	89.28	82.00	78.09	211.75	101.65	106.00	106.00	135.00	97.20
Apr	25.52	101.18	100.10	100.10	5.31	102.46	225.00	84.37	91.12	91.12	108.80	88.13	81.50	77.61	210.00	100.81	106.00	106.00	136.00	97.92
May	25.33	100.43	97.55	97.55	5.29	102.07	210.00	78.75	90.00	90.00	108.25	87.68	80.25	76.42	209.87	100.74	100.50	100.50	139.00	100.08
June	25.90	102.69	96.85	96.85	5.39	104.00	210.00	78.75	88.87	88.87	109.40	88.61	81.00	77.14	215.50	103.45	100.00	100.00	142.00	102.24
July	25.63	101.62	95.00	95.00	5.37	103.62	190.00	71.25	85.00	85.00	109.00	88.29	80.50	76.66	216.00	103.69	101.50	101.50	139.00	100.08
Aug	25.11	99.56	90.80	90.80	5.41	104.39	190.00	71.25	83.50	83.50	108.75	88.09	80.35	76.52	215.50	103.45	101.00	101.00	138.00	99.36
Sept	24.97	99.00	91.75	91.75	5.30	102.27	190.00	71.25	84.75	84.75	109.55	88.74	78.75	74.99	216.50	103.93	100.50	100.50	138.00	99.36
Oct	24.84	98.49	90.15	90.15	5.37	103.62	190.00	71.25	83.35	83.35	109.00	88.29	77.40	73.71	222.75	106.93	101.00	101.00	140.00	100.80
Nov	25.26	100.15	91.50	91.50	5.37	103.62	175.00	65.62	82.45	82.45	105.85	85.74	74.37	70.82	223.75	107.41	100.00	100.00	147.00	105.84
Dec	24.91	98.76	89.65	89.65	5.25	101.30	160.00	60.00	79.50	79.50	98.75	79.99	67.00	63.80	229.50	110.17	99.00	99.00	144.45	104.00
1916.																				
Jan	24.80	98.33	88.85	88.85	5.20	100.34	155.00	58.12	76.75	76.75	95.37	77.25	63.85	60.80	222.00	106.57	99.00	99.00	142.50	102.60
Feb	25.02	99.20	89.40	89.40	5.24	101.11	166.50	62.44	78.30	78.30	94.65	76.67	65.00	61.90	223.50	107.29	99.75	99.75	147.00	105.84
Mar	24.86	98.57	87.35	87.35	5.22	100.72	164.50	61.69	79.12	79.12	92.80	75.17	64.10	61.04	223.00	107.05	101.25	101.25	150.50	108.36
Apr	24.77	98.21	87.65	87.65	5.19	100.14	161.50	60.56	82.00	82.00	95.95	77.72	66.35	53.18	218.00	104.65	101.75	101.75	157.25	113.22
May	24.99	99.08	88.85	88.85	5.24	101.11	160.50	60.19	82.80	82.80	97.00	78.57	67.60	64.37	217.50	104.41	104.50	104.50	157.00	113.04
June	25.22	99.99	89.65	89.65	5.29	102.07	162.50	60.94	82.95	82.95	95.65	77.48	66.50	63.33	219.50	105.37	107.50	107.50	153.50	110.52
July	25.24	100.07	89.75	89.75	5.30	102.27	162.00	60.75	81.70	81.70	94.57	76.60	65.65	62.52	219.37	105.30	106.75	106.75	151.50	109.08
Aug	25.27	100.19	90.07	90.07	5.31	102.46	173.50	65.06	81.75	81.75	92.50	74.92	63.75	60.71	218.00	104.65	107.00	107.00	150.25	108.18
Sept	25.36	100.55	91.15	91.15	5.33	102.84	171.00	64.12	82.50	82.50	92.40	74.84	62.90	59.90	217.20	104.26	107.00	107.00	149.00	107.28
Oct	25.01	99.16	90.05	90.05	5.26	101.49	161.00	60.37	79.20	79.20	90.90	73.63	59.35	56.52	214.50	102.97	107.00	107.00	149.00	107.28
Nov	24.60	97.54	88.48	88.48	5.16	99.56	153.00	57.37	76.75	76.75	84.60	68.53	52.75	50.23	210.50	101.05	106.75	106.75	146.00	105.12
Dec	24.11	95.59	86.75	86.75	5.07	97.83	151.50	56.81	73.90	73.90	84.62	68.54	53.37	50.82	205.87	98.82	107.75	107.75	147.50	106.20
1917.																				
Jan	23.93	94.88	86.10	86.10	5.03	97.06	144.25	54.09	69.80	69.80	84.60	68.53	54.40	51.80	204.60	98.21	107.60	107.60	148.00	106.60
Feb	23.88	94.68	85.90	85.90	5.01	96.67	142.75	53.53	67.00	67.00	82.25	66.62	51.25	48.80	202.50	97.21	106.00	106.00	148.50	106.92
Mar	23.98	95.08	86.45	86.45	5.03	97.06	143.00	53.62	65.00	65.00	79.25	64.19	50.10	47.71	204.00	97.93	108.75	108.75	151.50	109.08
Apr	24.57	97.42	90.40	90.40	5.16	99.56	146.00	54.75	73.25	73.25	79.25	64.19	49.60	47.23	211.00	101.29	112.50	112.50	155.25	111.78
May	23.98	95.08	88.20	88.20	5.03	97.06	135.00	50.62	71.60	71.60	75.10	60.83	48.40	46.09	206.90	99.32	114.50	114.50	152.00	109.44
June	23.00	91.19	84.20	84.20	4.83	93.20	110.00	41.25	67.00	67.00	68.50	55.48	43.50	41.42	199.00	95.53	114.00	114.00	147.00	105.80
July	21.65	85.84	79.00	79.00	4.58	88.37	99.00	37.12	62.90	62.90	63.50	51.43	40.75	38.81	189.00	90.73	105.50	105.50	150.00	108.04
Aug	21.80	86.43	79.25	79.25	4.59	88.57	93.50	35.06	61.25	61.25	63.75	51.64	40.80	38.85	192.50	92.41	102.25	102.25	153.25	110.34
Sept	22.35	88.61	81.20	81.20	4.70	90.69	78.00	29.24	60.65	60.65	64.80	52.49	41.50	39.52	198.50	95.29	111.00	111.00	163.00	117.36
Oct	21.50	85.24	78.80	78.80	4.53	87.41	65.00	24.37	56.00	56.00	63.00	51.03	39.75	37.85	200.00	96.01	106.75	106.75	184.00	132.48
Nov	20.67	81.95	75.80	75.80	4.35	83.93	55.00	20.62	51.00	51.00	65.00	52.65	40.25	38.33	188.00	90.25	103.50	103.50	162.50	117.00
Dec	20.87	82.75	76.70	76.70	4.37	84.32	70.00	26.25	52.50	52.50	85.75	69.46	52.50	50.00	189.50	90.97	106.25	106.25	148.50	106.92

[a] Average of offer and demand quotations at the Basle bourse.


MOVEMENT OF
FOREIGN EXCHANGE RATES
IN SWITZERLAND
SWEDEN
SPAIN
PAR LINE
NETHER-
LANDS
UNITED
STATES
GREAT
BRITAIN
FRANCE
GERMANY
ITALY
AUSTRIA
HUNGARY
RUSSIA
1914
1915
1916
1917

SPAIN.

[Sources, Anuario Estadistico de España, 1916; España Económica y Financiera, Jan. 5 and Feb. 9, 1918; 45th Annual Report of the Council of the Corporation of Foreign Bondholders, 1917.]

For the fiscal year 1917 the nominal deficit was 22,450,000 pesetas, as compared with a nominal surplus of 76,900,000 pesetas of the preceding year. Inasmuch as the total receipts include proceeds from loans and the sale of Treasury bills, the actual deficit for 1917 was 948,190,000 pesetas and the nominal surplus of 1916 is also changed to an actual deficit of 323,100,000 pesetas. The following table shows receipts and expenditures for the last four years.[1]

[In millions of pesetas.]

	1914	1915	1916	1917
Ordinary budgetary receipts	1,273.73	1,202.70	1,289.43	1,321.64
Proceeds of loans, etc.	70.00	620.79	400.00	925.74
Receipts from sale of food	....	....	66.62	11.85
Miscellaneous	....	....	.89	2.86
Total revenue	1,343.73	1,916.73	1,756.94	2,262.09
Total expenditures	1,437.35	1,953.03	1,680.04	2,284.54

[1] Official Gazette, Feb. 5, 1918.

For the fiscal year 1918 the ordinary revenue is estimated at 1,281.04 million pesetas and the ordinary expenditure at 1,511.25 millions, leaving a deficit of 230.21 million pesetas.

The consolidated debt of Spain shows but a moderate increase for the more recent years. On January 1, 1914, it amounted to 9,784,674,117 pesetas and by December 31, 1917, it had increased to 10,297,687,205 pesetas, being composed as follows:

	Nominal capital (pesetas).
Four per cent exterior debt:	
Sealed	504,310,310
Domiciled in Spain	408,676,200
Four per cent internal debt, 1908	6,701,533,805
Five per cent redeemable debt, 1900	1,508,065,000
Four per cent redeemable debt, 1908	148,727,500
Five per cent redeemable debt, 1917	1,026,375,000
Total	10,297,687,805

The condition of the Bank of Spain before the outbreak of the war and at the end of the last five years is shown in the subjoined table.

Bank of Spain.

[In pesetas.]

	Dec. 27, 1913.	July 24, 1914.	Dec. 26, 1914.	Dec. 31, 1915.	Dec. 30, 1916.	Dec. 29, 1917.
ASSETS.						
Gold in vault	479,220,483	543,497,535	572,257,273	867,226,010	1,250,895,501	1,966,815,762
With foreign correspondents and agencies	193,650,084	174,818,316	147,534,145	103,195,052	90,170,409	89,391,569
Silver	719,454,503	729,797,592	707,020,392	752,905,046	741,041,508	710,538,464
Copper account of treasury	6,417,330	3,272,338	3,073,735	3,625,384	3,324,369	3,436,920
Bills receivable on date of report	....	3,101,765	3,683,144	5,215,506	3,113,570	3,139,812
Advances to the treasury	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000
Treasury bills	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000
Discounts	347,780,923	335,939,895	418,209,375	368,407,514	336,374,786	329,965,662
Other bills and drafts	431,233,349	344,777,352	380,286,954	293,742,283	331,572,701	398,322,097
Due from domestic correspondents	24,263,164	15,460,267	25,940,564	18,583,645	13,911,335	14,034,185
Government 4 per cent bonds	344,431,519	344,431,519	314,431,519	344,431,519	344,437,469	344,437,469
Stocks of the Tobacco Monopoly Corporation	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000
Stocks of the State Bank of Morocco	1,154,625	1,154,625	1,154,625	1,154,625	1,154,625	1,154,625
Real estate	16,352,203	14,615,030	15,081,370	13,088,451	14,249,501	14,275,833
Profits from foreign operations for account of treasury	....	....	....	....	....	1,473,560
Current account of treasury (silver)	40,136,027	36,925,532	94,312,922	112,939,400	....	41,090,864
Sunday assets	2,267,405	2,083,400	30,945,172	2,488,927	87,429,533	1,473,570
Total	2,866,861,615	2,810,375,166	2,974,431,190	3,147,463,362	3,478,175,307	4,178,576,832
LIABILITIES.						
Capital	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000
Surplus	20,000,000	20,000,000	20,000,000	24,000,000	26,000,000	26,000,000
Notes in circulation	1,924,273,725	1,919,016,650	1,965,067,625	2,100,173,900	2,360,083,500	2,782,839,400
Government deposits	192,369,691	163,077,911	145,507,587	94,415,382	89,832,948	90,020,658
Other deposits	476,833,879	497,939,579	610,530,807	710,457,846	760,859,207	959,758,445
Profit and loss	26,557,448	11,362,232	30,523,926	23,367,288	23,519,041	56,939,266
Sundry liabilities	76,826,872	48,978,794	52,801,245	45,048,946	67,880,611	113,019,063
Total	2,866,861,615	2,810,375,166	2,974,431,190	3,147,463,362	3,478,175,307	4,178,576,832
Ratio of gold and silver holdings in vault to combined note and deposit liabilities (per cent)	46.22	47.87	47.01	55.77	62.04	69.86

FOREIGN EXCHANGE RATES.

Regular weekly quotations for the period since the outbreak of the war are available for rates on London and Paris only. These are given in the subjoined table. In order to complete somewhat the general information, a table has been added showing the course of rates for cable transfers to Madrid as quoted in New York and London about the end of each month during 1915 to 1918.

Rates of exchange at Madrid on principal financial centers during the period July, 1914, to February, 1918.

[From España Económica y Financiera.]

	Pound.		Franc.	
	Low.	High.	Low.	High.
1914.				
June 27 to July 3	25.90	26.26	102.90	104.60
July 4–10	26.16	26.63	103.50	104.65
July 11–17	26.01	26.13	103.40	103.80
July 20–26	26.11	26.13	103.65	103.85
July 27–31	25.60	26.07	103.20	103.65
Aug. 1–7	25.00	25.50	100.00	100.00
Aug. 8–14	25.00	25.00	89.50	100.00
Aug. 15–21	25.00	25.00	95.00	100.00
Aug. 22–28	25.00	25.00	96.00	99.00
Aug. 29 to Sept. 4	24.90	25.00	97.50	98.00
Sept. 5–11	24.75	24.85	95.00	97.00
Sept. 12–18	24.85	25.08	96.00	100.00
Sept. 19–25	25.08	26.00	99.00	101.00
Sept. 26 to Oct. 2	25.35	25.90	99.50	100.00
Oct. 3–9	25.70	25.90	100.00	101.25
Oct. 10–16	25.90	26.04	102.00	102.25
Oct. 17–23	26.30	26.67	104.00	105.75
Oct. 30 to Nov. 6	25.97	26.22	103.75	104.50
Nov. 7–13	26.01	26.14	103.80	104.25
Nov. 21–27	25.87	25.97	103.80	104.10
Nov. 28 to Dec. 4	25.80	25.96	103.70	104.00
Dec. 5–11	25.90	26.00	104.00	104.20
Dec. 12–18	25.88	26.00	103.40	104.10
Dec. 19–25	25.68	25.91	102.75	103.25
1915.				
Dec. 26 to Jan 1	25.10	26.00	100.40	104.10
Jan. 2–8	25.15	25.35	100.15	101.25
Jan. 9–15	25.15	25.30	100.20	100.75
Jan. 16–22	25.20	25.70	100.40	101.20
Jan. 23–29	25.13	25.21	100.15	100.60
Jan. 30 to Feb. 5	25.00	25.20	100.05	100.20
Feb. 6–12	25.07	25.13	99.80	100.10
Feb. 13–19	24.65	25.02	98.00	99.65
Feb. 20–26	24.64	24.72	97.50	98.35
Feb. 27. to Mar. 5	24.46	24.70	96.20	97.50
Mar. 6–12	24.15	24.43	95.20	96.65
Mar. 20–26	24.18	24.35	94.95	95.70
Mar. 27 to Apr. 2	24.00	24.20	94.20	95.05
Apr. 3–9	23.90	24.11	93.75	94.60
Apr. 17–23	24.04	24.14	94.05	94.75
Apr. 24–30	24.00	24.22	94.30	95.00
May 1–7	24.45	24.70	95.00	97.10
May 8–14	24.48	24.76	96.00	97.50
May 15–21	24.80	25.25	97.00	98.00
May 22–28	24.89	25.33	96.15	97.75
May 29 to June 4	24.96	25.11	96.25	97.00
June 5–11	25.05	25.24	96.40	97.00
June 12–18	25.17	25.52	96.50	98.25
June 19–25	25.40	25.70	97.90	98.75
June 26 to July 2	25.52	26.00	94.40	97.40
July 3–9	25.39	25.90	94.25	95.75
July 10–16	25.00	25.35	93.25	94.50

Rates of exchange at Madrid on principal financial centers during the period July, 1914, to February, 1918—Contd.

	Pound.		Franc.	
	Low.	High.	Low.	High.
1915.				
July 17–23	25.00	25.14	93.50	95.25
July 24–30	25.06	25.13	92.60	93.75
July 31 to Aug. 6	24.81	25.07	91.00	92.75
Aug. 7–13	24.85	24.93	90.00	92.00
Aug. 14–20	25.00	25.20	89.50	91.00
Aug. 21–27	24.70	24.90	89.75	90.95
Aug. 28 to Sept. 3	24.88	24.96	88.80	90.30
Sept. 4–10	24.87	24.94	89.60	90.20
Sept. 11–17	24.80	24.95	88.80	90.50
Sept. 18–24	24.76	24.86	89.90	90.75
Sept. 25 to Oct. 1	24.69	24.85	89.90	90.90
Oct. 2–8	24.67	24.75	90.25	90.90
Oct. 9–15	24.74	24.89	90.40	90.90
Oct. 16–22	24.80	24.87	90.00	90.75
Oct. 23–29	24.79	25.00	90.00	91.00
Oct. 30 to Nov. 5	24.90	24.95	90.10	90.50
Nov. 6–12	24.91	25.03	89.75	90.50
Nov. 13–19	25.00	25.10	89.80	90.80
Nov. 20–26	25.05	25.17	90.25	90.70
Nov. 27 to Dec. 3	24.97	25.17	90.30	91.55
Dec. 4–10	25.05	25.14	90.75	91.20
Dec. 11–17	25.13	25.20	90.85	91.05
Dec. 18–24	25.07	25.14	90.70	91.20
Dec. 25–31	25.00	25.10	90.00	90.50
1916.				
Jan. 1–7	24.97	25.06	89.60	90.10
Jan. 8–14	25.02	25.10	89.70	90.00
Jan. 15–21	25.02	25.12	89.50	90.00
Jan. 22–28	25.07	25.13	89.85	90.00
Jan. 29 to Feb. 4	25.06	25.14	89.10	89.85
Feb. 5–11	25.05	25.14	89.15	89.49
Feb. 11–18	25.07	25.10	89.35	89.60
Feb. 19–25	25.07	25.10	89.40	89.75
Feb. 26 to Mar. 3	25.04	25.11	89.40	89.90
Mar. 4–10	24.97	25.08	88.75	89.40
Mar. 11–17	24.92	25.04	88.00	88.40
Mar. 18–24	24.84	25.03	87.25	88.00
Mar. 25–31	24.60	24.82	86.00	87.30
Apr. 1–7	24.66	24.78	86.30	87.00
Apr. 8–14	24.61	24.70	84.85	86.30
Apr. 15–21	24.51	24.66	84.85	86.40
Apr. 22–28	24.22	24.50	85.65	86.10
Apr. 29 to May 5	24.04	24.20	85.00	85.55
May 6–12	24.05	24.49	85.20	87.00
May 13–19	24.22	24.47	85.75	86.90
May 20–26	23.88	24.17	84.65	85.55
May 27 to June 2	23.40	23.99	83.50	85.00
June 3–9	22.40	23.58	81.50	83.50
June 10–16	23.36	23.76	82.90	84.50
June 17–23	23.25	23.55	82.50	83.75
June 24–30	23.43	23.60	83.15	83.70
July 1–7	23.41	24.54	83.00	83.75
July 8–14	23.43	23.68	83.25	84.00
July 15–21	23.12	23.70	83.00	84.15
July 22–28	23.44	23.60	83.70	84.00
July 29 to Aug. 4	23.44	23.75	83.50	84.50
Aug. 5–11	23.51	23.75	83.75	84.50
Aug. 12–18	23.49	23.75	83.50	84.50
Aug. 19–25	23.55	23.65	83.60	84.05
Aug. 26 to Sept. 1	23.54	23.68	83.65	84.35
Sept. 2–8	23.60	23.74	84.20	84.90
Sept. 9–15	23.74	23.84	85.00	85.50
Sept. 16–22	23.70	23.82	85.10	85.50
Sept. 23–29	23.69	23.80	85.10	85.40
Sept. 30 to Oct. 6	23.50	23.76	84.55	85.70
Oct. 7–13	23.61	23.72	84.90	85.40
Oct. 14–20	23.50	23.63	84.65	85.05
Oct. 21–27	23.40	23.50	84.15	84.75
Oct. 28 to Nov. 3	23.30	23.50	84.05	84.70
Nov. 4–10	23.15	23.35	83.50	84.05
Nov. 11–17	23.08	23.34	83.00	84.10
Nov. 18–24	22.95	23.28	82.00	83.80
Nov. 25 to Dec. 1	22.89	23.10	82.40	83.25
Dec. 2–8	22.00	22.60	79.00	83.25
Dec. 9–15	21.98	23.10	78.80	83.00
Dec. 16–22	22.05	22.80	78.00	81.00
Dec. 23–29	22.32	22.45	80.25	81.25

Rates of exchange at Madrid on principal financial centers during the period July, 1914, to February, 1918—Contd.

	Pound.		Franc.	
	Low.	High.	Low.	High.
1917.				
Dec. 30 to Jan. 5	22.16	22.36	79.90	80.60
Jan. 6-12	22.28	22.50	80.50	81.10
Jan. 13-19	22.32	22.45	80.40	80.80
Jan. 20-26	22.30	22.37	80.40	80.70
Jan. 27 to Feb. 2	22.33	22.39	80.25	80.70
Feb. 3-9	22.37	22.68	80.50	81.75
Feb. 10-16	22.40	22.73	80.50	81.90
Feb. 17-23	22.45	22.54	80.70	81.10
Feb. 24 to Mar. 2	22.43	22.58	80.60	81.25
Mar. 3-9	22.40	22.54	80.55	80.90
Mar. 10-16	22.26	22.43	80.25	80.70
Mar. 17-23	22.28	22.31	80.00	80.25
Mar. 24-30	21.92	22.25	78.60	80.00
Mar. 31 to Apr. 6	21.87	21.98	78.80	79.10
Apr. 7-13	21.55	22.20	78.80	81.75
Apr. 14-20	21.80	22.21	80.30	82.10
Apr. 21-27	21.78	21.90	80.35	80.65
Apr. 28 to May 4	21.47	21.75	79.00	80.40
May 5-11	21.50	21.62	79.05	79.75
May 12-18	21.45	21.59	78.75	79.30
May 19-25	21.32	21.50	78.00	78.80
May 26 to June 1	20.70	21.32	76.15	78.20
June 2-8	20.64	20.89	75.60	76.75
June 9-15	19.98	20.65	73.00	75.60
June 16-22	20.10	20.52	73.20	74.90
June 23-29	20.00	20.52	73.29	74.90
June 30 to July 6	20.27	20.58	74.00	74.75
July 7-13	20.28	20.52	74.10	75.10
July 14-20	20.48	20.81	75.00	76.75
July 21-27	20.53	20.75	74.90	75.75
July 28 to Aug. 3	20.57	21.03	75.00	76.75
Aug. 4-10	20.82	20.97	75.60	76.50
Aug. 11-17	20.87	21.02	75.95	76.40

Rates of exchange at Madrid on principal financial centers during the period July, 1915, to February, 1918—Contd.

	Pound.		Franc.	
	Low.	High.	Low.	High.
1917.				
Aug. 18-24	20.91	21.90	76.00	80.75
Aug. 25-31	21.48	21.62	78.00	79.30
Sept. 1-7	21.00	21.75	76.50	79.00
Sept. 8-14	21.15	21.43	76.95	78.50
Sept. 15-21	20.70	21.36	75.15	77.80
Sept. 22-28	20.15	20.72	73.30	75.40
Sept. 29 to Oct. 5	20.32	20.88	73.75	76.00
Oct. 6-12	20.25	20.70	73.40	75.00
Oct. 13-19	20.30	20.90	74.00	75.75
Oct. 20-26	20.35	20.57	74.10	74.90
Oct. 27 to Nov. 2	20.20	20.48	73.40	75.25
Nov. 3-9	20.22	20.37	73.80	74.30
Nov. 10-16	20.25	20.40	74.00	74.60
Nov. 17-23	20.08	20.22	73.40	74.00
Nov. 24-30	20.09	20.26	73.75	74.30
Dec. 1-7	19.61	20.10	71.75	73.80
Dec. 8-14	19.64	20.20	72.40	74.00
Dec. 15-21	19.64	19.86	72.15	73.20
Dec. 22-28	19.61	19.70	72.15	72.60
1918.				
Dec. 29 to Jan. 4	....	....	....	....
Jan. 5-11	19.49	19.65	71.50	72.20
Jan. 12-18	([1])	([1])	....	([1])
Jan. 19-25	19.52	19.67	72.45	72.60
Jan. 26 to Feb. 1	([1])	([1])	....	([1])
Feb. 2-8	19.79	20.00	73.00	74.00
Feb. 9-15	19.64	19.75	72.40	75.50
Feb. 16-22	19.62	19.70	72.30	72.60
Feb. 23 to Mar. 1	19.67	19.73	71.70	72.45

[1] Nominal.

Comparative rates for cable transfers to Madrid as quoted in New York and London, 1915–1917.

[Source: Daily quotation sheets of the National City Bank of New York City and the London Economist.]

	New York (par=5.18).		London (par=25.225).	
		Per cent.		*Per cent.*
1915.				
Jan. 26	....	....	25.23	100.02
Feb. 23	....	....	24.75	98.12
Mar. 30	....	....	24.20	95.94
Apr. 27	....	....	24.25	96.13
May 25	....	....	25.20	99.90
June 29	....	....	25.80	102.28
July 27	....	....	25.15	99.70
Aug. 24	5.263	101.60	24.90	98.71
Sept. 28	5.23	100.97	24.85	98.51
Oct. 26	5.23	102.90	24.87	98.59
Nov. 30	5.23	100.97	25.15	99.70
Dec. 28	5.23	100.97	25.10	99.50
1916.				
Jan. 25	5.249	101.33	25.12	99.58
Feb. 29	5.163	99.67	25.11	99.54
Mar. 28	5.195	100.29	24.80	98.31
Apr. 27	5.063	97.74	24.28	96.25
May 23	5.025	97.01	24.00	95.14
June 27	4.926	95.10	23.55	93.36
July 25	4.926	95.10	23.55	93.36
Aug. 29	4.938	95.33	23.68	93.88
Sept. 26	4.963	95.81	23.83	94.47
Oct. 31	4.914	94.86	23.50	93.16
Nov. 28	4.843	93.50	23.10	91.58
Dec. 28	4.678	90.31	22.35	88.60

	New York (par=5.18).		London (par=25.225).	
		Per cent.		*Per cent.*
1917.				
Jan. 30	4.673	90.21	22.43	88.92
Feb. 27	4.728	91.27	22.58	89.52
Mar. 29	4.587	88.55	22.15	87.81
Apr. 24	4.587	88.55	21.83	86.54
May 31	4.385	84.65	21.00	83.25
June 26	4.211	81.29	20.20	80.08
July 26	4.367	84.31	20.80	82.46
Aug. 30	4.505	86.97	21.50	85.23
Sept. 27	4.124	79.61	20.15	79.88
Oct. 25	4.264	82.32	20.48	81.19
Nov. 27	4.219	81.45	20.22	80.16
Dec. 27	4.082	78.80	19.68	78.02
1918.				
Jan. 29	4.124	79.61	19.70	78.10
Feb. 28	4.107	79.29	19.58	77.62
Mar. 26	3.922	75.71	18.66	73.97
Apr. 11	3.731	72.03	17.55	69.57

The premium on the peseta, as measured by the depreciation of the dollar, appears for the first time in the early part of 1916. By the end of 1916 dollar exchange on Madrid had declined 10 per cent below par and on April 11, 1918, was quoted at a discount of about 28 per cent, following practically the same downward course as sterling exchange, the latter, as a rule, showing a slightly larger rate of depreciation than dollar exchange.

Silver Coinage.

On April 18 the Senate adopted Senate bill 4292, entitled "A bill to conserve the gold supply of the United States; to permit the settlement in silver of trade balances adverse to the United States; to provide silver for subsidiary coinage and for commercial use; to assist foreign Governments at war with the enemies of the United States; and for the above purposes to stabilize the price and encourage the production of silver." The measure was sent to the House Committee on Banking and Currency and discussed on April 19, being adopted by the House on April 20, and signed by the President on April 23. As thus adopted, the measure reads as follows:

[S. 4292.]

A BILL To conserve the gold supply of the United States; to permit the settlement in silver of trade balances adverse to the United States; to provide silver for subsidiary coinage and for commercial use; to assist foreign governments at war with the enemies of the United States; and for the above purposes to stabilize the price and encourage the production of silver.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is hereby authorized from time to time to melt or break up and to sell as bullion not in excess of three hundred and fifty million standard silver dollars now or hereafter held in the Treasury of the United States. Any silver certificates which may be outstanding against such standard silver dollars so melted or broken up shall be retired at the rate of $1 face amount of such certificates for each standard silver dollar so melted or broken up. Sales of such bullion shall be made at such prices not less than $1 per ounce of silver one thousand fine and upon such terms as shall be established from time to time by the Secretary of the Treasury.

SEC. 2. That upon every such sale of bullion from time to time the Secretary of the Treasury shall immediately direct the Director of the Mint to purchase in the United States, of the product of mines situated in the United States and of reduction works so located, an amount of silver equal to three hundred and seventy-one and twenty-five hundredths grains of pure silver in respect of every standard silver dollar so melted or broken up and sold as bullion. Such purchases shall be made in accordance with the then existing regulations of the Mint and at the fixed price of $1 per ounce of silver one thousand fine, delivered at the option of the Director of the Mint at New York, Philadelphia, Denver, or San Francisco. Such silver so purchased may be resold for any of the purposes hereinafter specified in section three of this act, under rules and regulations to be established by the Secretary of the Treasury, and any excess of such silver so purchased over and above the requirements for such purposes shall be coined into standard silver dollars or held for the purpose of such coinage, and silver certificates shall be issued to the amount of such coinage. The net amount of silver so purchased, after making allowance for all resales, shall not exceed at any one time the amount needed to coin an aggregate number of standard silver dollars equal to the aggregate number of standard silver dollars theretofore melted or broken up and sold as bullion under the provisions of this act, but such purchases of silver shall continue until the net amount of silver so purchased, after making allowance for all resales, shall be sufficient to coin therefrom an aggregate number of standard silver dollars equal to the aggregate number of standard silver dollars theretofore so melted or broken up and sold as bullion.

SEC. 3. That sales of silver bullion under authority of this Act may be made for the purpose of conserving the existing stock of gold in the United States, of facilitating the settlement in silver of trade balances adverse to the United States, of providing silver for subsidiary coinage, and for commercial use, and of assisting foreign governments at war with the enemies of the United States. The allocation of any silver to the Director of the Mint for subsidiary coinage shall, for the purposes of this Act, be regarded as a sale or resale.

SEC. 4. That the Secretary of the Treasury is authorized, from any moneys in the Treasury not otherwise appropriated, to reimburse the Treasurer of the United States for the difference between the nominal or face value of all standard silver dollars so melted or broken up and the value of the silver bullion, at $1 per ounce of silver one thousand fine, resulting from the melting or breaking up of such standard silver dollars.

SEC. 5. That in order to prevent contraction of the currency, the Federal reserve banks may be either permitted or required by the Federal Reserve Board, at the request of the Secretary of the Treasury, to issue Federal reserve bank notes, in any denominations (including denominations of $1 and $2) authorized by the Federal Reserve Board, in an aggregate amount not exceeding the amount of standard silver dollars melted or broken up and sold as bullion under authority of this Act, upon deposit as provided by law with the Treasurer of the United States as security therefor, of United States certificates of indebtedness, or of United States one-year gold notes. The Secretary of the Treasury may, at his option, extend the time of payment of any maturing United States certificates of indebtedness deposited as security for such Federal reserve bank notes for any period not exceeding one year at any one extension and may, at his option, pay such certificates of indebtedness prior to maturity, whether or not so extended. The deposit of United States certificates of indebtedness by Federal reserve banks as security for Federal reserve bank notes under authority of this Act shall be deemed to constitute an agreement on the part of the Federal reserve bank making such deposit that the Secretary of the Treasury may so extend the time of payment of such certificates of indebtedness beyond the original maturity date or beyond any maturity date to which such certificates of indebtedness may have been extended, and that the Secretary of the Treasury may pay such certificates in advance of maturity, whether or not so extended.

SEC. 6. That as and when standard silver dollars shall be coined out of bullion purchased under authority of this Act, the Federal reserve banks shall be required by the Federal Reserve Board to retire Federal reserve bank notes issued under authority of section five of this Act, if then outstanding, in an amount equal to the amount of standard silver dollars so coined, and the Secretary of the Treasury shall pay off and cancel any United States certificates of indebtedness deposited as security for Federal reserve bank notes so retired.

SEC. 7. That the tax on any Federal reserve bank notes issued under authority of this Act, secured by the deposit of United States certificates of indebtedness or United States one-year gold notes, shall be so adjusted that the net return on such certificates of indebtedness, or such one-year gold notes, calculated on the face value thereof, shall be equal to the net return on United States two per cent bonds, used to secure Federal reserve bank notes, after deducting the amount of the tax upon such Federal reserve bank notes so secured.

SEC. 8. That except as herein provided, Federal reserve bank notes issued under authority of this Act shall be subject to all existing provisions of law relating to Federal reserve bank notes.

SEC. 9. That the provisions of Title VII of an Act approved June fifteenth, nineteen hundred and seventeen, entitled "An Act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes," and the powers conferred upon the President by subsection (b) of section five of an Act approved October sixth, nineteen hundred and seventeen, known as the "Trading with the Enemy Act," shall, in so far as applicable to the exportation from or shipment from or taking out of the United States of silver coin or silver bullion, continue until the net amount of silver required by section two of this Act shall have been purchased as therein provided.

COMMITTEE REPORT.

The report submitted by the Senate Committee on Banking and Currency in behalf of the bill was as follows:

The Committee on Banking and Currency, to which was referred the bill (S. 4292) to conserve the gold supply of the United States; to permit the settlement in silver of trade balances adverse to the United States; to provide silver for subsidiary coinage and for commercial use; to assist foreign governments at war with the enemies of the United States; and for the above purposes to stabilize the price and encourage the production of silver, having considered the same, report favorably thereon with certain amendments.

The bill authorizes the Secretary of the Treasury to melt 250,000,000 standard silver dollars and use the same as a means of settling our trade balance adverse to the United States, and thereby conserve the gold supply of the United States, and for the purposes otherwise named. The silver so used is to be valued at not less than $1 per ounce, upon terms to be established by the Treasury Department. It authorizes the Treasury Department to buy silver at $1 per ounce to restore the amount of silver dollars melted up.

Section 3 of the act authorizes the silver bullion obtained from melting the dollars to be used for the purpose of the act, and to set apart any portion of such silver required to the use of the Director of the Mint for subsidiary coinage.

Section 4 authorizes the Secretary of the Treasury to reimburse the Treasurer of the United States for the difference between the face value of the silver dollars taken and the bullion value of such dollars. In other words, to balance the accounts of the Treasurer of the United States as to the seniorage on such dollars which would reappear when hereafter such silver is reminted.

Section 5 authorizes the Reserve Board to require the reserve banks to issue bank notes of small denominations to take the place of silver certificates, basing such bank notes on United States certificates of indebtedness or on one-year gold notes, and permitting the extension of such notes or certificates for the convenience of the transaction of this business.

Section 6 requires the retirement of the Federal Reserve bank notes so issued when the new silver certificates shall have been issued against silver dollars so coined.

Section 7 allows the Federal Reserve Bank the same earning upon the issuance of these bank notes which are otherwise provided in the national-bank act.

Section 9 is added in order to enable the United States to acquire the silver necessary to restore that which is temporarily withdrawn for the purposes of the act. If the war should suddenly terminate, it would be necessary to continue the President's power to issue licenses on the export of silver until the Government is safeguarded.

This bill has been prepared with great care by the officials of the Treasury Department and meets with the approval of your committee, who recommend its immediate passage, as there is at present a very urgent demand for the use of this metallic silver.

Under the espionage bill, title 7, as approved June 15, 1917, the President was authorized to control exports under section 1. But this was only during the war and not after the war.

The act to punish trading with the enemy, approved October 6, 1917, under section 5, paragraph B, authorized the President to control by license the exporting or earmarking of gold or silver, but this also was an act which contemplated its exercise during the war. For these reasons section 9 is justified.

The United States Purchases of Silver.

Herewith is printed a brief statement adapted from the Report of the Monetary Commission, 1898, setting forth the course of legislation which determines the volume of silver purchased and held by the Treasury of the United States against silver certificates outstanding, the status of which has been temporarily changed by the act of April 23, 1898:

By the coinage revision act of February 12, 1873, the silver dollar of 412½ grains of standard silver was dropped from the list of coins to be executed at the mints. At the time neither gold nor silver was in use as money in the United States, where for more than a decade depreciation of the paper currency had driven specie out of circulation, while for 40 years the silver dollar had been at a premium as compared with gold, and even before the legal-tender paper had displaced both metals the silver dollar had long been too valuable to circulate as money. In the 81 years since the establishment of the mint only 8,031,238 silver dollars had been coined, most of these for use by jewelers or for exportation.

Numerous bills for the coinage of silver were introduced into Congress and discussed.

A bill providing for the free coinage of the old silver dollar of 412½ grains of standard silver (371¼ grains of fine silver) was passed by the House of Representatives December 13, 1876, by a vote of 167 to 53, but was not acted upon by the Senate. A similar measure introduced by Mr. Bland, of Missouri, was again passed by the House on November 5, 1877, by a vote of 163 to 34. In the Senate the bill was reported from the Committee on Finance by Senator Allison with important amendments, the chief of which was the abandonment of the free coinage provision and the substitution therefor of a section requiring the Secretary of the Treasury to purchase and coin each month not less than $2,000,000 and not more than $4,000,000 worth of silver bullion. The standard silver dollars coined therefrom were to be full legal tender for all debts public and private, "except where otherwise expressly stipulated in the contract." Certificates of denominations not less than $10 were authorized to be issued against deposits of the coined dollars. The act passed the Senate on February 15, 1878, by a vote of 48 to 21, but was returned by President Hayes on February 28 with a veto message expressing his objections. On the same day the House passed it over his veto by a vote of 196 to 73, and the Senate by a vote of 46 to 19.

Under this act the purchase of silver bullion and the coinage of silver dollars were at once resumed, the amount of silver actually purchased being kept by each Secretary of the Treasury practically at the minimum, $2,000,000 per month. The following table shows the purchase of silver under this act in each fiscal year and the coinage of standard silver dollars therefrom:

Amount, cost, and average price of silver purchased under the act of Feb. 28, 1878, and coinage of silver dollars therefrom.

Fiscal years.	Fine ounces.	Cost.	Average price per fine ounce.	Coinage of silver dollars.[1]
1878	10,809,350.58	$13,023,268.96	$1.0248	$8,573,500
1879	19,248,086.09	21,593,642.99	1.1218	27,227,500
1880	22,057,862.64	25,235,081.53	1.1440	27,933,750
1881	19,709,227.11	22,327,874.75	1.1328	27,637,955
1882	21,190,200.87	24,054,480.47	1.1351	27,772,075
1883	22,889,241.24	25,577,327.58	1.1174	28,111,119
1884	21,922,951.52	24,378,383.91	1.1120	28,099,930
1885	21,791,171.61	23,747,460.25	1.0897	28,528,552
1886	22,690,652.94	23,448,960.01	1.0334	29,838,905
1887	26,490,008.04	25,988,620.46	.9810	33,266,831
1888	25,386,125.32	24,237,553.20	.9547	32,718,673
1889	26,468,861.03	24,717,853.81	.9338	33,793,860
1890	27,820,900.05	26,899,326.33	.9668	35,923,816
1891	2,797,379.52	3,049,426.46	1.0901	8,740,327
Total	291,272,018.56	308,279,260.71	1.0583	378,166,793

[1] "At the date of the passage of the act of Feb. 28, 1878, there was some 3,000,000 ounces of silver bullion on hand that had been purchased to provide a bullion fund, as required by sec. 3545 of the Revised Statutes. There was also a balance of bullion purchased under the act of Jan. 14, 1875 (the resumption act), for the subsidiary silver coinage. A part of this bullion was used in the manufacture of silver dollars, which will account for the number coined in excess of what the quantity of silver bought under the act of Feb. 28, 1878, would produce."—*Letter of Director of the Mint, Feb. 8, 1898.*

In spite of the steady purchases of silver by the United States, the price of silver continued to fall. The bullion value of the silver dollar, which was about 90 cents when the act was passed, fell to 88 cents in 1881, to 82.3 cents in 1885, and to 72.3 cents in 1889.

It was soon found that there was no demand for more than 30,000,000 or 35,000,000 of silver dollar pieces in circulation as coins. But the provision for the issue of certificates made it possible for some time to force this stream of silver into the channels of circulation without serious difficulty, because, owing to the price of bonds, the national bank circulation began about this time to contract.

Legislation in 1882 made it impossible for the banks thereafter to formally refuse to accept the silver or certificates for clearing-house balances, while as a matter of fact in the larger clearing houses silver has not been used. As the first certificates were not issued in denominations below $10, the Treasury soon found it difficult to force into the channels of circulation paper representing the $2,000,000 of $2,500,000 which were being coined each month. Consequently, silver and paper representing it began to accumulate in the Treasury in spite of efforts to force it out, involving the payment of express charges on large sums in the years 1882–1886. In 1885 the Treasury inaugurated the policy of retiring the $1 and $2 United States notes in order to make a vacuum in the circulation to be filled by silver dollars. During the fiscal year 1886, the amount of United States notes of $1 and $2 outstanding was reduced by $14,439,000. In the same period the silver dollars in circulation increased $13,998,000. Meanwhile the accumulation of silver in the Treasury had grown from $39,000,000 in 1884 to $64,000,000 in 1885, and to $93,000,000 in 1886, at which time over half of the large available cash reserve in the Treasury was in silver dollars.

In 1886 the Treasury secured the enactment of legislation[1] permitting the issue of silver certificates in denominations of $1, $2, and $5. By the use of these certificates it has since been possible to keep in actual circulation, irrespective of the bank reserves, the larger part of the silver coinage. There were on November 1, 1897, $372,838,919 of silver certificates outside of the Treasury. Of these only $31,593,302 were held (Oct. 5, 1897) by the national banks, leaving $341,245,617 in circulation in other channels. From this temporary settlement in 1886 of the vexatious question of the disposition of the silver coinage, matters moved more smoothly until 1890. As the larger certificates were replaced by others of smaller denominations which were more easily absorbed into circulation, less silver dollars and certificates were forced on the government through payment for customs, and the troublesome accumulation in the Treasury melted away.

In 1890, however, the act of July 14, 1890, commonly known as "the Sherman Act" was adopted. This directed the Secretary of the Treasury to purchase monthly 4,500,000 ounces of silver bullion, to be paid for in Treasury notes redeemable in coin. Until July 1, 1891, 2,000,000 ounces per month were to be coined into standard silver dollars; after that date, only so much "as may be necessary to provide for the redemption of the Treasury notes" was to be coined. Under this act the amount of silver bullion purchased, the cost of the same, and the amount of silver dollars coined therefrom, are shown in the following table:

Purchases of silver bullion under the act of July 14, 1890.

Fiscal year July 1—	Amount of silver purchased.	Cost.	Average price per fine ounce.
	Fine ounces.		
1891	48,393,113.05	$50,577,498.44	$1.0451
1892	54,355,748.10	51,106,607.96	.9402
1893	54,008,162.60	45,531,374.53	.8430
1894	11,917,658.78	8,715,521.32	.7312
Total	168,674,682.53	155,931,002.25	.9244

[1] Act of Aug. 4, 1886.

Treasury notes of 1890 issued in payment for silver purchased, coinage of silver dollars from bullion purchased under act of 1890, and amount of Treasury notes canceled and retired.

Fiscal year July 1—	Treasury notes issued.	Silver dollars coined from bullion of act of 1890.	Amount of Treasury notes redeemed in silver and canceled.	Amount of Treasury notes outstanding.
1891	$50,577,498	$27,292,475	....	$50,228,417
1892	51,106,608	3,450,995	....	101,712,071
1893	45,531,375	5,343,715	....	147,190,227
1894	8,715,521	758	$3,346,585	152,584,417
1895	....	3,956,011	6,496,017	146,088,400
1896	....	7,500,822	16,405,120	129,683,280
1897	....	21,203,701	14,816,000	114,867,280
1898 [1]	....	3,824,380	8,519,000	106,348,280
Total	155,931,002	72,572,857	49,582,922	....

[1] First six months only, from July 1 to Dec. 31, 1897.

The notes issued under this act were made by law redeemable on demand, in coin, at the Treasury or at the office of any assistant treasurer and when so redeemed might be reissued. The act further provided that upon demand of the holder the Secretary shall, under such regulations as he may prescribe, redeem such notes in gold or silver coin, at his discretion, it being the established policy of the United States to maintain the two metals on a parity with each other upon the present legal ratio, or such ratio as may be provided by law.

This imposed upon the Secretary the legal duty of maintaining all the silver currency of the United States on a parity with gold. Under it each Secretary of the Treasury has pursued the policy of refusing to discriminate against coins of either metal. When the holder of any coin obligation of the Government—whether United States note, Treasury note, or draft on the Treasury—has preferred silver, he has been given it; and where, on the other hand, he has preferred gold, the Treasury Department has not refused to furnish it.

By the act of November 1, 1893, the purchasing clause of the act of July 14, 1890, was repealed. Since that date, the coinage of the silver bullion has been going on more or less steadily and some $50,000,000 of the coin notes have been paid in silver dollars and canceled and retired. Prior to January 1, 1898, 56,194,139.46 ounces of fine silver purchased under the act of 1890 (which had cost $54,225,040.90) had been coined into 72,572,857 silver dollars. The difference, $18,347,816.10, being the seigniorage, has gone into the Treasury as revenue—being accounted for as a "miscellaneous receipt."

Down to July 1, 1897, the coinage of the silver dollar had resulted in a seigniorage of $69,887,532.29, on account of the silver purchased under the act of 1878, and $17,216,322.87 on account of that purchased under the act of 1890—a total of $87,103,855.16. That is to say, the silver dollars coined to July 1, 1897, from bullion purchased under these two acts exceed by $87,103,855.16 the cost of the silver from which they have been coined.

Capital Issues Committee Statements.

Following are statements for the press issued during April by the Capital Issues Committee of the Federal Reserve Board:

APRIL 3, 1918.

It is expected that the provision in the War Finance Act reducing to $100,000 the minimum of issues of all classes to be dealt with by the Capital Issues Committee will result in a very material increase in the number of applicants. In anticipation of this expected increase, the Capital Issues Committee stated to-day that those intending to submit issues would greatly facilitate the disposition of their applications if they would prepare them in accordance with the detailed instructions to applicants issued by the Capital Issues Committee of the Federal Reserve Board. Copies of these instructions can be obtained from the subcommittees on capital issues located at the Federal Reserve Bank in each district.

APRIL 4, 1918.

Coordinating its work with that of the Treasury Department in connection with the approaching campaign for the third Liberty loan, the Capital Issues Committee announced to-day that it had adopted the following resolution:

> Voted to recommend the postponement wherever possible of the issue or public offering of securities of every kind during the pending campaign for the Liberty loan; this recommendation not applying to cases where securities must be sold or offered to provide for maturities. In case of issues already passed upon by the Capital Issues Committee but not as yet made or offered for sale, it is hoped that such issues, wherever practicable, may also be postponed and that the subcommittees will use their influence to that end.

APRIL 8, 1918.

The problem of making available to the Government to the greatest possible degree, capital, labor, material, and transportation means creating a surplus of each of these elements so vital to our national needs at this time. The creation of a surplus of labor necessarily involves the creation of a short period of temporary unemployment, during which labor disengaged from unessential industry may be diverted to essential industry.

To minimize any hardship upon labor arising from the creation of this unavoidable hiatus is the chief concern of all. The Capital Issues Committee is closely studying the problem from this point of view as it is anxious that its operations should not create idleness any faster than the demand for labor can counteract. For this purpose a conference took place this week between the Capital Issues Committee, Mr. John B. Densmore, director of the United States Employment Service, and Mr. Frank Morrison, of the American Federation of Labor. A plan was adopted under which the committee, before acting upon any application for the issue of securities the approval or disapproval of which would affect seriously labor conditions, will seek the advice of the United States Employment Service, whose successful efforts to secure a scientific distribution of labor fitted to prevailing conditions are heartily supported by the American Federation of Labor.

The committee announced that during the week ended April 4 it gave final disposition to 20 applications, aggregating $17,339,000, of which $1,051,000 were disapproved and $16,287,000 were approved. As the latter figure included $2,581,000 of approved issues representing refunding obligations, the aggregate of new issues approved was $13,706,000, as against $66,736,000 of new issues for the same period last year.

APRIL 15, 1918.

In answer to questions raised from several quarters, the Capital Issues Committee of the Federal Reserve Board made it clear to-day that, pending the appointment by the President of the new committee, the work of the old committee would proceed on the same lines as heretofore, and that applications for the issue of securities should be addressed to it.

The Chicago Stock Exchange has sent to the committee a copy of its resolution as follows:

Resolved, That the Committee on Stock List will require as a condition to the listing of any new capital issues, the presentation of the approval of the Capital Issues Committee of the Federal Reserve Board.

During the week just passed the committee disposed of 28 applications, aggregating $54,936,000, of which $21,049,000 were disapproved. The $33,887,000 approved included $864,000 of refunding obligations, so that the new issues approved aggregated $33,023,000. New issues for the corresponding period last year amounted to $18,894,000. The increase of this year over last year is readily accounted for by the approval this week of a single issue of $25,000,000 of common stock. While the total issues approved is large, it should be borne in mind that such approvals have been given with the understanding that no offering of securities will be made during the pending Liberty loan campaign unless such issues are for the special purpose of meeting maturing obligations or are otherwise vitally urgent.

The committee will be guided in its future operations as nearly as possible by the provisions of the War Finance Corporation Act so that the operations of the subsequent committee and the present committee will be as consistent as possible. For the time being, however, the committee has not yet decided to reduce the minimum for public utility and industrial issues considered by it from five to one hundred thousand dollars.

APRIL 23, 1918.

The Capital Issues Committee of the Federal Reserve Board stated to-day that it was in receipt of a letter from Mr. Thomas E. Finnegan, of the New York State Department of Education, supporting the work of the committee. In his letter, Mr. Finnegan said in part:

We are advising school authorities in all parts of the State that no new construction should be planned, under existing conditions, except in those cases where the needs are absolutely imperative. There are two reasons why localities should not undertake new construction for school purposes if it may well be deferred until a later period. The funds of the country should be made available to the fullest extent for financing the war. Nothing that will divert in any way whatever from this one purpose should be done which may be avoided. The cost of construction is also abnormally high and where new construction for school purposes may be deferred until there is a better adjustment of prices, that course should be pursued.

APRIL 22, 1918.

Very naturally security issues of municipalities comprise the major portion of the work of the Capital Issues Committee. Capital expenditures by municipalities generally may be divided into the following classes: Road improvements, school buildings, public buildings, and sanitary improvements (water works and sewer plants). The committee has heretofore announced its policy with respect to its method of cooperating with existing government departments and bureaus with respect to the three classes first named. It now announces that Surgeon General Blue, of the United States Public Health Service, has placed his organization at the disposal of the committee for use in connection with the consideration of capital expenditures for sanitary improvements. In his letter to the committee, the Surgeon General states:

It is one of the functions and purposes of this bureau to collect information of this character and it will be a pleasure to furnish you with such information in any specific case which may come before the committee. Considerable information is already available in this office about this matter, and in cases where this has not already been done the desired data may be obtained by sending out a questionnaire which may be prepared by this Bureau.

During the week just past the committee disposed of 25 applications, aggregating $10,105,000, of which $762,000 were disapproved. The $9,343,000 approved included $300,000 of refunding obligations, so that the new issues approved aggregated $9,043,000. New issues for the corresponding period last year amounted to $14,547,000, so that a comparative saving of 37.8 per cent was effected. In addition to this saving, postponement was secured informally of issues aggregating $5,560,000.

APRIL 24, 1918.

At its meeting yesterday the Capital Issues Committee of the Federal Reserve Board adopted the following resolution:

Resolved, That, effective immediately, this committee reduce from $500,000 and over to $100,000 and over the minimum of security issues of industrial and public-utility corporations that it will consider.

This action is taken by the committee in furtherance of its policy heretofore expressed of adapting its methods to those prescribed for the guidance of the Capital Issues Committee created by the War Finance Corporation Act which, in section 203, provides that the committee may consider applications of $100,000 and over.

The committee has heretofore observed the $100,000 minimum only with respect to municipal issues. Its action to-day will tend to relieve the embarrassment of those desiring to issue at this time securities the aggregate of which is above the minimum prescribed by the statute and yet below the minimum heretofore considered by the existing committee.

APRIL 29, 1918.

The Capital Issues Committee stated to-day that it was in receipt of the following letter from Hon. Louis L. Emerson, Secretary of State of Illinois:

In administering the Illinois Blue Sky Law, we have a good many applications pending in this department, asking for permits to sell securities in this State under this law. We desire to cooperate with the Capital Issues Committee in every way possible.

Thus far we have not authorized any companies to sell securities in excess of $100,000 since this law went into effect.

We would like to have a copy of any rulings that you have made and would appreciate the direct information as to whether or not we should authorize companies and state to them that after we have authorized them it will be necessary for them to procure your permit, or should we require the permit first.

to which the committee has replied, in part, as follows:

The purpose of the rules and regulations adopted by the committee may be summarized in a general way by the statement that the committee's approval should be withheld from all issues not necessary for the preservation of public health or essential for the successful prosecution of the war.

The present committee, which is known as the Capital Issues Committee of the Federal Reserve Board, will shortly be superseded by a committee to be appointed by the President under authority conferred by the War Finance Corporation Act, which provides no penalty for offering securities which have not received the committee's approval. It would be very helpful if your department could withhold its approval of issues of $100,000 or more until application has been submitted and passed upon by the Capital Issues Committee.

It is only by subordinating local and personal interests to the public welfare and by enforcing the most rigid economy in matters of public and private enterprise, as well as in matters of personal expenditure, that the United States can hope to bear its part of the financial burden of the war and to release sufficient labor and material for war purposes. Every resource of the Nation must be carefully husbanded and used with the utmost intelligence.

The committee expresses the hope that other States may emulate the patriotic example set by Illinois.

The Liberty loan campaign overshadowed financial activities during the week just passed. However, the committee disposed of 10 applications, aggregating $3,404,000, of which $1,361,000 were refunding obligations. New issues approved, therefore, aggregated $2,043,000. New issues for the corresponding period last year amounted to $22,270,000, so that a comparative saving of 90.8 per cent was effected. In addition to this saving, postponement was secured informally of issues aggregating $340,000.

Fiduciary Powers.

The applications of the following banks for permission to act under Section 11(k) of the Federal Reserve Act have been approved since the issue of the April BULLETIN:

DISTRICT No. 1.

Trustee, executor, administrator, and registrar of stocks and bonds:
First National Bank, Reading, Mass.
Trustee and registrar of stocks and bonds:
Springfield National Bank, Springfield, Mass.
Phœnix National Bank, Hartford, Conn.

DISTRICT No. 3.

Trustee, executor, administrator, and registrar of stocks and bonds:
National Bank of Boyertown, Boyertown, Pa.

DISTRICT No. 4.

Registrar of stocks and bonds:
Union Commerce National Bank, Cleveland, Ohio.

DISTRICT No. 5.

Trustee, executor, administrator, and registrar of stocks and bonds:
Peoples National Bank, Rockymount, Va.
Trustee, executor, and administrator:
Commonwealth National Bank, Reedville, Va.

DISTRICT No. 6.

Trustee, executor, administrator, and registrar of stocks and bonds:
City National Bank, Selma, Ala.
First National Bank, De Funiak Springs, Fla.
Trustee and registrar:
National Bank of Commerce, Pensacola, Fla.

DISTRICT No. 7.

Trustee, executor, administrator, and registrar of stocks and bonds:
Washington National Bank, Washington, Iowa.

DISTRICT No. 10.

Trustee, executor, administrator, and registrar of stocks and bonds:
First National Bank, Englewood, Colo.
Wyoming National Bank, Casper, Wyo.
American National Bank, St. Joseph, Mo.

DISTRICT No. 11.

Trustee, executor, administrator, and registrar of stocks and bonds:
Fort Worth National Bank, Fort Worth, Tex.
National Bank of Commerce, Wichita Falls, Tex.
Trustee, executor, and administrator:
First National Bank, Roswell, N. Mex.

DISTRICT No. 12.

Trustee, executor, administrator, and registrar of stocks and bonds:
First National Bank, Prineville, Oreg.
National City Bank of Seattle, Seattle, Wash.

Acceptances to 100 Per Cent.

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

Fourth-Atlantic National Bank, Boston, Mass.
Merchants National Bank, New York City.
Scandinavian Trust Co., New York City.
Dedham National Bank, Dedham, Mass.
Union National Bank, Houston, Tex.
Macon National Bank, Macon, Ga.
Merchants National Bank, Vicksburg, Miss.
Corn Exchange National Bank, Chicago, Ill.
First National Bank, Pittsburgh, Pa.
Union & Planters Bank & Trust Co., Memphis, Tenn.

Growth of the Acceptance Business.

In continuation of similar figures shown on page 11 of the January, 1918, BULLETIN there are presented below summary data of acceptance liabilities of national banks in principal cities, supplemented by like data for State banks and trust companies in New York, Boston, St. Louis, Baltimore, and certain States. Between November 20, 1917, and March 4 of the present year acceptance liabilities of the national banks increased from 153.6 to 230.2 millions, or about 50 per cent. For a slightly shorter period the trust companies in Greater New York report an increase in their acceptance liabilities from 98.3 to 104.9 millions, or of less than 7 per cent. Acceptances held by the Federal Reserve Banks on dates nearest the dates of the Comptroller's calls likewise show a substantial increase from 209.9 on November 23, 1917, to 317.9 millions on March 8 of the present year. Since then these holdings have slightly decreased, the total for April 26 being 302.4 millions.

Acceptance liabilities of national banks in principal cities of the United States on specified dates.

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

	Nov. 20, 1917.	Dec. 31, 1917.	Mar. 4, 1918.
New York	67,769	100,382	96,234
Boston	37,191	42,740	45,134
Philadelphia	7,462	14,125	14,694
Pittsburgh	456	1,917	2,502
Cleveland	2,040	5,198	7,936
Cincinnati	788	1,278	980
Richmond	1,550	2,772	4,402
Baltimore	2,105	2,641	2,492
New Orleans	2,421	2,674	2,663
Charleston, S. C	1,517	1,274	1,474
Chicago	7,526	10,122	15,764
Minneapolis	953	808	595
St. Louis	1,078	2,953	3,913
Dallas	1,725	1,775	2,850
San Francisco	3,625	5,708	7,185
All other	15,439	20,823	21,346
Total	153,645	217,190	230,164

Available data regarding acceptance liabilities of other American banking institutions in leading cities and certain States on or about dates of the last three calls made by the Comptroller of the Currency are as follows:

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

	Nov. 20, 1917.	Dec. 31, 1917.	Mar. 4, 1918.
All national banks	153,645	217,190	230,164
Trust companies in Greater New York	[1] 98,268	100,196	[2] 104,920
State banks in Greater New York	5,783	5,586	7,345
Trust companies and State banks in—			
Boston	17,604	No call.	18,673
St. Louis	[3] 1,867	1,094	5,122
Baltimore	70	137	470
State of Ohio			981
State of California	551		[4] 951
State of New Jersey			293

[1] Nov. 14. [2] Mar. 14. [3] Nov. 29. [4] Feb. 2.

Commercial Failures Reported.

The reduction in the business mortality continues a conspicuous and gratifying feature as the country enters on its second year of war, and commercial failures reported to R. G. Dun & Co. for three weeks of April number 636, against 771 in the same period of 1917, when the insolvencies were comparatively moderate. The returns for March, the latest month for which complete statistics are available, disclose 1,142 defaults for $17,672,331, as compared with 1,232 in March, last year, for $17,406,096. While the liabilities slightly exceed those of March, 1917, and are also somewhat above those of March, 1916, they are the lightest for the month, with the exceptions noted, back to 1910, and the number is the smallest since 1911. Comparing with March, last year, the statement shows fewer failures in the fifth, sixth, eighth, ninth, tenth, eleventh, and twelfth districts, while in the fourth and seventh districts no change at all appears. The liabilities, moreover, are less than in March, 1917, in the majority of instances, although the increases in the first, third, fourth, ninth, and twelfth districts more than offset the reductions elsewhere.

Failures during March.

District.	Number.		Liabilities.	
	1918	1917	1918	1917
First	159	102	$2,527,494	$1,729,943
Second	185	175	5,598,986	5,801,781
Third	99	54	1,420,861	398,014
Fourth	93	93	1,754,144	1,307,390
Fifth	54	98	522,255	916,299
Sixth	93	138	789,201	1,315,107
Seventh	194	194	1,800,141	2,609,431
Eighth	49	80	347,297	462,190
Ninth	46	56	718,231	430,678
Tenth	34	42	218,624	392,014
Eleventh	31	80	192,997	310,418
Twelfth	105	120	1,782,100	1,732,831
Total	1,142	1,232	17,672,331	17,406,096

New National Bank Charters.

The Comptroller of the Currency reports the following increases and reductions in the number of national banks and the capital of national banks during the period from March 23, 1918, to April 26, 1918, inclusive:

	Banks.	
New charters issued to	9	
With capital of		$1,190,000
Increase of capital approved for	11	
With new capital of		675,000
Aggregate number of new charters and banks increasing capital	20	
With aggregate of new capital authorized		1,865,000
Number of banks liquidating (other than those consolidating with other national banks)	7	
Capital of same banks		1,500,000

	Banks.
Number of banks reducing capital	0
Reduction of capital	0
Total number of banks going into liquidation or reducing capital (other than those consolidating with other national banks)	7
Aggregate capital reduction	1,500,000

The foregoing statement shows the aggregate of increased capital for the period of the banks embraced in statement was	1,865,000
Against this there was a reduction of capital owing to liquidation (other than for consolidation with other national banks) and reductions of capital of	1,500,000
Net increase	365,000

Farm Products as Bank Security.

On September 5, 1917, a committee representing the Department of Agriculture met informally with the Federal Reserve Board to discuss the advisability of extending to certain agricultural products, not previously included as eligible for the special commodity rate of rediscount, the advantages of that rate. At that meeting the Department was asked to furnish the Board with information as to proper storage conditions, length of storage, and percentage of shrinkage in storage for each of several perishable commodities which might be considered sufficiently staple to warrant recognition in this connection. The accompanying chart contains this information for apples, potatoes, sweet potatoes, onions, cabbage, eggs, frozen eggs, poultry, butter, and fish. It represents the results of investigations and observations made by several department specialists in handling and storing fruits and vegetables. Since the conference referred to, the Board has, in the process of revising the rates of rediscount, found it necessary to suspend for the present the commodity rate. There is, of course, nothing to prevent Federal Reserve Banks from rediscounting eligible paper protected by agricultural security just as in the past, as commercial agricultural paper, although the technical "commodity rate" no longer exists. The Board therefore furnishes the attached information for the benefit of bankers who are making loans protected by staple commodities, as well as for the information of those who contemplate offering such commodities as collateral.

UNITED STATES DEPARTMENT OF AGRICULTURE.

Suitable storage conditions for certain perishable products.

Commodity.	Prestorage handling and condition when placed in storage.	Varieties.	Warehouse requirements.			
			A—Construction.	B—Temperature.	C—Humidity.	D—Stowing.
Apples	The apples should conform to the specifications of the U. S. standard grades established by an act of Congress, approved Aug. 3, 1912 (Public—No. 252), or any grades that may hereafter be established by authority of Congress.	Varieties only which have a recognized storage period of 3 months or more should be considered.	Cold storage houses should be so constructed and equipped as to maintain practically uniform temperature and humidity conditions required for successful storage throughout the storage season. Common storage houses should be sufficiently insulated to prevent freezing and should be provided with the necessary inlet and outlet vents to permit an adequate ventilation and temperature regulation.	Cold storage temperature range should be 31° F. to 32° F. for the storage of apples. Common storage temperature should be maintained at from 31° F. to 36° F. after the initial cooling of the fruit.	80 to 90 per cent.	Stowed with sufficient spacing to permit of free air circulation, and to render each lot readily accessible for inspection and withdrawal.

Suitable storage conditions for certain perishable products—Continued.

Commodity.	Prestorage handling and condition when placed in storage.	Varieties.	Warehouse requirements.			
			A—Construction.	B—Temperature.	C—Humidity.	D—Stowing.
Potatoes	Table stock should be well matured and graded to conform to the specifications of the U. S. standard grades. Seed stock should be certified by a competent inspector.	All varieties keep well in storage provided they are harvested in the autumn.	The building should be so constructed and insulated as to prevent fluctuations in temperature, means for ample ventilation should be provided, and all unnecessary light should be excluded.	Range from 35° F. to 40° F.	80 to 85 per cent.	When stowed in bags, boxes, or crates, they should be so piled as to permit free air circulation. Bulk potatoes should not be stored to a greater depth than 6 feet, nor more than 60,000 pounds in a single compartment. They should be carefully handled to avoid unnecessary injuries.
Potatoes (sweet.)	Sweet potatoes should be well developed, carefully handled to avoid bruising, and should be practically free from damage caused by disease, insect or mechanical injury. They should not be allowed to become chilled or frosted, and when placed in storage the surface should be dry and practically clean.	All varieties grown on a commercial scale.	Should be so constructed that all light is excluded, and moderate changes in outside temperature will not quickly affect inside temperatures. Wood construction if preferable, and ample means for ventilation control should be provided.	While the potatoes are being stored, and for a period of 10 days to 2 weeks thereafter, or until the potatoes are cured, a temperature of from 80° F. to 90° F. should be maintained. Thereafter a uniform temperature of as nearly 55° F. as is practicable should be maintained. Ventilation and artificial heat are necessary to control temperature and moisture.	The percentage of humidity should not be so high that moisture is deposited on the walls of the storage house.	When stored in bins, the potatoes should be carefully poured from basket or crate into the bin. To allow free circulation of air, the bins should have slatted sides and floor, and at least 4 inches of air space on all sides. The bin floor should be raised 2 inches or more above the house floor. When stowed in crates, baskets, or hampers, they should be stacked so as to allow circulation of air, and to prevent the crushing or breaking of the packages or bruising their contents.
Onions	The onions should be well ripened, dry, and thoroughly air cured when stored. Any lot of onions should be practically free from damage caused by disease, insects, or mechanical injury, and from other stock commercially known as culls.	All common varieties of onions, except those of the Bermuda type.	The building should be so constructed and insulated as to prevent fluctuations in temperature and means for ample ventilation should be provided.	In cold storage the temperature range should be from 30° F. to 36° F. In common storage the same range of temperature should be maintained as nearly as possible, but with the better ventilation usually secured in common storage buildings, onions will keep well at higher temperatures.	80 to 85 per cent.	They should be stowed in suitable receptacles, as indicated under "Containers," and should be stacked in such a way as to permit of free air circulation throughout the lot.
Cabbage	Solid heads, practically free from injuries due to insects and diseases. Heads should be cut with but few if any loose leaves adhering and carefully handled from field to storage house.	Danish Ball Head, or sorts with similar form and texture.	Well-ventilated, frost-proof root cellar or warehouse type of construction with ample intake and outlet vents for quick cooling and ventilation, and equipped with slatted shelves supported on staging, so that the heads may be stored one layer deep, with at least 15 to 18 inches clear space around the walls of the building. The ceiling should be so constructed as to prevent drip on the product.	Range, 32° F. to 36° F.	The humidity should be maintained as high as possible without actual disposition of moisture on the product.	On slat shelves in single layers. The height of the staging and the number of shelves will be determined by convenience and dimensions of the building.

Suitable storage conditions for certain perishable products—Continued.

Commodity.	Prestorage handling and condition when placed in storage.	Varieties.	Warehouse requirements.			
			A—Construction.	B—Temperature.	C—Humidity.	D—Stowing.
Eggs	Eggs should be moved quickly from the producer to the warehouse. They should be carefully sorted and candled, so that none showing mechanical defects or noticeable deterioration is included in the storage stocks. No washed eggs should be stored.	The grades should conform to those generally adopted by the wholesale trade until United States standards are promulgated.	Cold-storage houses should be so constructed and equipped as to maintain practically uniform temperature and humidity conditions required for successful storage throughout the storage season.	Range from 29° F. to 32° F.	82 to 85 per cent.	Egg cases should be stowed with ½ inch to 1 inch dunnage between to insure space for a free air circulation and so that separate lots may be easily inspected.
Frozen eggs	Should be removed from shell in chilled, sanitary surroundings, and frozen immediately on fish-shelf sharp freezers.	One grade for food; one grade for manufacturing purposes.	do	Range from 0° F and below to 10° F.		Protect from doors and elevator shafts.
Poultry	Poultry should be dry picked, dry cooled, and dry packed at temperatures ranging from 30° F. to 35° F. for from 18 to 24 hours, then frozen at 6° F. or below.	The classes and grades should conform to those generally adopted by the wholesale trade, until U. S. standards are promulgated.	do	Preferred, 0° F. to 10° F.; admissible, 12° F. to 14° F.		Poultry should be stowed so that separate lots may be easily inspected, and protected from injury by heat leakage at doors and elevator shafts.
Butter	Butter should be placed in cold storage within 10 days after it is manufactured. When storage facilities are not available during this period the product should be held in a temperature below 50° F.	The grades should conform to those generally adopted by the wholesale trade, until U. S. standards are promulgated.	do	Range from 2° F and below.		Packages should be so stowed as to permit a free air circulation beneath the pile, and so stacked that separate lots may be easily inspected. Cube and box packages should be separated by 1 inch dunnage.
Fish	Fish should be placed in storage in a fresh condition, as indicated by their physical appearance.	Practically all food varieties.	do	Hard frozen and glazed at temperature of 0° F. or below and stored at 0° F. or below to 5° F., depending on variety. For holding less than 6 months it is admissible to store at 12° F.		

Commodity.	Warehouse requirements.		Storage period.	Shrinkage.	Remarks.
	E—Containers.	F—Inspection.			
Apples	Containers shall be clean, strongly built barrels, boxes, or crates, and when packed for market shall be plainly marked with the grade, variety, and the grower's or packer's name.	All lots should be inspected when received for storage by a qualified inspector. Subsequent inspections of representative packages of all lots should be made at intervals of 15 to 30 days, depending on the variety and condition of the fruit as indicated by previous inspections.	The usual cold-storage period for winter varieties is from 3 to 6 months, depending upon the variety and the condition of the fruit when stored.	In cold storage, 2 to 5 per cent; in common storage, variable.	Attention is directed to the fact that a delay of 1 or more weeks between the picking and storing of apples greatly reduces their life in storage and results in early deterioration. The successful storage of apples is as much dependent upon the treatment they receive before being placed in cold storage as the conditions under which they are held in storage. See Department Bulletin No. 587.

Suitable storage conditions for certain perishable products—Continued.

Commodity.	Warehouse requirements.		Storage period.	Shrinkage.	Remarks.
	E—Containers.	F—Inspection.			
Potatoes	They may be stored in asceptic burlap bags, barrels, boxes, crates, or bins when in bulk.	Potatoes should be inspected by a qualified inspector when received for storage, and again within 30 days. The frequency of the inspections thereafter will depend upon the condition of the potatoes as determined by previous inspections.	The usual storage period is from 3 to 6 months, depending upon the section of the country in which the storage is located, the type of the storage house and the condition of the stock.	When potatoes are stored, in containers or in bulk, as specified in column 6, the shrinkage is approximately 7 per cent.	Potatoes are stored in both common storages and in artificially cooled warehouses. See Farmers Bulletin No. 847.
Potatoes (Sweet.)	Sweet potatoes are usually stored in bins, but may be stored satisfactorily in substantial crates, baskets, or hampers, which permit of a free air circulation.	The potatoes should be thoroughly inspected by a qualified inspector at the time they are put in the storage house, within 15 days after the beginning of the storage period, and from 15 to 30 days thereafter.	The safe storage period is about 4 months. Under the most favorable conditions and good management they may be kept 6 months.	The shrinkage from loss of moisture is from 8 to 10 per cent in bins, and somewhat higher in packages. An additional shrinkage of 5 per cent should be allowed for decay.	It is recommended that sweet potatoes be not considered properly stored until they have passed through the curing period. See Farmers Bulletin No. 548.
Onions	The best containers are slatted crates, although baskets, hampers, and bags are used successfully.	Thorough inspection should be made when the onions are placed in storage, and at intervals not exceeding 30 days. The frequency of the inspections thereafter will depend upon the condition at the previ- inspections.	The storage period with thorough ventilation is 6 months.	Should not exceed 10 or 12 per cent.	See Farmers Bulletin No. 354.
Cabbage	None	Inspection should be at intervals of from 15 to 30 days, and the storage houses should have daily attention from a competent warehouseman skilled in the handling of such structures and commodities.	The storage period extends from November to April, 5 or 6 months.		Vents should be closed except during periods when the ouside temperature is the same or lower than the contents of the storage. Stoves should be provided to prevent freezing in cold periods. See Farmers' Bulletin No. 433.
Eggs	Eggs should be packed in clean odorless-wood cases. Fillers should be new dry No. 1 or medium strawboard with flats or excelsior cushion filler over top and under bottom. Padding must be kiln-dried excelsior, cork shavings, or corrugated strawboard, on top and bottom of each case. No pine excelsior should be used. The cases should be plainly marked with the grade.	Inspection should be at intervals of from 15 to 30 days, and the storage house should have daily attention from a competent warehouseman skilled in the handling of such structures and commodities.	Not exceeding 12 months.	Shrinkage depends upon the percentage of humidity and should not be more than 5.5 per cent. Shrinkage should be calculated from net weight of products.	Rooms must be clean and odorless. See Bureau of Chemistry Circular No. 64.
Frozen eggs	30-pound tin buckets most common. Smaller tin cans now increasing, due to wider use of this product.	Every 30 days or at longer periods.	No change in composition up to 24 months. After 12 months egg thickens slightly. Whites near top of can may become pink due to iron under tin. Egg not injured as foodstuff thereby.	None	See Department Bulletins Nos. 51 and 225.
Poultry	All poultry should be packed in clean, strongly built, odorless boxes, lined with parchment or other suitable paper, and should be plainly marked to indicate the grades and classes. Barrels are still admissible, especially for turkeys, but are less desirable than boxes.	All lots should be inspected by a qualified inspector when received for storage, and at intervals of 30 days or longer, depending upon the conditions found at the previous inspections.	Not exceeding 12 months.	Shrinkage varies from 1 to 3 per cent.	Water-cooled or ice-packed poultry should not be stored for long periods. Scalded birds deteriorate more rapidly than dry-picked. Drawn poultry should never be stored. See Bureau of Chemistry Circular No. 64.

Suitable storage conditions for certain perishable products—Continued.

Commodity.	Warehouse requirements.		Storage period.	Shrinkage.	Remarks.
	E—Containers.	F—Inspection.			
Butter.........	Packages should conform to the regular commercial styles, including 63-pound tubs, 63 to 78 pound cubes, and standard boxes of 1-pound prints.	All lots should be inspected by a qualified inspector when received for storage, and at intervals of 30 days or more, depending upon the quality and condition of the lots at previous inspection.	.....do...............	In general, the shrinkage will run from ½ to 1 per cent.	See Bureau of Animal Industry Bulletins Nos. 84 and 148.
Fish...........	....	Inspection should be made at intervals of 30 days or more by a qualified inspector.	.....do.....	....	Reglazing of boxed fish required in from 3 to 6 months. Stacked fish should be spray glazed every 3 months or more frequently. See Department Bulletin No. 635.

State Banks and Trust Companies Admitted.

The following list shows the State banks and trust companies which have been admitted to membership in the Federal Reserve system up to and including April 30, 1918, together with a statement showing rank by States, as to number of banks, capital and surplus, and resources. Four hundred and forty-four State institutions are now members of the system, having a total capital of $265,612,800, total surplus of $344,601,745, and total resources of $5,872,851,587.

	Capital.	Surplus.	Total resources.
Alabama:			
Athens—Citizens Bank & Trust Co.................	$30,000	$18,000	$292,674
Birmingham—			
American Trust & Savings Bank............	500,000	250,000	7,712,235
Birmingham Trust & Savings Co............	500,000	650,000	12,836,371
Eufaula—Bank of Eufaula....	100,000	14,000	612,542
Marion—Marion Central Bank	50,000	100,000	530,054
Mobile—Peoples Bank of Mobile.....................	200,000	200,000	5,264,438
Montgomery—Sullivan Bank & Trust Co...............	250,000	25,750	615,282
Total..................	1,630,000	1,257,750	27,863,596
Arizona:			
Safford—Bank of Safford.....	33,000	40,000	609,619
Tombstone—Cochise County State Bank...............	30,000	5,000	224,695
Total..................	63,000	45,000	834,314
Arkansas:			
Helena—Security Bank & Trust Co.................	100,000	50,000	1,317,528
Little Rock—Mercantile Trust Co.......................	300,000	60,000	1,364,691
Texarkana—Merchants & Planters Bank.............	200,000	10,000	1,130,085
Total..................	600,000	120,000	4,312,304
California:			
San Fernando—San Fernando Valley Savings Bank....	$25,000	$2,500	$100,456
Santa Monica—Bank of Santa Monica.....................	110,000	48,000	1,569,713
Stockton—Farmers & Merchants....................	640,000	195,000	4,488,260
Total..................	775,000	245,500	6,158,429
Colorado:			
Denver—The American Bank & Trust Company..........	500,000	185,000	5,822,311
Denver—International Trust Co.......................	500,000	500,000	15,796,222
Total..................	1,000,000	685,000	21,618,533
Connecticut:			
Bridgeport—Bridgeport Trust Co.......................	500,000	300,000	8,039,172
New Haven—Union & New Haven Trust Co............	650,000	500,000	4,106,252
Waterbury—Colonial Trust Co.......................	400,000	500,000	8,015,132
Total..................	1,550,000	1,300,000	20,160,556
Delaware:			
Wilmington—			
Wilmington Trust Co.....	1,000,000	5[illegible]0,000	13,595,249
Security Trust & Safe Deposit Co................	600,000	0[illegible],000	5,909,691
Total..................	1,600,000	1,200,000	19,504,940
District of Columbia:			
Washington-Continental Trust Co...................	1,000,000	100,000	4,905,415
Florida:			
Deland—Volusia County Bank....................	100,000	100,000	1,250,571
Leesburg—Leesburg State Bank....................	30,000	10,000	323,095
Tampa—Citizens Bank & Trust Co.................	250,000	500,000	4,170,955
Total..................	380,000	610,000	5,744,621
Georgia:			
Athens-American State Bank.	100,000	20,000	607,778
Atlanta—			
Central Bank & Trust Corporation............	1,000,000	300,000	11,213,586
Trust Company of Georgia.	1,000,000	1,000,000	4,050,113
Brunswick—Brunswick Bank & Trust...................	100,000	72,000	1,203,184
Camilla—Bank of Camilla.....	50,000	50,000	634,828

	Capital.	Surplus.	Total resources.
Georgia—Continued.			
Savannah—			
Citizens & Southern Bank	$1,000,000	$1,000,000	$21,253,105
Savannah Bank & Trust Co.	630,000	570,000	9,778,762
West Point—Citizens Bank	50,000	....	238,056
Total	3,930,000	3,012,000	48,979,412
Idaho:			
Filer—Farmers & Merchants Bank	25,000	....	37,260
Genesee—Genesee Exchange Bank	25,000	12,500	524,127
Kimberly—Bank of Kimberly	35,000	10,250	373,934
Parma—Parma State Bank	100,000	25,000	711,810
Rexburg—Farmers & Merchants Bank	50,000	5,000	292,921
St. Anthony—State Anthony Bank & Trust Co.	30,000	10,000	328,839
Total	265,000	62,750	2,268,891
Illinois:			
Bloomington—State Bank of Bloomington	150,000	200,000	....
Chicago—			
Austin State Bank	200,000	65,000	3,183,520
Central Trust Co. of Illinois	6,000,000	1,000,000	57,945,427
Chicago Savings Bank & Trust Co.	1,000,000	200,000	12,682,509
First Trust & Savings Bank	5,000,000	5,500,000	82,924,234
Foreman Bros. Banking Co.	1,500,000	500,000	20,497,263
Harris Trust & Savings Bank	2,000,000	2,000,000	33,408,526
Home Bank & Trust Co.	300,000	75,000	2,428,522
Hyde Park State Bank	200,000	50,000	1,827,958
Kaspar State Bank	500,000	300,000	6,474,909
Madison & Kedzie State Bank	200,000	50,000	1,463,651
Mechanics & Traders State Bank	200,000	50,000	1,920,040
Merchants Loan & Trust Co.	3,000,000	8,000,000	117,563,441
Noel State Bank	300,000	100,000	2,754,077
North Side State Savings Bank	200,000	....	1,663,131
Standard Trust & Savings Bank	1,000,000	500,000	9,600,045
State Bank of Chicago	1,500,000	3,000,000	37,047,188
Union Trust Co.	1,500,000	1,700,000	36,963,945
United State Bank of Chicago	200,000	30,000	897,753
Cicero—Kirchman State Bank	100,000	25,000	593,414
East St. Louis—Illinois State Bank	400,000	....	3,149,355
Edwardsville—Citizens State & Trust Bank	60,000	33,000	688,985
Effingham—Effingham State Bank	50,000	10,000	728,525
Elmhurst—Elmhurst State Bank	60,000	25,000	780,061
Evanston—State Bank of Evanston	150,000	200,000	4,164,200
Joliet—			
Commercial Trust & Savings Bank	100,000	5,000	770,513
Joliet Trust & Savings Bank & Trust Co.	100,000	25,000	742,828
Kewanee—Union State Savings Bank & Trust Co.	100,000	25,000	1,254,291
Magnolia—First State Bank	25,000	25,000	180,345
Martinsville—Martinsville State Bank	50,000	17,000	382,123
Mattoon — Central Illinois Trust & Savings Bank	100,000	50,000	870,583
Moline—			
Moline Trust & Savings Bank	225,000	85,000	3,316,953
Peoples Savings Bank & Trust Co.	250,000	150,000	4,325,468
State Savings Bank & Trust Co.	300,000	100,000	3,990,447
Illinois—Continued.			
Mount Carroll—Carroll County State Bank	$50,000	$25,000	$953,872
Oak Park—Oak Park Trust & Savings Bank	200,000	50,000	2,687,734
Oak Park—Suburban Trust & Savings Bank	100,000	10,000	436,689
Quincy—State Savings Loan & Trust Co.	1,000,000	....	8,379,352
St. Charles—Stewart State Bank	100,000	40,000	153,605
	28,470,000	24,220,000	469,795,482
Indiana:			
Elkhart—St. Joseph Valley Bank	100,000	50,000	2,631,394
Kentland—Discount & Deposit State Bank	70,000	40,000	582,119
Paoli—Paoli State Bank	25,000	750	218,596
Terre Haute—Terre Haute Trust Co.	350,000	200,000	6,468,674
Tipton—Farmers Loan & Trust Co.	50,000	45,000	719,866
Total	595,000	335,750	10,620,649
Iowa:			
Brighton—Brighton State Bank	50,000	10,000	672,810
Cedar Falls—Security Trust & Savings Bank	50,000	8,000	276,691
Clinton—Peoples Trust & Savings Bank	300,000	300,000	5,216,714
Des Moines—Iowa Loan & Trust Co.	500,000	100,000	7,631,625
Gilman—Citizens Savings Bank	25,000	11,000	379,681
Mason City—Commercial Savings Bank	100,000	17,000	1,115,756
Ottumwa—Ottumwa Savings Bank	100,000	30,000	1,270,976
Royal—Home State Bank	25,000	500	175,463
Sioux City—Bankers Loan & Trust Co.	100,000	8,000	431,785
Sutherland—First Savings Bank	50,000	....	326,237
Thompson—State Bank of Thompson	30,000	8,000	251,762
Vail—Farmers State Bank	50,000	8,000	271,552
Wapello—Wapello State Savings Bank	30,000	8,000	396,391
Total	1,410,000	508,500	18,417,443
Kansas:			
Fairview—Fairview State Bank	30,000	15,000	287,887
Fort Scott—Fort Scott State Bank	100,000	28,000	1,549,310
Hiawatha—Morrill & Janes Bank	100,000	50,000	1,109,620
Topeka—The Kansas Reserve State Bank	200,000	50,000	1,879,233
Wichita—Southwest State Bank	200,000	9,000	2,781,811
Winfield—The State Bank	100,000	50,000	1,282,448
Total	730,000	202,000	8,890,309
Kentucky:			
Louisville—German Insurance Bank	250,000	500,000	8,035,578
Maysville—First Standard Bank & Trust Co.	175,000	60,000	1,505,358
Mount Sterling—Exchange Bank of Kentucky	50,000	25,000	506,049
Total	475,000	585,000	10,046,985
Louisiana:			
Baton Rouge—Union Bank & Trust Co.	150,000	....	150,900
Gretna—Jefferson Trust & Savings Bank	50,000	2,760	635,818
Iota—Bank of Iota	25,000	....	227,786

	Capital.	Surplus.	Total resources.
Louisiana—Continued.			
New Orleans—			
Citizens Bank & Trust Co. of Louisiana	$400,000	$100,000	$5,922,717
City Bank & Trust Co.	200,000	100,000	4,161,096
Canal Bank & Trust Co.	2,000,000	500,000	32,431,111
Hibernia Bank & Trust Co.	1,500,000	2,000,000	40,253,115
Interstate Trust & Banking Co.	750,000	500,000	10,190,046
Marine Bank & Trust Co.	400,000	100,000	506,207
Metropolitan Bank	400,000	200,000	4,863,646
Total	5,875,000	3,502,760	99,341,542
Maine:			
Bangor—Merrill Trust Co.	300,000	400,000	5,453,820
Portland—Fidelity Trust Co.	400,000	400,000	13,397,469
Total	700,000	800,000	18,851,289
Maryland:			
Baltimore—			
Baltimore Commercial Bank	500,000	100,000	2,710,605
Baltimore Trust Co.	1,000,000	2,000,000	15,914,361
Maryland Trust Co.	1,000,000	....	8,251,780
The American Bank	300,000	100,000	2,547,310
Total	2,800,000	2,200,000	29,424,056
Massachusetts:			
Boston—			
American Trust Co.	1,000,000	2,000,000	28,641,959
Beacon Trust Co.	600,000	1,000,000	18,200,452
Commonwealth Trust Co.	1,000,000	500,000	23,891,273
International Trust Co.	1,500,000	1,500,000	25,178,564
Liberty Trust Co.	200,000	300,000	4,853,405
Metropolitan Trust Co.	300,000	300,000	5,504,379
Old Colony Trust Co.	6,000,000	7,000,000	144,908,866
State Street Trust Co.	1,000,000	1,500,000	36,288,917
United States Trust Co.	1,000,000	1,000,000	14,126,910
Cambridge—			
Charles River Trust Co.	200,000	200,000	2,391,175
Harvard Trust Co.	200,000	100,000	3,963,641
Fitchburg—Fitchburg Bank & Trust Co.	500,000	250,000	5,514,116
Holyoke—Hadley Falls Trust Co.	500,000	250,000	6,283,988
Lawrence—Merchants Trust Co.	300,000	150,000	5,648,227
Newton—Newton Trust Co.	400,000	400,000	4,695,323
Norwood—Norwood Trust Co.	200,000	2,000	3,025,434
Winchester — Winchester Trust Co.	100,000	25,000	793,723
Worcester—Worcester Bank & Trust Co.	1,250,000	500,000	24,157,737
Total	16,250,000	16,977,000	358,068,089
Michigan:			
Adrian—			
Adrian State Savings Bank	120,000	55,000	1,975,276
Commercial Savings Bank	110,000	30,000	1,139,850
Lenawee County Savings Bank	150,000	50,000	2,194,213
Albion—Commercial and Savings Bank	75,000	40,000	829,776
Ann Arbor—			
Farmers and Mechanics Bank	150,000	75,000	1,941,323
State Savings Bank	150,000	150,000	2,976,070
Charlotte—Eaton County Savings Bank	100,000	20,000	1,076,437
Chelsea—Farmers and Merchants Bank	25,000	25,000	523,669
Coloma—State Bank of Coloma	25,000	10,000	434,221
Dearborn—Dearborn State Bank	100,000	100,000	1,478,614
Detroit—			
First State Bank	500,000	150,000	7,939,861
Peninsular State Bank	2,500,000	1,000,000	26,837,148
Peoples State Bank	2,500,000	3,500,000	76,416,547
The Dime Savings Bank	1,000,000	1,000,000	33,920,264
Wayne County and Home Savings Bank	3,000,000	3,000,000	55,410,226
Michigan—Continued.			
Detroit—Continued.			
Detroit Savings Bank	$750,000	$750,000	$19,468,463
Central Savings Bank	500,000	100,000	11,811,254
American State Bank	500,000	190,000	6,841,409
Highland Park State Bank	500,000	100,000	9,725,519
Flint—			
Citizens Commercial and Savings Bank	150,000	175,000	3,660,010
Union Trust and Savings Bank	100,000	135,000	3,686,605
Industrial Savings Bank	250,000	250,000	4,755,273
Fremont—Old State Bank	50,000	25,000	839,086
Gladstone—State Savings Bank	50,000	15,000	597,053
Grand Haven—Grand Haven State Bank	75,000	75,000	1,594,975
Grand Rapids—			
Grand Rapids Savings Bank	400,000	350,000	8,107,373
Kent State Bank	500,000	500,000	10,132,463
Hart—Oceana County Savings Bank	40,000	13,000	405,034
Highland Park—Highland Park State Bank	1,000,000	500,000	21,253,238
Hudson—			
Boies State Savings Bank	75,000	25,000	737,600
Thompson Savings Bank	100,000	50,000	1,362,837
Imlay City—The Peoples State Bank	50,000	10,000	619,337
Jackson—			
Central State Bank	100,000	26,000	1,308,914
Jackson State Savings Bank	100,000	100,000	2,037,539
Union Bank of Jackson	400,000	100,000	4,812,228
Lansing—Lansing State Savings Bank	150,000	100,000	2,755,673
Lapeer—Lapeer Savings Bank	50,000	10,000	602,232
Manistee—Manistee County Savings Bank	100,000	100,000	2,069,897
Marcellus—G. W. Jones Exchange Bank	40,000	16,000	562,145
Monroe—B. Dansard & Sons' State Bank	100,000	20,000	1,696,240
Mount Pleasant—Exchange Savings Bank	50,000	30,000	885,968
Niles—Niles City Bank	100,000	20,000	736,935
Petersburg—H. C. McLachlin & Co. State Bank	25,000	5,000	392,590
Petoskey—First State Bank of Petoskey	50,000	10,000	76,337
Port Huron—St. Clair County Savings Bank	100,000	50,000	1,426,569
Rochester—Rochester Savings Bank	50,000	10,000	643,153
Rogers City—Presque Isle County Savings Bank	35,000	12,000	709,133
Romeo—Romeo Savings Bank	50,000	30,000	1,199,287
Royal Oak—First Commercial State Bank	25,000	5,000	362,624
Royal Oak—Royal Oak Savings Bank	40,000	10,000	798,961
Saginaw—Bank of Saginaw	500,000	700,000	13,018,340
Saline—Saline Savings Bank	25,000	20,000	387,725
Saugatuck—Fruit Growers State Bank	50,000	12,500	545,287
Sault Ste. Marie—Sault Savings Bank	100,000	35,000	1,303,569
St. Clair—Commercial & Savings Bank	60,000	10,000	784,982
Warren—The State Savings Bank of Warren	25,000	15,000	533,082
Total	17,910,000	13,914,500	360,340,434
Minnesota:			
Luverne—Rock County Bank	25,000	25,000	552,569
Madelia—State Bank of Madelia	50,000	10,000	688,705
Minneapolis—			
Bankers Trust & Savings Bank[1]	1,000,000	200,000	2,903,572
German American Bank	200,000	200,000	4,555,369
St. Anthony Falls Bank	300,000	60,000	3,717,967
Wells-Dickey Trust Co.	500,000	20,000	612,406
St. Paul—Peoples Bank	300,000	50,000	2,396,587

[1] Converted into a national bank.

	Capital.	Surplus.	Total resources.
Minnesota—Continued.			
Spring Valley—Farmers State Bank	$25,000	$5,000	$177,494
Virginia—American Exchange Bank	100,000	30,000	1,162,835
Winona—Merchants Bank of Winona	100,000	50,000	2,685,461
Total	2,600,000	650,000	19,452,965
Mississippi:			
Laurel—Commercial Bank & Trust Co	100,000	25,000	1,183,656
Summit—Union Bank of Pike	25,000	4,000	195,360
Total	125,000	29,000	1,379,016
Missouri:			
Jefferson City—Exchange Bank of Jefferson City	100,000	20,000	1,111,788
Kansas City—			
Commerce Trust Co	1,000,000	1,000,000	31,610,039
Fidelity Trust Co	1,000,000	1,000,000	15,323,215
St. Louis—			
Franklin Bank	600,000	800,000	9,897,608
German American	1,000,000	700,000	9,561,289
American Trust Co	1,000,000	115,000	7,557,092
German Savings Institution	1,500,000	1,000,000	20,685,580
International Bank of	500,000	500,000	8,609,578
Lafayette South Side Bank	800,000	400,000	13,144,250
Mercantile Trust Co	3,000,000	6,500,000	44,840,733
Mississippi Valley Trust Co	3,000,000	3,500,000	32,116,053
St. Louis Union Bank	2,500,000	2,500,000	39,553,674
Macon—State Exchange Bank of Macon	100,000	20,000	817,544
Marshall-Wood & Huston Bank	100,000	150,000	1,485,071
Total	16,200,000	18,205,000	236,313,514
Montana:			
Billings—Security Trust & Savings Bank	100,000	....	791,749
Dillon—Beaverhead State Bank	50,000	....	153,873
Helena—			
Conrad Trust & Savings Bank	200,000	80,000	2,856,460
Union Bank & Trust Co	250,000	150,000	6,626,654
Hingham—Hingham State Bank	35,000	....	298,722
Lewistown—			
Bank of Fergus County	250,000	250,000	3,294,317
Lewistown State Bank	50,000	15,000	401,133
Opheim—First State Bank	25,000	5,000	286,217
Sidney—Yellowstone Valley Bank & Trust Co	100,000	5,000	761,882
Bozeman—Gallatin Trust & Savings Bank	100,000	25,000	1,046,919
Total	1,160,000	530,000	16,517,926
Nebraska:			
Elgin—Elgin State Bank	50,000	10,000	759,334
Lewellen—Bank of Lewellen	25,000	10,000	257,814
Neligh—Security State Bank	25,000	5,000	260,122
Pender—Pender State Bank	50,000	4,500	464,253
Wayne—State Bank of Wayne	40,000	10,000	724,321
Total	190,000	39,500	2,465,844
New Jersey:			
Bloomfield—Bloomfield Trust Co	200,000	100,000	3,213,787
Camden—Camden Safe Deposit & Trust Co	500,000	800,000	10,803,034
Glen Ridge—Glen Ridge Trust Co	100,000	20,000	902,445
Gloucester City—Gloucester City Trust Co	100,000	22,944	450,739
Hackensack—Peoples Trust & Guaranty Co	100,000	50,000	750,140
Jersey City—Commercial Trust Co. of New Jersey	1,000,000	1,500,000	29,996,271
New Jersey—Continued.			
Montclair—Bank of Montclair	$100,000	$80,000	$2,585,732
Montclair—Montclair Trust Co	300,000	100,000	3,790,241
Passaic—			
Passaic Trust & Safe Deposit Co	200,000	100,000	7,416,701
Peoples Bank & Trust Co	200,000	300,000	6,825,277
Plainfield—Plainfield Trust Co	300,000	200,000	8,392,346
Rahway—Rahway Trust Co	100,000	25,000	501,895
Rutherford—Rutherford Trust Co	100,000	25,000	1,125,016
Westfield—Peoples Bank & Trust Co	100,000	80,000	2,005,718
Hoboken—Hudson Trust Co. of West Hoboken	1,000,000	1,000,000	21,466,091
Total	4,400,000	4,402,944	100,225,433
New Mexico:			
Albuquerque—American Trust & Savings Bank	100,000	40,000	601,196
Lovington—First Territorial Bank	30,000	20,000	580,225
Mountainair—Mountainair State Bank	25,000	5,000	154,488
Total	155,000	65,000	1,335,909
New York:			
Batavia—The Bank of Genesee	100,000	100,000	1,388,021
Binghamton—Peoples Trust Co	500,000	100,000	4,787,550
Brooklyn—			
Brooklyn Trust Co	1,500,000	2,898,481	37,218,377
Franklyn Trust Co	1,000,000	1,000,000	25,952,855
Manufacturers Trust Co	1,000,000	300,000	16,960,680
Peoples Trust Co	1,000,000	1,000,000	27,612,814
Buffalo—			
Buffalo Trust Co	500,000	500,000	10,422,125
Citizens Commercial Trust Co	1,250,000	1,250,000	22,139,025
Elmira—Chemung Canal Trust Co	600,000	400,000	8,066,435
Gloversville—Trust Co of Fulton County	200,000	100,000	655,669
Hammondsport—The Bank of Hammondsport	50,000	50,000	1,041,166
Ithaca—Ithaca Trust Co	200,000	100,000	3,202,068
Johnson City—Workers Trust Co	100,000	25,000	2,410,922
Mineola—Nassau County Trust Co	100,000	75,000	1,981,862
New York—			
Bankers Trust Co	11,250,000	11,250,000	355,365,397
Bank of America	1,500,000	6,000,000	71,998,358
Central Trust Co	5,000,000	15,000,000	197,145,628
Columbia Trust Co	5,000,000	5,000,000	110,081,046
Commonwealth Bank (formerly Germania Bank of)	400,000	600,000	8,246,864
Corn Exchange Bank	3,500,000	6,991,165	184,615,059
Equitable Trust Co	6,000,000	10,500,000	258,340,510
Farmers Loan & Trust Co	5,000,000	10,000,000	196,061,446
Fidelity Trust Co	1,000,000	1,000,000	15,773,846
German American Bank	750,000	250,000	15,416,545
Guaranty Trust Co	25,000,000	25,000,000	649,214,495
Irving Trust Co. (formerly Broadway Trust Co.)	1,500,000	750,000	32,780,842
Lincoln Trust Co	1,000,000	500,000	16,675,933
Manhattan Co	2,050,000	4,500,000	102,157,332
Mercantile Trust & Deposit Co	1,000,000	500,000	8,136,009
Metropolitan Bank	2,000,000	1,000,000	29,373,029
Metropolitan Trust Co	2,000,000	4,000,000	63,311,315
New York Trust Co	3,000,000	10,000,000	91,093,264
Pacific Bank	500,000	500,000	16,653,727
Scandinavian Trust Co	1,000,000	1,500,000	18,020,231
Union Trust Co	3,000,000	4,500,000	84,482,476
U.S. Mortgage & Trust Co	2,000,000	4,000,000	90,919,986
U. S. Trust Co	2,000,000	12,000,000	76,095,755
W. R. Grace & Co.'s Bank	500,000	500,000	7,308,521
Niagara Falls—Power City Bank	300,000	300,000	6,625,442

	Capital.	Surplus.	Total resources.
New York—Continued.			
Ogdensburg—St. Lawrence Trust Co.	$100,000	$25,000	$849,960
Oneida—Madison County Trust & Deposit Co.	164,000	94,870	2,495,257
Rome—Rome Trust Co.	300,000	60,000	4,309,232
Schenectady—Schenectady Trust Co.	300,000	62,500	6,529,021
Syracuse—City Bank	500,000	148,000	8,728,502
Utica—			
Citizens Trust Co.	500,000	400,000	10,473,157
Oneida County Trust Co.	250,000	250,000	2,687,247
Utica Trust & Deposit Co.	600,000	300,000	15,325,279
Watertown—Northern New York Trust Co.	400,000	400,000	9,156,932
Warsaw—Trust Co. of Wyoming County	100,000	20,000	780,057
Total	97,564,100	145,800,016	2,931,067,269
North Carolina:			
Asheville—Battery Park Bank	100,000	100,000	2,648,586
Newbern—New Bern Banking & Trust Co.	100,000	....	738,684
Total	200,000	100,000	3,387,270
North Dakota:			
Enderlin—Enderlin State Bank	50,000	10,000	506,854
Fargo—Northern Savings Bank	100,000	15,000	1,460,424
Hettinger—Hettinger State Bank	25,000	3,500	269,812
Williston—Bank of Williston	50,000	....	180,818
Total	225,000	28,500	2,417,908
Ohio:			
Akron—			
Central Savings & Trust Co.	500,000	500,000	10,719,917
Depositors Savings & Trust Co.	300,000	250,000	4,242,085
Cincinnati—			
Union Savings Bank & Trust Co.	1,000,000	2,000,000	21,933,612
Western Bank & Trust Co.	375,000	500,000	11,218,621
Cleveland—			
Citizens Savings & Trust Co.	4,000,000	4,000,000	72,591,046
Cleveland Trust Co.	2,500,000	2,500,000	64,167,458
Guardian Savings & Trust Co.	3,000,000	3,000,000	53,250,039
Superior Savings & Trust Co.	500,000	1,000,000	17,327,461
Columbus—Citizens Trust & Savings Bank	700,000	150,000	5,295,498
Hillsboro—Hillsboro Bank & Savings Co.	50,000	12,000	646,624
Massillon—Ohio Banking & Trust Co.	150,000	37,500	1,405,496
Newark—Newark Trust Co.	200,000	125,000	2,655,417
Steubenville—Steubenville Bank & Trust Co.	125,000	50,000	1,713,784
Toledo—Guardian Trust & Savings Bank	200,000	200,000	4,375,300
Wellington—First Wellington Bank	85,000	70,000	1,269,928
Youngstown—City Trust & Savings Bank	200,000	150,000	4,596,414
Total	13,885,000	14,544,500	277,408,700
Oklahoma:			
Fort Towson—First State Bank	50,000	5,000	504,629
Oklahoma City—Tradesmens State Bank	200,000	10,000	5,077,520
Total	250,000	15,000	5,582,149
Oregon:			
Enterprise—Enterprise State Bank	50,000	10,000	259,637
Hood River—Butler Banking Co.	100,000	20,000	940,922
Joseph—First State Bank of	50,000	10,000	268,338

	Capital.	Surplus.	Total resources.
Oregon—Continued.			
Marshfield—			
Bank of Southwestern Oregon	$100,000	$5,000	$857,648
Scandinavian American Bank	25,000	5,000	202,037
North Portland—Live Stock State Bank	100,000	10,000	936,954
Portland—Ladd & Tilton Bnk.	1,000,000	1,000,000	19,770,083
Total	1,425,000	1,060,000	23,235,619
Pennsylvania:			
Chester—Cambridge Trust Co.	250,000	125,000	4,391,352
Erie—Security Savings & Trust Co.	200,000	300,000	3,989,335
Harrisburg—Dauphin Deposit Trust Co.	300,000	300,000	3,938,601
Hazleton—Markle Banking & Trust Co.	100,000	500,000	4,180,919
Lykens—Miners Deposit Bank	50,000	110,000	701,427
Meadville—Crawford County Trust Co.	125,000	10,000	1,581,825
New Castle—Lawrence Savings & Trust Co.	300,000	300,000	3,641,541
Philadelphia—			
Commercial Trust Co.	1,000,000	1,750,000	26,081,322
Fidelity Trust Co.	5,000,000	16,000,000	55,061,462
Girard Trust Co.	2,500,000	7,500,000	55,384,424
Philadelphia Trust Co.	1,000,000	4,000,000	25,699,976
Penna. Co. for Insurances on Lives and Granting Annuities	2,000,000	5,000,000	41,113,055
Rittenhouse Trust Co.	250,000	50,000	2,000,231
Pittsburgh—			
Allegheny Trust Co.	700,000	500,000	4,873,610
Colonial Trust Co.	2,600,000	2,600,000	20,204,199
Oakland Savings & Trust Co.	200,000	200,000	4,185,658
Pittsburgh Trust Co.	2,000,000	1,000,000	20,457,097
Union Trust Co.	1,500,000	34,500,000	136,991,403
Wilkes-Barre—Dime Deposit Bank	200,000	150,000	1,954,742
Williamstown—Williams Valley Bank	50,000	44,000	429,815
Total	20,325,000	74,939,000	416,861,994
Rhode Island:			
Providence—			
Industrial Trust Co.	3,000,000	4,000,000	70,512,352
Rhode Island Hospital Trust Co.	3,000,000	3,500,000	57,503,575
Total	6,000,000	7,500,000	128,015,927
South Carolina:			
Cheraw—Bank of Cheraw	110,000	50,000	555,308
Cheraw—Merchants & Farmers Bank	100,000	3,000	374,671
Hartsville—Bank of Hartsville	50,000	50,000	610,373
Sumter—Peoples Bank of Sumter	100,000	19,400	499,267
Westminster—Westminster Bank	100,000	25,000	599,280
Woodruff—Bank of Woodruff	40,700	10,500	398,502
Total	500,700	157,900	3,037,401
South Dakota:			
Belle Fourche—Butte County Bank	25,000	45,000	810,482
Brookings—The Bank of Brookings	100,000	20,000	2,435,609
Sioux Falls—Sioux Falls Savings Bank	200,000	23,000	4,092,562
Webster—Security Bank of Webster	40,000	12,000	1,135,717
Total	365,000	100,000	8,474,370
Tennessee:			
Memphis—			
Guaranty Bank & Trust Co.	500,000	....	620,000
Union & Planters Bank & Trust Co.	1,400,000	200,000	19,184,323
Total	1,900,000	200,000	19,804,323

	Capital.	Surplus.	Total resources.
Texas:			
Anson—Anson State Bank	$35,000	$10,000	$270,110
Avery—Avery State Bank	25,000	5,000	139,693
Ballinger—Ballinger State Bank & Trust Co	60,000	12,000	229,544
Beaumont—Guaranty Bank & Trust Co	100,000	10,000	1,239,951
Beeville—Beeville Bank & Trust Company	50,000	25,000	300,256
Bonham—First State Bank	100,000	14,000	1,173,985
Bremond—First State Bank	50,000	25,000	328,639
Canyon—First State Bank	25,000	2,500	235,702
Childress—Farmers & Mechanics State Bank	50,000	25,000	561,737
Cuero—First State Bank & Trust Co	100,000	35,000	651,531
Dallas—			
Central State Bank	200,000	5,000	2,307,680
First State Bank	250,000	28,000	4,020,863
DeKalb—First State Bank	25,000	25,000	510,272
Edgewood—Farmers & Merchants State Bank	35,000	7,000	316,519
Ennis—The First Guaranty State Bank & Trust Co	100,000	20,000	536,420
Flatonia—Flatonia State Bank	40,000	1,250	435,559
Franklin—First State Bank	30,000	7,500	213,996
Galveston—South Texas State Bank	100,000		1,322,217
Hamlin—First State Bank	25,000	1,750	176,056
Hansford—Guaranty State Bank	25,000		74,245
Hereford—First State Bank & Trust Co	50,000	25,000	668,611
Italy—The Farmers State Bank	25,000	12,500	367,988
Jacksonville—Farmers Guaranty State Bank	50,000	7,500	373,455
Lamesa—First State Bank	30,000	20,000	259,771
Lubbock—			
Lubbock State Bank	100,000	13,000	961,398
Security State Bank & Trust Co	100,000		169,769
Memphis—Citizens State Bank & Trust Co	75,000	26,400	610,809
Mt. Calm—The First State Bank	25,000	7,000	129,785
Paris—			
First State Bank	150,000	75,000	1,572,099
Lamar State Bank & Trust Co	150,000	12,500	1,482,314
Rockwall—The Guaranty State Bank	35,000	1,350	285,970
Rusk—Farmers & Merchants State Bank	25,000	15,000	352,747
Savoy—First State Bank	25,000	3,500	269,051
Shamrock—Farmers & Merchants State Bank	25,000	25,000	430,844
Weatherford—First State Bank	125,000	15,000	740,944
Wolfe City—First State Bank	50,000	20,000	457,464
Normangee—First State Bank	25,000	25,000	171,082
Total	2,490,000	562,750	24,349,076
Utah:			
Salt Lake City—Walker Bros., Bankers	500,000	100,000	8,720,163
Virginia:			
Chase City—Peoples Bank & Trust Co	100,000	10,000	321,933
Harrisonburg—Peoples Bank of	150,000	20,000	640,804
Virginia—Continued.			
Norfolk—			
Citizens Bank of Norfolk	$600,000	$500,000	$6,042,258
Marine Bank of Norfolk	220,000	110,000	1,464,609
Richmond—Savings Bank of	200,000	200,000	2,295,309
Total	1,270,000	840,000	10,764,913
Washington:			
Centralia—Centralia State Bank	100,000	2,000	478,511
Chehalis—Coffman-Dobson Bank & Trust Co	150,000	100,000	1,824,087
Colfax—First Savings & Trust Co	50,000	15,000	387,297
Farmington—Bank of Farmington	25,000	5,000	254,214
Hoquiam—Lumbermens Bank	100,000	13,000	752,338
La Crosse—First State Bank	60,000	8,000	586,604
North Yakima—Yakima Valley Bank	100,000	15,000	1,269,710
Odessa—Farmers & Merchants Bank	25,000	2,500	247,374
Port Townsend—Merchants Bank	75,000	25,000	744,277
Reardon—Farmers State Bank	25,000	7,500	661,296
Rosalia—Bank of Rosalia	25,000	5,000	319,780
Seattle—			
Metropolitan Bank	200,000	100,000	3,604,249
Dexter Horton Trust & Savings Co	400,000	100,000	8,100,480
South Bellingham—Northwestern State Bank	100,000	45,000	1,452,119
Spokane—Spokane & Eastern Trust Co	1,000,000	200,000	17,726,241
St. John—Farmers State Bank	25,000	3,125	262,910
Tacoma—Fidelity Trust Co	500,000	300,000	7,010,679
Tekoa—Tekoa State Bank	30,000	12,000	435,848
Wilbur—State Bank of Wilbur	50,000	5,000	824,104
Total	3,040,000	963,125	46,942,118
West Virginia:			
Charleston—Kanawha Valley Bank	400,000	900,000	7,619,935
Grafton—Grafton Banking & Trust Co	100,000	30,000	1,065,316
Total	500,000	930,000	8,685,251
Wisconsin:			
Balsam Lake—Polk County Bank	25,000	5,000	252,609
Boyceville—Bank of Boyceville	30,000	5,000	275,728
Clinton—Citizens Bank	50,000	10,000	493,753
Ellsworth—Bank of Ellsworth	50,000	15,000	914,576
Grantsburg—First Bank of Grantsburg	50,000	2,000	547,155
Madison—Bank of Wisconsin	300,000	60,000	2,218,116
Milwaukee—			
Badger State Bank	200,000	2,000	1,498,757
Marshall & Ilsley Bank	1,000,000	700,000	17,976,437
American Exchange Bank	500,000	100,000	5,004,220
Mosinee—State Bank of Mosinee	30,000	17,000	433,658
Wausau—Marathon County Bank	100,000	40,000	824,151
Total	2,335,000	956,000	30,259,240

NOTE.—Total resources of member State institutions as shown in March BULLETIN should be $5,509,026,566.

Statement showing membership of State banks in the Federal Reserve system up to and including Apr. 30, 1918, classified in accordance with rank by States as to number of banks, capital and surplus, and resources.

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

State.	Number of banks.	Rank.	Capital and surplus.	Rank.	Resources.	Rank.	State.	Number of banks.	Rank.	Capital and surplus.	Rank.	Resources.	Rank.
New York	49	2	243,364	1	2,931,067	1	Virginia	5	17	2,110	21	10,765	26
Illinois	39	3	52,690	3	469,795	2	Indiana	5	17	931	33	10,621	27
Pennsylvania	20	5	95,264	2	416,862	3	Kentucky	3	19	1,060	29	10,047	28
Michigan	56	1	31,824	6	360,340	4	Kansas	6	16	932	32	8,890	29
Massachusetts	18	7	33,227	5	358,068	5	Utah	1	21	600	35	8,720	30
Ohio	16	8	28,429	7	277,409	6	West Virginia	2	20	1,430	27	8,685	31
Missouri	14	10	34,405	4	236,314	7	South Dakota	4	18	465	37	8,474	32
Rhode Island	2	20	13,500	8	128,016	8	California	3	19	1,020	30	6,158	33
New Jersey	15	9	8,805	10	100,225	9	Florida	3	19	990	31	5,745	34
Louisiana	10	13	9,378	9	99,342	10	Oklahoma	2	20	265	40	5,582	35
Georgia	8	14	6,942	11	48,979	11	District of Columbia	1	21	1,100	28	4,905	36
Washington	19	6	4,003	13	46,942	12	Arkansas	3	19	720	34	4,313	37
Wisconsin	11	12	3,291	14	30,259	13	North Carolina	2	20	300	39	3,387	38
Maryland	4	18	5,000	12	29,424	14	South Carolina	6	16	659	36	3,037	39
Alabama	7	15	2,888	17	27,864	15	Nebraska	5	17	229	42	2,466	40
Texas	37	4	3,053	16	24,349	16	North Dakota	4	18	264	41	2,418	41
Oregon	7	15	2,485	20	23,236	17	Idaho	6	16	328	38	2,269	42
Colorado	2	20	1,685	25	21,619	18	Mississippi	2	20	154	44	1,379	43
Connecticut	3	19	2,850	18	20,161	19	New Mexico	3	19	220	43	1,336	44
Tennesee	2	20	2,100	22	19,804	20	Arizona	2	20	108	45	834	45
Delaware	2	20	2,800	19	19,505	21	Nevada	0					
Minnesota	10	13	3,250	15	19,453	22	New Hampshire	0					
Maine	2	20	1,500	26	18,851	23	Vermont	0					
Iowa	13	11	1,918	23	18,417	24	Wyoming	0					
Montana	10	13	1,690	24	16,518	25							

National Banking Legislation.

Herewith are printed, for the information of member banks, bills reported by the respective committees on banking and currency of the Senate and House of Representatives. The action taken on H. R. 11283, an amendment to the Federal Reserve Act, is based upon recommendations of the Federal Reserve Board. The bills relating to national banking legislation are based upon recommendations of the Comptroller of the Currency.

[H. R. 11283.]

A BILL To amend and reenact sections four, eleven, sixteen, nineteen, and twenty-two of the Act approved December twenty-third, nineteen hundred and thirteen, and known as the Federal reserve Act, and sections fifty-two hundred and eight and fifty-two hundred and nine, Revised Statutes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section four of the Act approved December twenty-third, nineteen hundred and thirteen, known as the Federal reserve Act, be amended and reenacted by striking out that part of such section which reads as follows:

"Directors of Class A and Class B shall be chosen in the following manner:

"The chairman of the board of directors of the Federal reserve bank of the district in which the bank is situated or, pending the appointment of such chairman, the organization committee shall classify the member banks of the district into three general groups or divisions. Each group shall contain as nearly as may be one-third of the aggregate number of the member banks of the district, and shall consist, as nearly as may be, of banks of similar capitalization. The groups shall be designated by number by the chairman.

"At a regularly called meeting of the board of directors of each member bank in the district it shall elect by ballot a district reserve elector and shall certify his name to the chairman of the board of directors of the Federal reserve bank of the district. The chairman shall make lists of the district reserve electors thus named by banks in each of the aforesaid three groups and shall transmit one list to each elector in each group.

"Each member bank shall be permitted to nominate to the chairman one candidate for director of Class A and one candidate for director of Class B. The candidates so nominated shall be listed by the chairman, indicating by whom nominated, and a copy of said list shall, within fifteen days after its completion, be furnished by the chairman to each elector.

"Every director shall, within fifteen days after the receipt of the said list, certify to the chairman his first, second, and other choices of a director of Class A and Class B, respectively, upon a preferential ballot, on a form furnished by the chairman of the board of directors of the Federal reserve bank of the district. Each elector shall make a cross opposite the name of the first, second, and other choices for a director of Class A and for a director of Class B, but shall not vote more than one choice for any one candidate," and by substituting therefor the following:

"Directors of Class A and Class B shall be chosen in the following manner:

"The Federal Reserve Board shall classify the member banks of the district into three general groups or divisions, designating each group by number. Each group shall consist as nearly as may be of banks of similar capitalization. Each member bank shall be permitted to nominate to the chairman of the board of directors of the Federal reserve bank of the district one candidate for director of Class A and one candidate for director of Class B. The candidates so nominated shall be listed by the chairman, indicating by whom nominated, and a copy of said list shall, within fifteen days after its completion, be furnished by the chairman to each member bank. Each member bank by a resolution of the board or by an amendment to its by-laws shall authorize its president, cashier, or some other officer to cast the vote of the member bank in the elections of Class A and Class B directors.

"Within fifteen days after receipt of the list of candidates the duly authorized officer of a member bank shall certify to the chairman his first, second, and other choices for director of Class A and Class B, respectively, upon a preferential ballot upon a form furnished by the chairman of the board of directors of the Federal reserve bank of the district. Each such officer shall make a cross opposite the name of the first, second, and other choices for a director of Class A and for a director of Class B, but shall not vote more than one choice for any one candidate. No officer or director of a member bank shall be eligible to serve as a Class A director unless nominated and elected by banks which are members of the same group as the member bank of which he is an officer or director.

Any person who is an officer or director of more than one member bank shall not be eligible for nomination as a Class A director except by banks in the same group as the bank having the largest aggregate resources of any of those of which such person is an officer or director.

SEC. 2. That section eleven (k) of the Federal reserve Act be amended and reenacted to read as follows:

"(k) To grant by special permit to national banks applying therefor, when not in contravention of State or local law, the right to act as trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, committee of estates of lunatics, or in any other fiduciary capacity in which State banks, trust companies, or other corporations which come into competition with national banks are permitted to act under the laws of the State in which the national bank is located.

"Whenever the laws of such State authorize or permit the exercise of any or all of the foregoing powers by State banks, trust companies, or other corporations which compete with national banks, the granting to and the exercise of such powers by national banks shall not be deemed to be in contravention of State or local law within the meaning of this Act.

"National banks exercising any or all of the powers enumerated in this subsection shall segregate all assets held in any fiduciary capacity from the general assets of the bank and shall keep a separate set of books and records showing in proper detail all transactions engaged in under authority of this subsection. Such books and records shall be open to inspection by the State authorities to the same extent as the books and records of corporations organized under State law which exercise fiduciary powers, but nothing in this Act shall be construed as authorizing the State authorities to examine the books, records, and assets of the national bank which are not held in trust under authority of this subsection.

"No national bank shall receive in its trust department deposits of current funds subject to check or the deposit of checks, drafts, bills of exchange, or other items for collection or exchange purposes. Funds deposited or held in trust by the bank awaiting investment shall be carried in a separate account and shall not be used by the bank in the conduct of its business unless it shall first set aside in the trust department United States bonds or other securities approved by the Federal Reserve Board.

"In the event of the failure of such bank the owners of the funds held in trust for investment shall have a lien on the bonds or other securities so set apart in addition to their claim against the estate of the bank.

"Whenever the laws of a State require corporations acting in a fiduciary capacity, to deposit securities with the State authorities for the protection of private or court trusts, national banks so acting shall be required to make similar deposits and securities so deposited shall be held for the protection of private or court trusts, as provided by the State law.

"National banks in such cases shall not be required to execute the bond usually required of individuals if State corporations under similar circumstances are exempt from this requirement.

"National banks shall have power to execute such bond when so required by the laws of the State.

"In any case in which the laws of a State require that a corporation acting as trustee, executor, administrator, or in any capacity specified in this section, shall take an oath or make an affidavit, the president, vice president, cashier, or trust officer of such national bank may take the necessary oath or execute the necessary affidavit.

"It shall be unlawful for any national banking association to lend any officer, director, or employee any funds held in trust under the powers conferred by this section. Any officer, director, or employee making such loan, or to whom such loan is made, may be fined not more than $5,000, or imprisoned not more than five years, or may be both fined and imprisoned, in the discretion of the court.

"In passing upon applications for permission to exercise the powers enumerated in this subsection, the Federal Reserve Board may take into consideration the amount of capital and surplus of the applying bank, whether or not such capital and surplus is sufficient under the circumstances of the case, the needs of the community to be served, and any other facts and circumstances that seem to it proper, and may grant or refuse the application accordingly: *Provided*, That no permit shall be issued to any national banking association having a capital and surplus less than the capital and surplus required by State law of State banks, trust companies, and corporations exercising such powers."

SEC. 3. That the ninth paragraph of section sixteen of the Federal reserve Act, as amended by the Acts approved September seventh, nineteen hundred and sixteen, and June twenty-first, nineteen hundred and seventeen, be further amended and reenacted so as to read as follows:

"In order to furnish suitable notes for circulation as Federal reserve notes, the Comptroller of the Currency shall, under the direction of the Secretary of the Treasury, cause plates and dies to be engraved in the best manner to guard against counterfeits and fraudulent alterations, and shall have printed therefrom and numbered such quantities of such notes of the denominations of $5, $10, $20, $50, $100, $500, $1,000, $5,000, $10,000 as may be required to supply the Federal reserve banks. Such notes shall be in form and tenor as directed by the Secretary of the Treasury under the provisions of this Act and shall bear the distinctive numbers of the several Federal reserve banks through which they are issued."

SEC. 4. That paragraphs (b) and (c) of section nineteen of the Federal reserve Act, as amended by the Acts approved August fifteenth, nineteen hundred and fourteen, and June twenty-first, nineteen hundred and seventeen, be further amended and reenacted to read as follows:

"(b) If in a reserve city, as now or hereafter defined, it shall hold and maintain with the Federal reserve bank of its district an actual net balance equal to not less than ten per centum of the aggregate amount of its demand deposits and three per centum of its time deposits: *Provided, however*, That if located in the outlying districts of a reserve city or in terriotry added to such a city by the extension of its corporate charter, it may, upon the affirmative vote of five members of the Federal Reserve Board, hold and maintain the reserve balances specified in paragraph (a) hereof.

"(c) If in a central reserve city, as now or hereafter defined, it shall hold and maintain with the Federal reserve bank of its district an actual net balance equal to not less than thirteen per centum of the aggregate amount of its demand deposits and three per centum of its time deposits: *Provided, however*, That if located in the outlying districts of a central reserve city or in territory added to such city by the extension of its corporate charter, it may, upon the affirmative vote of five members of the Federal Reserve Board, hold and maintain the reserve balances specified in paragraphs (a) or (b) thereof."

SEC. 5. That section twenty-two of the Federal Reserve Act, as amended by the Act of June twenty-first, nineteen hundred and seventeen, be further amended and reenacted to read as follows:

"(a) No member bank and no officer, director, or employee thereof shall hereafter make any loan or grant any gratuity to any bank examiner. Any bank officer, director, or employee violating this provision shall be deemed guilty of a misdemeanor and shall be imprisoned not exceeding one year or fined not more than $5,000, or both; and may be fined a further sum equal to the money so loaned or gratuity given.

"Any examiner accepting a loan or gratuity from any bank examined by him or from an officer, director, or employee thereof shall be deemed guilty of a misdemeanor and shall be imprisoned one year or fined not more than $5,000, or both, and may be fined a further sum equal to the money so loaned or gratuity given, and shall forever thereafter be disqualified from holding office as a national bank examiner.

"(b) No national bank examiner shall perform any other service for compensation while holding such office for any bank or officer, director, or employee thereof.

"No examiner, public or private, shall disclose the names of borrowers or the collateral for loans of a member bank to other than the proper officers of such bank without first having obtained the express permission in writing from the Comptroller of the Currency, or from the board of directors of such bank, except when ordered to do so by a court of competent jurisdiction, or by direction of the Congress of the United States, or of either House thereof, or any committee of Congress, or of either House duly authorized. Any bank examiner violating the provisions of this subsection shall be imprisoned not more than one year or fined not more than $5,000, or both.

"(c) Except as herein provided, any officer, director, employee, or attorney of a member bank who stipulates for or receives or consents or agrees to receive any fee, commission, gift, or thing of value from any person, firm, or corporation, for procuring or endeavoring to procure for such person, firm, or corporation, or for any other person, firm, or corporation, any loan from or the purchase or discount of any paper, note, draft, check, or bill of exchange by such member bank shall be deemed guilty of a misdemeanor and shall be imprisoned not more than one year or fined not more than $5,000, or both.

"(d) Any member bank may contract for, or purchase from, any of its directors or from any firm of which any of its directors is a member, any securities or other property, when (and not otherwise) such purchase is made in the regular course of business upon terms not less favorable to the bank than those offered to others, or when such purchase is authorized by a majority of the board of directors not interested in the sale of such securities or property, such authority to be evidenced by the affirmative vote or written assent of such directors: *Provided, however*, That when any director, or firm of which any director is a member, acting for or on behalf of others, sells securities or other property to a member bank, the Federal Reserve Board by regulation may, in any or all cases, require a full disclosure to be made, on forms to be prescribed by it, of all commissions or other considerations received, and whenever such director or firm, acting in his or its own behalf, sells securities or other property to the bank the Federal Reserve Board, by regulation, may require a full disclosure of all profits realized from such sale.

"Any member bank may sell securities or other property to any of its directors, or to a firm of which any of its directors is a member, in the regular course of business on terms not more favorable to such director or firm than those offered to others, or when such sale is authorized by a majority of the board of directors of a member bank to be evidenced by their affirmative vote or written assent: *Provided, however,* That nothing in this subsection contained shall be construed as authorizing member banks to purchase or sell securities or other property which such banks are not otherwise authorized by law to purchase or sell.

"(e) No member bank shall pay to any director, officer, attorney, or employee a greater rate of interest on the deposits of such director, officer, attorney, or employee than that paid to other depositors on similar deposits with such member bank.

"(f) If the directors or officers of any member bank shall knowingly violate or permit any of the agents, officers, or directors of any member bank to violate any of the provisions of this section or regulations of the board made under authority thereof, every director and officer participating in or assenting to such violation shall be held liable in his personal and individual capacity for all damages which the member bank, its shareholders, or any other persons shall have sustained in consequence of such violation."

SEC. 7. That section fifty-two hundred and eight of the Revised Statutes as amended by the Act of July twelfth, eighteen hundred and eighty-two, and section fifty-two hundred and nine of the Revised Statutes as amended by the Acts of April sixth, eighteen hundred and sixty-nine, and July eighth, eighteen hundred and seventy, be, and the same are hereby, amended and reenacted to read as follows:

"SEC. 5208. It shall be unlawful for any officer, director, agent, or employee of any Federal reserve bank, or of any member bank as defined in the Act of December twenty-third, nineteen hundred and thirteen, known as the Federal reserve Act, to certify any check drawn upon such Federal reserve bank or member bank unless the person, firm, or corporation drawing the check has on deposit with such Federal reserve bank or member bank, at the times such check is certified, an amount of money not less than the amount specified in such check. Any check so certified by a duly authorized officer, director, agent, or employee shall be a good and valid obligation against such Federal reserve bank or member bank; but the act of any officer, director, agent, or employee of any such Federal reserve bank or member bank in violation of this section shall, in the discretion of the Federal Reserve Board, subject such Federal reserve bank to the penalties imposed by section eleven, subsection (h), of the Federal reserve Act, and shall subject such member bank if a national bank to the liabilities and proceedings on the part of the Comptroller of the Currency provided for in section fifty-two hundred and thirty-four, Revised Statutes, and shall, in the discretion of the Federal Reserve Board, subject any other member bank to the penalties imposed by section nine of said Federal reserve Act for the violation of any of the provisions of said Act. Any officer, director, agent, or employee of any Federal reserve bank or member bank who shall willfully violate the provisions of this section, or who shall resort to any device, or receive any fictitious obligation, directly or collaterally, in order to evade the provisions thereof, or who shall certify a check before the amount thereof shall have been regularly entered to the credit of the drawer upon the books of the bank, shall be deemed guilty of a misdemeanor and shall, on conviction thereof in any district court of the United States, be fined not more than $5,000, or shall be imprisoned for not more than five years, or both, in the discretion of the court.

"SEC. 5209. Any officer, director, agent, or employee of any Federal reserve bank, or of any member bank as defined in the Act of December twenty-third, nineteen hundred and thirteen, known as the Federal reserve Act, who embezzles, abstracts, or willfully misapplies any of the moneys, funds, or credits of such Federal reserve bank or member bank, or who, without authority from the directors of such Federal reserve bank or member bank, issues or puts in circulation any of the notes of such Federal reserve bank or member bank, or who, without such authority, issues or puts forth any certificate of deposit, draws any order or bill of exchange, makes any acceptance, assigns any note, bond, draft, bill of exchange, mortgage, judgment, or decree, or who makes any false entry in any book, report, or statement of such Federal reserve bank or member bank, with intent in any case to injure or defraud such Federal reserve bank or member bank, or any other company, body politic or corporate, or any individual person, or to deceive any officer of such Federal reserve bank or member bank, or the Comptroller of the Currency, or any agent or examiner appointed to examine the affairs of such Federal reserve bank or member bank, or the Federal Reserve Board; and every receiver of a national banking association who, with like intent to defraud or injure, embezzles, abstracts, purloins, or willfully misapplies any of the moneys, funds, or assets of his trust, and every person who, with like intent, aids or abets any officer, director, agent, employee, or receiver in any violation of this section shall be deemed guilty of a misdemeanor, and upon conviction thereof in any district court of the United States shall be fined not more than $5,000 or shall be imprisoned for not more than five years, or both, in the discretion of the court.

"Any Federal reserve agent, or any agent or employee of such Federal reserve agent, or of the Federal Reserve

Board, who embezzles, abstracts, or willfully misapplies any moneys, funds, or securities intrusted to his care, or without complying with or in violation of the provisions of the Federal reserve Act, issues or puts in circulation any Federal reserve notes shall be guilty of a misdemeanor and upon conviction in any district court of the United States shall be fined not more than $5,000 or imprisoned for not more than five years, or both, in the discretion of the court."

On this bill the House committee reports as follows:

The Committee on Banking and Currency, to which was referred the bill (H. R. 11283) to amend sections 4, 11, 16, 19, and 22 of the Federal Reserve Act and sections 5208 and 5209 of the Revised Statutes, having had the same under consideration, report the bill favorably to the House with the recommendation that it do pass.

Section 1 of the bill amends section 4 of the Federal Reserve Act which relates to the election of Federal Reserve Bank directors. It modifies the present law by leaving to the discretion of the Federal Reserve Board the grouping of the member banks of each district into three general groups or divisions without the present requirement that each group shall contain as nearly as may be one-third of the aggregate number of the banks of the district. The purpose of this modification is to make as secure as possible a fair and equal representation on the directorate of the Federal Reserve Banks for each group of banks, the large, the medium sized, and the small. The desirability of such representation is too manifest to need comment. It was undoubtedly the purpose of the Federal Reserve Act to secure such representation. It has been found practically impossible, however, to group banks under these three designations and yet have the banks in each group anything like numerically equal. The modification will enable the Federal Reserve Board to group the member banks in a way to carry out better the plain intent of the Federal Reserve Act.

Section 1 further amends section 4 of the Federal Reserve Act by replacing the present method of electing, by ballot, a district reserve elector, at a regularly called meeting of the board of directors of each member bank in the district to cast its vote in an election of Federal reserve bank directors by a provision permitting each member bank, by a resolution of its board of directors or by an amendment to its by-laws, to authorize its president, cashier, or some other officer to cast its vote in such elections. The purpose of this amendment is to obtain wider participation by the banks in the election of Federal Reserve Bank directors. Since the first election of directors under the act the member banks have failed to a surprisingly great degree to participate in these elections. The committee is recommending that the manner of selecting representatives to vote at elections be simplified as suggested, in order to bring about a greater participation by the member banks in the elections.

Section 1 furthermore contains an additional provision that no officer or director of a member bank shall be eligible to serve as a class A director unless nominated and elected by banks which are members of the same group as the member bank of which he is an officer or director and that no person who is an officer or director of more than one member bank shall be eligible for nomination as a class A director except by banks in the same group as the bank having the largest aggregate resources of any of those of which such person is an officer or director.

The purpose of this provision is still further to safeguard the proper and equal representation for each group of banks and to have such representation genuine.

Section 2 amends section 11 (k) of the act under which permits may be granted to national banks when not in contravention of State or local law, to act in various fiduciary capacities. The amendment extends the various fiduciary capacities permitted so as to include "guardian of estates, assignee, receiver, committed of estates of lunatics," and such other fiduciary capacities as are permitted to State banks, trust companies, or other corporations which come into competition with national banks under the laws of the State in which the particular national bank making application is located. The purpose of this extension is evident from the text.

Section 2 moreover sets forth that it shall not be deemed to be "in contravention of State or local law" to permit the exercise of such powers by national banks whenever the laws of the particular State authorize or permit the exercise of such powers by State banks, trust companies, or other corporations competing with national banks. Under a recent decision of the United States Supreme Court it is clearly settled that Congress has the power to confer authority upon national banks to act in these fiduciary capacities, where such powers are exercised by trust companies, State banks, or other competing corporations, even though the State law discriminates against national banks in this regard. The terms of section 11 (k) are extended, therefore, to permit such powers to be granted to national banks in those States in which the State law discriminates against national banks in this respect.

Under this amendment, furthermore, it is prescribed that all assets held in any fiduciary capacity shall be segregated from the general assets of the bank; that a separate set of books and records shall be kept; that such books and records shall be open to the inspection of State authorities; that national banks shall not receive in their trust departments deposits of current funds subject to check or the deposit of checks, drafts, or similar instruments; that trust funds deposited with the general assets of the bank shall be properly secured; that the owners of such funds shall have a lien on the securities set apart to protect these funds; that national banks acting as fiduciaries shall comply with State requirements as to the deposit of securities with the State authorities; that national banks shall not be required to execute bonds if State corporations under similar circumstances are exempt from such requirement; that national banks shall have the power to execute such bonds; that oaths or affidavits required may be executed by a national bank officer; and that it shall be unlawful for a national bank to lend trust funds to any bank officer, director, or employee. The Federal Reserve Board, moreover, in passing upon applications is required to take into consideration the amount of capital and surplus of the applying bank and other material facts, and is prohibited from granting such permits to national banks of smaller capitalization and surplus than is required of State banking institutions under State law. These provisions are intended to impose safeguards upon the exercise of these fiduciary powers by national banks, and to have national banks in the exercise of these powers conform as fully as is practicable with State requirements.

Section 3 amends the present law by permitting the issue of Federal Reserve notes in denominations of $500, $1,000, $5,000, and $10,000, in addition to the denominations now permitted under section 16 of the Federal Reserve Act, the largest of which is only $100. The committee believes that the adoption of such an amendment will tend to increase the gold holdings of the Federal Reserve Banks, particularly in the larger financial centers. Notes of large denominations are constantly desired, especially by banks. As a result, there are daily withdrawals of gold certificates from the Federal Reserve Banks. In practically every instance Federal Reserve notes of large denominations would serve the purpose as well as gold certificates. If Federal Reserve notes of these larger denominations are issued, Federal Reserve Banks can pay out such Federal Reserve Notes and by holding their gold certificates conserve their all-important gold supply.

Section 4 amends section 19 of the Federal Reserve Act by permitting the Federal Reserve Board, upon the affirmative vote of five members, to require national banks located in outlying districts of a reserve city or in territory added to such city by an extension of its corporate charter to maintain only such reserves as are required to be maintained by country banks; and to require national banks similarly located in central reserve cities or in territory similarly added to such cities to maintain only such reserves as are required to be maintained by country banks or by banks in reserve cities. The business of such banks may be, and very often is, local in its character. The conditions applying to large banks in reserve and central reserve cities which call for the maintenance of a greater reserve do not apply to such banks. It is often a disadvantage, if not a hardship, to require such banks to maintain these larger reserves. The committee feels, therefore, that the board should have authority to modify the reserve requirements of these banks.

Section 5 amends section 22 of the Federal Reserve Act by reenacting subsections (a) and (b) of the section and by substituting for the remainder of section 22, subsections (c), (d), (e), and (f). The purpose of these changes is to clarify and modify the existing provisions of the law. Great uncertainty has existed as to the proper interpretation of various parts of section 22 and, in the absence of any construction by the courts, it has not been possible to state authoritatively what is permitted and what is prohibited by the section. The committee feels assured that the new subsections clearly and definitely set forth the limitations imposed and that the intent of the law is plainly evident.

Subsection (c) is designed to prohibit the practice whereby any officer, director, employee, or attorney of a bank stipulates for or receives a commission or some other thing of value for procuring for someone else a loan or the purchase or discount of paper or similar obligation.

The text itself, however, is a more accurate statement of the purpose than any brief paraphrase.

Subsection (d) imposes the conditions under which a member bank may contract for or purchase or sell securities or other property where the other party in interest in the transaction is a director in such bank.

Subsection (e) prohibits the payment of a greater rate of interest to any director, officer, attorney, or employee than to any other depositor.

Subsection (f) imposes liability for damages upon directors or officers violating the provisions of this section.

Section 6 amends sections 5208 and 5209 of the Revised Statutes. These are penal sections relating to the overcertification of checks, to embezzlement, abstraction, or willful misapplication of moneys, funds, or credits of national banks by officers, directors, agents, or employees of national banks, and to false entries in books, reports, or statements of national banks, with intent to injure or defraud on the part of any officer, director, agent, or employee of a national bank. By section 6 of this bill these sections are made applicable to similar acts committed by officers, directors, agents, or employees of Federal reserve banks. There are no provisions in existing law relating to such acts committed by officers, directors, agents, or employees of Federal reserve banks. The necessity for this amendment is therefore apparent.

REMOVAL OF BANK DIRECTORS AND OFFICERS FOR VIOLATION OF BANKING LAWS.

S. 3893.

A BILL To amend and reenact section fifty-two hundred and thirty-nine, Revised Statutes of the United States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section fifty-two hundred and thirty-nine of the Revied Statutes of the United States be amended ~~and reenacted so as~~ to read as follows:

"SEC. 5239. If the directors of any banking association shall knowingly violate, or knowingly permit any of the officers, agents, or servants of the association to violate any of the provisions of this title, all the rights, privileges, and franchises of the association ~~shall~~ *may* be ~~thereby~~ *declared* forfeited. Such violation shall, however, be determined and adjudged by a proper circuit, district, or Territorial court of the United States, in a suit brought for that purpose by the Comptroller of the Currency, in his own name, before the association shall be declared dissolved. And in cases of such violation, every director who participated in or assented to the same shall be held liable in his personal and individual capacity for all damages which the association, its shareholders, or any other person, shall have sustained in consequence of such violation. The Comptroller of the Currency, with the approval of the Secretary of the Treasury, is authorized and empowered, ~~in his discretion,~~ to require the removal of any officer or director of an association who has *been found by the court to have* violated any provision of this Act, ~~or any lawful regulation made for the government and control of the association,~~ and to institute in his name for the benefit of the association appropriate suit or action against the offending officers and directors, or any or either of them, either before or after their removal from office, *and any or all other persons legally liable* for losses sustained by the association through the violation of any provision or provisions of this title or of the Federal Reserve Act. Such suit or action shall be instituted and prosecuted by the United States district attorney in the United States district court for the district in which the association is located."

Amend the title so as to read: "A bill to amend section fifty-two hundred and thirty-nine of the Revised Statutes of the United States."

On this bill the Senate committee reports as follows:

The Committee on Banking and Currency, to which was referred the bill (S. 3893) to amend and reenact section 5239, Revised Statutes of the United States, having considered the same, report favorably thereon with certain amendments.

Appended hereto is a print of the bill showing in italic the changes in existing law proposed by the bill referred to the committee. Amendments recommended by your committee are shown in small capitals and stricken-through type.

[S. 3893, Sixty-fifth Congress, second session.]

A BILL To amend and reenact section fifty-two hundred and thirty-nine, Revised Statutes of the United States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section fifty-two hundred and thirty-nine of the Revised Statutes of the United States be amended ~~and reenacted so as~~ to read as follows:

"SEC. 5239. If the directors of any national banking association shall knowingly violate, or knowingly permit any of the officers, agents, or servants of the association to violate, any of the provisions of this title, all the rights, privileges, and franchises of the association ~~shall~~ *may* be ~~thereby~~ *declared* forfeited. Such violation shall, however, be determined and adjudged by a proper circuit, district, or Territorial court of the United States, in a suit brought for that purpose by the Comptroller of the Currency, in his own name, before the association shall be declared dissolved. And in cases of such violation, every director who participated in or assented to the same shall be held liable in his personal and individual capacity for all damages which the assocciation, its shareholders, or any other person, shall have sustained in consequence of such violation. *The Comptroller of the Currency, with the approval of the Secretary of the Treasury, is authorized and empowered*~~, in his discretion,~~ *to require the removal of any officer or director of an association who has* BEEN FOUND BY THE COURT TO HAVE *violated any provision of this act*~~, or any lawful regulation made for the government and control of the association,~~ *and to institute in his name for the benefit of the association appropriate suit or action against the offending officers and directors, or any or either of them, either before or after their removal from office,* AND ANY OR ALL OTHER PERSONS LEGALLY LIABLE, *for losses sustained by the association through the violation of any provision or provisions of this title or of the Federal reserve act. Such suit or action shall be instituted and prosecuted by the United States district attorney in the United States district court for the district in which the association is located.*"

Amend the title so as to read: "A bill to amend section fifty-two hundred and thirty-nine of the Revised Statutes of the United States."

The purpose of this act is to permit an action to be brought against any officer or director who shall have been found guilty by the court of violating the provisions of the banking act, and hold him personally responsible for any losses due to his improper official conduct without necessarily forfeiting the charter. There is inserted herewith the view of the Comptroller of the Currency in regard to this measure.

In the comptroller's report a year ago I said:

"Banks have often sustained large losses as a result of the willful and persistent disregard by its directors of the clear provisions of the national-bank act. These losses, resulting from violation of the law by directors, fall upon the stockholders. The directors who have occasioned these losses by involving the bank in unlawful transactions to facilitate or promote schemes or enterprises in which the directors may be concerned are found sometimes to be holders or owners of but a few shares of the stock of the bank, the affairs of which they are directing and the funds of which they frequently have tied up in the promotion of their own private schemes. Very often stockholders never are informed of the losses the bank has suffered through these irregular transactions. It is the practice of some banks to keep their transactions from shareholders, especially those transactions which have resulted in losses. Thousands of banks give stockholders, at the close of each fiscal year, little or no information of the sources of the earnings and the deatils of the disbursements and losses.

"Even when shareholders have knowledge of the losses incurred through violations of the law by officers or directors of the bank, should they proceed to bring suit against the unfaithful directors for the benefit of themselves and their fellow shareholders, such action might precipitate a run upon the bank and result in suspension or unnecessary loss. Experience has shown that losses occurring from faults or improprieties of directors sometimes are charged to "profit and loss" account by the guilty directors themselves, and the stockholders never are apprised of the results of the mismanagement. The evil effects of the wrongdoing fall upon the innocent stockholders and the wrongdoers escape."

I recommend in the same report that the Comptroller of the Currency should be empowered—

"with the approval of the Secretary of the Treasury, to require the removal of a director or directors or any officer of a bank guilty of the violation of any of the more important provisions of the act, and to direct that suit be brought in the name of the bank against such director or directors, after they cease to be connected with the bank, for losses sustained by the malfeasance or misfeasance in office."

OATHS OF NATIONAL-BANK DIRECTORS.

[S. 3894.]

A BILL To amend and reenact section fifty-one hundred and forty-seven, Revised Statutes of the United States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section fifty-one hundred and forty-seven of the Revised Statutes of the United States be amended ~~and reenacted so~~ as to read as follows:

"SEC. 5147. That each director, when appointed or elected, shall take an oath *before a notary public or other officer authorized to administer oaths by the laws of the United States or of the State in which the director resides or in which the bank is located,* that he will, so far as the duty devolves on him, diligently and honestly administer the affairs of such association, and will not knowingly violate, or willingly permit to be violated, any of the provisions of this title, and that he is the owner in good faith and in his own right of the number of shares of stock required by this title, subscribed by him or standing in his name on the books of the association, and that the same is not hypothecated or in any way pledged as security for any loan or debt. Such oath, subscribed by the director making it and certified by the officer before whom it is taken, shall be immediately transmitted to the Comptroller of the Currency, and shall be filed and preserved in his office *for a period of ten years, after which it may be destroyed.* If any director shall fail to qualify and forward his oath to the Comptroller of the Currency within ~~thirty~~ *sixty* days after his election, a vacancy shall be immediately declared and the party so elected and failing to qualify shall be ineligible for reelection as director for that year."

Amend the title so as to read: "A bill to amend section fifty-one hundred and forty-seven of the Revised Statutes of the United States."

On this bill the Senate committee reports as follows:

Your Committee on Banking and Currency, to which was referred the bill (S. 3894) to amend and reenact section 5147, Revised Statutes of the United States, having considered the same, report favorably thereon with certain amendments.

Appended hereto is a print of the bill showing in italic the changes in existing law proposed by the bill referred to the committee. Amendments recommended by your committee are shown in small capitals and stricken-through type.

[S. 3894, Sixty-fifth Congress, second session.]

A BILL To amend and reenact section fifty-one hundred and forty-seven, Revised Statutes of the United States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section fifty-one hundred and forty-seven of the Revised Statutes of the United States be amended ~~and reenacted so~~ as to read as follows:

"SEC. 5147. *That* each director, when appointed or elected, shall take an oath BEFORE A NOTARY PUBLIC OR OTHER OFFICER AUTHORIZED TO ADMINISTER OATHS BY THE LAWS OF THE UNITED STATES OR OF THE STATE IN WHICH THE DIRECTOR RESIDES OR IN WHICH THE BANK IS LOCATED, that he will, so far as the duty devolves on him, diligently and honestly administer the affairs of such association, and will not knowingly violate, or willingly permit to be violated, any of the provisions of this title, and that he is the owner in good faith and in his own right of the number of shares of stock required by this title, subscribed by him or standing in his name on the books of the association, and that the same is not hypothecated or in any way pledged as security for any loan or debt. Such oath, subscribed by the director making it and certified by the officer before whom it is taken, shall be immediately transmitted to the Comptroller of the Currency, and shall be filed and preserved in his office FOR A PERIOD OF TEN YEARS, AFTER WHICH IT MAY BE DESTROYED. *If any director shall fail to qualify and forward his oath to the Comptroller of the Currency within ~~thirty~~* SIXTY *days after his election, a vacancy shall be immediately declared and the party so elected and failing to qualify shall be ineligible for reelection as director for that year."*

Amend the title so as to read: "A bill to amend section fifty-one hundred and forty-seven of the Revised Statutes of the United States."

The purpose of this bill is to prevent banks using the name of directors who never qualify but whose names are used for advertising purposes.

OVERDRAFTS.

[S. 3895.]

A BILL To regulate the allowance of overdrafts by national banking associations, and to provide penalties for its violation.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the officers of national banking associations shall present in writing at each meeting of the board of directors a list of all overdrafts made or allowed since the last meeting of the board, which list shall be noted on the minutes of the meeting and filed as a record of the association.

SEC. 2. That national banking associations doing business in a State, the laws of which prohibit overdrafts and impose penalties therefor, shall be subject to the same restrictions and penalties that are prescribed by such State laws for State banks and trust companies.

SEC. 3. That nothing in this Act shall be construed to release any association, or the officers and directors of any association, from the liabilities imposed by section fifty-two hundred and thirty-nine of the Revised Statutes of the United States.

On this bill the Senate committee reports as follows:

Your Committee on Banking and Currency, to which was referred the bill (S. 3895) to regulate the allowance of overdrafts by national banking associations, and to provide for its violation, having considered the same respectfully report the bill favorably without amendment.

This bill becomes a new part of the national bank act and prevents the abuse of overdrafts.

BONDS OF OFFICERS AND EMPLOYEES OF NATIONAL BANKS.

[S. 3898.]

A BILL To require cashiers and other officers of a national banking association handling its funds to give bond and to prevent its officers and employees from making erasures on the books of the association.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all cashiers, assistant cashiers, tellers, and other officers and employees of national banking associations who handle or who have the custody or control of the funds or assets of such associations, shall be required to execute bond, with good and sufficient security, in such penal sum not less than $1,000 as the board of directors shall prescribe, conditioned on the faithful performance of their respective duties and the proper accounting for all funds and assets placed in their hands or coming under their control which belong to or are in the custody of the association.

SEC. 2. That no officer or employee shall erase or cause to be erased or removed, either by acid or abrasion, any entries on the books of an association. Where entries have been erroneously made and it is desired to correct them they shall be canceled in ink in such manner as to indicate the cancellation but leave the original entry so that it can be read or deciphered.

On this bill the Senate committee reports as follows:

The Committee on Banking and Currency, to which was referred the bill (S. 3898) to require cashiers and other officers of a national banking association handling its funds to give bond and to prevent its officers and employees from making erasures on the books of the association, having considered the same, recommend that the bill pass without amendment.

This bill requires cashiers and other officers of national banking associations to give bond. It also seeks to prevent erasures being made on the books of national banks except under safeguards. The necessity for this bill has become apparent from the experience of the office of the Comptroller of the Currency.

CIRCULATING NOTES OF RECHARTERED BANKS.

[S. 3899.]

A BILL To repeal the sixth section of an Act approved July twelfth, eighteen hundred and eighty-two, entitled "An Act to enable national banking associations to extend their corporate existence, 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 sixth section of an Act approved July twelfth, eighteen hundred and eighty-two, entitled "An Act to enable national banking associations to extend their corporate existence, and for other purposes," which reads as follows: "That the circulating notes of any association so extending the period of its succession which shall have been issued to it prior to such extension shall be redeemed at the Treasury of the United States, as provided in section three of the Act of June twentieth, eighteen hundred and seventy-four, entitled 'An Act fixing the amount of United States notes, providing for the redistribution of national bank currency, and for other purposes,' and such notes when redeemed shall be forwarded to the Comptroller of the Currency, and destroyed as now provided by law: and at the end of three years from the date of the extension of the corporate existence of each bank the association so extended shall deposit lawful money with the Treasurer of the United States sufficient to redeem the remainder of the circulation which was outstanding at the date of its extension, as provided in sections fifty-two hundred and twenty-two, fifty-two hundred and twenty-four, and fifty-two hundred and twenty-five of the Revised Statutes; and any gain that may arise from the failure to present such circulating notes for redemption shall inure to the benefit of the United States; and from time to time, as such notes are redeemed or lawful money deposited therefor as provided herein, new circulating notes shall be issued as provided by this Act, bearing such devices, to be approved by the Secretary of the Treasury, as shall make them readily distinguishable from the circulating notes heretofore issued: *Provided, however,* That each banking association which shall obtain the benefit of this Act shall reimburse to the Treasury the cost of preparing the plate or plates for such new circulating notes as shall be issued to it," be and the same is hereby repealed.

On this bill the Senate committee reports as follows:

The Committee on Banking and Currency, to which was referred the bill (S. 3899) to repeal the sixth section of an act approved July 12, 1882, entitled "An act to enable national banking associations to extend their corporate existence, and for other purposes," having considered the same, recommend that the bill pass without amendment.

This bill permits rechartered banks to use the bank-note plates of the original bank by repealing a portion of section

6 of the act of July 12, 1882. The enforcement of the existing law merely has the effect of subjecting the banks and the Government to needless expense in the matter of the preparation of bank plates. Because of this law about $5,500,000 of unissued currency belonging to banks whose charters were renewed have been destroyed in the two years ending October 31, 1917.

ENGRAVED SIGNATURES ON NATIONAL BANK CURRENCY.

[S. 3900.]

A BILL To amend and reenact section fifty-one hundred and seventy-two of the Revised Statutes of the United States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section fifty-one hundred and seventy-two of the Revised Statutes of the United States be amended ~~and reenacted so as~~ to read as follows:

"SEC. 5172. In order to furnish suitable notes for circulation, the Comptroller of the Currency shall, under the direction of the Secretary of the Treasury, cause plates and dies to be engraved, in the best manner to guard against counterfeiting and fraudulent alterations, and shall have printed therefrom, and numbered, such quantity of circulating notes in blank, *or bearing engraved signatures of officers as herein provided*, of the denominations of $1, $2, $5, $10, $20, $50, $100, $500, and $1,000, as may be required to supply the associations entitled to receive the same. Such notes shall express upon their face that they are secured by United States bonds, deposited with the Treasurer of the United States, by the written or engraved signatures of the Treasurer and Register, and by the imprint of the seal of the Treasury; and shall also express upon their face the promise of the association receiving the same to pay on demand, attested by the written or engraved signatures of the president or vice president and cashier; and shall bear such devices and such other statements, and shall be in such form as the Secretary of the Treasury shall, by regulation, direct."

Amend the title so as to read: "A bill to amend section fifty-one hundred and seventy-two of the Revised Statutes of the United States."

On this bill the Senate committee reports as follows:

The Committee on Banking and Currency, to which was referred the bill (S. 3900) to amend and reenact section 5172 of the Revised Statutes of the United States, having considered the same, report favorably thereon with certain amendments.

Appended hereto is a print of the bill showing in italic the changes in existing law proposed by the bill referred to the committee. Amendments recommended by your committee are shown in small capitals and stricken-through type.

[S. 3900, Sixty-fifth Congress, second session.]

A BILL To amend and reenact section fifty-one hundred and seventy-two of the Revised Statutes of the United States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section fifty-one hundred and seventy-two of the Revised Statutes of the United States be amended to read as follows:

"SEC. 5172. In order to furnish suitable notes for circulation, the Comptroller of the Currency shall, under the direction of the Secretary of the Treasury, cause plates and dies to be engraved, in the best manner to guard against counterfeiting and fraudulent alterations, and shall have printed therefrom, and numbered, such quantity of circulating notes in blank, OR BEARING ENGRAVED SIGNATURES OF OFFICERS AS HEREIN PROVIDED, of the denominations of $1, $2, $5, $10, $20, $50, $100, $500, and $1,000, as may be required to supply the associations entitled to receive the same. Such notes shall express upon their face that they are secured by United States bonds, deposited with the Treasurer of the United States, by the written or engraved signatures of the Treasurer and Register, and by the imprint of the seal of the Treasury; and shall also express upon their face the promise of the association receiving the same to pay on demand, attested by the *written or engraved* signatures of the president or vice president and cashier; and shall bear such devices and such other statements, and shall be in such form as the Secretary of the Treasury shall, by regulation, direct."

Amend the title so as to read: "A bill to amend section fifty-one hundred and seventy-two of the Revised Statutes of the United States."

This amendment to the national banking law saves officers of banks the necessity of personally signing their names to national-bank notes and avoids the expense incident thereto. The national-bank note in circulation is valid even with no signature, and there is no reason why the signature should not be engraved on the bills.

BRANCHES OF NATIONAL BANKS.

[S. 3901.]

A BILL To authorize national banking associations to establish and maintain branches.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any national banking association *located in any city having a population of not less than one hundred thousand* may, with the approval of the Comptroller of the Currency, establish and maintain branches in the ~~county,~~ city~~, or town~~ in which it is located.

The capital of the parent bank shall be increased with the establishment of each branch within the city ~~or town~~ in which the bank is located in an amount equal to not less than fifty per centum of the minimum capital which would be required under then existing law for the organization of a national bank in such city ~~or town; and for each branch established without the city or town in which the parent bank is located, but within the same county, the capital of such parent bank shall be increased in an amount equal~~

~~to the capital then required for the organization of a national bank in the place where the proposed branch is to be located~~: *Provided, however,* That in no case shall a national banking association establish or maintain more than twleve branches under the provisions of this Act~~:~~ ~~*And provided further,* That no branch shall be established without the State or without the Federal reserve district in which the parent bank is located~~.

On this bill the Senate committee reports as follows:

The Committee on Banking and Currency, to which was referred the bill (S. 3901) to authorize national banking associations to establish and maintain branches, having considered the same, report it with certain amendments, and as amended recommend that it pass.

Appended hereto is a print of the bill showing the committee amendments in italics and stricken-through type.

[S. 3901, 65th Cong., 2d sess.]

A BILL To authorize national banking associations to establish and maintain branches.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any national banking association *located in any city having a population of not less than one hundred thousand* may, with the approval of the Comptroller of the Currency, establish and maintain branches in the ~~county,~~ city ~~or town~~ in which it is located.

The capital of the parent bank shall be increased with the establishment of each branch within the city ~~or town~~ in which the bank is located in an amount equal to not less than fifty per centum of the minimum capital which would be required under then existing law for the organization of a national bank in such city ~~or town; and for each branch established without the city or town in which the parent bank is located, but within the same county, the capital of such parent bank shall be increased in an amount equal to the capital then required for the organization of a national bank in the place where the proposed branch is to be located:~~ *Provided, however,* That in no case shall a national banking association establish or maintain more than twelve branches under the provisions of this act~~: *And provided further,* That no branch shall be established without the State or without the Federal reserve district in which the parent bank is located.~~

This bill authorizes national banks in cities having not less than 100,000 inhabitants to maintain branches in such city and requires the parent bank to increase its capital correspondingly with such branches at not less than 50 per cent of the minimum capital which would be required under existing law for the organization of an independent national bank in such city, and limits the number of branches to 12.

This provision is intended to put the national banks on a par with the State banks in certain States where State banks are permitted to have branches.

PENALTY FOR FALSE STATEMENTS IN OBTAINING LOANS.

[S. 3902.]

A BILL To provide a penalty for obtaining loans or credit from a national banking association based on false statements.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any person, firm, or corporation applying for or obtaining a loan or credit from a national banking association on a false statement, willfully made, of the financial condition of the borrower with intent to injure or defraud such association, shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not exceeding $5,000, or imprisoned not more than five years, or by both fine and imprisonment, as the court may direct. *Any previous trial by a State court for defrauding an association by a false statement, willfully made, shall operate as a bar to indictment under this provision.*

On this bill the Senate committee reports as follows:

The Committee on Banking and Currency, to which was referred the bill (S. 3902) to provide a penalty for obtaining loans or credit from a national banking association based on false statements, having considered the same, recommend its passage with an amendment.

Appended hereto is a print of the bill showing in italic the amendment recommended by your committee.

[S. 3902, Sixty-fifth Congress, second session.]

A BILL To provide a penalty for obtaining loans or credit from a national banking association based on false statements.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any person, firm, or corporation applying for or obtaining a loan or credit from a national banking association on a false statement, willfully made, of the financial condition of the borrower with intent to injure or defraud such association, shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not exceeding $5,000, or imprisoned not more than five years, or by both fine and imprisonment, as the court may direct. *Any previous trial by a State court for defrauding an association by a false statement, willfully made, shall operate as a bar to indictment under this provision.*

This bill provides a penalty for obtaining loans or credit from a national banking association based on false statements. The banks are entitled to this Federal protection.

Your committee recommends an amendment that any previous trial by a State court for this offense shall operate as a bar to further indictment under this provision.

PURCHASE OF REAL ESTATE BY A NATIONAL BANK FOR TRANSACTION OF ITS BUSINESS.

[S. 3903.]

A BILL To amend and reenact section fifty-one hundred and thirty-seven, Revised Statutes of the United States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section fifty-one hundred and thirty-seven of the Revised Statutes of the United States be amended ~~and reenacted so as~~ to read as follows:

"SEC. 5137. A national banking association may purchase, hold, and convey real estate for the following purposes, and for no others:

"First. Such as shall be necessary for its immediate accommodation in the transaction of its business.

"Second. Such as shall be mortgaged to it in good faith by way of security for debts previously contracted.

"Third. Such as shall be conveyed to it in satisfaction of debts previously contracted in the course of its dealings.

"Fourth. Such as it shall purchase at sales under judgments, decrees, or mortgages held by the association, or shall purchase to secure debts due to it.

"But no such association shall hold the possession of any real estate under mortgage, or the title and possession of any real estate purchased to secure any debts due to it, for a longer period than five years; nor shall any such association invest ~~or put, in a bank building or office building~~ *in real estate* for its accommodation in the transaction of its business, *including all buildings or improvements thereon,* an amount in excess of its paid-in and unimpaired capital stock."

On this bill the Senate committee reports as follows:

The Committee on Banking and Currency, to which was referred the bill (S. 3903) to amend and reenact section 5137, Revised Statutes of the United States, having considered the same reports favorably thereon with certain amendments.

Appended hereto is a print of the bill showing in italic the changes in existing law proposed by the bill referred to the committee. Amendments recommended by your committee are shown in small capitals and stricken-through type.

[S. 3903, Sixty-fifth Congress, second session.]

A BILL To amend and reenact section fifty-one hundred and thirty-seven, Revised Statutes of the United States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section fifty-one hundred and thirty-seven of the Revised Statutes of the United States be amended ~~and reenacted so as~~ to read as follows:

"SEC. 5137. A national banking association may purchase, hold, and convey real estate for the following purposes, and for no others:

"First. Such as shall be necessary for its immediate accommodation in the transaction of its business.

"Second. Such as shall be mortgaged to it in good faith by way of security for debts previously contracted.

"Third. Such as shall be conveyed to it in satisfaction of debts previously contracted in the course of its dealings.

"Fourth. Such as it shall purchase at sales under judgments, decrees, or mortgages held by the association, or shall purchase to secure debts due to it.

"But no such association shall hold the possession of any real estate under mortgage, or the title and possession of any real estate purchased to secure any debts due to it, for longer period than five years; *nor shall any such association invest* ~~or put in a bank building or office building~~ IN REAL ESTATE *for its accommodation in the transaction of its business* INCLUDING ALL BUILDINGS OR IMPROVEMENTS THEREON, *an amount in excess of its paid-in and unimpaired capital stock.*"

Amend the title so as to read: "A bill to amend section fifty-one hundred and thirty-seven of the Revised Statutes of the United States."

This bill proposes to prohibit a national bank from investing in real estate for its own accommodation in the transaction of its business, including all buildings or improvements thereon, an amount in excess of its paid-in and unimpaired capital stock.

A number of banks have been seriously embarrassed by false pride in building ostentatious banking houses when their capital did not justify such an expenditure.

The Comptroller of the Currency advises that the experience of his office demonstrates the importance of the passage of this measure.

SALE OF BONDS TO REDEEM CIRCULATION OF A BANK IN VOLUNTARY LIQUIDATION.

[S. 3904.]

A BILL to amend and reenact sections fifty-two hundred and twenty-two and fifty-two hundred and thirty, Revised Statutes of the United States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That sections fifty-two hundred and twenty-two and fifty-two hundred and thirty of the Revised Statutes of the United States be amended ~~and reenacted so as~~ to read as follows:

"SEC. 5222. Within thirty days from the date of the vote to go into liquidation, the association shall deposit with the Treasurer of the United States lawful money of the United States sufficient to redeem all its outstanding circulation. The Treasurer shall execute duplicate receipts for the money thus deposited and deliver one to the association and the other to the Comptroller of the Currency, stating the amount received by him and the purpose for which it has been received, and the money shall be paid into the Treasury of the United States and placed to the credit of such association upon redemption account.

"SEC. 5230. Whenever the comptroller has become satisfied, by the protest or the waiver and admission specified in section fifty-two hundred and twenty-six or by the report provided for in section fifty-two hundred and twenty-seven or by a declaration of insolvency, that any association has refused or is unable to pay its circulating notes or when any association in voluntary liquidation has failed to deposit lawful money with the Treasurer of the United States sufficient to redeem its outstanding circulation as provided by section fifty-two hundred and twenty-two of the Revised Statutes of the United States, he may, instead of canceling its bonds, cause so much of them as may be necessary to redeem its outstanding notes to be sold at public auction in the city of New York, after giving thirty days' notice of such sale to the association. For any deficiency in the proceeds of all the bonds of an association when thus sold to reimburse to the United States the amount expended in paying the circulating notes of the association of the United States shall have a paramount lien upon all its assets; and such deficiency shall be made good out of such assets in preference to any and all other claims whatsoever, except the necessary costs and expenses of administering the same."

Amend the title so as to read: "A bill to amend sections fifty-two hundred and twenty-two and fifty-two hundred and thirty of the Revised Statutes of the United States."

On this bill the Senate committee reports as follows:

The Committee on Banking and Currency, to which was referred the bill (S. 3904) to amend and reenact sections 5222 and 5230, Revised Statutes of the United States, having considered the same, report favorably thereon with an amendment in the enacting clause.

Appended hereto is a print of the bill showing in italic and stricken-through type the changes proposed to the existing law.

[S. 3904, Sixty-fifth Congress, second session.]

A BILL To amend and reenact sections fifty-two hundred and twenty-two and fifty-two hundred and thirty, Revised Statutes of the United States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That sections fifty-two hundred and twenty-two and fifty-two hundred and thirty of the Revised Statutes of the United States be amended ~~and reenacted so as~~ to read as follows:

"SEC. 5222. Within ~~six months~~ *thirty days* from the date of the vote to go into liquidation, the association shall deposit with the Treasurer of the United States lawful money of the United States sufficient to redeem all its outstanding circulation. The Treasurer shall execute duplicate receipts for the money thus deposited and deliver one to the association and the other to the Comptroller of the Currency, stating the amount received by him and the purpose for which it has been received, and the money shall be paid into the Treasury of the United States and placed to the credit of such association upon redemption account.

"SEC. 5230. Whenever the Comptroller has become satisfied by the protest or the waiver and admission specified in section fifty-two hundred and twenty-six or by the report provided for in section fifty-two hundred and twenty-seven *or by a declaration of insolvency*, that any association has refused *or is unable* to pay its circulating notes *or when any association in voluntary liquidation has failed to deposit lawful money with the Treasurer of the United States sufficient to redeem its outstanding circulation as provided by section fifty-two hundred and twenty-two of the Revised Statutes of the United States*, he may, instead of canceling its bonds, cause so much of them as may be necessary to redeem its outstanding notes to be sold at public auction in the city of New York, after giving thirty days' notice of such sale to the association. For any deficiency in the proceeds of all the bonds of an association when thus sold to reimburse to the United States the amount expended in paying the circulating notes of the association the United States shall have a paramount lien upon all its assets; and such deficiency shall be made good out of such assets in preference to any and all other claims whatsoever, except the necessary costs and expenses of administering the same."

Amend the title so as to read: "A bill to amend sections fifty-two hundred and twenty-two and fifty-two hundred and thirty of the Revised Statutes of the United States."

This bill authorizes the Treasurer of the United States to sell bonds securing circulation 30 days after a bank has entered into liquidation. There is no provision of law by which a bank in liquidation can be forced to maintain its 5 per cent redemption fund, and, as the Treasurer is required by law to redeem the bank notes as presented, it is obvious that the Treasurer should be allowed to sell the bonds securing its circulation at any time after the expiration of 30 days from the time the bank has gone into voluntary liquidation where the bank fails to deposit sufficient funds to redeem its outstanding circulation.

AMENDMENT TO SECTION 5209, REVISED STATUTES, RELATING TO EMBEZZLEMENT, FALSE ENTRIES, ETC.

[S. 3905.]

A BILL To amend and reenact section fifty-two hundred and nine of the Revised Statutes of the United States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section fifty-two hundred and nine of the Revised Statutes of the United States be amended ~~and reenacted so as~~ to read as follows:

"SEC. 5209. Every president, vice president, director, cashier, teller, clerk, ~~or~~ agent, or other employee of any association, who embezzles, abstracts, or willfully misapplies any of the moneys, funds, or credits of the association, or who, without authority from the directors, issues or puts in circulation any of the notes of the association; or who, without such authority, issues or puts forth any certificate of deposit, draws any order or bill of exchange, makes any acceptance, assigns any note, bond, draft, bill of exchange, mortgage, judgment, or decree; or who makes any false entry in any book, report, or statement of the association, with intent, in either case, to injure or defraud the association or any other company, body politic or corporate, or any individual person, or to deceive any officer of the association, or any agent appointed to examine the affairs of any such association; and every receiver of an association who with like intent to defraud or injure, embezzles, abstracts, purloins, or willfully misapplies any of the moneys, funds, or assets of his trust; and every person who with like intent aids or abets any officer, receiver, clerk, ~~or~~ agent, *or other employee* in any violation of this section shall be deemed guilty of a misdemeanor, and shall be imprisoned not less than five ~~years~~ nor more than ten *years*."

Amend the title so as to read: "A bill to amend section fifty-two hundred and nine of the Revised Statutes of the United States."

On this bill the Senate committee reports as follows:

The Committee on Banking and Currency, to which was referred the bill (S. 3905) to amend and reenact section 5209 of the Revised Statutes of the United States, having considered the same, recommend that it pass with amendments.

Appended hereto is a print of the bill showing in italic the changes in existing law proposed by the bill referred to the committee. Amendments recommended by the committee are shown by stricken-through type and small capitals.

[S. 3905, Sixty-fifth Congress, second session.]

A BILL To amend and reenact section fifty-two hundred and nine of the Revised Statutes of the United States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section fifty-two hundred and nine of the Revised Statutes of the United States be amended ~~and reenacted so as~~ to read as follows.

"SEC. 5209. Every president, *vice president*, director, cashier, teller, clerk, ~~or~~ agent *or other employee* of any association, who embezzles, abstracts, or willfully misapplies any of the moneys, funds, or credits of the association, or who, without authority from the directors, issues or puts in circulation any of the notes of the association; or who, without such authority, issues or puts forth any certificate of deposit, draws any order or bill of exchange, makes any acceptance, assigns any note, bond, draft, bill of exchange, mortgage, judgment, or decree; or who makes any false entry in any book, report, or statement of the association, with intent, in either case, to injure or defraud the association or any other company, body politic or corporate, or any individual person, or to deceive any officer of the association, or any agent appointed to examine the affairs of any such association; *and every receiver of an association who with like intent to defraud or injure, embezzles, abstracts, purloins, or willfully misapplies any of the moneys, funds, or assets of his trust;* and every person who with like intent aids or abets any officer, *receiver*, clerk, ~~or~~ agent OR OTHER EMPLOYEE in any violation of this section shall be deemed guilty of a misdemeanor, and shall be imprioned not less than five ~~years~~ nor more than ten YEARS."

Amend the title to read: "A bill to amend section fifty-two hundred and nine of the Revised Statutes of the United States."

This bill as amended makes subject to the law a vice president or other employee who embezzles the funds of the institution, also every receiver. The reason for this is obvious. These cases must have been inadvertently omitted in the existing law.

USURIOUS RATES OF INTEREST.

[S. 3910.]

A BILL To prevent usury, provide penalties for its violation, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any national banking association which shall *hereafter* charge, receive, reserve, or collect a rate of interest, directly or indirectly, in any transaction, in excess of the rate authorized and allowed by section fifty-one hundred and ninety-seven of the Revised Statutes of the United States, shall, in addition to the penalties and forfeitures prescribed in section fifty-one hundred and ninety-eight of the Revised Statutes of the United States, be liable to the United States in damages in a sum equal to the amount on which such illegal rate of interest was taken, received, reserved, or charged, and all interest paid or charged thereon: *Provided*, That in no case shall such penalty be less than $250, irrespective of the amount of the principal and interest involved: *Provided further*, That a charge not to exceed ~~25~~ *50* cents may be reserved or taken by a national bank in any such transaction, under such conditions and regulations as may be prescribed by the Comptroller of the Currency, without incurring the penalties of this Act.

SEC. 2. That every national banking association organized under the laws of the United States shall keep a schedule in such form and under such rules and regulations as the Comptroller of the Currency may prescribe, showing the rate and amount of interest taken, received, reserved, or charged on any loan or discount, or on any note, bill of exchange, or other evidences of debt, in pursuance of section fifty-one hundred and ninety-seven of the Revised Statutes of the United States.

(b) It shall be the duty of every national-bank examiner to report in detail to the Comptroller of the Currency each and every instance disclosed by such schedule, or otherwise, wherein any national banking association has taken, received, reserved, or charged, directly or indirectly, in any transaction a rate of interest in excess of the rate authorized and allowed by section fifty-one hundred and ninety-seven of the Revised Statutes of the United States and of this Act.

(c) It shall be the duty of the Comptroller of the Currency to submit a report to the Attorney General of the United States quarterly, and oftener if deemed necessary, showing in detail all the instances, if any, which have not been previously reported wherein any national banking association shall have taken, received, reserved, or charged, directly or indirectly, a rate of interest in excess of the rate authorized and allowed by law.

(d) The Attorney General of the United States shall have the power and it shall be his duty to institute or cause to be instituted, through the United States district court for the judicial district in which such offending bank is situated ~~or located or otherwise,~~ an action at law in the name and in behalf of the United States against any offending national bank for the recovery of a sum equal to the amount on which the illegal rate of interest was taken, received, reserved, or charged, including in addition thereto an amount equal to the interest paid or charged: *Provided*, That in no case shall the amount for which such action is brought be less than $250, and no recovery shall be for a sum less than that amount.

SEC. 3. That the Comptroller of the Currency, with the approval of the Secretary of the Treasury, shall have power to make suitable regulations to carry the provisions of this Act into effect.

SEC. 4. That all Acts or parts of Acts in conflict herewith are hereby repealed.

On this bill the Senate committee reports as follows:

The Committee on Banking and Currency, to which was referred the bill (S. 3910) to prevent usury, provide penalties for its violation, and for other purposes, having considered the same, report thereon with the recommendation that the bill do pass with certain amendments.

Appended hereto is a print of the bill showing in italic and stricken-through type the amendments recommended by your committee.

[S. 3910, Sixty-fifth Congress, second session.]

A BILL To prevent usury, provide penalties for its violation, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any national banking association which shall *hereafter* charge, receive, reserve, or collect a rate of interest, directly or indirectly, in any transaction, in excess of the rate authorized and allowed by section fifty-one hundred and ninety-seven of the Revised Statutes of the United States, shall, in addition to the penalties and forfeitures prescribed in section fifty-one hundred and ninety-eight of the Revised Statutes of the United States, be liable to the United States in damages in a sum equal to the amount on which such illegal rate of interest was taken, received, reserved, or charged, and all interest paid or charged thereon: *Provided*, That in no case shall such penalty be less than $250, irrespective of the amount of the principal and interest involved: *Provided further*, That a charge not to exceed ~~25~~ *50* cents may be reserved or taken by a national bank in any such transaction, under such conditions and regulations as may be prescribed by the Comptroller of the Currency, without incurring the penalties of this act.

SEC. 2. That every national banking association organized under the laws of the United States shall keep a schedule in such form and under such rules and regulations as the Comptroller of the Currency may prescribe, showing the rate and amount of interest taken, received, reserved, or charged on any loan or discount, or on any note, bill of exchange, or other evidences of debt, in pursuance of section fifty-one hundred and ninety-seven of the Revised Statutes of the United States.

(b) It shall be the duty of every national-bank examiner to report in detail to the Comptroller of the Currency each and every instance disclosed by such schedule, or otherwise, wherein any national banking association has taken, received, reserved, or charged, directly or indirectly, in any transaction a rate of interest in excess of the rate authorized and allowed by section fifty-one hundred and ninety-seven of the Revised Statutes of the United States and of this act.

(c) It shall be the duty of the Comptroller of the Currency to submit a report to the Attorney General of the United States quarterly, and oftener if deemed necessary, showing in detail all the instances, if any, which have not been previously reported wherein any national banking association shall have taken, received, reserved, or charged, directly or indirectly, a rate of interest in excess of the rate authorized and allowed by law.

(d) The Attorney General of the United States shall have the power and it shall be his duty to institute or cause to be instituted, through the United States district court for the judicial district in which such offending bank is situated ~~or located or otherwise,~~ an action at law in the name and in behalf of the United States against any offending national bank for the recovery of a sum equal to the amount on which the legal rate of interest was taken, received, reserved, or charged, including in addition thereto an amount equal to the interest paid or charged: *Provided*, That in no case shall the amount for which such action is brought be less than $250, and no recovery shall be for a sum less than that amount.

SEC. 3. That the Comptroller of the Currency, with the approval of the Secretary of the Treasury, shall have power to make suitable regulations to carry the provisions of this act into effect.

SEC. 4. That all acts or parts of acts in conflict herewith are hereby repealed.

This bill is intended to further prevent usury and provides for its violation a penalty adequate to the wrong. It permits a service charge of 50 cents for clerical work in cases involving amall amounts.

The bill further provides for the keeping of a schedule so that usury may be disclosed and reported. It provides also a method for submitting to the Attorney General cases of usury for proper action by that department.

AUTHORIZING NATIONAL BANKS TO SUBSCRIBE TO RED CROSS.

[S. 3911.]

A BILL Authorizing national banks to subscribe to the American National Red Cross.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That during the continuance of the state of war now existing it shall be lawful for any national banking association to contribute to the American National Red Cross, out of any net profits otherwise available under the law for the declaration of dividends, such sum or sums as the directors of said association shall deem expedient. Each association shall report to the Comptroller of the Currency within ten days after the making of any such contribution the amount of such contribution and the amount of net earnings in excess of such contribution. Such report shall be attested by the president or cashier of the association in like manner as the report of the declaration of any dividend.

SEC. 2. That all sums so contributed shall be utilized by the American National Red Cross in furnishing volunteer aid to the sick and wounded of the combatant armies, the voluntary relief of the Army and Navy of the United States, and the relief and mitigation of the suffering caused by the war to the people of the United States and their allied nations.

[Passed the Senate April 6.]

GUARANTY FUND FOR BANK DEPOSITS.

[S. 4426.]

A BILL To amend and reenact section fifty-two hundred and thirty-five and fifty-two hundred and thirty-six of the Revised Statutes of the United States by providing for a guaranty fund for payment of certain deposits, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section fifty-two hundred and thirty-five and fifty-two hundred and thirty-six of the Revised Statutes of the United States be, and they are hereby, amended and reenacted to read as follows:

"SEC. 5235. That the comptroller shall, upon appointing a receiver, cause notice to be given, by advertisement in such newspapers as he may direct, for three consecutive months, calling on all persons who may have claims against such association to present the same and to make legal proof thereof. At the expiration of thirty days after such notice has been first published the comptroller shall pay in full the claim of each depositor which has been proven to his satisfaction, or which has been adjudicated in a court of competent jurisdiction and which does not exceed the sum of $5,000, and shall pay the sum of $5,000 to each depositor whose claim has been established as herein provided and which is in excess of that amount. Such payments shall be made by the comptroller out of moneys deposited to his credit by the receiver and by the Secretary of the Treasury as hereinafter provided. The Secretary of the Treasury shall advance to the comptroller, out of funds in the Treasury not otherwise appropriated, such sum or sums as may be necessary to enable him to make the payments herein provided for.

"SEC. 5236. From time to time, after full provision has been first made for refunding to the United States any deficiency in redeeming the notes of such association, the comptroller shall make a ratable dividend of the money paid over to him by such receiver on all such claims as may have been proved to his satisfaction or adjudicated in a court of competent jurisdiction, which have not been paid in full as provided in section fifty-two hundred and thirty-five of the Revised Statutes as herein amended, and as the proceeds of the assets of such association are paid over to him he shall make further dividends on all unpaid claims previously proved or adjudicated, and the remainder of the proceeds, if any, after all claims against the estate of the bank have been paid or satisfied, shall be used to reimburse the Treasury for advances made as provided in said section fifty-two hundred and thirty-five as herein amended, and the balance, if any, shall be paid over to the shareholders of such shares, or their legal representatives, in proportion to the stock by them, respectively, held. In order to indemnify the United States against loss on account of advances made as herein provided and to provide funds for the purpose of making such advances, there shall be levied and collected yearly from each national bank a tax not in excess of one-tenth of one per centum of the aggregate of all deposits averaging $5,000 or less, and a tax not in excess of one-tenth of one per centum on $5,000 of the aggregate of each of the other deposits averaging more than $5,000.

"No deposit bearing over four per centum interest per annum shall be the beneficiary of this Act."

On this bill the Senate committee reports as follows:

The Committee on Banking and Currency favorably reports S. 4426, providing for the liquidation of banks passing into the hands of a receiver, and providing for a guaranty fund to meet the payment of deposits of $5,000 or less, and providing a means of raising the guaranty fund by tax, not to exceed one-tenth of 1 per cent of the deposits averaging $5,000 or less.

This bill is recommended by the Comptroller of the Currency and its purpose is to attract into the banks of the United States the funds of citizens who now do not have any bank accounts and who keep their money in hoarding. It is estimated that there is a very large amount of currency in hiding by persons who do not deal with the banks at all, and that these funds if attracted to the banks of the country will add to the volume of the banking power of the United States in a very substantial way, and that the largest banks will be beneficiaries quite as much as the smaller banks, for the reason that the system of redeposits is carried on throughout the United States.

This bill will have the effect of stabilizing the banking system of the United States and will make it impossible for a bank to have a run of frightened depositors, because no citizen will make a run on a bank when he knows there is an adequate guaranty fund to safeguard his deposit. It is believed by the Comptroller of the Currency that one-fortieth part of 1 per cent will be abundantly sufficient to provide a guaranty fund adequate to the needs of the banking system, and that this small tax will be much more than compensated by the volume of additional deposits attracted to the bank.

Then, in addition to the foregoing, the following bill was reported by the House Banking and Currency Committee and passed by the House on April 3.

CONSOLIDATION OF NATIONAL BANKING ASSOCIATIONS.

[H. R. 10205.]

AN ACT To provide for the consolidation of national banking associations.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any two or more national banking associations located within the same county, city, town, or village may, with the approval of the Comptroller of the Currency, consolidate into one association under the charter of either *of the* existing banks, on such terms and conditions as may be lawfully agreed upon by a majority of the board of directors of each association proposing to consolidate, and be ratified and confirmed by the affirmative vote of the shareholders of each such association owning at least two-thirds of its capital stock outstanding, at a meeting to be held on the call of the directors after publishing notice of the time, place, and object of the meeting for four consecutive weeks in some newspaper published in the place where the said association is located, and if no newspaper is published in the place, then in a ~~paper~~ *newspaper* published nearest thereto, and after sending such notice to each shareholder of record by registered mail at least ten days prior to said meeting *and after posting such notice in at least three public places in the town*: *Provided*, That the capital stock of such consolidated association shall not be less than that required under existing law for the organization of a national bank in the place in which it is located: *And provided further*, That when such consolidation shall have been effected and approved by the comptroller any shareholder of either of the associations so consolidated ~~who has not voted for such consolidation~~ may give notice to the directors of the association in which he is interested within twenty days from the date of the certificate of approval of the comptroller that he dissents from the plan of consolidation as adopted and approved, whereupon he shall be entitled to receive the value of the shares so held by him, to be ascertained by an appraisal made by a committee of three persons, one to be selected by the shareholder, one by the directors, and the third by the two so chosen; and in case the value so fixed shall not be satisfactory to the shareholder he may within five days after being notified of the appraisal appeal to the Comptroller of the Currency, who shall cause a reappraisal to be made, which shall be final and binding; and if said reappraisal shall exceed the value fixed by said committee, the bank shall pay the expenses of the reappraisal; otherwise the appellant shall pay said expenses, and the value so ascertained and determined shall be deemed to be a debt due and be forthwith paid to said shareholder from said bank, and the shares so paid shall be surrendered and after due notice sold at public auction within thirty days after the final appraisement provided for in this Act.

SEC. 2. That associations consolidating with another association under the provisions of this Act shall not be required to deposit lawful money for their outstanding circulation, but their assets and liabilities shall be reported by the association with which they have consolidated. And all the rights, franchises, and interests of the said national bank so consolidated in and to every species of property, *real*, personal, and mixed, and choses in action thereto belonging, shall be deemed to be transferred to and vested in such national bank into which it is consolidated without any deed or other transfer, and the said consolidated national bank shall hold and enjoy the same and all rights of property, franchises, and interests in the same manner and to the same extent as was held and enjoyed by the national bank so consolidated therewith.

This bill, on April 6, was reported by the Senate committee as follows:

The Committee on Banking and Currency, to which was referred the bill (H. R. 10205) to provide for the consolidation of national banking associations, having considered the same, report favorably thereon with amendments as follows:

On page 1, line 8, after the word "either" insert the words "of the".

On page 2, line 1, strike out the word "paper" and insert in lieu thereof the word "newspaper".

On page 2, line 4, after the word "meeting" and before the colon insert the following: "and after posting such notice in at least three public places in the town".

On page 2, lines 10 and 11, strike out the words "who has not voted for such consolidation".

Appended hereto is a print of the bill showing in italic and stricken-through type the amendments recommended by your committee.

[H. R. 10205, Sixty-fifth Congress, second session.]

AN ACT To provide for the consolidation of national banking associations.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any two or more national banking associations located within the same county, city, town, or village may, with the approval of the Comptroller of the Currency, consolidate into one association under the charter of either *of the* existing banks, on such terms and conditions as may be lawfully agreed upon by a majority of the board of directors of each association proposing to consolidate and be ratified and confirmed by the affirmative vote of the shareholders of each such association owning at least two-thirds of its capital stock outstanding, at a meeting to be held on the call of the directors after publishing notice of the time, place, and object of the meeting for four consecutive weeks in some newspaper published in the place where the said association is located, and if no newspaper is published in the place, then in a ~~paper~~ *newspaper* published nearest thereto, and after sending such notice to each shareholder of record by registered mail at least ten days prior to said meeting *and after posting such notice in at least three public places in the town*: *Provided*, That the capital stock of such consolidated association shall not be less than that required under existing law for the organization of a national bank in the place in which it is located: *And provided further*, That when such consolidation shall have been effected and approved by the comptroller any shareholder of either of the associations so consolidated ~~who has not voted for such consolidation~~ may give notice to the directors of the association in which he is interested within twenty days from the date of the certificate of approval of the comptroller that he dissents from the plan of consolidation as adopted and approved, whereupon he shall be entitled to receive the value of the shares so held by him, to be ascertained by an appraisal made by a committee of three persons, one to be selected by the shareholder, one by the directors, and the third by the two so chosen; and in case the value so fixed shall not be satisfactory to the shareholder he may within five days after being notified of the appraisal appeal to the Comptroller of the Currency, who shall cause a reappraisal to be made, which shall be final and binding; and if said reappraisal shall exceed the value fixed by said committee, the bank shall pay the expenses of the reappraisal; otherwise the appellant shall pay said expenses, and the value so ascertained and determined shall be deemed to be a debt due and be forthwith paid to said shareholder from said bank, and the shares so paid shall be surrendered and after due notice sold at public auction within thirty days after the final appraisement provided for in this Act.

SEC. 2. That associations consolidating with another association under the provisions of this act shall not be required to deposit lawful money for their outstanding circulation, but their assets and liabilities shall be reported by the association with which they have consolidated. And all the rights, franchises, and interests of the said national bank so consolidated in and to every species of property, *real*, personal, and mixed, and choses in action thereto belonging, shall be deemed to be transferred to and vested in such national bank into which it is consolidated without any deed or other transfer, and the said consolidated national bank shall hold and enjoy the same and all rights of property, franchises, and interests in the same manner and to the same extent as was held and enjoyed by the national bank so consolidated therewith.

This bill provides for the consolidation of national banking associations with each other by an easier method than that which has heretofore existed. There is no provision in law at the present for such consolidation. It has heretofore been necessary for one to absorb the other, and it has happened that banks which might be advantageously brought together are kept apart from pride or unwillingness of one or the other to be absorbed. Consolidation on terms of equality is regarded differently and there seems to be no reason why this should not be permitted as proposed in the bill.

The Senate committee has further reported the following measure as a substitute for H. R. 10691 passed by the House on April 3:

The Committee on Banking and Currency, to whom was referred the bill (H. R. 10691) to amend section 5200, Revised Statutes of the United States, as amended, having considered the same, report thereon with the recommendation that the bill do pass with an amendment in the nature of a substitute.

Appended hereto is a print of the bill as passed by the House of Representatives, showing in italic and stricken-through type the changes proposed by the House to existing law.

[H. R. 10691, Sixty-fifth Congress, second session.]

AN ACT To amend section fifty-two hundred of the Revised Statutes, as amended.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section fifty-two hundred of the Revised Statutes, as amended, be, and the same is hereby, amended to read as follows:

"SEC. 5200. The total liabilities to any association, of any person, or of any company, corporation, or firm for money borrowed, including in the liabilities of a company or firm the liabilities of the several members thereof, shall at no time exceed one-tenth part of the amount of the capital stock of such associations, actually paid in and unimpaired and one-tenth part of its unimpaired surplus fund: *Provided, however*, ~~That the total of such liabilities shall in no event exceed thirty per centum of the capital stock of the association. But~~ *That (1)* the discount of bills of exchange drawn in good faith against actually existing values, *(2)* ~~and~~ the discount of commercial or business paper actually owned by the person negotiating the same, *and (3) the purchase or discount of any note or notes secured by not less than a like face amount of bonds of the United States issued since April twenty-fourth, nineteen hundred and seventeen, or certificates of indebtedness of the United States*, shall not be considered as money borrowed *within the meaning of this section, but the total liabilities to any association of any person or of any company, corporation, or firm, upon any note or notes secured by such bonds or certificates of indebtedness, purchased or discounted by such association, shall not exceed ten per centum of the capital and surplus of such association, except subject to such general rules, regulations, and limitations as may be established from time to time by the Comptroller of the Currency, with the approval of the Secretary of the Treasury*."

Your committee attaches hereto a print of the substitute amendment showing in italic the changes to present law contained in the amendment reported by the committee.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section fifty-two hundred, of the Revised Statutes of the United States, be amended to read as follows:

"SEC. 5200. The total liabilities to any association, of any person, or of any company, corporation, or firm, for money borrowed, including in the liabilities of a company or firm the liabilities of the several members thereof, shall at no time exceed one-tenth part of the amount of the capital stock of such association, actually paid in and unimpaired, and one-tenth part of its unimpaired surplus fund: *Provided, however,* That the total of such liabilities shall in no event exceed thirty per centum of the capital stock of the association. But the discount of bills of exchange drawn in good faith against existing values, *the purchase or discount of any note or notes secured by not less than a like face amount of bonds or certificates of indebtedness of the United States* and the discount of commercial or business paper actually owned by the person negotiating the same *which may be eligible for rediscount with Federal reserve banks* shall not be considered as money borrowed, *and may be discounted for such person to an amount not exceeding twenty-five per centum of the capital and surplus of the association: And provided further, That no note, draft, bill of exchange, or other evidence of debt, executed or indorsed by the president, cashier, or other officer of an association, shall be discounted by the bank in which such officer is employed, except by the written assent of three fourths of the directors, and no note, draft, bill of exchange, or other evidence of debt executed or indorsed by any attorney or director of an association, or by any firm of which a director is a partner, shall be discounted by such association, except by the affirmative vote or written assent of at least a majority of the members of the board of directors.*

"Any person violating any provision of this section shall, in addition to any civil liability thereby incurred, be punished by a fine not exceeding $5,000, or by imprisonment not exceeding one year, or both."

The House bill and the proposed substitute both reenact existing law limiting the amount of loans to any one person, company, etc., to one-tenth of the bank's capital and surplus. The substitute also reenacts existing law placing a further limitation on such loans that they shall not exceed 30 per cent of the bank's capital stock.

Both bills amend existing law so as to permit national banks to make loans on United States bonds and certificates of indebtedness in an amount in excess of the 10 per cent limitation. In the House bill the limitation is left "to such general rules, regulations, and limitations as may be established from time to time by the Comptroller of the Currency, with the approval of the Secretary of the Treasury"; in your committee's proposed substitute the limitation is placed at 25 per cent of the bank's capital and surplus.

Under existing law no limitation is placed upon the amount which may be loaned to any person, etc., in the discount of bills of exchange drawn against actually existing values, and the discount of paper actually owned by the person seeking to negotiate it. The House bill follows existing law in this respect; the proposed substitute places a limitation upon such loans to an amount not exceeding 25 per cent of the bank's capital stock and surplus.

The proposed substitute also limits the right of officers and directors to make loans to officers of their own banks except by the written assent of three-fourths of the directors or of a majority of the directors in case a director wishes to borrow. The reason for this is that it gives a safeguard against improvident loans to officers and directors from the banks in which they have authority.

The Comptroller of the Currency advises your committee that the abuse of such powers by officers and directors has been a fruitful cause of failures on the part of certain national banks, and that improper loans to its own officers have often interfered with the banks serving customers better entitled.

HOUSE BILLS.

[H. R. 11020.]

A BILL To amend and reenact sections fifty-one hundred and thirty-six, fifty-one hundred and thirty-seven, fifty-one hundred and thirty-nine, fifty-one hundred and forty-seven, fifty-one hundred and seventy-two, fifty-two hundred and twenty-two, and fifty-two hundred and thirty of the Revised Statutes of the United States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That sections fifty-one hundred and thirty-six and fifty-one hundred and thirty-nine of the Revised Statutes of the United States be amended and reenacted so as to read:

"SEC. 5136. Upon duly making and filing articles of association and an organization certificate, the association shall become, as from the date of the execution of its organization certificate, a body corporate, and as such, and in the name designated in the organization certificate, it shall have power—

"First. To adopt and use a corporate seal.

"Second. To have succession for the period of twenty years from its organization, unless it is sooner dissolved according to the provisions of its articles of association, or by the act of its shareholders owning two-thirds of its stock, or unless its franchise becomes forfeited by some violation of law.

"Third. To make contracts.

"Fourth. To sue and be sued, complain and defend, in any court of law and equity as fully as natural persons.

"Fifth. To elect or appoint directors, and by its board of directors to appoint a president, vice president, cashier, and other officers, define their duties, require bonds of them, and fix the penalty thereof, dismiss such officers or any of them at pleasure, and appoint others to fill their places.

"Sixth. To prescribe, by its board of directors, bylaws not inconsistent with law, regulating the manner in which its directors shall be elected or appointed, its officers appointed, its property transferred, its general business conducted, and the privileges granted to it by law exercised and enjoyed.

"Seventh. To exercise, by its board of directors or duly authorized officers or agents, subject to law, all such incidental powers as shall be necessary to carry on the business of banking; by discounting and negotiating promissory notes, drafts, bills of exchange, and other evidences of debt; by receiving deposits; by buying and selling exchange, coin, and bullion; by loaning money on personal security; and by obtaining, issuing, and circulating notes according to the provisions of this title.

"But no association shall transact any business except such as is incidental and necessarily preliminary to its organization, until it has been authorized by the Comptroller of the Currency to commence the business of banking.

"SEC. 5139. The capital stock of each association shall be divided into shares of $100 each and be deemed personal property. There shall be kept by each association a book to be known as a stock ledger, in which shall be entered the name of the person or persons, firm, company, or corporation to whom each share of stock is issued, the date of issue, the number or numbers of the certificates issued, and the number of shares represented by each certificate.

"Any stock transferred as hereinafter provided shall be entered upon the stock ledger by entering after the original entry of the issuance thereof the date upon which the same is canceled and the number or numbers of the new certificate or certificates issued therefor. The entry of such original issue or such transfer upon the stock ledger shall be prima facie evidence of the ownership of the stock. Every person becoming a shareholder by such transfer shall, in proportion to his shares, succeed to all the rights and liabilities of the prior holder of such shares; and no change shall be made in the articles of association by which the rights, remedies, or security of the existing creditors of the association shall be impaired.

"Transfer of stock in any association shall be made only upon the surrender of the duly issued certificate therefor properly and duly indorsed and by the issuance of a new certificate or certificates, records of which transfer shall be kept in the stock ledger in the same manner as the record of the original issue of stock with the addition that a record shall be made therein of the number of the certificate surrendered and canceled. In the event of loss or destruction of a certificate and upon satisfactory proof of such loss or destruction being made to the board of directors, the board may cause to be issued to the lawful owner a new certificate."

SEC. 2. That section fifty-one hundred and thirty-seven of the Revised Statutes of the United States be amended and reenacted so as to read as follows:

"SEC. 5137. A national banking association may purchase, hold, and convey real estate for the following purposes, and for no others:

"First. Such as shall be necessary for its immediate accommodation in the transaction of its business.

"Second. Such as shall be mortgaged to it in good faith by way of security for debts previously contracted.

"Third. Such as shall be conveyed to it in satisfaction of debts previously contracted in the course of its dealings.

"Fourth. Such as it shall purchase at sales under judgments, decrees, or mortgages held by the association, or shall purchase to secure debts due to it.

"But no such association shall hold the possession of any real estate under mortgage, or the title and possession of any real estate purchased to secure any debts due to it, for a longer period than five years; nor shall any such association hereafter invest in a site and bank building or bank and office building an amount in excess of its paid-in and unimpaired capital stock."

SEC. 3. That section fifty-one hundred and forty-seven of the Revised Statutes of the United States be amended and reenacted so as to read as follows:

"SEC. 5147. Each director, when appointed or elected, shall take an oath that he will, so far as the duty devolves on him, diligently and honestly administer the affairs of such association, and will not knowingly violate, or willingly permit to be violated, any of the provisions of this title, and that he is the owner in good faith and in his own right of the number of shares of stock required by this title, subscribed by him, or standing in his name on the books of the association, and that the same is not hypothecated, or in any way pledged, as security for any loan or debt. Such oath, subscribed by the director making it and certified by the officer before whom it is taken, shall be immediately transmitted to the Comptroller of the Currency, and shall be filed and preserved in his office. If any director shall fail to qualify and forward his oath to the Comptroller of the Currency within sixty days after his election, unless on account of illness, absence, or other good cause approved by the Comptroller of the Currency, a vacancy shall be immediately declared and the party so elected and failing to qualify shall be ineligible for reelection as director for that year."

SEC. 4. That section fifty-one hundred and seventy-two of the Revised Statutes of the United States be amended and reenacted so as to read as follows:

"SEC. 5172. In order to furnish suitable notes for circulation, the Comptroller of the Currency shall, under the direction of the Secretary of the Treasury, cause plates and dies to be engraved, in the best manner to guard against counterfeiting and fraudulent alterations, and shall have printed therefrom, and numbered, such quantity of circulating notes in blank or bearing engraved signatures of officers as herein provided of the denominations of $1, $2, $5, $10, $20, $50, $100, $500, and $1,000, as may be required to supply the associations entitled to receive the same. Such notes shall express upon their face that they are secured by United States bonds, deposited with the Treasurer of the United States, by the written or engraved signatures of the Treasurer and Register, and by the imprint of the seal of the Treasury; and shall also express upon their face the promise of the association receiving the same to pay on demand, attested by the written or engraved signatures of the president or vice president and cashier; and shall bear such devices and such other statements, and shall be in such form as the Secretary of the Treasury shall, by regulation, direct."

SEC. 5. That sections fifty-two hundred and twenty-two and fifty-two hundred and thirty of the Revised Statutes of the United States be amended and reenacted so as to read as follows:

"SEC. 5222. Within ninety days from the date of the vote to go into liquidation the association shall deposit with the Treasurer of the United States lawful money of the United States sufficient to redeem all its outstanding circulation. The Treasurer shall execute duplicate receipts for the money thus deposited and deliver one to the association and the other to the Comptroller of the Currency, stating the amount received by him and the purpose for which it has been received, and the money shall be paid into the Treasury of the United States and placed to the credit of such association upon redemption account."

"SEC. 5230. Whenever the comptroller has become satisfied, by the protest of the waiver and admission specified in section fifty-two hundred and twenty-six, or by the report provided for in section fifty-two hundred and twenty-seven, or by a declaration of insolvency, that any association has refused or is unable to pay its circulating notes, or when any association in voluntary liquidation has failed to deposit lawful money with the Treasurer of the United States sufficient to redeem its outstanding circulation, as provided by section fifty-two hundred and twenty-two of the Revised Statutes of the United States, he may, instead of canceling its bonds, cause so much of them as may be necessary to redeem its outstanding notes to be sold at public auction in the city of New York after giving thirty days' notice of such sale to the association. For any deficiency in the proceeds of all the bonds of an association, when thus sold to reimburse to the United States the amount expended in paying the circulating notes of the association, the United States shall have a paramount lien upon all its assets; and such deficiency shall be made good out of such assets in preference to any and all other claims whatsoever, except the necessary costs and expenses of administering the same."

On this bill the House committee made the following report:

The Committee on Banking and Currency, to which was referred the bill (H. R. 11020) to amend and reenact sections 5136, 5137, 5139, 5147, 5172, 5222, and 5230 of the Revised Statutes of the United States, having had the same under consideration, report it back to the House with the recommendation that the bill do pass.

The amendment to section 5136 simply strikes from the existing statute the words which authorize national banking associations to prescribe in their by-laws the manner in which stock shall be transferred and incorporates the same authority in section 5139 of the Revised Statutes by requiring such associations to keep a stock ledger, in which shall be entered the names of persons, firms, companies, or corporations to which stock is issued and provides statutory regulations as to the manner in which this stock ledger must be kept and in which stock transfers shall be made and lost certificates replaced.

The amendment to section 5137 puts a limitation upon the amount of money that a national banking association may hereafter invest in a bank or office building and site, the requirement being that the amount so invested shall not exceed the paid-in and unimpaired capital stock of the association.

The amendment to section 5147 requires a director of a national banking association to qualify within 60 days after election unless prevented on account of illness, absence, or other good cause approved by the comptroller, under penalty of having his position as director vacated and himself rendered ineligible for reelection for the current year.

Section 5172 is amended so as to authorize the signatures of bank officers to notes of issue to be engraved as well as written, and also omits the denomination of three dollar bills from the notes authorized to be issued under this section.

The amendment to section 5222 requires a national banking association which goes into liquidation to deposit within 90 days, instead of 6 months as at present, with the Treasurer of the United States lawful money sufficient to redeem all its outstanding circulation.

The amendment to section 5230 authorizes the Comptroller of the Currency, upon the failure of such association to make such deposit, to sell a sufficient amount of its bonds after the prescribed time limit to redeem its outstanding notes.

INFORMAL RULINGS OF THE BOARD.

Below are reproduced letters sent out from time to time over the signatures of the officers or members of the Federal Reserve Board which contain information believed to be of general interest to Federal Reserve Banks and member banks of the system:

Eligibility of Trade Acceptance for Gas Sold.

(To an individual.)

Your letter of April 19, with reference to the eligibility of a trade acceptance given by a gas distributing company to a gas producing company in payment for gas sold, has been received and considered by the Federal Reserve Board.

The question presented for determination is whether natural gas actually sold and delivered by a distributing company is "goods sold" within the meaning of the Federal Reserve Board's regulations defining a trade acceptance. The Board is of the opinion that an acceptance drawn by a gas producing company on a gas distributing company, and accepted by the latter in payment for the gas sold and delivered is a trade acceptance, and that it is eligible for rediscount by a Federal Reserve Bank, provided, of course, it also conforms to the other requirements of the Board's regulations.

APRIL 23, 1918.

Acceptances in Domestic or Foreign Transactions.

(To a Federal Reserve Bank.)

Receipt is acknowledged of your letter of April 9, inclosing copy of letter addressed to ———.

It appears from this letter that the ——— certifies that a draft drawn by it against the ——— was drawn for the purpose of financing the sale to the Allied Purchasing Commissions of packing-house products contracted for export to Europe. You ask whether this can be treated as a banker's acceptance against goods for export. It is assumed that the firm of ——— has no contract to export and that its transaction is completed when its sale is made to the Allied Purchasing Commission.

This case appears to be covered by opinion of counsel approved by the Board and published in the September, 1915, issue of the Federal Reserve Bulletin, page 276, volume 1.

In each of the cases submitted by you it appears that the contract between the seller of the goods who draws the draft and the purchaser is entirely independent of the contract for the export of the goods. This being true, the draft would have to be treated as drawn in a domestic transaction, and the drafts should be accompanied by shipping documents or secured by warehouse receipts or other similar documents conveying and securing title when accepted by the drawee bank.

A different situation would, of course, be presented if the drawee bank accepted the drafts at the instance of the purchaser of the goods, the purchaser having a contract to export such goods. In such case, the drafts would grow out of a transaction involving the export of the goods and could be accepted by the drawee bank under authority of section 13 of the Federal Reserve Act.

APRIL 10, 1918.

Payment of Interest Coupons on Bonds of Federal Land Banks and Joint Stock Land Banks.

(To Federal Reserve Banks.)

Arrangements have been made with the Federal Farm Loan Board for the payment through Federal Reserve Banks of coupons of Federal farm loan bonds issued by Federal Land Banks.

Under this arrangement it is contemplated that the Federal Land Bank will deposit with the Federal Reserve Bank of New York a sufficient sum to pay maturing coupons on bonds issued by it. The Federal Reserve Bank of New York will arrange with other Federal Reserve Banks to receive such coupons on deposit or to pay them when presented and to charge same to its account.

All such bonds should be forwarded to the Federal Reserve Bank of New York and will be charged to the account of the Federal Land Bank. In the adjustment of the accounts as between the Federal Reserve Banks these coupons may be treated as checks or drafts on the Federal Reserve Bank of New York.

The Board has approved this arrangement. The Federal Reserve Bank of New York will arrange any necessary details with the other Federal Reserve Banks.

APRIL 1, 1918.

(To a Federal Reserve Bank.)

Receipt is acknowledged of yours of April 9, 1918, in which you inclose copy of letter from Secretary of the Joint Stock Land Bank of ———, stating that that bank desires to make arrangements to have interest coupons on farm loan bonds issued by it paid at the Federal Reserve Bank of New York.

You state that you have completed similar arrangements for payment of coupons issued by the several Federal land banks and ask for a ruling of the Board as to the payment of coupons issued by joint stock land banks.

In reply, you are advised that the Board has heretofore ruled that inasmuch as the bonds issued through the joint stock land banks are issued on substantially the same terms and conditions as those issued through Federal land banks, there is no objection to the Federal Reserve Banks making the same arrangements with the joint stock land banks that have been made with the Federal land banks for the payment of coupons on farm land bonds.

APRIL 10, 1918.

Collection by Federal Reserve Banks of Bill of Lading Drafts.

The attention of the Federal Reserve Board has been called to the fact that several of the Federal Reserve Banks have sent circulars to their member banks announcing that they are prepared to receive on deposit for immediate credit, subject to final payment, bill-of-lading drafts drawn on demand, or at sight, or upon arrival of car. The custom appears to be to charge the current rate of interest for the period between the date upon which credit is given and the date upon which advice is received that the draft has been paid. In case it is not paid the amount of the draft is charged back to the member bank's account and the draft is returned to the member bank or is entered for collection on the books of the Federal Reserve Bank.

There is grave doubt as to the legality of this practice. Bill-of-lading drafts of this character are obviously not eligible for rediscount by a Federal Reserve Bank under the provisions of section 13 of the Federal Reserve Act since they are not necessarily payable within 90 days as required by that section.

While these drafts may be received by a Federal Reserve Bank for collection, and credit when payment is received, the Federal Reserve Board is of the opinion that the law does not authorize any Federal Reserve Bank to receive such drafts on deposit for collection and immediate credit even though they may be charged back to the account of the depositing bank if returned unpaid.

It is true that section 13 permits Federal Reserve Banks to receive on deposit "checks and drafts payable upon presentation," but this language is not construed by the Board as including bill-of-lading drafts payable upon demand, or at sight, when drawn against individuals, firms, or corporations other than banks.

This question was discussed in circular letter to all Federal Reserve Banks dated August 11, 1917.

While the Board desires the Federal Reserve Banks to extend every reasonable accommodation to the member banks, and to encourage in every way the use by member banks of Federal Reserve Banks as collecting agents, it is necessary, nevertheless, that the operations of the Federal Reserve Banks shall be conducted in accordance with the restrictions imposed by the Federal Reserve Act. Federal Reserve Banks which have issued circulars contrary to the principles discussed in this letter are, therefore, requested to withdraw or to amend such circulars in accordance with the suggestions herein contained.

APRIL 17, 1917.

The following telegram and letter pertaining to the above were sent out under date of April 22:

[Telegram.]

Board recognizes importance of having Federal Reserve Banks provide facilities for handling bill of lading drafts for member banks and regrets that legal considerations made it necessary to interfere with established practice of some of the Federal Reserve Banks respecting drafts of this character. Some of the banks have been taking drafts from members payable at sight with instructions to hold until arrival of car, thus making drafts in effect payable upon arrival of car, at the same time taking from member bank a written order authorizing any drafts outstanding and unpaid after period of 60 days from date of receipt by Federal Reserve Bank to be charged to account of member bank. Board has consulted counsel and wishes to advise you that no objection will be made to your discounting for member banks drafts with bill of lading attached, drawn payable on or before 30, 60, or 90 days after date, and any arrangement made by you to charge interest for actual time drafts are outstanding will be approved by Board.

APRIL 22, 1918.

[Letter.]

Referring to circular letter of April 17, relating to drafts drawn with bill of lading attached, payable at sight or upon arrival of car, the Board wishes it understood that it recognizes the importance of having Federal Reserve Banks provide facilities for handling bill of lading drafts for member banks, and that it regrets that legal considerations made it necessary to interfere with the established practice of some of the Federal Reserve Banks respecting drafts of this character.

The Board is informed that some of the Federal Reserve Banks have been taking drafts from members payable at sight with instructions to hold until arrival of car, thus making drafts in effect payable upon arrival of car, at the same time taking from the member bank a written order authorizing any drafts outstanding and unpaid after a period of 60 days from date of receipt by the Federal Reserve Bank to be charged to the account of the member bank.

After consulting with counsel I wish to advise you that no objection will be made to your discounting for member banks drafts with bill of lading attached, drawn payable "on or before 30 days after date," "on or before 60 days after date," or "on or before 90 days after date," and any arrangement made by you to charge interest for the actual time the drafts are outstanding will be approved by the Board.

Acceptances Secured by Chattel Mortgages on Cattle.

(To a Federal Reserve Bank.)

The Board has had before it your letter of March 18, in which you state that the ——— National Bank of ——— has asked for a ruling on the following proposition:

"May arrangements be made for banks to accept or make acceptances based on chattel mortgages, or so-called cattle loans, with the agreement to renew these acceptances for 90 days two or three times."

I am instructed to advise you that in the opinion of the Board national banks are not authorized by law to accept drafts or bills that are secured by chattel mortgages on cattle. The Board's counsel says:

"Under the terms of section 13 of the Federal Reserve Act national banks are permitted to accept drafts in a domestic transaction only when shipping documents conveying or securing title are attached at the time of acceptance, or when such drafts are secured at the time of acceptance by warehouse receipt or other such document conveying or securing title covering readily marketable staples. In the case under consideration no shipping documents are attached, and in the opinion of this office a chattel mortgage on cattle is not a document similar to a warehouse receipt conveying or securing title to readily marketable staples. In the case of a chattel mortgage the borrower retains possession of the goods and merely vests the legal title as security for the debt."

MARCH 25, 1918.

Trade Acceptances in Connection with Sales on Installment Plan.

(To an individual.)

Referring further to your letter of March 21, inclosing a copy of a letter from ———, in which they inquire about the use of trade acceptances in connection with the sale of coffee mills, etc., on an installment plan, I am instructed to say that the counsel of the Board reports as follows:

"If the purchaser is willing to accept the draft in advance of the delivery of the goods, there would seem to be no reason why such an acceptance should not be treated on the same basis as a bill drawn and accepted after delivery of such goods."

A memorandum presented to the Board on the same subject contains the following paragraph, which is herewith transmitted to you as the expression of the Board's views on this question.

"After the machines have been made and delivered to the customer, and after the seller has been notified by the customer of the delivery, then the seller fills in his name on the acceptances as drawer, and also fills in the date of maturity, * * * the total installment acceptances amounting to the agreed price. None of these acceptances could be negotiated, nor, in fact is an acceptance at all until after the machine has been delivered and accepted by the purchaser. It would seem * * * that this is clearly a case of a trade acceptance and should be entitled to preferential rates as such."

APRIL 15, 1918.

LAW DEPARTMENT.

The following opinions of counsel have been authorized for publication by the Board since the last edition of the Bulletin:

Acceptances by member banks of drafts drawn by dealers engaged in the export and domestic sale of the same character and class of goods.

Where a dealer who is engaged in the purchase of the same character and class of goods for export and for domestic use desires to finance the purchase and sale of goods to be exported, his agreement with a member bank accepting such drafts should show that he has a contract for the export of the goods; that the total amount of drafts drawn under such credit will not exceed the aggregate amount involved in the export transaction; that the proceeds of the drafts are to be used in connection with the export transaction; and that the proceeds of the sale of the goods exported will be applied in payment of the acceptances unless the dealer has in the meantime placed the bank in funds to meet them at maturity, or has secured such acceptances in the manner required of domestic acceptances.

APRIL 1, 1918.

SIR: It appears that certain dealers in staples who have a large domestic business are under contract to export food to the Allies. The question has arisen to what extent and under what circumstances member banks may accept drafts or bills of exchange drawn by such dealers.

(1) Where the drafts are drawn in a domestic transaction, under section 13 they must be accompanied by shipping documents or the bank must be secured at the time of acceptance by a warehouse receipt or other similar document conveying or securing title to the goods involved.

(2) Where the draft grows out of a particular transaction involving the export of goods the regulations of the Board require that the bill must have been drawn under a credit opened for the purpose of conducting or settling accounts resulting from such transaction.

In other words, it must appear that the bill is drawn and the proceeds are used in connection with the export transaction. The Federal Reserve Bank must be satisfied either by reference to the acceptance itself or otherwise that it is eligible for rediscount. Satisfactory evidence of the eligibility may consist of a stamp or certificate affixed by the acceptor in form satisfactory to the Federal Reserve Bank.

In the case under consideration it is assumed that the dealer is engaged in the purchase of goods for export and is purchasing the same character and class of goods for domestic use. Some difficulty may be encountered, therefore, in ascertaining whether the goods purchased in any particular transaction are to be used for export or for domestic consumption.

You have asked that consideration be given to the question of what evidence the accepting bank should require if the acceptance grows out of a transaction involving the export of goods and what form this evidence should take.

It is respectfully suggested that where the dealer desires to finance the purchase and sale of goods to be exported his contract with the bank should provide (*a*) that he has entered into a contract for the export of the goods of a fixed amount; (*b*) that the total amount of drafts drawn by him under the credit opened to finance the export of such goods shall at no time exceed the aggregate amount of the import or export transactions contracted for and in process of execution; (*c*) that the proceeds of drafts drawn against the accepting bank under this credit are to be used in connection with the export contracts referred to, and that the proceeds of the sale of the goods exported will be applied in payment of the acceptances unless the dealer has in the meantime placed the bank in funds to meet them at maturity or has secured such acceptances by shipping documents, warehouse receipt, or other similar document conveying or securing title to readily marketable staples.

Unless the dealer can and will assure the bank that the proceeds of the credit are to be used in an export transaction and that the proceeds of the goods exported are to be used to liquidate the acceptances, the dealer should be required to treat the bills as drawn in domestic transactions and the bank should require security provided by section 13.

Respectfully,

M. C. ELLIOTT, *Counsel.*

To HON. W. P. G. HARDING,
Governor Federal Reserve Board.

Acceptance by member banks of drafts drawn in transactions involving export of goods.

A dealer having drawn drafts accepted by a member bank in an export transaction should be given the option, with the consent of the accepting bank, to secure such drafts in the manner required of those drawn in domestic transactions if he wishes to use the proceeds derived from the sale of the goods exported for purposes other than the payment of such acceptances.

APRIL 11, 1918.

SIR: In an opinion of this office, dated April 1, 1918, which dealt with the subject of drafts drawn by dealers engaged in the export and in the domestic sale of the same character of goods, it was suggested that where such a dealer desires to finance the purchase and sale of goods to be exported, his contract with the bank should provide, among other things, "that the proceeds of drafts drawn against the accepting bank * * * are to be used in connection with the export contracts referred to, and that the proceeds of the sale of the goods exported will be applied in payment of the acceptance, unless the dealer has in the meantime placed the bank in funds to meet them at maturity, or has secured such acceptance by shipping documents, warehouse receipt, or other similar document conveying or securing title to readily marketable staples."

The purpose of this suggestion has apparently been misunderstood by some of the banks and bankers and seems to call for a further explanation from this office.

If a draft is drawn in a transaction involving the export of goods, it is not necessary that it should be secured by shipping documents, warehouse receipts, or other similar document conveying or securing title to readily marketable staples. This is necessary, however, where a draft is drawn in a domestic transaction.

Assuming that the dealer is drawing drafts in both foreign and domestic transactions, this suggestion was intended to give him the option either to place the bank in funds to meet an acceptance drawn in a transaction involving the export of goods, or else to place such an acceptance on the basis of one drawn in a domestic transaction by delivering to the bank shipping documents, warehouse receipts, or other similar documents conveying and securing title to readily marketable staples located in this country.

Respectfully,

M. C. ELLIOTT, *Counsel.*

To Hon. W. P. G. HARDING,
Governor Federal Reserve Board.

[For opinion of the Attorney General of the United States on the subject of collection and payment of checks, see pages 367–371.]

SUMMARY OF BUSINESS CONDITIONS, APR. 23, 1918.

	District No. 1—Boston.	District No. 2—New York.	District No. 3—Philadelphia.	District No. 4—Cleveland.	District No. 5—Richmond.	District No. 6—Atlanta.
General business	Slightly quieter	Active	Active; stronger tone.	Good	Very satisfactory	Satisfactory.
Crops: Condition	Prospects good for large acreage.	Good	Good	Very fair	Prosperous; well advanced.	Do.
Outlook			do	Favorable	Satisfactory, except labor.	Good.
Industries of the district.	Busy	Very busy, with Government work receiving preference.	All industries producing essentials are very busy.	Active	Active; profitably employed.	Fully employed.
Construction, building, and engineering.	Subnormal	Dull	Decreasing	Decreasing	Private building, negligible; Government work active.	Inactive.
Foreign trade		Very much restricted.	Not as large as last year.		Limited by freight room.	Do.
Bank clearings	Increase	Increase	Increase	Decrease	Increase	Steady.
Money rates	Decreased	Firm	Very firm	Firmer	Good demand, 6 per cent; increasing.	Slight increase.
Railroad, post office, and other receipts.	Railroad, decreased; post office, increased.	Post office, telegraph, and railroad receipts increased.	Decrease	Increase	Railroad, irregular; post office. volume large.	Steady.
Labor conditions	Scarce and well paid.	Labor scarce; wages increasing.	Very scarce; wages high.	Scarce and exacting.	Inadequate; unsatisfactory.	Fair.
Outlook	For increased production on war requirements.	Good	Good	Promising	Satisfactory and encouraging.	Good.
Remarks	Business in nonessentials quieter and manufacturers devoting themselves to war work.				Crop preparations well advanced.	

	District No. 7—Chicago.	District No. 8—St. Louis.	District No. 9—Minneapolis.	District No. 10—Kansas City.	District No. 11—Dallas.	District No. 12—San Francisco.
General business	On sound basis; little speculation.	Good	Good	Good	Good	Active.
Crops: Condition	Excellent	do		Generally good	Much improved	Excellent.
Outlook	do	Favorable	Very favorable	Improved	Fair to good	Do.
Industries of the district.	Generally at capacity.	Active	Active	Active	Generally active	Active.
Construction, building, and engineering.	Stagnant	Rather quiet	Slow	Farm building offsets lull in city building.	Building activity improved, and good prospects normal spring activity.	Reduced.
Foreign trade					Satisfactory, only hampered by export space.	Increasing.
Bank clearings	Increase	Increase	Little change	Large increase	Increase	Do.
Money rates	Quite firm	Firm	Steady	Firm	Steady; no change	Firm.
Railroad, post-office, and other receipts.	Increase	Increase in postal receipts.	No change		Railroad receipts above last year; post-office increase.	Increasing.
Labor conditions	Labor scarce, consequently independent.	Still rather unsettled, but improving.	Fair to good	Adjusted and settled.	Scarcity in all branches; wages advancing.	Improving.
Outlook	Good	Promising	Favorable	Good	As satisfactory as could be expected under war conditions.	Favorable.
Remarks				The general improvement of the crop prospects has effected the betterment of all business conditions.	Rains in drought sections have made improvement, and reports are encouraging; business good; outlook promising.	

GENERAL BUSINESS CONDITIONS.

There is given on the preceding page a summary of business conditions in the United States by Federal Reserve districts. These reports are furnished by the Federal Reserve agents, who are the chairmen of the boards of directors for the Federal Reserve Banks of the several districts. Below are the detailed reports as of approximately April 23:

DISTRICT NO. 1—BOSTON.

Reports from Bangor, Me., indicate that weather conditions are such that farmers can start their operations earlier than usual, and are determined to produce more. Men employed in industries around Bangor are earning more than ever before, but are not spending their money as freely for unnecessary things as has been their custom in past years. It is the general sentiment that business in that locality is duller than for some time past.

In Bridgeport, Conn., as in other communities having large war orders, the housing problem is serious and especially so as savings banks are not in a position to loan money freely on real estate mortgages, and Government aid will probably be necessary. Factories in that vicinity are extremely busy, especially those engaged on Government orders, many having contracts that will tax their capacity for months. Retail business is good owing to the distribution of large pay rolls.

Small merchants in Lowell, Mass., have never had so successful a year, owing to the large wages paid in munition factories and textile mills. The textile industries are all very busy, and pay rolls in many cases are double what they were in 1916.

Reports from Springfield, Mass., state that general business is good, although in nonessentials there is some hesitation. Labor is well employed, and in general is well satisfied.

Fine cloth manufacturers in New Bedford, Mass., have found the demand smaller since the recent decline in cotton, but inquiries are still being received in fair volume. Mills are well sold up, and prices are firm. The shortage of labor has resulted in the employment of a poorer grade of operatives, thus reducing the general efficiency.

The Fall River print-cloth market has been duller than for weeks. However, prices are firm, and mills with 30 per cent to 40 per cent of their equipment working on Government orders have all the business they can handle.

Retail shoe trade is better, and there is an increased civilian demand, especially for women's shoes. Retailers are buying more freely, and manufacturers are receiving fall orders, which, taken in conjunction with Government requirements, will keep them as busy as labor conditions will permit.

Leather continues in better demand, with prices firm, especially in the grades required for Army shoes.

Wool trade is quiet, and will probably remain so until the Government's needs are known. In accordance with the wishes of the Government, no attempts are being made to purchase western wool until clipped.

The crop situation in general is more hopeful than earlier, and prospects are for substantial acreage increases, with the possible exception of potatoes. Snow is practically all gone, and spring operations are beginning.

The money market is easier than a month ago, with some decline in rates. Call money, 5 per cent to 6 per cent, generally 5½ per cent. Time money, 5½ per cent to 6 per cent, with 5½ to 5¾ per cent being named to large borrowers for short maturities. There is a small amount of paper moving at 6 per cent to out-of-town points.

The exchanges of the Boston Clearing House for the week ending April 20, 1918 (five days), were $277,613,994, compared with $241,021,-923 for the corresponding week last year (five days), and $266,933,306 for the week ending April 13, 1918.

Building and engineering operations in New England from January 1 to April 18, 1918, amounted to $35,800,000, as compared with $52,659,000 for the corresponding period of 1917. This is a smaller amount than in any of the last 10 years.

The receipts of the Boston post office for March, 1918, show an increase of $133,845.74, or about 16 per cent more than March, 1917. For the first 15 days of April, 1918, receipts were about 16 per cent, or $64,782.23, more than for the corresponding period of last year.

The Boston & Maine Railroad reports a loss from operation, after taxes, for February, 1918, of $399,355, as compared with net operating income, after taxes, of $242,648 for the corresponding month of 1917.

Loans and discounts of the Boston Clearing House banks on April 20, 1918, amounted to $491,471,000, as compared with $475,039,000 last month, and $464,284,000 on April 21, 1917. Demand deposits on April 20, 1918, amounted to $430,780,000, as compared with $400,246,000 on March 16, 1918, and $377,-014,000 on April 21, 1917. Time deposits on April 20, 1918, totaled $19,755,000, as compared with $20,745,000 on March 16, 1918, and $34,-461,000 on April 21, 1917. The amount "Due to banks" on April 20, 1918, was $140,747,000 as compared with $125,296,000 on March 16, 1918.

DISTRICT NO. 2—NEW YORK.

A constantly increasing proportion of the capacity of manufacturing plants in this district is being utilized, directly or indirectly, for Government work and production of war supplies. Tangible evidence of the shifting of activity among the various industries in New York State is found in the report of the New York State Industrial Commission, showing the changes in the number of employees in certain industries between February, 1917, and February, 1918, from which the following figures are taken:

Industry.	Per cent of increase.	Industry.	Per cent of decrease.
Firearms, tools, and cutlery	65.2	Lime, cement, and plaster	34.2
Boat and ship building	43.8	Brick, tile, and pottery	21.8
Groceries	21.0	Brass, copper, aluminum, etc	20.2
Water, light, and power	16.6	Wool manufactures	18.6
Confectionery and ice cream	16.2	Gold, silver, and precious stones	18.5
Automobiles, carriages, and carts	15.7	Pianos, organs, and other musical instruments	13.3
Machinery	13.9	Paints, dyes, and colors	13.0
Structural and architectural iron work	13.8	Mens' shirts and furnishings	12.9
Miscellaneous leather and canvas goods	13.2	Saw mill and planing mill products	12.6
Slaughtering, meat packing and dairy products	10.8	Paper boxes and tubes	12.4
Drugs and chemicals	10.0	Laundering, cleaning, dyeing, etc	11.6
		Furniture and cabinet work	11.3
		Paper	10.2

This shifting between industries does not, however, fully measure the extent of the adjustment which has taken place, for within many of the industries themselves a similar and even more extensive transition has occurred. In steel and the machinery lines the pressure of Government requirements is becoming greater, and while there is very substantial demand for usual lines, the tendency to subordinate all operations to Government work is growing. So also in the chemical industry, where the necessity of turning raw materials into the things needed by the Government has resulted in curtailment of other lines, the enormous demands for heavy chemicals being likely to keep the industry running at full capacity for the duration of the war.

A large carpet manufacturing company has turned about 90 per cent of its capacity to producing duck for the Government. Under a recent order the woolen mills are to hold their looms at the service of the Government until July 1, in order to insure adequate supplies of cloth for uniforms, and even before this order was issued the demand for civilian goods exceeded the available supply. Similar conditions obtain at the cotton mills. In short, the conditions outlined are general and the business situation may be characterized as one of intense activity with war needs receiving first consideration. Railroad embargoes still constitute a retarding factor in production and distribution. Collections are reported as being very good.

Foreign trade through this port, aside from Government shipments, is in decreased volume because of extreme scarcity of available ship tonnage as well as because of Government restrictions on imports and exports. Imports at New York for March, 1918, were only $98,344,252, as against $147,901,883 for the same month last year, while exports were $251,325,182, as against $260,666,494 a year ago.

An agricultural census recently taken covering a large portion of the farms of New York State, forecasts increased planting of wheat, corn, barley, and alfalfa, about the same acreage of cabbages and potatoes as last year, and less planting of beans, hay, root crops for stock, canning factory crops, hops, nursery stock, and flowers. Reports from farming sections are optimistic, though bearing frequent reference to the probability of labor shortage on the farms this season. In the dairy industry, one of the most important agricultural activities in this section, distinctly unsatisfactory conditions are reported. Friction with distributors, shortage of satisfactory labor, high cost of feed and other factors, have narrowed the margin of profit to such an extent that many dairymen have sold part or even all of their herds. Reports from agricultural sections in northern New Jersey indicate increased use of farm tractors as an offset to decreased labor supply; grain conditions are not very good, but prospects of a large acreage of potatoes.

Stock market transactions have been very light, though the tone of the market has been quite firm. Bond transactions have been extremely light except in the Liberty bond issues which have been dealt in actively. Prices have been fairly well maintained. Call money has shown somewhat easier tendencies with a stimulating effect upon the discount market. Commercial paper has continued to sell around 6 per cent and in good volume. New capital issues have been much restricted, the total output of railroad and industrial stocks, bonds, and notes during the month of March, as tabulated by the New York Journal of Commerce, amounting to only $74,874,000, compared with $312,115,000 in the same month last year. Municipal financing has also been restricted in volume.

DISTRICT NO. 3—PHILADELPHIA.

More and more of the industrial capacity of the district is being devoted to the production of materials essential to the conduct of the war. This has been accomplished through the extension of the system of Government priority orders which control the distribution of raw materials. Many concerns which have been engaged in the production of nonessentials have diverted their plants to the manufacture of some kind of war material and supplies. The gradual drawing away of labor into the more essential war industries, in addition to the difficulties in the way of obtaining supplies, has reduced the output of goods not essential to the conduct of the war.

Although buyers are displaying conservatism, the volume of sales in retail lines continues to be of very satisfactory proportions. Business during the first part of April was slightly behind last year, because of an early Easter and bad weather. Since then, however, the quantity of goods sold has been running ahead of last year. Difficulty is experienced in obtaining goods of the better grade.

On account of their high wages, wage earners now seem to be the principal purchasers of goods, being able to buy goods which heretofore they have been unable to purchase. It is reported that a number of proprietors of small stores in one of the large cities in the district have closed their stores and have taken employment in the shipyards and other places where they can earn more money. Confidence in the continued activity at the shipyards, steel textile, munition and other manufacturing plants, which have orders on hand that will absorb the entire product for a considerable time, is the basis for the belief that the present demand for all kinds of commodities will be sustained.

The anthracite coal situation has improved somewhat. During March, production totaled 7,276,777 tons, the greatest recorded in the history of the industry, representing an increase of 1,464,695 tons over February and 287,702 tons over March, 1917. On the other hand, production of bituminous coal has declined, car shortage being the principal cause. There is some improvement noted, however, since the early part of April.

The production of iron and steel has increased considerably from the low point of January, but shipments, except for the Government, are being made with difficulty. There is some improvement in the coke situation. Stocks of pig iron at steel mills are still at a low ebb. The demand for steel for other than war purposes has greatly diminished.

Cotton yarns are scarce and in good demand. Prices continue high. Raw cotton has declined very sharply and the amount offered has increased.

The wool market continues very strong, with only small quantities of wool offered, which are readily taken at advancing prices.

The advent of seasonable weather has been accompanied by more spirited buying and continuation of the hardening tendency in prices of textiles. It is stated that mills engaged in the production of lightweight underwear are booked ahead for 85 to 90 per cent of capacity until November, this percentage covering both Government and civilian business.

There has been very little building in this district and little is contemplated. The necessity of conserving goods and labor to the utmost is being recognized, and there are very few nonessential building enterprises in process of construction. Building permits during March show a decrease of 60 per cent compared with March, 1917.

Plowing is well underway. The condition of wheat is reported as fair to good. The general outlook for increased acreage is very poor; the farmers can not secure nor keep help except at exorbitant wages, which they can not afford to pay. They are doing their utmost to overcome the labor shortage by the purchase of labor-saving machinery. More than ever before, farms are financing themselves by cash payments, due, apparently, to the prosperity brought about by high prices during the last few years. The use of bank loans or notes to implement dealers to finance such transactions has fallen off to a very noticeable extent. It is estimated that there will be a 30 per cent increase in the tobacco acreage in the district.

Bank clearings continue to run high, a reflection of the well-maintained business activity, although allowance must still be made for the abnormal advance in commodity prices, which naturally tends to enlarge bank clearings.

Banks and note brokers report that statements of their customers for 1917 almost unanimously showed good profits, and that assets in the form of accounts receivable and merchandise on hand were larger than for the previous year. The statements indicate that business is being conducted on a more conservative basis than might have been expected under war conditions.

Money rates in Philadelphia have continued firm during the past month, the prevailing rate for commercial paper being 6 per cent.

Rediscounts and loans to member banks by the Federal Reserve Bank amounted to $40,432,000 in March, compared with $37,898,000 in February, $45,987,000 in January, and $3,009,000 in March, 1917. Acceptances purchased by the bank amounted to $11,016,000 in March, compared with $6,030,000 in February, $9,786,000 in January, and $4,610,000 in March, 1917. The greater part of the borrowing has been in the form of member banks' 15-day notes, secured by Liberty Loan bonds or certificates of indebtedness.

DISTRICT NO. 4—CLEVELAND.

The Government, in its conduct of the war, of necessity exerts a directing influence on all lines of finance, commerce, and manufacture. The transition is being accomplished with little loss of momentum, and business generally may be said to be broadening and settling on a satisfactory basis.

Manufacturing.—As a rule, steel and iron industries are busy and on a more nearly normal basis than they have been for months. The major part of the output is supplied to the Government, and customers' needs are allowed to wait. Cut off from their supply, allied lines show a disposition to arrange their business to secure Government contracts.

A scarcity of pig iron has resulted in the resumption of production by a number of blast furnaces. The demand for wire, nails, rails, and steel bars is very strong. While steel mills are not running at capacity, it must be borne in mind that the productive capacity has been greatly enlarged and the tonnage output probably equals, if it does not exceed, previous records.

Manufacturers of face brick, by reason of the nonessential character of their products, say that the immediate future of this industry is somewhat uncertain. In the meantime, manufacturers are making various other burned clay products.

Orders for pottery ware are in fair volume for domestic use. Inquiries are reported for foreign shipments. Less trouble is experienced in getting supplies, and business in this line is considered fair.

Coal production is not believed to equal the production for the same period last year. The demand for coal is strong. While the price is thought too low by some of the operators, it is believed that all are doing their best to produce as largely as possible. Scarcity of cars continues to handicap production.

Agriculture.—The scarcity of corn fit for seed has been the occasion of much concern to farmers, but, the shortage having been so widely advertised, it is believed that great care is being exercised and there will probably be a sufficient amount of healthy seed to take care of planting requirements. The corn acreage promises to exceed previous records, and the prospects for a good wheat crop are reported very bright except in a few localities.

Farmers are purchasing improved farm machinery and tractors, which will tend to put larger areas under cultivation and will help solve the farm labor problem, which is still causing some uneasiness. Increased purchases of fertilizer are reported, agricultural societies are very busy, and it is expected that farming will be carried on more intensively this year than ever before.

Labor.—The opening of spring with its increased activities in all lines has tended to make the labor situation more acute. The demand of farmers for spring planting has increased the shortage in this field of labor. The construction and enlargement of munition plants and increased outputs by manufacturers generally has done the same in industrial centers.

The exactions of labor are more pronounced than formerly, and many increases in pay are reported. After a labor supply has been secured it is often difficult to hold, and a disposition to change is shown on very slight provocation.

Mercantile lines.—Orders are reported in large volume and a strong demand is apparent. Some trouble is evidenced in getting goods from the mills and in getting them delivered to customers. This condition is said to have shown some betterment recently.

In the retail line increased sales are generally reported, distributed fairly evenly throughout the line, except home furnishings, which do not show proportionate gains. Merchants express surprise at large sales of pianos, victrolas, and other luxuries, probably due to the increased wages of the purchasers and the increased number of women employed in gainful pursuits.

Collections.—In a number of instances collections for the past month are said to be the largest in the history of the concerns reporting. Considerable paper is offered in some quarters, but not in sufficient quantities to cause concern. On the whole, collections may be said to be very satisfactory.

Transportation.—Inadequate transportation facilities continue to retard all lines of business and to attract the greatest attention. Some improvement is discerned, and it is thought in some quarters to have kept pace with increased production. Railroads are believed to have not fully recovered from the strains of the winter months, and to be handicapped by scarcity of competent labor to make necessary repairs. Steamers on the lakes are ready, awaiting the opening of navigation, which will probably be about May 1.

Money and investments.—Money is scarce but not to an extent to be oppressive to the borrower. Concern as to the payments for the third Liberty loan apparently is allayed, but payment of the forthcoming income taxes is giving considerable uneasiness to many. It is thought that when the War Finance Corporation is in operation the investment market will be strengthened.

Holders of securities and investment dealers say that they are pleased with the extent to which the security market has withstood the adverse conditions of the past month, and that it shows a strong underlying foundation

Building.—Building operations, as shown by reports of permits and valuations, continue to decrease both in number and amount. The line is unusually dull for the season, and little work is said to be in prospect.

DISTRICT NO. 5—RICHMOND.

Reports of trade and general business show some divergence and fluctuations. Reports from dry goods and department stores, dealers in jewelry and silverware, manufacturers of pianos and furniture indicate almost unanimously that wealthier people are apparently economizing and cutting off luxuries, but there has arisen a large class of people, heretofore of small means, who are now making a great deal of money and purchasing freely, the result being that many stores are doing a full volume of business but dealing with a totally different class of customers. The volume in dollars and cents has increased total sales, but people are not getting as much for their money, and business is being done at a considerable increase in overhead expenses. One line of retail stores in the district reports a falling off in the last few months of $1,000,000 in sales of sugar alone. Stocks of goods are not large and are being promptly distributed.

Industrial lines are in especially thriving condition, production only limited by the scarcity of hands.

Agricultural preparations are in full swing and crop preparations are well advanced. An interesting hangover from last season is a report that delayed picking of cotton in South Carolina was made as late as February and March and the inferior cotton resulting from it was sold at 20 cents a pound. The supply of fertilizers is not equal to the demand; agricultural implements, including plows, are in demand; some manufacturers report they are sold six months ahead. They find it difficult to secure the necessary material, owing particularly to large requisitions of the latter by the Government.

The United States Department of Agriculture is appointing agents in all districts to assist in furnishing and organizing farm labor where needed. In this connection, reports are made that wages are so high and living so easy that it is encouraging loafing.

Weather conditions have been favorable until the last 10 days, when rather too much rain has been reported, and rather severe cold threatened damage particularly to fruit crops. This, however, does not appear to have been serious. Cotton and corn planting are up to the average. Large and early crops of vegetables seem reasonably assured, and it is reported that 6,000 carloads of truck are expected from the Charleston district of South Carolina. From preparations being made, it is anticipated that under normal conditions crops in this section may eclipse all other years.

Financial conditions in the district are satisfactory. The volume of contemplated expenditures in this district, even including refinancing and refunding operations, has been comparatively limited.

The banks of the district are holding or carrying a relatively large volume of Government securities, and while there is now some indication of a moderately normal decline in deposits, the volume of deposits is considerably above normal, and offerings from the district indicate that many banks are still holding outside purchased paper. This is now being rediscounted to supply home demands. Agricultural demands are now developing and the high cost of everything is doubling or trebling these demands, but they are being well taken care of.

Strong appeals are being made in this district for the privilege of paying excess profit taxes in installments. As the provision for these payments by means of United States certificates of indebtedness (available for the payment of such taxes) has been made only to a limited extent, the privilege of payment in installments would greatly facilitate such payments with a minimum financial strain.

The summary of conditions in the district is very satisfactory and the general outlook encouraging.

DISTRICT NO. 6—ATLANTA.

Farmers are planting sufficient food and feedstuff to make them independent of all purchases and furnish a surplus for Army use. Notwithstanding a shortage of labor, there has been an increased acreage in food stuffs, as well as cotton. The farm work made progress during the first half of the month, but the cold spell toward the middle of the month checked the growth of plants and germination of seed. The damage from frost was rather small, except in Florida, where replanting of cotton and corn may be necessary in some sections. Cotton is up in the southern and central portions of the district, and corn is to a good stand in some sections. The farmers are unusually active, and as a result they have already accomplished more and better farm work at this date than in any previous year.

The tobacco market was easier on lugs, but good tobacco, which was very limited, was still in demand at stiff prices. A great deal of the tobacco is still in the country barns, due to lack of season sufficient to handle it, the weather being too dry.

Lumber prices still hold firm, with the demand good, particularly for the larger sizes of timber. The greater part of the demand is, of course, for Government use. Production remains considerably below normal, while the volume of orders is in excess of production. Labor conditions and equipments for shipping are handicapping the mills to probably 50 per cent of the normal output. The outlook is that the crop of hardwood for 1918 will fall short $33\frac{1}{3}$ per cent due to labor conditions.

While the supply of cars has not been plentiful, the coal industry has not suffered to any great extent recently. There has been a local shortage at various points. Labor conditions in the coal district show little improvement, and there is some dissatisfaction on account of wages. A movement is on foot on the part of some of the iron and steel companies operating their own coal mines for their own use to advance wages again, which is particularly disturbing to the commercial coal-producing companies. The commercial mines sell their raw product; that is, coal. The iron and steel companies use their coal in the operation of their plants and finished products, giving them a better margin of profit than the commercial coal operators. The coal output, especially since the 1st of April, has been disappointing. The production of coal has been less than half of that of the month of March, with no indications of improvement.

Business with the brick manufacturers is very unsatisfactory. The demand has fallen off considerably, and labor and fuel conditions have so seriously affected the industry that there is only a 30 to 40 per cent of production of normal capacity.

Hosiery mills report heavy demands, with the year's output already sold. Overall manufacturers have booked more than a full average year's business for delivery to July 1, and could easily double it if cotton mills could deliver contracts under September and October. Consumption seems to keep pace with purchases, regardless of heavy advances.

Wholesalers and jobbers report retail merchants eager and anxious to place orders for fall merchandise. Business is extraordinarily good for this season of the year, and collections are highly satisfactory, with possible exception of merchants in the turpentine country. The turpentine operators are slow in meeting their bills on account of inability to market their product. Considerable difficulty is experienced in obtaining merchandise, and wholesalers and jobbers fear a shortage unless conditions improve considerably.

Report of business failures during March, 1918, as compared with March, 1917, is very gratifying, the mercantile agencies reporting but 93 failures during 1918, with 138 in 1917.

DISTRICT NO. 7—CHICAGO.

Reports from all over the district show that the third Liberty loan is now being placed with excellent prospects for an oversubscription. Reports are that considerably more people are subscribing to this loan than to either of the other two.

The wheat outlook is very bright. To quote the statement of one of the foremost grain men in the United States, "There is no scarcity of wheat the world over, but there is a scarcity of transportation which has prevented those countries having a large exportable surplus from getting it to those countries which needed it most. If the prospects of the American crop are maintained at anywhere near present promise, an eight or nine hundred million bushel crop of wheat is not at all unlikely, with the possibility of it reaching one billion or more. If the latter figure should be realized and Canada have above an average crop, there will be ample supplies for our Allies and ourselves for the next 12 months with a liberal surplus to be carried over."

General business conditions throughout the district show a material improvement in many respects over those of a month ago. There is a decidedly better movement of cars, which has had the effect of easing up country banks who were compelled to carry their customers on account of the inability of the latter to market their products, and has effected a freer movement of raw material, manufactured products, grain, and live stock. Collections have likewise improved. Weather has been excellent, the recent rains having supplied much needed moisture. Farmers throughout the district are engaged in spring work. Corn will probably go into the ground early in May if not sooner. Planting of spring wheat and oats is about completed. Acreage is probably the largest ever known.

Money rates remain quite firm, with a disposition on the part of banks to discriminate. Banking opinion is that the shock of the large tax payments and installments on Liberty loan subscriptions has been anticipated and absorbed by the certificates of indebtedness and that no severe strain will be imposed upon the banks through these payments.

Dealing in bonds and other investments is practically at a standstill for the period of the Liberty loan campaign. There is some investment money seeking short-term investments, but new borrowers and long-term investments are not much in demand.

The increase in agricultural operations and acreage under cultivation has produced a very strong inquiry for implements, which it is expected will tax manufacturers to the limit. The difficulties confronted in the agricultural implement line are those that confront all manufacturers to a degree, namely, scarcity of labor, material, and transportation. Collections are good.

Auto concerns quite generally have been able to adapt part of their plants to war work. They are experiencing a sharp demand for automobiles, which, on account of restrictions, they are unable to adequately supply. Second-hand cars never enjoyed a readier sale. Credit conditions are said to be excellent.

Building and construction work, save where of direct aid to the Government in the prosecution of the war, are being discouraged. It is necessary in the Government scheme that all available money, labor, fuel, and material be used to one end, and that operations of less pressing need be put aside. Direct efforts along these lines are seen in the recent order of the fuel administration curtailing the manufacture of ten principal clay products, among them brick and tile.

High-grade coal is being mined at a rate which is limited only by transportation facilities. Railroad coal which central Illinois and Indiana furnish is not being produced at the normal rate, due to the reluctance of the roads to meet price increases recently granted by the fuel administrator. A zone system has been established by the administrator which confines movement of Illinois coal to a prescribed territory which will do away with long hauling and should affect coal distribution favorably.

Excessive demand maintains candy manufacture at the 80 per cent sugar allowance. These concerns are in the enviable position, as are not a few in other lines, of being able to discriminate against slow-paying customers. Collections, therefore, are in excellent shape.

In the whisky business liquidation continues at very high prices. Stocks are diminishing rapidly, and it is reported to us that in a short time all distillers' stocks will be in the hands of the retailer or consumer. Maltsters have large volume of malt on hand for which contracts were made during the embargo period. They are now proceeding to make deliveries by means of a limited daily allowance of cars.

Dry goods are scarce and prices continue to advance with no abatement in buying. Cotton goods particularly have advanced to prices ranging from three to four times the average established in past years. Wholesalers look for some Government action toward stabilization of prices. Credit is having very close scrutiny.

Furniture manufacturers report difficulty and uncertainty about the railroad situation and that the Government has in some cases relieved factories of lumber necessary in war work. The draft has operated to lower retail volume. Married men of draft age hesitate to replace worn-out furniture, and those marrying at this time as a rule do not go housekeeping.

There is good export demand for oats but little or none for corn, although it is expected that our allies will want large supplies of our corn in the future. Domestic demand for corn and oats is exceedingly poor, distributors having bought freely during winter months in excess of their requirements. Owing to congestion, their purchases were greatly delayed and in consequence they are now, at the lightest feeding season of the year, receiving great quantities of grain which they are unable to dispose of. In consequence, a demoralized situation prevails in many localities and particularly throughout New England.

Despite limitations on wheat and sugar distribution, wholesale grocers report a volume of business in excess of last year. This is not so much due to increased tonnage as to increase in price. Wheat substitutes are in great demand. There is no particular tendency to speculate in foodstuffs as regulation of profits by the Government precludes the necessity of anticipating advances. Collections vary from fair to good.

Hardware houses dependent on building and constructional lines for their business are suffering from the present stagnation, and concerns doing a diversified business report decreased volume in their building trade department. In other branches, volume has increased to high proportions. Country collections lag somewhat but city collections are reported excellent.

There is greater activity looked for in the leather market. Prices will probably not go lower and when this fact is realized civilian shoe manufacturers will no doubt put forth inquiries. Government shoe orders are being turned out as rapidly as possible. Some difficulty is found in the scarcity of labor. Export trade finds ocean bottoms scarce. As collections are having careful attention, they are in fair condition.

Exporting of packing-house products continues to form the basis of an excellent business in the live-stock industry. Domestic demand is subnormal. Beef cattle has advanced in price. We are told the greater portion of hogs has been marketed and that the coming pig crop will be large. The receipts of live stock at Chicago for the four weeks ending April 20, were:

	Cattle.	Calves.	Hogs.	Sheep.
1918	274,025	82,387	794,386	216,068
1917	190,430	74,837	496,512	309,860

Degree of volume in lumber business continues to be sectional and based on local conditions. Some lumber is being used for repair and rebuilding, but requirements on account of new building are negligible. In general, volume is subnormal.

Mail-order houses report a volume which is about holding its own with past years. Taking into consideration the increase in price of all products, it is evident that there has been some reduction in tonnage.

Though piano and musical instruments are not in normal demand, the orders received are sufficient to overwhelm the factories with their restricted output. There is a shortage of veneer owing to the Government's action in requisitioning this material. Labor is in short supply.

Government pressure on steel companies is constantly increasing. The German drive has stimulated demand for tonnage from this source. Though domestic needs are great, demand is not strong, no doubt because such customers realize the futility of placing orders. Collections are good and frequent wage adjustments keep labor satisfied.

Military wrist watches and ladies' bracelet watches continue to absorb the attention of watch manufacturers. It is impossible to meet the demand. Jewelry houses report large sales of precious stones, a significant fact in these times of heavy taxation. The same condition is reported in the other warring countries, precious stones being constant in value and easily concealed.

Government requests that looms and wool stocks not at present used for military purposes be placed at service of the Government until urgent needs are provided for have effected a further shortage in civilian clothing as well as price increases all along the line. Pending extent of Government requisition of wool, sales and quotations are not being made in the principal markets. Climbing prices have not checked demand, and orders for future delivery promise a tight situation in the woolen industry into the indefinite future.

Clearings in Chicago for the first 17 business days of April were $1,563,000,000, being $51,000,000 more than for the corresponding 17 business days in April, 1917. Clearings reported by 21 cities in the district outside of Chicago amounted to $323,000,000 for the first 15 days of April, 1918, as compared with $265,000,000 for the first 15 days of April, 1917. Deposits in the 12 central reserve city member banks in Chicago were $864,000,000 at the close of business April 19, 1918, and loans were $601,000,000. Deposits show a decrease of approximately $33,000,000 over last month, and loans an increase of approximately $19,000,000.

DISTRICT NO. 8—ST. LOUIS.

Conditions in this district continue to improve with the development of spring, and, on the whole, the outlook is favorable.

Manufacturing industries, as a rule, are busy, especially those working on war orders. The needs of the Government are being given first consideration, and manufacturers are more and more adjusting their plants to take care of Government contracts. Some plants which heretofore were manufacturing "nonessentials" are now engaged in the manufacture of those things necessary for the prosecution of the war.

Manufacturers, jobbers, and merchants generally report a greater volume of business than at this time last year. However, in some lines business is hampered by the extraordinarily high prices and the scarcity of merchandise. Merchants in many instances are buying for the future, apparently anticipating higher prices or increasing inability to get supplies. Collections are reported to be good.

The transportation situation has been improved during the past month, but there are still delays in the shipment of goods, both by freight and express, and this is having a deterrent effect on business.

There has been a decided improvement in the labor situation in this district, brought about in great measure through the assistance of representatives of the Government. Most of the strikers have gone back to work, and there seems to be a patriotic disposition to refrain from disturbances during the war. Labor is well employed. Due to good wages, the lower cost of living, and satisfactory housing conditions, it seems easy to attract adequate labor for all demands in the district. It is stated that St. Louis alone could take care of 20,000 additional operatives without creating a housing problem such as some of the other cities have experienced.

Extensive precipitation throughout the district during April has greatly helped agricultural conditions. Winter wheat, especially, was greatly benefitted, and the outlook is for a yield considerably in excess of last year. The condition of winter wheat in the States within this district on April 1, according to Government reports, was 92.3 per cent. This is 9.3 per cent better than the 10-year average for that date. The condition of rye in this district on that date was 93.2, which is 7.4 per cent better than the 10-year average. There was an unusually cold spell during the middle of the month, and it was thought that this would injure the fruit crop and early garden stuff, but apparently little damage has occurred. The ground generally is in good condition for cultivation, and the planting of corn, cotton, etc., is proceeding rapidly. Some apprehension is felt in regard to farm labor, but steps are being taken to help out this situation.

The report of the St. Louis National Stock Yards for March indicates increases in the sales of cattle, hogs, sheep, horses, and mules, in comparison with the same month last year, and increases in the receipts of all such live stock, except sheep, in which there was a perceptible decrease. The supply of sheep is small in this district, and the price of them is correspondingly high. In comparison with the month of February this year, the report indicates decreases in both the receipt and sales of practically all kinds of live stock.

Reports from the leading cities in this district for March show some revival in building operations over the previous month this year, but in comparison with March last year perceptible decreases are shown.

The postal receipts for March in St. Louis, Louisville, Memphis, and Little Rock all show substantial increases over the previous month this year and also the corresponding month last year.

As this report is written, attention is centered on the flotation of the third Liberty loan. This district has already reached and oversubscribed its minimum of $130,000,000, it being the first to do so.

The demand for money has continued good during the past month. The bank rate to customers continues at 6 per cent in the centers and slightly higher in the outlying districts.

Very few of the banks in the large centers are in the market for commercial paper, though some of the country banks are buying. The rate now is generally 6 per cent for all maturities.

On April 22 the Government withdrew approximately $20,000,000 of Government funds from the banks in this district. This was accomplished with no disturbance to business, due to the Federal Reserve Bank.

DISTRICT NO. 9—MINNEAPOLIS.

An unusually favorable spring has permitted small grain farmers throughout the ninth district to accomplish an exceptionally large amount of spring work. The acreage of wheat has been substantially increased in Montana, North Dakota, South Dakota, and Minnesota. Especially in southern Minnesota and Wisconsin, farms that have not produced wheat for many years will show varying acreages, which as a whole will make an important contribution to the total production of the district.

As a matter of patriotic duty, farmers throughout all of the Northwestern States have been bending every energy toward putting in a record planting and have been giving especial attention to wheat in view of the peculiar importance to the Government of this grain.

Unusually favorable weather during March permitted the farmers to go into the fields from 15 to 30 days earlier than in an average season. This enabled them to accomplish a very large amount of spring plowing, and the wheat went into the ground very early and under good conditions as to preparatory tillage and moisture.

The acreages of oats, barley, and rye will be increased, as a general rule. Corn planting will be less than in an average year on account of the difficulty of obtaining seed, but will at the same time be larger than was anticipated earlier in the year. Recent rains in western North Dakota and a timely snowstorm, which extended over a large part of the central and eastern portion of Montana have provided additional moisture where it was needed.

The crop outlook, as a whole, is very encouraging, and if weather conditions are favorable there is a prospect of very unusual crop production.

Practically all of the small grain has been seeded in South Dakota and southern Minnesota. In Montana and North Dakota more than half of the seeding is completed, while in some localities the farmers are practically through with their work except for the planting of corn.

Live stock in western North Dakota and Montana wintered well and the outlook is for a very profitable season. The sheep industry in particular is enjoying great prosperity, and at the present high prices the spring wool clip will produce heavy returns.

Banking and merchandising conditions show little change. Trade continues in satisfactory volume, and the demand upon country banks has been very active in consequence of spring agricultural operations. Substantial assistance in meeting the problem of financing the farmers in sections of Montana and western North Dakota that suffered crop failures last year has been afforded by numerous issues of county seed grain bonds, the proceeds of which have been employed in providing seed and feed where required. It is improbable that any farmer requiring assistance in his spring financing will fail to obtain the funds needed to put in such a crop as he can properly handle.

Construction is limited in volume and is chiefly confined to structures that are urgently needed to take care of the current demands of business. The subcommittee on capital issues for this district is meeting with a hearty response in its effort to secure the postponement of public financing that can be deferred, and as a result the construction of a considerable number of proposed school and other public buildings that will make demands upon the labor and material supply have been put off for the present.

The third Liberty loan has met a hearty response from people of all classes. Every county in Montana oversubscribed its allotment, and the other States of the district made a splendid record. While the figures are not yet complete, it is probable that the distribution of bonds has been very much wider than was the case with either the first or second issues, while the totals for the district have not only exceeded the allotment made by the Treasury Department but have considerably overrun the estimates made by those in charge.

DISTRICT NO. 10—KANSAS CITY.

Agriculture.—The wheat movement continues very small and is far below normal for this time of year. Receipts, which for the past month on the local market were only one-fourth of those a year ago, are insufficient to keep mills running up to their orders for flour. Also, local market shipments were but one-fifth of those for March, 1917. Data obtained for 65 mills in this district shows they were running at but 56 per cent of capacity for the past month, because of the great difficulty in securing wheat. Their output, which decreased one-fifth under the corresponding month last year, was largely taken over by the Government for the army and navy, or for export to the Allies. Wheat stocks on the flour district markets decreased three-fifths during the month.

The movement of corn has been very large for this time of year. Local receipts were four times greater and shipments more than double those of March a year ago. Prices have been maintained on an unusually high level, due to the large demand for corn meal and corn flour as wheat substitutes. All grain used for this purpose is selling higher than the government's fixed prices for wheat. The visible supplies of corn on district markets increased over one-half during March.

The general condition of wheat is greatly improved. Recent rains have greened up the crop in many sections. The present prospects with continued favorable weather conditions, are for a crop more than double last year's short yield. Although reports show a large wheat acreage abandoned, principally in western Kansas and Oklahoma, the wheat outlook on a whole is much better than was expected from the unfavorable conditions last fall. Fields are being prepared for corn with spring plowing about two weeks ahead of normal and planting started in many sections. Although some difficulty is experienced in securing seed corn, indications are that the acreage will be at least as large as last year's.

Live stock.—A very strong demand has developed during the first half of this month for fat cattle. Prices have advanced about $1.50 per hundred weight to the highest levels ever known at this time of year, although the receipts have been liberal, those for March increasing one-third over the same month last year. Normal supplies of thin cattle are going back to the country, indicating that feeders generally have confidence in the future of the market, notwithstanding very high prices of feed. The annual movement of cattle from Texas and New Mexico to the pastures of Kansas and Oklahoma began the early part of this month.

Prices of hogs are well maintained at high record levels for this time of year. Receipts at the six principal district markets for the past month gained one-fourth over last year. The average weight of hogs on the local market is about 20 pounds heavier than a year ago, making a substantial increase in the supply of meats, but the demand has increased correspondingly and reports of stocks of meat in cold storage thow only moderate gains. Slaughterings at the chief district markets increased 22 per cent for this month compared with a year ago.

The movement of sheep to market continues smaller than last year, but for the past month receipts were only 3 per cent less than for March, 1917, compared with a 30 per cent decrease as reported for February. Prices have advanced to new high levels.

Mercantile.—The matter of supreme importance in the dry-goods trade remains, and will probably continue to be, that of securing merchandise. Prices during this period are a matter of secondary importance. Retail business is generally reported very good. Government demands are, of course, given the preference and filled first, and what remains of the mill products is extended for civilian use. Prices on all kinds of fabrics, wools, and staple cotton goods continue to advance. Manufacturing is active and collections are good.

Purchasing in all the states wholly or partially within this district during March was over 3 per cent greater than during the same month last year, indebtedness decreased 2 per cent, and payment activity was the same as for March, 1917. The number of business failures for the first three months of this year, compared with the corresponding period last year, decreased nearly 18 per cent, but the assets of such failures were only 53 per cent of the liabilities involved, as against 55 per cent a year ago.

Lumber and construction.—There has been a marked improvement in the demand for lumber, and conditions on the market are reported as better. The general situation is a demand greater than the supply, which effects the maintenance of high prices. The large volume of building on the farms is great enough to offset the lull in city building activities, where operations continue far below normal.

Reports of the number of building permits issued in 11 cities in this district for March show a decrease of one-third under the same month last year, with a cost estimated at a little over $2,000,000 compared with $4,000,000 for March last year. The actual percentage decrease was 45 as against 55 for the entire United States.

Oil.—There was a large increase in the number of wells completed in both Oklahoma and Kansas during the past month, attributed to the sudden end of the winter, thus allowing renewed activities and the finishing of many wells which had been held up by the weather conditions and needed but little drilling. Kansas completions increased two-thirds and new production 162 per cent over February, while Oklahoma showed a gain of three-fifths in completions and 35 per cent in new production. Kansas' new production was nearly 70 per cent larger than Oklahoma's. The total monthly production for Kansas in March nearly doubled that of the same month last year, but Oklahoma's total production decreased about one-tenth. The long expected advance in the price of Mid-Continent crude oil has finally materialized, the price now quoted at $2.25 per barrel, with a further advance predicted by producers. Wyoming operations took a drop in March, due chiefly to severe weather conditions, which caused the general curtailment of field operations.

Mining.—The zinc ore production of the Missouri-Kansas-Oklahoma district for the first quarter of this year compared with the same period last year, showed a decrease of nearly 7 per cent, while the value of this output decreased about 40 per cent. The average price for the metal as quoted on the market April 1 was but $45 per ton as compared with $77.50 on the same date last year. Zinc production has already surpassed the consumption. Therefore, selling prices have dropped $10 to $15 lower than the cost of production, a fact which manifests a radical change in working conditions, with a probable shutdown of many mines, or the cutting of wages which seems impracticable in present war times.

The output of lead ore for the first quarter was 28 per cent below last year's, and the value showed a decline of nearly one-sixth. The top price quoted on lead the 1st of April was $85 per ton as compared with $115 a year ago.

The mining situation in Colorado has shown no tendency to improve during the past month. The three large plants now handling molybdenum ores are running at capacity and are reported to be doing excellent work. This state is now said to lead the world in the production of this metal.

A reduction in coal prices has been effected, which is usual at this time of year. The public is being strongly urged to buy now and relieve a threatened condition during next winter, as prevailed with the shortage of coal last winter.

Labor.—The strike of local union labor, in sympathy with the laundry drivers who have been out for two months, was brought about as predicted last month. Thousands of union men were out, including bakers, brewers, streetrailwaymen, and the culinary and building crafts, and business throughout the city was greatly curtailed during the six-day period of duration. A mutually satisfactory agreement was finally reached and all strikers returned to work under practically the same conditions that existed before the strike. A small number of additional disturbances were reported in the district, which were of little consequence and, therefore, quickly settled.

Organizations in the different States generally report that the feared shortage of farm labor will be successfully met. In some sections boys are being urged to work on the farms in face of the lack of men laborers. Wages are generally higher than paid to the hands last year.

Financial.—Financial conditions continue very satisfactory. Local clearings for March were over $900,000,000, a gain of 66.5 per cent over the same month a year ago. All of the 17 cities reporting in this district show an increase in clearings over March, 1917. These cities gained 60 per cent for the past month and 50 per cent for the first three months of the year over the same periods last year, compared with increases of only 5 and 4 per cent, respectively, for the entire United States. Rates have remained firm and demands for essentials have been satisfactorily taken care of by the banks.

DISTRICT NO. 11—DALLAS.

Since our March letter the change of most importance in business conditions in the district, and certainly one of the most encouraging features, is the greatly improved agricultural conditions, as the result of good rains over practically all of the farming belt. Our correspondents advise that the drouth has been effectually broken in many localities previously suffering, and in fact good rains have fallen in all sections, with possibly the exception of border points of Texas and New Mexico. While the moisture was too light to help the grain crops in the Panhandle and central west Texas, it has been of much benefit in providing grass and stock water in the range country and started vegetation all over the district. It will be especially helpful in the preparation of ground for late feed crops, such as milo maize, sorghum cane, etc. As this is written many localities in what is known as the black-land belt of north and northeast Texas and southern Oklahoma have really had too much rain and warm weather is now needed for growing crops. During the latter part of April unseasonably cold weather has prevailed and affected some lines, particularly retailers of summer merchandise. For the most part, however, dealers report the best spring trade in their history, and reports received indicate that business in leading lines continues active and the outlook is encouraging. Mail-order houses are receiving all the orders they can handle, automobile dealers report an active trade with the opening of spring, and all manufacturers of the district have in hand heavy orders, and their operations are restricted only by scarcity of labor and raw material. Except in those sections of the West where there is little trading in cattle and sheep, on account of the drouth, collections are good.

The Liberty loan campaign in the district started in a whirlwind fashion, and it is gratifying to report that the district has raised over 50 per cent of its quota. The task of the organization is less arduous than in the first and second campaigns and the response to the third issue is quite generous. The number of subscribers will largely exceed the previous issues, and indicates that our people are thoroughly aroused to the situation.

Member banks report a good demand for funds. The recent rains have created an especially active call upon the banks in the drouth sections for funds to finance crop preparations for a new season and purchase of seed and supplies. The deposit of Government funds for drouth relief purposes will be made within the next few days and will unquestionably relieve conditions. Deposits show the seasonable slump, with loans and discounts a proportionate increase. Banks are meeting the present heavy demands without disturbance to the financial situation, but new credits are closely scrutinized, and wherever possible accommodations are restricted to customers. The demand with this bank for the past 30 days has been quite heavy and our bills discounted for members show an increase of some $4,000,000 within the month. Rates are steady.

Bank clearings, as reported by the principal cities for March, show an increase of 20.2 per cent over the same month last year.

There is little improvement in the building industry, and while some recovery is noted from the dullness of the winter and early spring months, operations are still comparatively light, a condition unquestionably attributable to high prices and scarcity of labor and inability to secure suitable construction material. Building permits show an increase in number of 46 and a decrease in valuation of $931,656, or 48.3 per cent decrease over March last year.

The recent rains have created an unusual demand for farm help. There is also a good demand for skilled labor, and capable men are well employed. Except in the wages of farm hands, the scale is unquestionably higher for all other classes than ever before. The shortage of labor is especially felt in the lumber industry, and while mills report an adequate car supply and lifting of embargoes, manufacturers are seriously handicapped by the labor shortage. While the price of lumber is probably the highest in the history of manufacturers in this section, it is also true that the cost of production is unusually high and has more than kept pace with the increased prices, so that mills are to-day operating on a smaller margin than during the two previous years.

Post-office receipts at the principal cities of the district for March show an increase of 48.8 per cent over March of last year.

Improved range conditions are reflected in the live-stock situation, and it is anticipated that there will be some trading in cattle as the season advances. The dry weather has probably affected the live-stock situation more than any other industry in the district, and in large areas of the West ranchmen have sold out their herds, or materially reduced the same, on account of the high price of feed.

At the present time the commercial situation, considering all factors and elements entering the same, is quite normal and we believe good business will obtain for some time. Of course, the outcome of the season's crop, on which so much depends from a business standpoint in this district, is problematical and any forecast as to the yield at this time would be merely guesswork. It is a fact, however, that the recent rains have greatly improved conditions and, in our opinion, the situation at the present time is good.

DISTRICT NO. 12—SAN FRANCISCO.

According to a recent report of the United Stated Food Administrator the retail prices of 16 leading commodities are lower in San Francisco than in any of the largest 7 cities of the Unites States. Comparative prices given are as follows:

Food.	San Francisco.	New York.	Chicago.	Philadelphia.
Wheat flour (1/8 bbl.)	$1.470	$1.760	$1.620	$1.670
Rice (lb.)	.085	.111	.118	.121
Potatoes (peck)	.337	.652	.411	.567
Beans (lb.)	.157	.184	.191	.185
Onions (lb.)	.027	.058	.055	.053
Prunes (lb.)	.145	.181	.171	.165
Tomatoes (No. 2 cans)	.130	.165	.167	.170
Peas (No. 2 cans)	.137	.181	.171	.180
Corn (No. 2 cans)	.137	.184	.173	.187
Salmon (No. 1 cans)	.175	.260	.261	.253
Tea (lb.)	.500	.657	.555	.595
Steak, round (lb.)	.263	.360	.302	.368
Milk (qt.)	.120	.135	.123	.133
Butter (lb.)	.550	.568	.558	.599
Cheese (lb.)	.325	.340	.388	.370
Eggs (doz.)	.400	.623	.524	.588

Food.	St. Louis.	Boston.	Baltimore.	Washington.
Wheat flour (1/8 bbl.)	$1.690	$1.710	$1.640	$1.680
Rice (lb.)	.105	.123	.115	.111
Potatoes (peck)	.416	.561	.547	.500
Beans (lb.)	.185	.183	.190	.177
Onions (lb.)	.053	.056	.051	.047
Prunes (lb.)	.190	.163	.193	.157
Tomatoes (No. 2 cans)	.147	.183	.158	.161
Peas (No. 2 cans)	.180	.175	.185	.177
Corn (No. 2 cans)	.146	.176	.185	.165
Salmon (No. 1 cans)	.255	.276	.280	.285
Tea (lb.)	.625	.541	.650	.667
Steak, round (lb.)	.300	.400	.325	.370
Milk (qt.)	.124	.144	.137	.142
Butter (lb.)	.583	.565	.588	.597
Cheese (lb.)	.367	.347	.363	.368
Eggs (doz.)	.433	.698	.577	.580

Much the same price conditions prevail throughout this district as a natural result of mild climate and productive soil.

The unprecedented drought throughout California and the southern part of this district which continued until February gave cause for serious apprehension lest food production should be seriously curtailed. Since early in February, however, there have been numerous gentle rains, bringing the precipitation in many places up to the seasonal normal. There is now excellent promise for heavy crops quite generally throughout this district.

Crop and live-stock conditions in the northern part of the district, Oregon, Washington, and Idaho, have been and continue especially favorable. What is said to be a world record price for a carload of sheep was an auction sale at 42 cents a pound at a recent fat-stock show at Salt Lake City.

The Government report of April 1 as to wheat and rye, showing the percentage of normal, gives a good suggestion of general crop conditions in the seven states of this district:

	1918.	10-year average.
WHEAT.		
Arizona	92	94
California	93	88
Idaho	97	96
Nevada	100	98
Oregon	97	95
Utah	90	95
Washington	93	92
RYE.		
Idaho	97	96
Oregon	100	97
Utah	90	96
Washington	94	96

The lumber industry of this district was recently at a high tide of activity. Due, however, to an embargo against shipments to points east of Chicago and St. Louis and to shortage of cars, the present situation is unfavorable and the outlook unsatisfactory. Some shingle mills of Washington are reported to be receiving only 17 per cent of their normal car requirements and lumber mills generally not over 40 per cent.

One important shipment from the Northwest was 60,000,000 feet of large timber for Government ships to be built at eastern ports. This went forward in solid trains, each carrying 1,000,000 feet, and reaching Philadelphia in from 7 to 10 days, which compares with the usual time of from 3 to 6 weeks.

Building permits in 19 cities of this district during March were $5,327,000, compared with $6,468,000 for the same month a year ago. This apparently indicates some disposition to postpone for the time being both new construction and repairs, in line with the views expressed by Secretary McAdoo and the Capital Issues Committee of the Federal Reserve Board, that only such building should be undertaken at this time as is essential for health or reasonable comfort, or which would contribute directly or indirectly to the prosecution of the war.

Bank clearings for 20 principal cities in this district show a considerable increase, $957,079,000 for the month of March compared with $839,064,000 a year ago.

Statements as of March 4 show that deposits and loans of national banks in reserve cities of this district have made important increases over a year ago, the percentage of increase at Seattle having been especially large.

Deposits.

City.	Mar. 4, 1918.	Mar. 5, 1917.	Increase.	Per cent increase.
San Francisco	$251,215,000	$228,697,000	$22,518,000	9.8
Los Angeles	106,283,000	89,680,000	16,603,000	18.5
Oakland	16,234,000	15,031,000	1,203,000	8.0
Portland	58,423,000	55,798,000	2,625,000	4.7
Seattle	71,813,000	54,940,000	16,873,000	30.7
Spokane	29,053,000	29,308,000	[1] 255,000	[1] .8
Tacoma	13,133,000	8,747,000	4,386,000	50.1
Ogden	8,140,000	9,108,000	[1] 968,000	[1] 10.6
Salt Lake City	26,227,000	28,381,000	[1] 2,154,000	[1] 7.5
Total	580,521,000	519,690,000	60,831,000	11.7

[1] Decrease.

Loans and discounts.

City.	Mar. 4, 1918.	Mar. 5, 1917.	Increase.	Per cent increase.
San Francisco	$179,293,000	$159,684,000	$19,609,000	12.2
Los Angeles	68,643,000	63,839,000	4,804,000	7.5
Oakland	11,324,000	11,212,000	112,000	.9
Portland	34,537,000	32,704,000	1,833,000	5.6
Seattle	36,626,000	26,945,000	9,681,000	35.9
Spokane	17,582,000	17,634,000	[1] 52,000	[1] .2
Tacoma	6,420,000	4,875,000	1,545,000	31.6
Ogden	5,593,000	5,670,000	[1] 77,000	[1] 1.3
Salt Lake City	18,151,000	18,139,000	12,000	.06
Total	378,169,000	340,702,000	37,467,000	10.96

[1] Decrease.

Imports and exports at Pacific-coast ports during March compared with the same month last year were as follows:

March, 1918.

	Imports.	Exports.	Combined imports and exports.
San Francisco	$28,372,487	$15,312,762	$43,685,249
Southern California (Los Angeles)	885,291	501,884	1,387,175
Oregon (Portland)	153,700	71,782	225,482
Washington (Seattle)	21,740,504	19,719,209	41,459,713
Total	51,151,982	35,605,637	86,757,619

March, 1917.

	Imports.	Exports.	Combined imports and exports.
San Francisco	$13,012,021	$9,635,809	$22,647,830
Southern California (Los Angeles)	646,359	743,354	1,389,713
Oregon (Portland)	146,392	113,550	259,942
Washington (Seattle)	22,326,828	17,727,764	40,054,592
Total	36,131,600	28,220,477	64,352,077

Petroleum production in California during March averaged 267,729 barrels a day, approximately 5,000 barrels less than the average daily output during February. March shipments averaged 284,795 barrels daily. This excess of consumption reduced stored stocks by 520,062 barrels, from 31,360,378 barrels on February 28, 1918, to 30,831,316 barrels on March 31, 1918.

On April 1 the Salt Lake City branch of this bank opened for business, its territory being all of Utah, southern Idaho, and the eastern counties of Nevada.

The local board of directors is composed of William A. Day, assistant deputy governor of head office, acting manager; L. H. Farnsworth, R. T. Badger, G. G. Wright, and J. L. Rawlins. Other branches have previously been established at Spokane, Seattle, and Portland in the order named.

The service of the Federal Reserve Bank has thus been extended widely throughout this district, so that the member banks of all sections and the customers relying upon them have benefit and protection. This is particularly fortunate in view of the financial uncertainties incident to a time of war. This service facilitates the processes of production and handling of food stuffs and other work contributing to war preparation.

There is some clearer evidence of individual saving to help the Government. To forego the unnecessary expenditure of income in order to lend to the Government for prosecution of the war is now the duty of all.

Obligation rests upon municipalities quite the same as upon individuals to use labor, materials, and money as sparingly as possible. For a city to newly pave a street or to resurface an old pavement at this time when the Nation's need of men and money is so great, or to employ men in any municipal service or undertaking which is not vitally essential and which can be deferred, is to be as unpatriotic as an individual who would spend his entire income regardless of his country's need. It is a time for every curtailment possible of municipal expense with corresponding reduction of taxation, in order that men and money may be more available for the war. No city can justify levying taxes to provide money for undertakings when the Capital Issues Committee has withheld its approval for an application to issue bonds for the purpose. To spend tax money in such undertakings instead of bond money would none the less consume labor and materials. Municipal projects may well be resumed when peace comes and when thousands of discharged soldiers will be temporarily without employment.

GOLD SETTLEMENT FUND.

Total clearings and transfers through the gold settlement fund for the four-week period from March 22 to April 18, 1918, were $3,385,792,000, averaging $846,448,000 per week against a like average of $721,321,500 for the preceding period. Operations during the last week of the period were the heaviest since the week ending January 24, 1918, which was immediately following the final installment payment on the second Liberty loan. The increased volume of transactions is due mainly to payment in New York exchange for both Treasury certificates of indebtedness and Liberty loan bonds purchased through Federal Reserve Banks outside of New York; also to transfers of funds to New York for Government account. Total credit transfers to New York for the period amounted to $298,000,000, of which $130,500,000, or 43 per cent, were transferred during the final week.

Changes in the ownership of gold in the banks' fund through transfers and settlement amounted to 3.08 per cent of the total obligations settled, as against 3.31 per cent for the preceding four-week period. The large ratio for this period is caused by the gain of $77,900,000 in ownership of gold by the New York bank resulting from net increases through transfers of $243,000,000 against net losses through settlements of $165,100,000. Net changes in the ownership of gold since the commencement of the operation of the fund, May 20, 1915, to April 18, 1918, amounted to 1.25 per cent of the total obligations settled during the period. New York and Boston show the largest gains through the shifting of credits in the fund, while Chicago, Kansas City, St. Louis, Dallas, and Richmond show heavy decreases.

Net deposits of gold in the banks' fund, principally by the Chicago, New York, Dallas, and Philadelphia banks, amounted to $39,800,000, and net withdrawals from the agents' fund to $3,000,000, resulting in a net aggregate gain in the two funds of $36,800,000. The combined banks' and agents' balances on April 18 totaled $974,967,400, compared with a like total of $808,247,000 on January 1, 1918, a gain of 23 per cent since the first of the year.

Below are given figures showing changes in the fund between March 22 and April 18, both inclusive:

Amounts of clearings and transfers through the gold-settlement fund by Federal Reserve Banks, from Mar. 22 to Apr. 18, 1918, both inclusive.

[In thousands of dollars.]

	Total clearings.	Balances adjusted.	Transfers.
Settlement of—			
Mar. 28, 1918	788,912	50,407	77,463
Apr. 4, 1918	733,068	43,313	73,000
Apr. 11, 1918	694,860	51,210	37,500
Apr. 18, 1918	811,089	74,014	169,900
Total	3,027,929	218,944	357,863
Previously reported for 1918	7,994,025	630,319	803,732
Total since Jan. 1, 1918	11,021,954	849,263	1,161,595
Total for 1917	24,319,200	2,154,721	2,835,504.5

	Clearings and transfers.
Total for 1918 to date	12,183,549
Total for 1917	27,154,704.5
Total for 1916	5,533,966
Total for 1915	1,052,649
Total clearings and transfers from May 20, 1915, to Apr. 18, 1918	45,924,868.5

Changes in ownership of gold.

[In thousands of dollars.]

Federal Reserve Bank of—	Total to Mar. 21, 1918.		From Mar. 22, 1918, to Apr. 18, 1918, both inclusive.				Total changes from May 20, 1915, to Apr. 18, 1918.	
	Decrease.	Increase.	Balance to credit Mar. 21, 1918, plus net deposits of gold since that date.	Balance Apr. 18, 1918.	Decrease.	Increase.	Decrease.	Increase.
Boston		38,813	47,340	66,990		19,650		58,463
New York	648,401		10,756	88,670		77,914	570,487	
Philadelphia		88,332	49,238	51,164		1,926		90,258
Cleveland		111,267	46,899.5	41,289.5	5,610			105,657
Richmond		9,953	21,842.9	7,501.9	14,341		4,388	
Atlanta		48,803	12,459	12,635		176		48,979
Chicago		98,431	84,273	59,093	25,180			73,251
St. Louis		43,449	36,215.4	18,368.4	17,847			25,602
Minneapolis		21,356	11,714	7,480	4,234			17,122
Kansas City		71,656.5	50,372.8	29,975.8	20,397			51,259.5
Dallas		33,136.5	23,672.7	6,918.7	16,754			16,382.5
San Francisco		83,204	10,836	15,533		4,697		87,901
Total	648,401	648,401	405,619.3	405,619.3	104,363	104,363	574,875	574,875

Gold settlement fund—Summary of transactions from Mar. 22, 1918, to Apr. 18, 1918, both inclusive.

[In thousands of dollars.]

Federal Reserve Bank of—	Balance last statement, Mar. 21, 1918.	Gold withdrawals.	Gold deposits.	Aggregate withdrawals and transfers to agent's fund.	Aggregate deposits and transfers from agent's fund.	Transfers.		Weekly settlements, Mar. 28, 1918, to Apr. 18, 1918, both inclusive.				Balance in fund at close of business April 18, 1918.
						Debit.	Credit.	Net debits.	Total debits.	Total credits.	Net credits.	
Boston	44,544		2,796		2,796	500	1,238	2,148	218,439	237,351	21,060	66,990
New York	24,824		5,932	20,000	5,932	55,000	298,000	165,086	1,022,821	857,735		88,670
Philadelphia	51,270	500	5,568	11,000	8,968	43,963			308,281	354,170	45,889	51,164
Cleveland	44,564.5	2,265	4,600	2,265	4,600	20,000	500	1,538	248,814	262,704	15,428	41,289.5
Richmond	18,965.7	1,004.8	3,882	1,004.8	3,882	10,000	2,000	9,252	145,234	138,893	2,911	7,501.9
Atlanta	12,099		1,310	3,750	4,110		4,125	5,023	95,831	91,882	1,074	12,635
Chicago	74,895	400	9,259	41,280	50,658	103,000	25,000	6,104	414,847	467,667	58,924	59,093
St. Louis	33,169.9	1,200	236.5	1,200	4,245.5	400		17,447	207,182	189,735		18,368.4
Minneapolis	4,114		600		7,600	3,500		4,592	109,508	108,774	3,858	7,480
Kansas City	38,643.4	248.9	1,978.3	248.9	11,978.3	54,500			111,973	146,076	34,103	29,975.8
Dallas	11,432	440.3	6,081	1,440.3	13,681.	9,000		7,754	67,739	59,985		6,918.7
San Francisco	21,683	120	3,773	14,620	3,773	58,000	27,000		77,260	112,957	35,697	15,533
Total	380,204.5	6,179	46,015.8	96,809	122,223.8	357,863	357,863	218,944	3,027,929	3,027,929	218,944	405,619.3

Federal Reserve agents' fund—Summary of transactions from Mar. 22, 1918, to Apr. 18, 1918, both inclusive.

[In thousands of dollars.]

Federal Reserve agent at—	Balance last statement Mar. 21, 1918.	Gold withdrawals.	Gold deposits.	Withdrawals for transfer to bank.	Deposits through transfers from bank.	Total withdrawals.	Total deposits.	Balance at close of business Apr. 18, 1918.
Boston	11,500							11,500
New York	5,000				20,000		20,000	25,000
Philadelphia	75,019	1,000		3,900	10,500	4,900	10,500	80,619
Cleveland	70,000							70,000
Richmond	29,000	2,000				2,000		27,000
Atlanta	36,720			2,800	3,750	2,800	3,750	37,670
Chicago	161,934.5	1,000		41,499	40,880	42,499	40,880	160,315.5
St. Louis	38,912.6			4,009		4,009		34,903.6
Minneapolis	31,500			7,000		7,000		24,500
Kansas City	52,360			10,000		10,000		42,360
Dallas	5,184		2,000	7,600	1,000	7,600	3,000	584
San Francisco	40,896	1,000			14,500	1,000	14,500	54,396
Total	558,026.1	5,000	2,000	76,808	90,630	81,808	92,630	568,848.1

OPERATION OF THE FEDERAL RESERVE CLEARING SYSTEM, MAR. 16 TO APR. 15, 1918.

	Items drawn on banks in Federal reserve city (daily average).		Items drawn on banks in district outside Federal reserve city (daily average).		Items drawn on banks in other districts (daily average).	
	Number.	Amount.	Number.	Amount.	Number.	Amount.
Boston	4,488	$14,286,586	41,036	$5,637,561	4,465	$6,039,750
New York	7,285	64,702,885	46,427	37,066,805	25,087	14,898,788
Philadelphia	14,208	17,711,567	22,395	3,417,008	11,498	12,202,826
Cleveland	2,342	4,727,406	23,339	13,598,701	3,438	3,581,127
Richmond	1,361	4,618,269	26,017	7,858,588	2,117	4,243,958
Atanta	1,865	2,951,870	12,651	2,535,466	1,846	2,972,045
Chicago	9,955	22,064,000	23,898	5,601.000	2,035	1,210,000
St. Louis	2,614	7,608 626	12,544	3,646,692	145	1,415,823
Minneapolis	2,668	6,177,887	14,033	1,354,074	943	1,751,302
Kansas City	2,412	8,417,087	18,595	9,896,576	1,025	3,245,046
Dallas	1,814	1,774,046	14,389	4,973,631	647	1,161,795
San Francisco	4,022	4,400,959	16,182	2,615,860	479	669,231
Totals:						
Mar. 16 to Apr. 15, 1918	55,034	159,441,188	271,506	98,201,962	53,725	53,391,691
Feb. 16 to Mar. 15, 1918	51,408	153,701,375	259,531	113,134,162	51,259	48,556,709
Jan. 16 to Feb. 15, 1918	46,207	153,847,568	227,312	80,248,466	44,654	42,852,372
Dec. 16, 1917, to Jan. 15, 1918	48,549	148,033,108	253,458	89,065,135	49,342	52,175,578
Nov. 16 to Dec. 15, 1917	47,678	171,723,439	240,756	84,440,761	46,353	58,458,952
Oct. 16 to Nov. 15, 1917	47,574	166,552,773	232,723	64,296,210	45,393	53,089,827
Sept. 16 to Oct. 15, 1917	40,591	128,271,466	212,935	47,476,204	40,216	44,984,581
Aug. 16 to Sept. 15, 1917	36,306	100,331.694	182,191	41,323,621	32,564	40,648,168
July 16 to Aug. 15, 1917	36,727	98,075,919	175,625	40,353,278	31,273	37,981,022
June 16 to July 15, 1917	38,476	109,722,256	182,622	41,004,720	33,941	46,762,698
May 16 to June 15, 1917	37,898	97,322,883	179,193	38,599,461	33,150	38,314,393
Apr. 16 to May 15, 1917	33,767	87,370,859	171,093	36,473,163	33,428	36,836,934
Mar. 16 to Apr. 15, 1917	31,162	60,288,002	168,607	32,666,959	32,008	34,693,542

	Items handled by both bank and branches (daily average).		Total (exclusive of items drawn on Treasurer of United States,) (daily average).		Items drawn on Treasurer of United States (daily average).		Number of member banks in district.	Number of nonmember banks on par list.
	Number.	Amount.	Number.	Amount.	Number.	Amount.		
Boston			49,989	$25,963,897	9,089	$5,027,634	413	249
New York			78,799	116,668,478	27,540	14,032,198	680	396
Philadelphia			48,101	33,331,401	3,577	1,648,994	627	317
Cleveland	356	$4,366,982	29,475	26,274,216	920	826,336	771	626
Richmond			29,495	16,720,815	1,108	294,985	540	259
Atlanta	549	233,394	16,911	8,692,775	1,762	909,871	396	322
Chicago	556	439,000	36,444	29,314,000	7,088	2,451,000	1,151	2,260
St. Louis	6	32,119	15,309	12,703,260	3,191	855,498	482	1,004
Minneapolis			17,644	9,283,263	443	78,241	803	1,077
Kansas City	2,438	2,973,918	24,470	24,532,627	1,522	313,800	967	1,537
Dallas			16,850	7,909,472	1,457	291,515	651	275
San Francisco	3,888	897,563	24,571	8,583,613	1,531	4,833,603	578	1,128
Totals:								
Mar. 16 to Apr. 15, 1918	7,793	8,942,976	388,058	319,977,817	59,228	31,563,675	8,059	9,525
Feb. 16 to Mar. 15, 1918	7,700	6,413,071	369,898	321,805,317	58,991	25,827,757	8,013	9,425
Jan. 16 to Feb. 15, 1918	7,128	5,836,958	325,301	282,785,364	48,224	21,316,033	7,972	9,319
Dec. 16, 1917, to Jan. 15, 1918	7,718	3,402,035	359,067	292,585,856	38,130	21,116,293	7,909	9,268
Nov. 16 to Dec. 15, 1917			334,787	314,623,152	33,806	27,179,053	7,823	9,321
Oct. 16 to Nov. 15, 1917			325,690	283,938,810	30,426	17,496,974	7,826	9,210
Sept. 16 to Oct. 15, 1917			293,742	220,732,251	26,797	13,518,566	7,747	9,052
Aug. 16 to Sept. 15, 1917			251,061	182,303,483	23,492	11,006,515	7,718	8,934
July 16 to Aug. 15, 1917			243,625	176,410,219	19,533	9,701,569	7,683	8,837
June 16 to July 15, 1917			255,039	197,489,674	19,100	11,637,899	7,666	8,805
May 16 to June 15, 1917			250,241	174,236,737	16,344	4,414,508	7,651	8,789
Apr. 16 to May 15, 1917			238,288	160,680,956	15,925	3,597,865	7,634	8,926
Mar. 16 to Apr. 15, 1917			231,777	127,648,503	12,582	2,643,408	7,625	8,607

DISCOUNT OPERATIONS OF THE FEDERAL RESERVE BANKS.

During the month of March discount operations of the Federal Reserve Banks aggregated $759,112,515, compared with a total of $762,439,698 for February and an average of $796,677,895 for the first three months of the present year. The March total does not include the amounts of Liberty bonds and Treasury certificates purchased by the banks for the temporary accommodation of their members under so-called repurchase agreements. These purchases totaled $1,022,717,860, of which the New York bank alone reports $882,893,000.

Of the total discounts during the month under review, $307,620,540, or over 40 per cent, was represented by paper secured by Government war-loan obligations. Discounts of member banks' collateral notes secured by eligible paper amounted to $66,367,592, the New York and Chicago banks accounting for $61,685,646, or over 92.9 per cent of the total. Acceptances discounted during the month aggregated $18,727,018, trade acceptances in the domestic trade amounting to $12,312,565 and like acceptances in the foreign trade to $3,419,482.

Discounts of customers' paper not secured by Government war obligations aggregated $369,392,336, the New York and Richmond banks alone discounting about 223 millions of this class of paper. About 42 per cent of the total paper discounted during the month was handled by the New York bank, and about 20 per cent by Richmond. Fifteen-day paper, i. e., paper maturing within 15 days from date of discount with the Federal Reserve Banks, aggregated 597.7 millions and constituted over 78 per cent of the total, while agricultural and live stock paper maturing after 90 days amounted to 7.7 millions, or slightly over 1 per cent of the total discounts for the month.

Discounted bills held by the Federal Reserve Banks on the last Friday of the month aggregated 583.2 millions, as compared with 509.5 millions on the last Friday in February and 20.1 millions at the end of March, 1917. Of the total discounts on hand bills, including member banks' collateral notes, secured by Government war obligations, constituted 303.9 millions, or over 52 per cent. About two-thirds of the discounts held by the New York bank was paper directly traceable to war loan transactions, this share being as high as 82 per cent in the case of the Boston bank. The totals given are exclusive of about 233 millions of 15-day advances on Treasury certificates and Liberty bonds, reported to the Board as temporary investments in Government war securities and accordingly included with other more permanent holdings of Government securities. Trade acceptances on hand aggregated 21.8 millions, of which 17.2 millions represented domestic and 4.6 millions foreign trade transactions. Agricultural and live stock paper, nearly one-half of which was held by the Kansas City bank, amounted to only 31.7 millions and constituted less than 6 per cent of discounted bills on hand.

During the month the number of member banks increased from 8,031 to 8,083, all the Federal Reserve Banks, except Kansas City, showing an increase in membership of State banks and trust companies.

The total number of banks accommodated during March was 1,568, or 19.3 per cent of the total, as compared with 315, or slightly over 4 per cent, for the corresponding period a year ago.

Bills discounted during the month of March, 1918, distributed by classes.

Federal Reserve Banks.	Customers' paper secured by Liberty bonds or United States certificates of indebtedness.	Member banks' collateral notes.		Trade acceptances.	All other discounts.	Total.
		Secured by Liberty bonds or United States certificates of indebtedness.	Otherwise secured.			
Boston	$8,896,879	$8,132,600	$735,000	$1,441,002	$10,610,840	$29,816,321
New York	19,088,300	148,688,220	37,308,906	4,723,642	111,533,024	321,342,092
Philadelphia	2,694,060	8,745,100	....	957,654	17,020,113	29,416,927
Cleveland	4,889,879	8,828,000	30,000	1,773,413	29,964,795	45,486,087
Richmond	23,458,038	14,959,600	20,000	1,002,270	111,946,677	151,386,585
Atlanta	30,000	5,980,400	1,171,500	1,399,686	8,402,594	16,984,180
Chicago	2,273,457	2,149,588	24,376,940	541,010	10,225,451	39,566,446
St. Louis	1,276,568	20,498,983	50,000	2,208,288	16,369,571	40,403,410
Minneapolis	5,050	70,000	326,960	9,358	1,934,704	2,346,072
Kansas City	10,000	2,205,900	1,379,186	860,528	27,448,224	31,903,838
Dallas	135,509	11,795,800	969,100	194,762	7,341,483	20,436,654
San Francisco	38,009	12,770,600	....	620,434	16,594,860	30,023,903
Total	62,795,749	244,824,791	66,367,592	[1] 15,732,047	[2] 369,392,336	759,112,515

[1] Including $3,419,482 in the foreign trade.
[2] Includes $2,995,971 of bankers' acceptances, and $607,200 of nonmember banks' paper rediscounted for member banks, but excludes $5,258,670 of bill of lading drafts.

Amounts of discounted paper, including member banks' collateral notes, held by each Federal Reserve Bank on the last Friday in March, 1918, distributed by classes.

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

Banks.	Agricultural paper.	Live-stock paper.	Customers' paper secured by Liberty bonds or United Sates certificates of indebtedness.	Member banks' collateral notes.		Trade acceptances.	All other discounts.	Total.
				Secured by Liberty bonds or United States certificates of indebtedness.	Otherwise secured.			
Boston	....	....	44,736	4,368	555	[1] 1,968	8,114	59,741
New York	....	....	86,319	76,649	15,292	[2] 5,400	64,257	247,917
Philadelphia	36	....	14,322	7,507	....	1,171	8,383	31,419
Cleveland	4	5	6,451	4,215	30	3,856	24,664	39,225
Richmond	682	21	6,486	7,819	....	1,490	19,983	36,481
Atlanta	105	121	1,131	3,704	....	898	7,748	13,707
Chicago	3,179	....	6,164	....	8,007	526	19,961	37,837
St. Louis	56	65	1,971	11,590	45	2,973	15,367	32,067
Minneapolis	1,099	1,781	136	25	....	28	2,204	5,273
Kansas City	426	14,477	167	5,743	848	1,630	9,047	32,338
Dallas	815	4,397	132	8,283	287	15	4,439	18,368
San Francisco	974	3,433	401	5,580	....	1,823	16,644	28,855
Total	7,376	24,300	168,416	135,483	25,064	21,778	200,811	583,228
Per cent	1.3	4.2	28.9	23.2	4.3	3.7	34.4	100.0

[1] Includes $286,831 in the foreign trade. [2] Includes $4,351,468 in the foreign trade.

Acceptances bought in open market and held by Federal Reserve Banks as per schedules on file with the Federal Reserve Board, or as reported by the Federal Reserve Banks on dates specified, distributed by classes of accepting institutions.

Date.	Bankers' acceptances.						Trade acceptances bought in open market.	Total acceptances.
	Member banks.	Nonmember trust companies.	Nonmember State banks.	Private banks.	Foreign bank branches and agencies.	Total.		
1915.								
Feb. 22	$93,000					$93,000		$93,000
Apr. 5	3,653,000	$7,820,000	$10,000	$110,000		11,593,000		11,593,000
July 3	4,342,000	5,267,000		161,000		9,770,000		9,770,000
Oct. 4	9,000,000	4,898,000	132,000	343,000		14,373,000		14,373,000
1916.								
Jan. 3	15,494,000	7,160,000	362,000	822,000		23,838,000		23,838,000
Apr. 3	21,000,000	13,572,000	473,000	3,262,000		38,308,000	$722,000	39,030,000
July 3	32,989,000	18,921,000	471,000	11,830,000		64,211,000	3,422,000	67,633,000
Oct. 2	37,798,000	21,782,000	712,000	9,944,000		70,236,000	2,306,000	72,542,000
1917.								
Jan. 1	66,803,000	34,625,000	1,502,000	18,224,000		121,154,000	4,585,000	125,739,000
Apr. 2	43,979,000	20,328,000	689,000	16,830,000	$200,000	82,026,000	1,144,000	83,170,000
July 14–16	108,597,000	30,390,000	3,333,000	38,082,000	3,805,000	184,785,000	4,660,000	189,445,000
Sept. 29	131,997,000	14,987,000	2,193,000	21,708,000	2,286,000	173,171,000	6,942,000	180,113,000
Dec. 31	227,717,000	8,163,000	3,179,000	20,137,000	7,657,000	266,853,000	6,383,000	273,236,000
1918.								
Jan. 31	240,259,000	5,547,000	3,522,000	22,099,000	6,947,000	278,374,000	6,363,000	284,737,000
Feb. 28	252,747,000	1,648,000	3,856,000	28,419,000	7,097,000	293,767,000	5,456,000	299,223,000
Mar. 31	275,144,000	1,360,000	1,884,000	31,779,000	8,562,000	318,729,000	[1] 8,015,000	326,744,000

[1] Includes $7,992,000 of acceptances in the foreign trade.

Amounts of bills discounted and acceptances and warrants bought by each Federal Reserve Bank during March, 1918, distributed by maturities.

	15-day maturities.				30-day maturities.			
	Discounts.	Acceptances.	Warrants.	Total.	Discounts.	Acceptances.	Warrants.	Total.
Boston	$15,523,870	$186,455		$15,710,325	$1,817,825	$479,228		$2,297,053
New York	268,804,421	450,295		269,254,716	7,230,279	5,292,766		12,523,045
Philadelphia	23,716,864	168,000		23,884,864	1,190,150	159,000		1,349,150
Cleveland	30,690,938			30,690,938	2,911,096	192,793		3,103,889
Richmond	144,532,407	258,682		144,791,089	1,946,053	1,403,500		3,349,553
Atlanta	12,312,152	164,000		12,476,152	954,161	764,254	$63,000	1,781,415
Chicago	27,128,891	260,755		27,389,646	1,847,126	5,241,893		7,089,019
St. Louis	30,148,597	26,434		30,175,031	1,691,306	261,184		1,952,490
Minneapolis	413,879			413,879	270,221	100,000		370,221
Kansas City	11,346,374			11,346,374	2,549,903	4,077,820		6,627,723
Dallas	13,029,562	200,000		13,229,562	1,581,394	1,025,000		2,606,394
San Francisco	20,036,866	22,956		20,059,822	907,395	538,994		1,446,389
Total	597,684,821	1,737,577		599,422,398	24,896,909	19,536,432	63,000	44,496,341
Per cent				61.8				4.6

	60-day maturities.				90-day maturities.			
	Discounts.	Acceptances.	Warrants.	Total.	Discounts.	Acceptances.	Warrants.	Total.
Boston	$4,233,977	$3,573,832		$7,807,809	$7,882,753	$6,834,640		$14,717,393
New York	16,584,421	13,145,333		29,729,754	28,710,462	56,962,446		85,672,908
Philadelphia	2,060,439	5,257,612		7,318,051	2,440,739	6,988,531		9,429,270
Cleveland	4,453,636	8,639,467		13,093,103	7,112,448	7,887,880		15,000,328
Richmond	2,355,067	2,554,819		4,909,886	2,437,356	2,415,499		4,852,855
Atlanta	2,073,760	4,238,441	$12,625	6,324,826	1,615,624	1,241,471		2,857,095
Chicago	5,706,150	7,538,997		13,245,147	4,374,888	19,922,732		24,297,620
St. Louis	4,204,190	3,208,322		7,412,512	3,680,650	3,431,740		7,112,390
Minneapolis	1,040,431	7,514,712		8,555,143	330,321	2,575,368		2,905,689
Kansas City	7,554,587	6,721,614		14,276,201	7,149,168	1,898,912		9,048,080
Dallas	2,575,439	2,325,000		4,900,439	1,849,818		$17,916	1,867,734
San Francisco	2,361,907	3,713,606		6,075,513	6,060,373	5,223,676		11,284,049
Total	55,204,004	68,431,755	12,625	123,648,384	73,644,600	115,382,895	17,916	189,045,411
Per cent				12.7				19.5

Amounts of bills discounted and acceptances and warrants bought by each Federal Reserve Bank during March, 1918, distributed by maturities—Continued.

	Over 90-day maturities.				Total.				Per cent.			
	Discounts.	Acceptances.	Warrants.	Total.	Discounts.	Acceptances.	Warrants.	Total.	Discounts.	Acceptances.	Warrants.	Total.
Boston	$357,896	$429,932	....	$787,828	$29,816,321	$11,504,087	....	$41,320,408	72.2	27.8	....	100.0
New York	12,509	....	....	12,509	321,342,092	75,850,840	....	397,192,932	80.9	19.1	....	100.0
Philadelphia	8,735	556,220	....	564,955	29,416,927	13,129,363	....	42,546,290	69.1	30.9	....	100.0
Cleveland	317,969	141,928	....	459,897	45,486,087	16,862,068	....	62,348,155	73.0	27.0	....	100.0
Richmond	115,702	443,500	....	559,202	151,386,585	7,076,000	....	158,462,585	95.5	4.5	....	100.0
Atlanta	28,483	177,113	$1,000	206,596	16,984,180	6,585,279	$76,625	23,646,084	71.8	27.9	0.3	100.0
Chicago	509,391	3,200,000	....	3,709,391	39,566,446	36,164,377	....	75,730,823	52.2	47.8	....	100.0
St. Louis	678,667	312,620	....	991,287	40,403,410	7,240,300	....	47,643,710	84.8	15.2	....	100.0
Minneapolis	291,220	....	....	291,220	2,346,072	10,190,080	....	12,536,152	18.7	81.3	....	100.0
Kansas City	3,303,806	....	....	3,303,806	31,903,838	12,698,346	....	44,602,184	71.5	28.5	....	100.0
Dallas	1,400,441	....	....	1,400,441	20,436,654	3,550,000	17,916	24,004,570	85.1	14.8	.1	100.0
San Francisco	657,362	350,000	....	1,007,362	30,023,903	9,849,232	....	39,873,135	75.3	24.7	....	100.0
Total	7,682,181	5,611,313	1,000	13,294,494	759,112,515	210,699,972	94,541	969,907,028	78.3	21.7	....	....
Per cent	....	....	....	1.4	....	....	....	....	....	....	....	100.0

Maturities of discounts, acceptances, and municipal warrants held by each Federal Reserve Bank on Friday, Mar. 29, 1918.

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

	1 to 15 days.				16 to 30 days.			
	Bills discounted.	Accepttances bought.	Municipal warrants.	Total.	Bills discounted.	Accepttances bought.	Municipal warrants.	Total.
Boston	$9,221	$2,182	....	$11,403	$7,023	$686	....	$7,709
New York	140,873	39,036	....	179,909	27,236	32,639	....	59,875
Philadelphia	15,559	2,498	....	18,057	2,464	4,768	....	7,232
Cleveland	18,731	899	....	19,630	4,381	8,098	....	12,479
Richmond	25,887	791	....	26,678	2,780	3,141	....	5,921
Atlanta	9,582	1,930	$34	11,546	1,166	1,733	....	2,899
Chicago	27,733	2,924	....	30,657	324	2,073	....	2,397
St. Louis	20,474	890	....	21,364	3,991	650	....	4,641
Minneapolis	760	699	....	1,459	927	969	....	1,896
Kansas City	9,627	478	....	10,105	4,702	2,019	....	6,721
Dallas	10,507	2,248	....	12,755	1,183	1,607	....	2,790
San Francisco	10,983	5,473	....	16,456	4,469	8,036	....	12,505
Total	299,937	60,048	34	360,019	60,646	66,419	....	127,065
Per cent	....	....	....	40.5	....	....	....	14.3

	31 to 60 days.				61 to 90 days.			
	Bills discounted.	Acceptances bought.	Municipal warrants.	Total.	Bills discounted.	Acceptances bought.	Municipal warrants.	Total.
Boston	$35,876	$3,976	....	$39,852	$7,621	$5,902	....	$13,523
New York	60,638	26,897	....	87,535	19,157	32,315	....	51,472
Philadelphia	10,905	9,759	....	20,664	2,490	5,415	....	7,905
Cleveland	10,770	16,100	....	26,870	5,343	1,817	....	7,160
Richmond	6,065	3,810	....	9,875	1,706	1,846	....	3,552
Atlanta	2,173	2,749	$2	4,924	730	1,005	$1	1,736
Chicago	2,076	11,500	5	13,581	4,524	11,158	....	15,682
St. Louis	4,776	3,479	....	8,255	2,799	3,518	....	6,317
Minneapolis	1,907	9,314	....	11,221	903	140	....	1,043
Kansas City	10,333	10,979	....	21,312	4,892	330	....	5,222
Dallas	3,240	1,625	....	4,865	1,847	....	486	2,333
San Francisco	8,351	9,969	....	18,320	4,033	3,995	....	8,028
Total	157,110	110,157	7	267,274	56,045	67,441	487	123,973
Per cent	....	....	....	30.1	....	....	....	14.0

Maturities of discounts, acceptances, and municipal warrants held by each Federal Reserve Bank on Friday, Mar. 29, 1918—Continued.

	Over 90 days.				Total.				Percentages.			
	Bills discounted.	Acceptances bought.	Municipal warrants.	Total.	Bills discounted.	Acceptances bought.	Municipal warrants.	Total.	Bills discounted	Acceptances bought.	Municipal warrants.	Total.
Boston					$59,741	$12,746		$72,487	82.4	17.6		100.0
New York	$13			$13	247,917	130,887		378,804	65.4	34.6		100.0
Philadelphia	1			1	31,419	22,440		53,859	58.3	41.7		100.0
Cleveland					39,225	26,914		66,139	59.3	40.7		100.0
Richmond	43			43	36,481	9,588		46,069	79.2	20.8		100.0
Atlanta	56		$1	57	13,707	7,417	$38	21,162	64.8	35.0	0.2	100.0
Chicago	3,180			3,180	37,837	27,655	5	65,497	57.8	42.2		100.0
St. Louis	27			27	32,067	8,537		40,604	79.0	21.0		100.0
Minneapolis	776			776	5,273	11,122		16,395	32.2	67.8		100.0
Kansas City	2,784			2,784	32,338	13,806		46,144	70.1	29.9		100.0
Dallas	1,591			1,591	18,368	5,480	486	24,334	75.5	22.5	2.0	100.0
San Francisco	1,019			1,019	28,855	27,473		56,328	51.2	48.8		100.0
Total	9,490		1	9,491	583,228	[1] 304,065	529	887,822	65.7	34.2	.1	100.0
Per cent				1.1				100.0				

Liberty loan bonds and United States certificates of indebtedness purchased under repurchase agreements during the month of March, 1918.

[Figures included with United States Securities in table showing total investment operations.]

	Boston.	New York.	Philadelphia.	Cleveland.	Atlanta.	Chicago.	Minneapolis.	Total.
Liberty bonds	$165,000		$1,045,000		$6,911,900		$1,576,600	$9,698,500
Certificates of indebtedness	305,000	$882,893,000	8,299,500	$23,728,000	5,483,000	[1] $87,283,360	5,027,500	[1] 1,013,018,360
Total	470,000	882,893,000	9,344,500	23,728,000	12,394,900	87,283,360	6,604,100	1,022,717,860

[1] Includes Liberty bonds purchased by the Chicago bank under repurchase agreements.

Total investment operations of each Federal reserve bank during the months of March, 1918 and 1917.

Federal reserve bank.	Bills discounted for members and Federal reserve banks.	Bills bought in open market.			Municipal warrants.			
		Bankers' acceptances.	Trade acceptances.	Total.	City.	State.	All other.	Total.
Boston	$29,816,321	$11,126,488	$377,599	$11,504,087				
New York	321,342,092	74,845,368	1,005,472	75,850,840				
Philadelphia	29,416,927	13,120,363	9,000	13,129,363				
Cleveland	45,486,087	16,689,727	172,341	16,862,068				
Richmond	151,386,585	7,076,000		7,076,000				
Atlanta	16,984,180	6,585,279		6,585,279	$14,000		$62,625	$76,625
Chicago	39,566,446	36,138,360	26,017	36,164,377				
St. Louis	40,403,410	7,240,300		7,240,300				
Minneapolis	2,346,072	10,190,080		10,190,080				
Kansas City	31,903,838	12,698,346		12,698,346				
Dallas	20,436,654	3,550,000		3,550,000	17,916			17,916
San Francisco	30,023,903	6,895,845	2,953,387	9,849,232				
Total, March, 1918	759,112,515	206,156,156	[1] 4,543,816	210,699,972	31,916		62,625	94,541
Total, March, 1917	26,706,266	27,474,820	676,818	28,151,638	1,021,383		9,640	1,031,023

[1] Includes $982,715 in the foreign trade.

Total investment operations of each Federal reserve bank during the months of March, 1918 and 1917—Continued.

Federal reserve bank.	United States securities.							Total investment operations.	
	2 per cent.	3 per cent.	3½ per cent.	4 per cent.	1-year Treasury notes.	United States certificates of indebtedness.	Total.	March, 1918.	March, 1917.
Boston				$155,000		$330,000	$485,000	41,805,408	$11,313,775
New York						939,130,000	939,130,000	1,336,322,932	8,847,997
Philadelphia			$105,000	940,000		9,971,000	11,016,000	53,562,290	8,720,424
Cleveland						23,833,500	23,833,500	86,181,655	6,078,665
Richmond			50				50	158,462,635	8,557,926
Atlanta			1,047,000	5,896,100		5,521,500	12,464,600	36,110,684	4,043,195
Chicago				83,050		[1] 87,388,360	87,471,410	163,201,233	6,932,296
St. Louis								47,643,710	2,439,062
Minneapolis			175,600	1,411,000		22,854,500	24,441,100	36,977,252	2,951,062
Kansas City						313,000	313,000	44,915,184	1,577,659
Dallas						741,000	741,000	24,745,570	1,638,073
San Francisco				10,600		1,000,000	1,010,600	40,884,275	3,311,309
Total, March, 1918			1,327,650	8,495,750		1,091,082,860	1,100,906,260	2,070,813,288	
Total, March, 1917	$8,565,510	350,000		25,000	$1,882,000		10,522,510		[2] 66,411,437

[1] Includes United States Bonds purchased under repurchase agreements.
[2] Exclusive of purchases of U. S. certificates of indebtedness.

United States securities held by each Federal reserve bank on Mar. 30, 1918, distributed by maturities.

Federal reserve banks.	United States bonds with circulation privilege.				United States securities without circulation privilege.						Total.
	2 per cent consols of 1930.	2 per cent Panamas of 1936–1938.	3 per cent loan of 1918.	4 per cent loan of 1925.	3 per cent conversion bonds of 1946–47.	3 per cent 1-year Treasury notes.	3 per cent loan of 1961.	3½ per cent Liberty loan of 1947.	4 per cent Liberty loan of 1942–1947.	United States certificates of indebtedness.	
Boston	$750				$529,000	$2,194,000		$60,000	[1] $272,022	$265,000	$3,320,772
New York	50		$50,000		1,255,400	5,013,000		294,300	17,750	182,380,000	189,010,500
Philadelphia		$100			549,200	2,548,000		131,850	4,863,700	6,803,500	14,896,350
Cleveland			2,653,660	$2,378,200	414,800	3,221,000		1,966,900	374,550	15,071,000	26,080,110
Richmond	915,100	237,000				1,969,000		42,950	37,750	25,000	3,226,800
Atlanta	640,600	21,000			10,300	1,491,000		247,150	1,964,300	3,278,500	7,652,850
Chicago	1,862,500	367,300	2,581,000	1,768,000	427,400	3,378,000	$400		83,050	[2] 36,229,750	46,697,400
St. Louis	100		1,080,000		1,153,300	1,444,000					3,677,400
Minneapolis	323,050	16,260	1,199,180	206,250	114,800	1,340,000	500	179,300	722,650	2,835,500	6,937,490
Kansas City	7,155,850	22,240		825,000	838,500	1,784,000		7,500	13,100	2,394,500	13,040,690
Dallas	2,450,900	281,500			1,233,600	1,430,000		1,100	2,500	1,693,500	7,093,100
San Francisco	2,428,750					1,500,000		28,250	10,500	398,500	4,366,000
Total	15,777,650	945,400	7,563,840	5,177,450	6,526,300	27,312,000	900	2,959,300	8,361,872	251,374,750	325,999,462

[1] Includes unpaid portion of Liberty loan bonds sold to individual subscribers.
[2] Includes United States bonds purchased from banks under 15-day repurchase agreements.

Total United States bonds with circulation privilege, $29,464,340. Total United States securities without circulation privilege, $296,535,122.

RESOURCES AND LIABILITIES OF FEDERAL RESERVE BANKS.

Resources and liabilities of each Federal Reserve Bank and of the Federal Reserve System at close of business on Fridays, March 29 to April 26, 1918.

RESOURCES.

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

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
Gold coin and certificates in vault:													
March 29	10,914	337,572	9,543	32,610	6,227	6,585	29,586	3,222	15,877	149	8,936	28,727	489,948
April 5	10,554	332,095	9,884	32,864	6,265	6,609	29,558	3,180	15,948	303	6,635	29,885	483,780
April 12	10,153	339,808	10,284	32,247	6,361	6,726	29,093	1,325	16,025	413	4,757	31,570	488,762
April 19	10,586	340,401	9,325	32,804	6,290	6,746	28,951	2,125	16,533	145	4,867	30,056	488,829
April 26	9,833	340,841	9,185	30,539	6,435	6,833	28,676	1,762	16,423	235	4,958	31,100	486,820
Gold settlement fund—Federal Reserve Board:													
Mar. 29	50,518	81,467	50,985	37,628	16,242	15,765	53,937	29,486	9,855	25,366	11,749	16,570	399,568
Apr. 5	49,370	81,189	48,731	44,513	18,220	15,217	36,841	23,781	9,797	25,625	8,448	19,431	381,163
April 12	56,376	120,698	46,853	34,739	12,368	10,519	43,768	24,534	13,764	18,337	10,336	15,679	407,971
April 19	66,990	87,170	50,754	36,662	13,682	17,695	56,272	18,368	7,480	30,291	8,922	19,533	413,819
April 26	69,868	85,774	43,393	49,733	11,156	16,680	71,325	17,179	13,180	33,567	10,345	17,277	439,477
Gold with foreign agencies:													
March 29	3,675	18,112	3,675	4,725	1,837	1,575	7,350	2,100	2,100	2,625	1,838	2,888	52,500
April 5	3,675	18,112	3,675	4,725	1,837	1,575	7,350	2,100	2,100	2,625	1,838	2,888	52,500
April 12	3,675	18,112	3,675	4,725	1,837	1,575	7,350	2,100	2,100	2,625	1,838	2,888	52,500
April 19	3,675	18,112	3,675	4,725	1,837	1,575	7,350	2,100	2,100	2,625	1,838	2,888	52,500
April 26	3,675	18,112	3,675	4,725	1,837	1,575	7,350	2,100	2,100	2,625	1,838	2,888	52,500
Gold with Federal Reserve agents:													
March 29	48,453	196,319	79,751	88,680	29,374	39,495	165,223	41,047	39,536	55,384	17,363	51,567	852,192
April 5	48,385	215,711	85,187	89,336	29,204	40,304	158,749	40,613	39,419	55,323	16,336	54,510	873,077
April 12	48,318	209,419	87,101	89,903	29,093	42,902	148,414	37,577	39,302	55,272	14,313	55,878	857,492
April 19	48,257	209,210	84,549	90,102	29,976	36,063	161,841	36,941	39,187	45,220	14,286	59,190	854,822
April 26	48,211	208,827	82,744	92,292	29,880	33,832	138,432	33,408	35,089	45,158	14,261	62,084	824,218
Gold redemption fund:													
March 29	2,000	10,000	2,000	246	308	1,111	1,285	1,380	1,030	871	1,202	63	21,496
April 5	2,000	10,000	2,500	393	1,218	1,189	1,313	1,568	1,106	859	1,244	14	23,404
April 12	1,986	10,000	2,500	242	1,138	1,411	1,424	1,558	1,180	845	1,239	23	23,546
April 19	2,000	9,918	2,482	192	1,077	1,109	1,506	1,550	1,243	827	1,255	20	23,179
April 26	1,997	10,000	2,500	397	1,028	1,409	1,571	1,542	1,311	813	1,263	154	23,985
Total gold reserves:													
March 29	115,560	643,470	145,954	163,889	53,988	64,531	257,381	77,235	68,398	84,395	41,088	99,815	1,815,704
April 5	113,984	657,107	149,977	171,831	56,744	64,894	233,811	71,242	68,370	84,735	34,501	106,728	1,813,924
April 12	120,508	698,037	150,413	161,856	50,797	63,133	230,049	67,094	72,371	77,492	32,483	106,038	1,830,271
April 19	131,508	664,811	150,785	164,485	52,862	63,188	255,920	61,084	66,543	79,108	31,168	111,687	1,833,149
April 26	133,584	663,554	141,497	177,686	50,336	60,329	247,354	55,991	68,103	82,398	32,665	113,503	1,827,000
Legal tender notes, silver, etc.:													
Mar. 29	3,177	40,862	1,568	924	391	1,954	4,464	1,575	610	81	2,361	392	58,359
Apr. 5	2,253	46,157	1,152	959	349	2,038	5,462	1,717	607	63	2,451	301	63,509
Apr. 12	2,429	46,791	1,075	1,074	371	1,306	6,284	1,893	629	69	2,500	303	64,724
Apr. 19	2,088	46,845	924	1,082	387	1,453	6,631	1,782	619	319	2,624	404	65,158
Apr. 26	2,074	47,484	1,450	763	393	1,102	5,069	1,888	361	392	2,709	360	63,945
Total cash reserves:													
Mar. 29	118,737	684,332	147,522	164,813	54,379	66,485	261,845	78,810	69,008	84,476	43,449	100,207	1,874,063
Apr. 5	116,237	703,264	151,129	172,790	57,093	66,932	239,273	72,959	68,977	84,798	36,952	107,029	1,877,433
Apr. 12	122,937	744,828	151,488	162,930	51,168	64,439	236,333	68,987	73,000	77,561	34,983	106,341	1,894,995
Apr. 19	133,596	711,656	151,709	165,567	53,249	64,641	262,551	62,866	67,162	79,427	33,792	112,091	1,898,307
Apr. 26	135,658	711,038	142,947	178,449	50,729	61,431	252,423	57,879	68,464	82,690	35,374	113,863	1,890,945
Bills discounted for members and Federal Reserve Banks:													
Mar. 29	59,741	247,917	31,419	39,225	36,481	13,707	37,837	32,067	5,273	32,338	18,368	28,855	583,228
Apr. 5	58,828	234,513	26,997	39,066	37,631	12,953	35,499	35,083	5,963	35,219	22,335	29,796	573,883
Apr. 12	56,912	346,507	26,925	51,471	39,741	13,504	46,141	30,665	8,411	36,668	24,409	31,453	712,807
Apr. 19	49,573	409,372	26,612	50,785	40,791	20,284	63,717	39,158	11,623	39,077	25,289	31,764	808,045
Apr. 26	54,307	434,256	35,351	58,212	47,333	20,851	88,553	43,656	14,591	43,912	26,167	34,999	902,188
Bills bought in open market:													
Mar. 29	12,746	130,887	22,440	26,914	9,588	7,417	27,655	8,537	11,122	13,806	5,480	27,473	304,065
Apr. 5	13,589	127,743	21,898	27,202	11,371	10,275	47,024	11,150	11,133	13,470	5,256	26,392	326,503
Apr. 12	13,475	123,108	21,290	26,692	12,701	9,756	46,446	10,793	10,523	13,223	5,927	24,923	318,857
Apr. 19	14,267	117,406	27,440	24,527	4,191	9,709	48,103	11,090	12,515	10,391	4,980	23,658	308,277
Apr. 26	16,606	121,027	26,303	20,628	5,177	8,552	48,062	11,381	11,546	7,132	4,555	21,490	302,399
United States Government long-term securities:													
Mar. 29	855	1,618	5,539	7,788	1,233	3,284	17,532	2,233	2,808	8,862	3,970	2,468	58,196
Apr. 5	855	1,606	5,514	7,788	1,233	3,648	19,518	2,233	2,720	8,862	3,970	2,456	60,403
Apr. 12	861	1,604	4,907	7,788	1,233	3,157	14,462	2,233	2,704	8,862	3,970	2,456	54,237
Apr. 19	861	1,598	2,939	7,788	1,233	1,032	11,137	2,233	2,566	8,862	3,970	2,456	46,675
Apr. 26	861	1,594	2,029	7,788	1,233	727	7,684	2,233	2,005	8,862	3,969	2,461	41,446

Resources and liabilities of each Federal Reserve Bank and of the Federal Reserve System at close of business on Fridays, March 29 to April 26, 1918—Continued.

RESOURCES—Continued.

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

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
United States Government short-term securities:													
Mar. 29	2,459	170,493	7,501	18,293	1,994	4,670	32,167	1,444	4,316	4,194	3,124	1,924	252,579
Apr. 5	1,471	183,626	7,643	16,657	1,538	3,240	32,931	511	4,039	3,719	3,131	1,894	260,400
Apr. 12	1,471	76,408	9,421	15,194	1,538	3,051	18,866	511	4,156	3,566	3,142	4,819	142,143
Apr. 19	1,471	4,427	5,073	11,250	1,538	2,166	4,830	511	2,521	4,503	3,142	4,863	46,295
Apr. 26	1,421	2,319	4,163	11,004	1,523	1,226	4,072	511	1,934	4,645	2,632	1,957	37,407
All other earning assets:													
Mar. 29	....	....	....	....	....	165	699	143	589	37	1,736	154	3,523
Apr. 5	....	....	....	....	....	124	746	130	510	195	1,386	131	3,222
Apr. 12	....	....	....	....	....	145	709	376	511	299	1,601	130	3,771
Apr. 19	....	....	....	....	....	158	583	459	377	236	1,372	108	3,293
Apr. 26	....	....	....	....	....	133	430	291	301	121	1,349	97	2,722
Total earning assets:													
Mar. 29	75,801	550,915	66,899	92,220	49,296	29,243	115,890	44,424	24,108	59,237	32,678	60,874	1,201,585
Apr. 5	74,743	547,488	62,052	90,713	51,773	30,240	135,718	49,107	24,365	61,465	36,078	60,669	1,224,411
Apr. 12	72,719	547,627	62,543	101,145	55,213	29,613	126,624	44,578	26,305	62,618	39,049	63,781	1,231,815
Apr. 19	66,172	532,803	62,064	94,350	47,753	33,349	128,370	53,451	29,602	63,069	38,753	62,849	1,212,585
Apr. 26	73,195	559,196	67,846	97,632	55,266	31,489	148,741	58,072	30,377	64,672	38,672	61,004	1,286,162
Due from other Federal Reserve Banks—net:													
Mar. 29	1,310	4,054	....	132	4,239	3,461	8,441	....	1,160	6,294	....	3,460	[1] 26,945
Apr. 5	4,056	....	6,463	....	....	852	9,494	1,474	5,872	4,665	....	5,435	[1] 9,957
Apr. 12	1,356	....	....	1,298	....	....	26,896	3,032	....	6,588	....	6,795	[1] 1,815
Apr. 19	....	....	....	....	1,582	1,123	561	....	5,933	5,759	....	4,602	[1] 479
Apr. 26	18	....	7,393	....	1,345	3,365	16,349	....	3,931	3,148	....	8,573	[1] 10,314
Uncollected items:													
Mar. 29	17,878	71,383	41,010	19,405	29,330	19,539	56,606	18,230	13,766	20,496	19,496	11,991	339,130
Apr. 5	20,945	66,194	39,934	21,232	23,772	18,195	69,895	21,346	10,886	25,676	18,670	10,252	346,997
Apr. 12	24,867	81,723	41,823	26,337	25,050	23,337	68,029	22,017	12,497	22,505	20,615	14,209	383,009
Apr. 19	25,253	83,944	44,733	26,262	25,995	21,142	68,175	26,964	6,887	23,814	16,956	17,051	387,176
Apr. 26	21,446	87,194	39,242	32,552	25,631	19,974	49,821	31,622	7,797	25,371	20,711	17,170	378,531
Total deductions from gross deposits:													
Mar. 29	19,188	75,437	41,010	19,537	33,569	23,000	65,047	18,230	14,926	26,790	19,496	15,451	366,075
Apr. 5	25,001	66,194	46,397	21,232	23,772	19,047	79,389	22,820	16,758	30,341	18,670	15,687	356,954
Apr. 12	26,223	81,723	41,823	27,635	25,050	23,337	94,925	25,049	12,497	29,093	20,615	21,004	384,824
Apr. 19	25,253	83,944	44,733	26,262	27,577	22,265	68,736	26,964	12,820	29,573	16,956	21,653	387,655
Apr. 26	21,464	87,194	46,635	32,552	26,976	23,339	66,170	31,622	11,728	28,519	20,711	25,743	388,845
5 per cent redemption fund against Federal Reserve bank notes:													
Mar. 29	....	....	....	....	....	....	....	....	....	400	137	....	537
Apr. 5	....	....	....	....	....	....	....	....	....	400	137	....	537
Apr. 12	....	....	....	....	....	....	....	....	....	400	137	....	537
Apr. 19	....	....	....	....	....	....	....	....	....	272	137	....	409
Apr. 26	....	....	....	....	....	....	....	....	....	391	137	....	528
All other resources:													
Mar. 29	....	....	306	....	....	83	....	2,063	....	....	....	1,272	3,724
Apr. 5	....	....	276	....	....	48	....	....	....	....	....	....	324
Apr. 12	....	....	296	....	....	28	....	....	....	....	....	....	324
Apr. 19	....	....	249	....	....	12	....	....	....	....	....	....	261
Apr. 26	....	....	356	....	....	3	....	....	....	....	....	....	359
Total resources:													
Mar. 29	213,726	1,310,684	255,737	276,570	137,244	118,811	442,782	143,527	108,042	170,903	95,760	177,804	3,445,984
Apr. 5	215,981	1,316,946	259,854	284,735	132,638	116,267	454,380	144,886	110,100	177,004	91,837	183,385	3,459,659
Apr. 12	221,879	1,374,178	256,150	291,710	131,431	117,417	457,882	138,614	111,802	169,672	94,784	191,126	3,512,495
Apr. 19	225,021	1,328,403	258,755	286,179	128,579	120,267	459,657	143,281	109,584	172,341	89,638	196,593	3,499,217
Apr. 26	230,317	1,357,428	257,784	308,633	132,971	116,262	467,334	147,573	110,569	176,272	94,894	200,610	3,566,839

LIABILITIES.

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
Capital paid in:													
Mar. 29	6,351	19,711	6,873	8,363	3,761	2,943	9,431	3,476	2,738	3,450	2,830	4,296	74,223
Apr. 5	6,357	19,711	6,873	8,379	3,770	2,946	9,597	3,509	2,760	3,446	2,843	4,303	74,494
Apr. 12	6,444	19,727	6,885	8,468	3,780	2,964	9,610	3,509	2,764	3,447	2,845	4,305	74,748
Apr. 19	6,444	19,691	6,903	8,504	3,792	2,964	9,655	3,509	2,764	3,447	2,851	4,305	74,829
Apr. 26	6,444	19,699	6,909	8,504	3,792	2,964	9,711	3,509	2,765	3,444	2,917	4,305	74,963
Surplus:													
Mar. 29	75	649	....	....	116	40	216	....	38	....	....	....	1,134
Apr. 5	75	649	....	....	116	40	216	....	38	....	....	....	1,134
Apr. 12	75	649	....	....	116	40	216	....	38	....	....	....	1,134
Apr. 19	75	649	....	....	116	40	216	....	38	....	....	....	1,134
Apr. 26	75	649	....	....	116	40	216	....	38	....	....	....	1,134

[1] Difference between net amounts due from and net amounts due to other Federal Reserve Banks.

Resources and liabilities of each Federal Reserve Bank and of the Federal Reserve System at close of business on Fridays, March 29 to April 26, 1918—Continued.

LIABILITIES—Continued.

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

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
Government deposits:													
Mar. 29	7,549	5,946	16,996	13,269	6,066	8,856	11,002	5,410	6,687	5,769	7,476	9,060	104,086
Apr. 5	5,452	14,357	9,585	14,567	6,311	5,783	8,788	9,520	6,802	7,939	5,827	9,887	104,818
Apr. 12	4,265	6,588	5,644	16,499	5,641	3,690	11,723	9,969	5,686	6,099	10,391	14,328	100,523
Apr. 19	7,845	11,577	3,864	8,181	436	4,229	6,476	4,822	4,723	7,244	5,105	10,997	75,499
Apr. 26	12,858	8,448	9,408	19,050	7,069	4,496	17,767	11,273	6,037	10,459	3,605	20,198	130,668
Due to members—reserve account:													
Mar. 29	91,216	668,218	83,642	106,850	45,154	39,060	187,288	53,517	40,581	74,984	38,056	70,834	1,499,400
Apr. 5	89,520	639,016	92,368	108,524	44,994	38,727	185,861	49,526	42,144	74,587	37,437	70,590	1,473,294
Apr. 12	90,292	675,586	88,133	107,020	43,241	37,840	188,264	46,131	41,519	69,883	36,956	69,672	1,494,537
Apr. 19	89,202	636,841	93,428	108,692	43,492	39,002	186,891	50,901	41,290	69,014	36,470	74,637	1,469,860
Apr. 26	91,586	667,602	88,452	112,321	42,680	37,802	186,812	51,105	41,235	70,758	39,518	67,545	1,497,416
Collection items:													
Mar. 29	14,903	57,650	32,543	15,804	20,484	10,981	20,294	14,301	4,295	9,647	6,120	9,875	216,897
Apr. 5	17,688	52,268	34,150	17,029	15,551	12,022	25,144	18,298	4,246	13,111	5,779	10,853	226,139
Apr. 12	21,747	56,906	36,709	22,071	17,110	12,436	22,132	16,708	4,809	11,258	5,921	11,463	239,270
Apr. 19	21,133	65,293	34,682	22,817	18,010	15,106	24,811	17,670	5,913	13,040	5,950	11,795	256,220
Apr. 26	17,088	52,733	31,939	24,041	17,638	12,405	22,638	19,316	5,508	11,526	8,802	11,540	235,174
Due to other Federal Reserve banks—net:													
Mar. 29	....	....	1,421	....	....	....	....	3,168	....	....	1,017	....	....
Apr. 5	....	24,638	....	3,017	467	....	....	....	....	....	232	....	....
Apr. 12	....	38,376	600	....	155	1,106	....	....	2,312	....	1,601	....	....
Apr. 19	87	10,021	697	964	....	....	....	4,524	....	....	2,788	....	....
Apr. 26	....	25,074	....	3,542	....	....	....	961	....	....	4,231	....	....
Other deposits, including foreign Government credits:													
Mar. 29	....	75,775	....	208	....	3	2,037	97	17	19	....	2,903	81,059
Apr. 5	....	75,520	....	324	....	5	2,000	198	19	19	....	3,982	82,067
Apr. 12	....	78,556	....	194	....	7	1,562	134	4	19	....	3,845	84,321
Apr. 19	....	81,160	....	123	....	5	3,048	114	31	10	....	3,831	88,322
Apr. 26	....	75,815	....	178	....	14	2,077	39	22	....	....	3,745	81,890
Total gross deposits:													
Mar. 29	113,668	807,589	134,602	136,131	71,704	58,900	220,621	76,493	51,580	90,419	52,669	92,672	1,901,442
Apr. 5	112,660	805,799	136,103	143,461	67,323	56,537	221,793	77,542	53,211	95,656	49,275	95,312	1,886,318
Apr. 12	116,304	856,012	131,086	145,784	66,147	55,879	223,681	72,942	54,330	87,259	54,869	99,308	1,918,651
Apr. 19	118,267	804,892	132,671	140,777	61,938	58,342	221,226	78,031	51,957	89,308	50,313	101,260	1,889,901
Apr. 26	121,532	829,672	129,799	159,132	67,387	54,717	229,294	82,694	52,802	92,743	56,156	103,028	1,945,148
Federal Reserve notes in actual circulation:													
Mar. 29	92,789	477,598	114,262	131,479	61,592	56,928	211,770	63,558	53,538	68,392	40,096	80,836	1,452,838
Apr. 5	95,978	485,233	116,878	132,257	61,307	56,744	221,851	63,349	53,918	69,314	39,525	83,566	1,479,920
Apr. 12	98,138	491,776	118,179	136,762	61,248	59,334	223,405	61,671	54,469	70,222	36,850	87,323	1,499,377
Apr. 19	99,437	496,636	119,181	136,147	62,536	58,921	227,620	61,228	54,619	70,913	36,227	90,822	1,514,287
Apr. 26	101,467	500,640	121,076	140,236	61,580	58,541	227,155	60,867	54,731	71,330	35,622	92,987	1,526,232
Federal Reserve bank notes in circulation—net liability:													
Mar. 29	....	....	....	....	....	....	....	....	....	7,978	....	....	7,978
Apr. 5	....	....	....	....	....	....	....	....	....	7,860	....	....	7,860
Apr. 12	....	....	....	....	....	....	....	....	....	8,000	....	....	8,000
Apr. 19	....	....	....	....	....	....	....	....	....	7,895	....	....	7,895
Apr. 26	....	....	....	....	....	....	....	....	....	7,895	....	....	7,875
All other liabilities:													
Mar. 29	843	5,137	....	597	71	....	744	....	148	664	165	....	8,369
Apr. 5	911	5,554	....	638	122	....	923	486	173	728	194	204	9,933
Apr. 12	918	6,014	....	696	140	....	970	492	201	744	220	190	10,585
Apr. 19	798	6,535	....	751	197	....	940	513	206	778	247	206	11,171
Apr. 26	799	6,768	....	761	96	....	958	503	233	860	199	290	11,467
Total liabilities:													
Mar. 29	213,726	1,310,684	255,737	276,570	137,244	118,811	442,782	143,527	108,042	170,903	95,760	177,804	3,445,984
Apr. 5	215,981	1,316,946	259,854	284,735	132,638	116,267	454,380	144,886	110,100	177,004	91,837	183,385	3,459,659
Apr. 12	221,879	1,374,178	256,150	291,710	131,431	117,417	457,882	138,614	111,802	169,672	94,784	191,126	3,512,495
Apr. 19	225,021	1,328,403	258,755	286,179	128,579	120,267	459,657	143,281	109,584	172,341	89,638	196,593	3,499,217
Apr. 26	230,317	1,357,428	257,784	308,633	132,991	116,262	467,334	147,573	110,569	176,272	94,894	200,610	3,566,839

FEDERAL RESERVE NOTES.

Federal Reserve note account of each Federal Reserve bank at close of business on Fridays, Mar. 29 to Apr. 26, 1918.

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

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
Federal Reserve notes received from agent—net:													
Mar. 29	95,453	528,659	121,671	137,340	68,502	58,376	224,399	68,009	54,582	73,620	40,345	93,031	1,563,987
Apr. 5	98,385	540,851	129,807	141,096	70,239	58,184	235,924	68,655	54,965	74,622	39,925	94,974	1,607,627
Apr. 12	101,318	544,559	129,721	143,703	71,048	60,913	237,589	68,619	55,548	75,130	37,008	100,542	1,625,698
Apr. 19	102,257	546,350	129,669	146,402	72,901	60,554	241,015	67,983	56,032	76,123	36,516	103,254	1,639,056
Apr. 26	104,211	546,107	127,864	146,492	72,620	60,173	242,607	67,950	55,935	77,085	36,464	103,148	1,640,656
Federal Reserve notes held by banks:													
Mar. 29	2,664	51,061	7,409	5,861	6,910	1,448	12,629	4,451	1,044	5,228	249	12,195	111,149
Apr. 5	2,407	55,618	12,929	8,839	8,932	1,440	14,073	5,306	1,047	5,308	400	11,408	127,707
Apr. 12	3,180	52,783	11,542	6,941	9,800	1,579	14,184	6,948	1,079	4,908	158	13,219	126,321
Apr. 19	2,820	49,714	10,488	10,255	10,365	1,633	13,395	6,755	1,413	5,210	289	12,432	124,769
Apr. 26	2,744	45,467	6,788	6,256	11,040	1,632	15,452	7,083	1,204	5,755	842	10,161	114,424
Federal Reserve notes in actual circulation:													
Mar. 29	92,789	477,598	114,262	131,479	61,592	56,928	211,770	63,558	53,538	68,392	40,096	80,836	1,452,838
Apr. 5	95,978	485,233	116,878	132,257	61,307	56,744	221,851	63,349	53,918	69,314	39,525	83,566	1,479,920
Apr. 12	98,138	491,776	118,179	136,762	61,248	59,334	223,405	61,671	54,469	70,222	36,850	87,323	1,499,377
Apr. 19	99,437	496,636	119,181	136,147	62,536	58,921	227,620	61,228	54,619	70,913	36,227	90,822	1,514,287
Apr. 26	101,467	500,640	121,076	140,236	61,580	58,541	227,155	60,867	54,731	71,330	35,622	92,987	1,526,232
Gold deposited with or to credit of Federal Reserve agent:													
Mar. 29	48,453	196,319	79,751	88,680	29,374	39,495	165,223	41,047	39,536	55,384	17,363	51,567	852,192
Apr. 5	48,385	215,711	85,187	89,336	29,204	40,304	158,749	40,613	39,419	55,323	16,336	54,510	873,077
Apr. 12	48,318	209,419	87,101	89,903	29,093	42,902	148,414	37,577	39,302	55,272	14,313	55,878	857,492
Apr. 19	48,257	209,210	84,549	90,102	29,976	36,063	161,841	36,941	39,187	45,220	14,286	59,190	854,822
Apr. 26	48,211	208,827	82,744	92,292	29,880	33,832	138,432	33,408	35,089	45,158	14,261	62,084	824,218
Paper delivered to Federal Reserve agent:													
Mar. 29	72,487	378,803	47,532	66,139	44,663	19,227	64,769	34,818	15,937	45,140	23,848	50,108	863,471
Apr. 5	72,417	362,255	45,386	66,268	48,447	18,801	82,107	42,232	16,377	45,571	27,591	49,408	876,860
Apr. 12	70,387	469,614	42,781	78,163	51,855	19,310	92,171	38,187	17,784	46,131	30,336	49,972	1,006,691
Apr. 19	63,840	526,778	51,960	75,312	43,324	24,842	102,510	44,325	22,266	46,256	30,269	45,940	1,077,622
Apr. 26	70,913	555,283	57,638	78,840	50,859	26,608	133,445	49,885	23,603	47,244	30,722	45,319	1,170,359

Federal Reserve note account of each Federal Reserve agent at close of business on Fridays, Mar. 29 to Apr. 26, 1918.

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

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
FEDERAL RESERVE NOTES.													
Received from Comptroller:													
Mar. 29	128,080	802,280	153,600	163,540	91,440	89,620	280,360	83,500	71,980	96,700	68,500	101,260	2,130,860
Apr. 5	131,080	802,280	168,760	164,340	95,340	89,620	290,040	85,500	71,980	97,700	68,500	103,260	2,168,400
Apr. 12	132,760	815,480	175,400	170,280	96,140	91,620	295,840	86,900	71,980	97,700	68,500	108,960	2,211,560
Apr. 19	140,160	828,280	175,400	174,160	98,140	91,620	297,660	86,900	71,980	98,700	68,500	111,860	2,243,360
Apr. 26	145,160	834,880	187,200	178,760	98,140	91,620	304,000	86,900	73,980	100,700	68,500	111,860	2,276,700
Returned to Comptroller:													
Mar. 29	23,907	158,421	25,689	12,440	17,983	14,239	11,481	10,731	11,903	14,920	14,320	8,229	324,263
Apr. 5	24,475	159,029	25,853	12,784	18,416	14,431	12,036	11,165	12,020	15,118	14,395	8,286	328,008
Apr. 12	24,542	165,321	25,939	13,217	18,622	14,582	12,591	11,201	12,137	15,310	14,647	8,418	336,527
Apr. 19	25,503	165,530	25,991	13,518	18,979	14,921	13,185	11,837	12,453	15,517	14,774	8,606	340,814
Apr. 16	25,909	172,973	27,796	13,828	19,320	15,052	13,913	11,870	12,550	15,855	14,826	8,712	352,604
Chargeable to Federal Reserve agent:													
Mar. 29	104,173	643,859	127,911	151,100	73,457	75,381	268,879	72,769	60,077	81,780	54,180	93,031	1,806,597
Apr. 5	106,605	643,251	142,907	151,556	76,924	75,189	278,004	74,335	59,960	82,582	54,105	94,974	1,840,392
Apr. 12	108,218	650,159	149,461	157,063	77,518	77,038	283,249	75,699	59,843	82,390	53,853	100,542	1,875,033
Apr. 19	114,657	662,750	149,409	160,642	79,161	76,699	284,475	75,063	59,527	83,183	53,726	103,254	1,902,546
Apr. 26	119,251	661,907	154,404	164,932	78,820	76,568	290,087	75,030	61,430	84,845	53,674	103,148	1,924,096
In hands of Federal Reserve agent:													
Mar. 29	8,720	115,200	6,240	13,760	4,955	17,005	44,480	4,760	5,495	8,160	13,835	....	242,610
Apr. 5	8,220	102,400	13,100	10,460	6,685	17,005	42,080	5,680	4,995	7,960	14,180	....	232,765
Apr. 12	6,900	105,600	19,740	13,360	6,470	16,125	45,660	7,080	4,295	7,260	16,845	....	249,335
Apr. 19	12,400	116,400	19,740	14,240	6,260	16,145	43,460	7,080	3,495	7,060	17,210	....	263,490
Apr. 26	15,040	115,800	26,540	18,440	6,200	16,395	47,480	7,080	5,495	7,760	17,210	....	283,440

Federal Reserve note account of each Federal Reserve agent at close of business on Fridays, Mar. 29, to Apr. 26, 1918—Con.

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

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
FEDERAL RESERVE NOTES—contd.													
Issued to Federal Reserve bank, less amount returned to Federal Reserve agent for redemption:													
Mar. 29	95,453	528,659	121,671	137,340	68,502	58,376	224,399	68,009	54,582	73,620	40,345	93,031	1,563,987
Apr. 5	98,385	540,851	129,807	141,096	70,239	58,184	235,924	68,655	54,965	74,622	39,925	94,974	1,607,627
Apr. 12	101,318	544,559	129,721	143,703	71,048	60,913	237,589	68,619	55,548	75,130	37,008	100,542	1,625,698
Apr. 19	102,257	546,350	129,669	146,402	72,901	60,554	241,015	67,983	56,032	76,123	36,516	103,254	1,639,056
Apr. 26	104,211	546,107	127,864	146,492	72,620	60,173	242,607	67,950	55,935	77,085	36,464	103,148	1,640,656
Collateral held as security for outstanding notes:													
Gold coin and certificates on hand—													
Mar. 29	32,109	179,152	....	12,077	....	2,504	....	....	13,102	....	14,580	....	253,524
Apr. 5	32,110	179,151	....	11,943	....	2,504	....	....	13,102	....	13,581	....	252,391
Apr. 12	32,110	173,251	....	12,703	....	2,504	....	....	13,102	....	11,581	....	245,251
Apr. 19	31,000	173,251	....	12,092	....	2,504	....	....	13,102	....	11,581	....	243,530
Apr. 26	31,000	173,251	....	14,517	....	2,503	....	....	13,102	....	11,581	....	245,954
In gold redemption fund—													
Mar. 29	4,844	12,167	6,232	6,603	2,374	2,071	173	2,134	1,934	3,024	2,199	5,171	48,926
Apr. 5	4,775	11,560	6,568	7,393	2,204	2,880	493	2,100	1,817	2,963	2,171	5,114	50,038
Apr. 12	4,708	11,168	6,482	7,200	2,093	2,728	315	2,068	1,700	2,912	2,148	4,982	48,504
Apr. 19	5,757	10,959	6,930	8,010	1,976	2,389	625	2,037	1,585	2,860	2,121	4,794	50,043
Apr. 26	5,711	10,576	6,785	7,775	1,880	2,259	456	2,010	2,487	2,798	2,096	5,688	50,521
Gold settlement fund, Federal Reserve Board—													
Mar. 29	11,500	5,000	73,519	70,000	27,000	34,920	165,050	38,913	24,500	52,360	584	46,396	549,742
Apr. 5	11,500	25,000	78,619	70,000	27,000	34,920	158,256	38,513	24,500	52,360	584	49,396	570,648
Apr. 12	11,500	25,000	80,619	70,000	27,000	37,670	148,099	35,509	24,500	52,360	584	50,896	563,737
Apr. 19	11,500	25,000	77,619	70,000	28,000	31,170	161,216	34,904	24,500	42,360	584	54,396	561,249
Apr. 26	11,500	25,000	75,959	70,000	28,000	29,070	137,976	31,398	19,500	42,360	584	56,396	527,743
Eligible paper required (minimum)[1]—													
Mar. 29	47,000	332,340	41,920	48,660	39,128	18,881	59,176	26,962	15,046	18,236	22,982	41,464	711,795
Apr. 5	50,000	325,140	44,620	51,760	41,035	17,880	77,175	28,042	15,546	19,299	23,589	40,464	734,550
Apr. 12	53,000	335,140	42,620	53,800	41,955	18,011	89,175	31,042	16,246	19,858	22,695	44,664	768,206
Apr. 19	54,000	337,140	45,120	56,300	42,925	24,491	79,174	31,042	16,845	30,903	22,230	44,064	784,234
Apr. 26	56,000	337,280	45,120	54,800	42,740	26,341	104,175	34,542	20,846	31,927	22,203	41,064	816,438
Total—													
Mar. 29	95,453	528,659	121,671	137,340	68,502	58,376	224,399	68,009	54,582	73,620	40,345	93,031	1,563,987
Apr. 5	98,385	540,851	129,807	141,096	70,239	58,184	235,924	68,655	54,965	74,622	39,925	94,974	1,607,627
Apr. 12	101,318	544,559	129,721	143,703	71,048	60,913	237,589	68,619	55,548	75,130	37,008	100,542	1,625,698
Apr. 19	102,257	546,350	129,669	146,402	72,901	60,554	241,015	67,983	56,032	76,123	36,516	103,254	1,639,056
Apr. 26	104,211	546,107	127,864	146,492	72,620	60,173	242,607	67,950	55,935	77,085	36,464	103,148	1,640,656

[1] For actual amounts see item "Paper delivered to Federal Reserve agent," on p. 471.

Amounts of Federal reserve notes received from and returned to other Federal Reserve Banks for redemption or credit during the period Jan. 1 to Mar. 31, 1918.

	Boston.		New York.		Philadelphia.		Cleveland.		Richmond.		Atlanta.	
	Received.	Returned.	Received.	Returned.	Received.	Returned.	Received.	Returned.	Received.	Returned.	Received.	Returned.
Boston	....	....	$4,286,500	$2,508,450	$322,500	$321,000	$193,700	$41,000	$157,300	$36,000	$68,700	$163,350
New York	$2,588,650	$3,936,500	....	....	4,666,940	7,702,000	2,743,450	1,274,400	3,210,550	1,433,500	2,391,700	2,189,550
Philadelphia	321,000	322,500	7,595,000	4,509,250	....	....	884,000	437,000	551,000	473,750	211,000	254,150
Cleveland	41,970	193,700	1,465,900	2,724,850	437,000	919,000	....	....	96,000	502,750	33,500	640,250
Richmond	36,000	157,300	1,429,250	3,172,200	473,750	551,000	491,750	93,500	....	....	64,250	770,800
Atlanta	163,350	68,700	2,189,550	2,465,850	254,230	211,000	640,250	33,500	770,800	70,500	....	....
Chicago	198,000	313,910	1,797,000	2,694,000	266,000	494,000	746,000	413,000	177,000	416,250	378,000	726,300
St. Louis	86,470	57,100	789,245	592,750	128,695	91,000	329,855	41,000	124,385	5,750	868,020	644,200
Minneapolis	8,000	65,100	72,000	616,700	7,000	101,000	13,000	47,000	5,000	37,250	9,000	163,300
Kansas City	15,100	69,700	238,750	547,200	18,250	90,000	38,400	27,500	11,350	18,250	46,050	364,350
Dallas	124,600	32,400	574,000	433,150	120,900	56,000	188,900	18,500	58,700	2,500	354,800	739,300
San Francisco	35,555	64,400	330,215	1,364,850	38,455	92,000	87,485	16,500	146,765	3,000	31,145	65,200
Total	3,618,695	5,281,310	20,767,410	21,629,250	6,733,720	10,628,000	6,356,790	2,442,900	5,308,850	2,999,500	4,456,165	6,720,750

	Chicago.		St. Louis.		Minneapolis.		Kansas City.		Dallas.		San Francisco.		Total.	
	Received.	Returned.	Received.	Returned.	Received.	Returned.	Received.	Returned.	Received.	Returned.	Received.	Returned.	Received.	Returned.
Boston	$313,900	$198,000	$57,100	$93,790	$65,100	$8,000	$196,300	$23,915	$29,900	$163,500	$59,700	$39,420	$5,750,700	$3,596,425
New York	2,799,850	1,797,000	571,000	861,670	611,700	72,000	1,501,750	366,500	421,700	624,750	1,255,750	368,405	22,763,040	20,626,275
Philadelphia	494,000	266,000	91,000	134,395	101,000	7,000	219,000	30,350	56,000	120,900	92,000	44,565	10,615,000	6,599,860
Cleveland	426,000	733,000	41,000	356,005	47,000	13,000	96,240	63,400	21,500	188,900	25,500	93,175	2,731,610	6,428,030
Richmond	405,750	164,000	5,750	131,135	37,250	5,000	52,490	34,340	3,250	69,200	4,000	167,785	3,003,490	5,316,260
Atlanta	726,300	403,000	644,200	913,485	163,300	9,000	576,900	115,000	739,300	354,800	100,550	42,625	6,968,730	4,687,460
Chicago	....	....	1,007,000	2,238,610	1,657,000	203,000	4,054,500	410,950	417,000	391,600	764,100	335,315	11,461,600	8,646,935
St. Luois	2,044,930	1,057,000	....	....	280,705	20,500	3,624,975	495,800	1,046,365	288,300	134,215	50,850	9,457,860	3,344,250
Minneapolis	203,000	1,657,000	20,500	280,705	....	....	294,000	266,050	13,000	55,800	115,000	150,260	759,500	3,440,165
Kansas City	265,400	1,347,000	284,650	1,418,025	132,650	69,500	....	....	285,350	496,100	67,100	281,150	1,403,050	4,728,775
Dallas	391,600	408,000	288,300	1,112,715	55,800	13,000	1,234,920	596,300	....	....	77,900	114,945	3,470,420	3,526,810
San Francisco	581,975	685,100	52,510	143,565	303,695	103,000	574,165	123,200	91,170	77,900	....	....	2,273,135	2,738,715
Total	8,652,705	8,715,100	3,063,010	7,684,100	3,455,200	523,000	12,425,240	2,525,805	3,124,535	2,831,750	2,695,815	1,688,495	80,658,135	73,679,960

MEMBER BANK CONDITION STATEMENT.

Principal resources and liabilities of member banks located in central reserve, reserve, and other selected cities, as at close of business on Fridays from Mar. 22 to Apr. 19, 1918.

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

1. TOTAL FOR ALL REPORTING BANKS.

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
Number of reporting banks:													
Mar. 22	38	97	47	79	66	40	94	32	32	69	41	47	682
Mar. 29	38	98	47	79	67	40	93	32	33	69	41	45	682
Apr. 5	38	98	47	79	67	37	92	32	33	69	41	46	679
Apr. 12	39	97	48	78	67	39	95	31	32	69	41	47	683
Apr. 19	39	98	48	80	67	38	93	32	32	70	41	47	685
United States bonds to secure circulation:													
Mar. 22	14,621	50,571	12,981	42,932	22,892	15,150	18,317	17,370	5,532	13,938	17,569	35,399	267,272
Mar. 29	14,622	50,531	12,981	42,922	24,766	15,150	19,517	17,370	5,692	13,938	17,569	35,099	270,157
Apr. 5	14,621	50,581	12,981	42,923	24,117	14,500	19,476	17,370	5,642	13,938	16,094	35,399	267,642
Apr. 12	14,622	50,596	12,981	41,934	24,063	14,900	19,667	17,374	5,748	13,938	16,094	35,399	267,316
Apr. 19	14,621	50,616	12,981	43,014	23,368	14,895	19,742	17,374	5,698	14,005	16,082	35,399	267,795
Other United States bonds, including Liberty bonds:													
Mar. 22	11,320	171,639	11,072	36,923	18,377	13,229	37,896	11,608	5,197	10,205	9,985	14,322	351,773
Mar. 29	11,025	167,324	10,657	35,928	19,634	12,797	39,021	10,954	6,008	10,692	9,817	13,933	347,790
Apr. 5	10,518	165,953	10,362	35,892	18,164	13,666	34,249	11,020	5,981	10,037	12,128	15,380	343,350
Apr. 12	10,648	165,246	10,340	35,560	18,198	12,622	36,836	10,347	6,076	10,090	11,780	16,374	344,117
Apr. 19	10,702	162,065	11,031	36,565	18,408	13,020	35,399	11,584	6,154	10,109	10,178	16,083	341,298
United States certificates of indebtedness:													
Mar. 22	39,991	822,173	52,311	62,544	17,696	20,358	73,010	32,709	13,968	31,839	13,684	37,269	1,217,552
Mar. 29	26,340	812,362	51,182	61,764	18,136	20,330	68,772	31,978	15,088	30,987	13,870	36,696	1,187,505
Apr. 5	22,196	770,905	47,611	42,387	17,657	19,644	67,173	30,447	13,792	29,772	13,373	36,181	1,111,138
Apr. 12	45,984	955,126	63,658	67,322	21,770	27,850	89,835	39,619	17,979	37,674	17,477	50,855	1,435,149
Apr. 19	40,786	1,006,120	72,124	71,608	21,985	28,388	93,393	37,781	17,518	37,091	20,372	50,511	1,497,677
Total United States securities owned:													
Mar. 22	65,932	1,044,383	76,364	142,399	58,965	48,737	129,223	61,687	24,697	55,982	41,238	86,990	1,836,597
Mar. 29	51,987	1,030,217	74,820	140,614	62,536	48,277	127,310	60,302	26,788	55,617	41,256	85,728	1,805,452
Apr. 5	47,335	987,439	70,954	121,202	59,938	48,810	120,898	58,837	25,415	53,747	41,595	86,960	1,722,130
Apr. 12	71,254	1,170,968	86,979	144,816	64,031	55,372	146,338	67,340	29,803	61,702	45,351	102,628	2,046,582
Apr. 19	66,109	1,218,801	96,136	151,187	63,761	56,303	148,534	66,739	29,370	61,205	46,632	101,993	2,106,770
Loans secured by United States bonds and certificates:													
Mar. 22	35,402	171,919	21,770	19,939	13,009	1,934	28,432	8,671	2,642	2,641	3,372	4,697	314,428
Mar. 29	35,576	161,781	21,488	20,249	13,126	1,900	34,684	9,138	2,961	2,741	3,068	4,791	311,503
Apr. 5	34,528	159,588	21,144	31,163	13,003	3,756	33,932	8,015	2,793	2,632	3,047	4,701	318,302
Apr. 12	34,949	167,506	21,290	38,783	10,861	5,074	30,094	8,782	2,542	2,723	3,350	5,133	331,087
Apr. 19	38,050	153,849	21,271	37,230	12,737	5,147	28,845	8,609	2,495	2,955	4,276	4,704	320,168
Other loans and investments:													
Mar. 22	732,623	3,994,444	597,077	929,196	337,642	291,432	1,365,807	373,685	229,994	450,634	184,364	476,109	9,963,007
Mar. 29	729,365	3,995,473	600,504	928,927	357,037	291,713	1,366,284	372,715	235,872	452,469	182,742	464,107	9,977,122
Apr. 5	728,383	3,973,508	596,160	922,233	348,265	278,560	1,347,387	376,542	223,674	452,383	180,864	478,779	9,906,824
Apr. 12	748,703	4,014,234	607,958	916,513	349,084	285,008	1,349,987	358,789	233,253	448,321	167,303	481,860	9,961,013
Apr. 19	722,683	4,028,915	609,547	935,886	344,825	291,716	1,344,247	371,630	228,292	450,999	176,929	480,065	9,985,734
Loans and investments:													
Mar. 22	833,957	5,210,746	659,211	1,091,534	409,616	312,103	1,523,462	444,043	257,333	509,257	228,974	567,796	12,114,032
Mar. 29	816,928	5,187,471	696,812	1,089,790	432,699	341,890	1,528,278	442,155	265,621	510,741	227,066	554,626	12,094,077
Apr. 5	810,246	5,120,535	688,258	1,074,598	421,206	330,126	1,502,217	443,394	251,882	508,848	225,506	570,440	11,947,256
Apr. 12	854,906	5,352,708	716,227	1,100,112	423,976	345,454	1,526,419	434,911	265,598	512,746	216,004	589,621	12,338,682
Apr. 19	826,842	5,401,565	726,954	1,124,303	421,323	353,166	1,521,626	446,978	260,157	515,159	227,837	586,762	12,412,672
Reserve with Federal Reserve Banks:													
Mar. 22	60,025	630,580	61,890	85,352	27,351	25,553	141,726	38,626	18,213	41,732	17,154	44,837	1,193,039
Mar. 29	63,158	631,537	53,562	80,038	28,630	26,136	142,792	37,322	19,810	43,641	17,612	44,308	1,188,546
Apr. 5	61,727	609,509	61,717	79,093	28,435	28,022	141,730	33,239	20,273	44,043	18,371	43,631	1,169,790
Apr. 12	61,995	597,375	58,176	79,687	28,465	26,114	141,941	31,235	20,211	40,040	18,975	43,847	1,148,061
Apr. 19	60,897	603,777	59,744	82,647	27,824	26,036	142,709	36,405	19,667	41,746	16,587	49,136	1,167,175
Cash in vault:													
Mar. 22	23,682	130,492	19,509	34,360	14,963	15,153	62,509	13,842	8,597	16,469	11,366	21,066	372,008
Mar. 29	22,700	124,570	19,771	31,067	16,672	14,695	64,249	13,967	9,397	17,198	11,600	19,870	365,756
Apr. 5	23,805	124,311	20,015	34,334	16,253	14,557	63,881	13,445	9,133	16,640	10,713	19,925	367,012
Apr. 12	25,846	125,594	19,601	30,259	15,678	14,620	65,617	12,718	9,285	16,940	14,111	21,166	371,435
Apr. 19	24,488	126,150	20,917	35,656	15,688	14,328	62,322	13,943	9,561	16,557	10,579	20,175	370,364

Principal resources and liabilities of member banks located in central reserve, reserve, and other selected cities, as at close of business on Fridays from Mar. 22 to Apr. 19, 1918—Continued.

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

1. TOTAL FOR ALL REPORTING BANKS—Continued.

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
Net demand deposits on which reserve is computed:													
Mar. 22	602,939	4,342,553	569,591	705,005	273,246	214,932	1,037,775	287,605	172,136	397,435	160,182	365,736	9,129,135
Mar. 29	606,218	4,396,899	566,712	696,697	282,343	217,755	1,050,004	287,281	182,550	397,014	154,311	363,604	9,201,388
Apr. 5	611,766	4,391,736	562,572	690,012	277,424	213,331	1,048,175	280,899	187,010	387,604	159,709	371,276	9,181,517
Apr. 12	632,359	4,407,852	569,902	681,145	278,335	214,390	1,063,058	268,400	189,901	389,684	156,743	372,513	9,224,282
Apr. 19	631,738	4,392,772	596,066	696,436	273,308	212,714	1,062,040	273,602	184,568	392,522	153,618	378,103	9,247,487
Time deposits:													
Mar. 22	75,910	288,024	15,417	217,141	47,891	79,728	355,015	71,927	45,307	52,701	24,536	106,219	1,379,816
Mar. 29	79,808	284,824	15,578	216,609	51,692	78,467	348,255	77,148	50,817	53,263	22,219	100,451	1,378,131
Apr. 5	81,003	291,632	14,684	210,425	50,010	80,658	338,829	77,796	44,142	53,835	24,692	102,984	1,370,690
Apr. 12	78,545	289,747	14,586	211,747	60,212	82,724	348,328	73,747	48,361	52,677	24,674	105,598	1,390,946
Apr. 19	79,476	294,823	14,796	225,745	44,655	83,307	346,241	77,167	47,038	55,978	24,684	103,686	1,397,596
Total net deposits on which reserve is computed:													
Mar. 22	632,048	4,415,255	575,009	772,399	289,393	240,708	1,135,312	306,344	188,063	413,245	168,183	397,602	9,533,561
Mar. 29	636,519	4,468,928	571,882	763,887	299,808	243,162	1,145,608	307,240	200,815	412,993	161,334	393,739	9,605,915
Apr. 5	642,415	4,465,389	567,775	755,306	294,395	239,369	1,140,860	301,048	202,707	403,755	167,762	402,171	9,582,952
Apr. 12	662,269	4,481,104	575,082	746,868	298,639	241,030	1,158,634	287,335	207,405	405,487	164,775	404,192	9,632,820
Apr. 19	661,928	4,467,198	601,308	766,243	288,642	239,570	1,157,025	293,581	201,535	409,315	161,549	409,209	9,657,203
Government deposits:													
Mar. 22	74,961	394,579	47,865	61,540	12,308	11,496	75,478	32,536	15,769	22,012	13,580	....	762,124
Mar. 29	58,310	345,486	34,863	50,844	10,077	10,650	54,224	26,464	11,946	17,228	11,166	....	631,258
Apr. 5	45,501	267,854	29,263	49,992	7,054	6,625	51,775	17,300	7,682	10,518	7,265	....	500,829
Apr. 12	63,267	428,077	46,673	77,820	9,532	14,508	63,915	27,732	10,848	19,403	12,257	4	774,036
Apr. 19	46,041	348,759	46,207	69,951	7,204	5,432	52,337	20,462	11,035	15,147	10,620	426	633,621

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

2. MEMBER BANKS IN CENTRAL RESERVE CITIES.

CENTRAL RESERVE CITIES.													
Number of reporting banks:													
Mar. 22	....	66	....	....	....	....	40	14	....	....	....	....	120
Mar. 29	....	66	....	....	....	....	39	14	....	....	....	....	119
Apr. 5	....	66	....	....	....	....	40	14	....	....	....	....	120
Apr. 12	....	66	....	....	....	....	40	14	....	....	....	....	120
Apr. 19	....	66	....	....	....	....	40	14	....	....	....	....	120
United States bonds to secure circulation:													
Mar. 22	....	36,157	....	....	....	....	1,393	10,370	....	....	....	....	47,920
Mar. 29	....	36,187	....	....	....	....	1,343	10,370	....	....	....	....	47,900
Apr. 5	....	36,237	....	....	....	....	1,393	10,370	....	....	....	....	48,000
Apr. 12	....	36,252	....	....	....	....	1,393	10,374	....	....	....	....	48,019
Apr. 19	....	36,272	....	....	....	....	1,443	10,374	....	....	....	....	48,089
Other United States bonds, including Liberty bonds:													
Mar. 22	....	156,406	....	....	....	....	13,129	6,660	....	....	....	....	176,195
Mar. 29	....	152,079	....	....	....	....	14,076	6,672	....	....	....	....	172,827
Apr. 5	....	151,224	....	....	....	....	13,658	6,808	....	....	....	....	171,690
Apr. 12	....	150,883	....	....	....	....	14,433	6,724	....	....	....	....	172,040
Apr. 19	....	148,227	....	....	....	....	14,386	7,571	....	....	....	....	170,184
United States certificates of indebtedness:													
Mar. 22	....	807,674	....	....	....	....	45,113	26,787	....	....	....	....	879,574
Mar. 29	....	797,958	....	....	....	....	41,823	26,405	....	....	....	....	866,186
Apr. 5	....	757,141	....	....	....	....	42,071	24,776	....	....	....	....	823,988
Apr. 12	....	935,082	....	....	....	....	55,789	32,973	....	....	....	....	1,023,844
Apr. 19	....	986,024	....	....	....	....	56,908	31,336	....	....	....	....	1,074,268
Total United States securities owned:													
Mar. 22	....	1,000,237	....	....	....	....	59,635	43,817	....	....	....	....	1,103,689
Mar. 29	....	986,224	....	....	....	....	57,242	43,447	....	....	....	....	1,086,913
Apr. 5	....	944,602	....	....	....	....	57,122	41,954	....	....	....	....	1,043,678
Apr. 12	....	1,122,217	....	....	....	....	71,615	50,071	....	....	....	....	1,243,903
Apr. 19	....	1,170,523	....	....	....	....	72,737	49,281	....	....	....	....	1,292,541

Principal resources and liabilities of member banks located in central reserve, reserve, and other selected cities, as at close of business on Fridays from Mar. 22 to Apr. 19, 1918—Continued.

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

2. MEMBER BANKS IN CENTRAL RESERVE CITIES—Continued.

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
CENTRAL RESERVE CITIES—contd.													
Loans secured by United States bonds and certificates:													
Mar. 22		151,484					15,975	6,988					174,447
Mar. 29		141,539					22,202	7,075					170,816
Apr. 5		139,763					22,089	6,353					168,205
Apr. 12		147,743					18,089	6,806					172,638
Apr. 19		135,623					17,757	6,621					160,001
Other loans and investments:													
Mar. 22		3,655,123					827,702	275,145					4,757,970
Mar. 29		3,650,097					828,090	272,516					4,750,703
Apr. 5		3,637,981					825,846	265,477					4,729,304
Apr. 12		3,672,917					818,717	270,336					4,761,970
Apr. 19		3,672,888					816,627	264,425					4,753,940
Loans and investments:													
Mar. 22		4,806,844					903,312	325,950					6,036,106
Mar. 29		4,777,860					907,534	323,038					6,008,432
Apr. 5		4,722,346					905,057	313,784					5,941,187
Apr. 12		4,942,877					908,421	327,213					6,178,511
Apr. 19		4,979,034					907,121	320,327					6,206,482
Reserve with Federal Reserve banks:													
Mar. 22		602,432					97,963	29,186					729,581
Mar. 29		603,827					99,460	27,744					731,031
Apr. 5		580,932					98,900	24,005					703,837
Apr. 12		567,416					98,725	23,944					690,085
Apr. 19		574,197					99,974	27,279					701,450
Cash in vault:													
Mar. 22		110,587					40,124	7,978					158,689
Mar. 29		112,061					40,495	7,850					160,406
Apr. 5		111,461					41,377	7,239					160,077
Apr. 12		112,514					41,213	7,893					161,620
Apr. 19		113,283					38,593	7,652					159,528
Net demand deposits on which reserve is computed:													
Mar. 22		4,037,513					696,883	203,093					4,937,489
Mar. 29		4,087,465					700,077	203,682					4,991,224
Apr. 5		4,084,426					705,330	197,350					4,987,106
Apr. 12		4,097,815					706,298	195,633					4,999,746
Apr. 19		4,086,319					713,469	193,190					4,992,978
Time deposits:													
Mar. 22		245,279					137,769	52,104					435,152
Mar. 29		241,750					136,350	57,072					435,172
Apr. 5		247,940					137,664	57,283					442,887
Apr. 12		245,797					137,192	57,139					440,128
Apr. 19		250,934					136,460	56,858					444,252
Total net deposits on which reserve is computed:													
Mar. 22		4,094,116					728,675	215,117					5,037,908
Mar. 29		4,143,253					731,542	216,852					5,091,647
Apr. 5		4,141,643					737,098	210,569					5,089,310
Apr. 12		4,154,537					737,957	208,819					5,101,313
Apr. 19		4,144,227					744,960	206,311					5,095,498
Government deposits:													
Mar. 22		370,447					58,967	28,954					458,368
Mar. 29		325,896					42,182	22,758					390,836
Apr. 5		253,755					42,122	14,879					310,756
Apr. 12		404,710					50,875	23,810					479,395
Apr. 19		329,934					39,145	17,328					386,407

Principal resources and liabilities of member banks located in central reserve, reserve, and other selected cities, as at close of business on Fridays from Mar. 22 to Apr. 19, 1918—Continued.

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

3. MEMBER BANKS IN RESERVE CITIES.

	Boston.	New York.	Phila-delphia.	Cleve-land.	Rich-mond.	Atlanta.	Chicago.	St. Louis.	Minne-apolis.	Kansas City.	Dallas.	San Fran-cisco.	Total.
OTHER RESERVE CITIES.													
Number of reporting banks:													
Mar. 22	17	7	35	58	42	31	49	12	15	69	33	47	415
Mar. 29	17	7	35	58	41	31	49	12	15	69	33	45	412
Apr. 5	17	7	35	58	40	30	47	12	15	69	33	46	409
Apr. 12	18	7	35	57	43	31	50	11	15	69	33	47	416
Apr. 19	18	7	35	59	41	30	49	12	15	70	33	47	416
United States bonds to secure circulation:													
Mar. 22	4,498	7,796	8,970	35,368	13,544	11,920	16,174	5,330	3,125	13,938	15,166	35,399	171,228
Mar. 29	4,499	7,796	8,970	35,358	14,472	11,920	17,424	5,330	3,135	13,938	15,166	35,099	173,107
Apr. 5	4,498	7,796	8,970	35,358	13,744	11,970	17,333	5,330	3,135	13,938	15,166	35,399	171,137
Apr. 12	4,499	7,796	8,970	35,358	13,690	11,970	17,524	5,330	3,241	13,938	15,666	35,399	170,381
Apr. 19	4,498	7,796	8,970	35,358	13,694	12,065	17,549	5,330	3,241	14,005	13,654	35,399	171,559
Other United States bonds, including Liberty bonds:													
Mar. 22	6,528	6,830	8,574	33,944	12,205	11,863	23,238	3,869	3,652	10,205	8,582	14,322	143,812
Mar. 29	6,244	6,562	8,122	33,340	13,135	11,445	23,339	3,222	4,163	10,692	8,630	13,933	142,827
Apr. 5	6,204	6,534	7,842	33,254	11,626	12,468	19,008	3,168	4,264	10,037	10,863	15,380	140,648
Apr. 12	6,137	6,254	7,654	33,008	11,811	11,398	20,709	2,657	4,302	10,090	10,552	16,374	140,946
Apr. 19	6,133	5,608	8,324	34,029	12,052	11,739	19,377	3,040	4,544	10,109	8,923	16,083	139,961
United States certificates of indebtedness:													
Mar. 22	32,586	6,748	48,873	57,027	13,998	17,313	27,351	4,668	10,696	31,839	11,931	37,269	300,299
Mar. 29	18,995	6,506	47,784	56,249	13,994	17,202	26,405	4,369	10,536	30,987	12,239	36,696	281,962
Apr. 5	14,945	6,498	44,758	37,586	13,728	17,043	24,558	4,286	10,218	29,772	11,571	36,181	251,144
Apr. 12	36,956	8,861	59,200	61,323	17,214	23,885	33,292	5,154	10,467	37,674	14,961	50,855	361,482
Apr. 19	31,712	8,861	66,781	65,477	17,437	24,730	35,711	5,083	12,206	37,091	17,858	50,511	373,458
Total United States securities owned:													
Mar. 22	43,612	21,374	66,417	126,339	39,747	41,096	66,763	13,867	17,473	55,982	35,679	86,990	615,339
Mar. 29	29,738	20,864	64,876	124,947	41,601	40,567	67,168	12,921	17,834	55,617	36,035	85,728	597,896
Apr. 5	25,647	20,828	61,570	106,198	39,098	41,481	60,899	12,784	17,617	53,747	36,100	86,960	562,929
Apr. 12	47,592	22,911	75,824	128,689	42,715	47,253	71,525	13,141	20,010	61,702	39,179	102,628	673,169
Apr. 19	42,343	22,265	84,075	134,864	43,183	48,534	72,637	13,453	19,991	61,205	40,435	101,993	684,978
Loans secured by United States bonds and certificates:													
Mar. 22	29,589	10,486	21,230	19,108	11,358	1,668	12,025	1,289	2,537	2,641	3,272	4,697	119,900
Mar. 29	29,811	10,524	20,934	19,414	11,092	1,625	12,066	1,311	2,810	2,741	2,919	4,791	120,039
Apr. 5	28,916	10,353	20,478	30,364	10,903	3,495	11,431	1,310	2,685	2,632	2,901	4,701	130,168
Apr. 12	29,369	10,421	20,522	37,945	8,742	4,808	11,545	1,188	2,394	2,723	3,195	5,133	137,985
Apr. 19	28,391	9,109	20,491	36,411	10,720	4,835	10,692	1,301	2,374	2,955	4,112	4,704	136,095
Other loans and investments:													
Mar. 22	552,654	150,596	536,990	857,503	243,666	253,298	576,799	74,861	180,712	450,634	155,245	476,109	4,459,067
Mar. 29	550,561	155,581	540,819	856,729	256,195	253,349	526,784	75,736	173,547	452,383	153,321	464,107	4,459,112
Apr. 5	549,049	150,221	536,099	853,611	246,180	246,297	509,986	85,501	171,835	452,469	151,743	478,779	4,431,770
Apr. 12	571,094	151,671	539,594	844,704	246,873	249,680	519,839	66,820	172,516	448,321	138,415	481,860	4,431,387
Apr. 19	549,526	147,266	541,163	863,725	246,494	258,338	516,797	83,389	170,149	450,999	149,284	480,065	4,457,195
Loans and investments:													
Mar. 22	625,855	182,456	624,637	1,002,950	294,771	296,062	605,587	90,017	200,722	509,257	194,196	567,796	5,194,306
Mar. 29	610,110	186,969	626,629	1,001,090	308,888	295,541	606,018	89,968	194,191	510,741	192,275	554,626	5,177,046
Apr. 5	603,612	181,402	618,147	990,173	296,181	291,273	582,316	99,595	192,137	508,848	190,744	570,440	5,124,868
Apr. 12	648,055	185,003	635,940	1,011,338	298,330	301,741	602,909	81,149	194,920	512,746	180,789	589,621	5,242,541
Apr. 19	620,260	178.640	645,729	1,035,000	300,397	311,707	600,126	98,143	192,514	515,159	193,831	586,762	5,278,268
Reserve with Federal Reserve Banks:													
Mar. 22	49,210	14,583	57,415	80,328	21,252	22,924	42,912	8,054	15,149	41,732	15,149	44,837	413,545
Mar. 29	52,451	15,088	49,182	74,808	22,118	23,592	42,493	8,123	15,960	43,641	15,427	44,308	407,191
Apr. 5	51,073	15,215	57,673	73,947	21,929	25,926	41,726	7,528	16,978	44,043	16,441	43,631	416,110
Apr. 12	51,332	16,511	53,376	74,468	21,962	23,704	42,297	5,924	16,182	40,040	17,123	43,847	406,766
Apr. 19	49,869	16,053	53,987	77,232	22,049	23,992	41,934	7,662	15,996	41,746	14,669	49,136	414,325
Cash in vault:													
Mar. 22	17,353	5,068	16,835	30,251	11,217	13,071	21,988	4,544	6,070	16,469	9,809	21,066	173,741
Mar. 29	16,430	5,247	16,924	26,917	12,339	12,529	23,392	4,897	6,120	17,198	10,092	19,870	171,955
Apr. 5	16,954	5,288	16,724	29,902	11,725	12,841	22,108	4,895	6,067	16,640	9,289	19,925	172,521
Apr. 12	18,804	5,552	16,301	26,247	11,347	12,709	24,049	3,594	6,105	16,940	12,707	21,166	175,035
Apr. 19	17,544	5,166	16,719	31,540	11,687	12,594	23,267	4,952	6,581	16,557	9,246	20,175	176,028

Principal resources and liabilities of member banks located in central reserve, reserve, and other selected cities, as at close of business on Fridays from Mar. 22 to Apr. 19, 1918—Continued.

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

3. MEMBER BANKS IN RESERVE CITIES—Continued.

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
OTHER RESERVE CITIES—con.													
Net demand deposits on which reserve is computed:													
Mar. 22	475,360	130,247	511,636	639,360	198,545	188,783	331,654	66,985	137,073	397,435	135,959	365,736	3,578,773
Mar. 29	478,955	135,236	508,688	632,301	203,084	191,042	340,817	66,164	138,735	397,014	133,950	363,604	3,589,590
Apr. 5	483,801	133,230	503,522	626,014	195,976	192,553	333,183	65,725	148,621	387,604	135,479	371,276	3,576,984
Apr. 12	501,720	134,765	501,249	617,256	198,727	188,966	347,234	55,158	144,691	389,684	133,332	372,513	3,585,295
Apr. 19	500,757	131,112	526,443	631,272	200,619	190,138	339,709	62,870	142,895	392,522	131,431	378,103	3,627,901
Time deposits:													
Mar. 22	26,628	17,270	9,253	199,624	34,050	65,282	212,800	13,844	27,147	52,701	19,556	106,219	784,374
Mar. 29	30,352	17,265	8,386	199,439	36,469	63,952	207,488	14,117	27,330	53,263	19,442	100,451	777,954
Apr. 5	31,633	17,823	8,480	193,568	34,706	66,372	196,745	14,471	25,054	53,835	19,672	102,984	765,343
Apr. 12	29,189	17,932	8,332	194,640	42,792	68,544	206,664	10,641	25,063	52,677	19,773	105,598	781,845
Apr. 19	30,109	17,821	8,553	209,532	29,592	68,809	205,425	14,356	24,829	55,978	19,814	103,686	788,504
Total net deposits on which reserve is computed:													
Mar. 22	483,348	135,428	514,412	699,247	208,760	208,368	395,494	71,138	145,217	413,245	141,826	397,602	3,814,085
Mar. 29	488,061	140,416	511,204	692,133	214,025	210,228	403,063	70,399	146,934	412,993	139,783	393,739	3,822,978
Apr. 5	493,291	138,579	506,066	684,084	206,388	212,465	392,206	70,066	156,137	403,755	141,381	402,171	3,806,589
Apr. 12	510,477	140,145	503,749	675,648	211,565	209,529	409,233	58,350	152,210	405,487	139,264	404,192	3,819,849
Apr. 19	509,790	136,458	529,009	694,131	209,527	210,781	401,336	67,177	150,344	409,315	137,375	409,209	3,864,452
Government deposits:													
Mar. 22	66,764	11,231	45,620	60,384	9,417	10,724	16,277	2,220	13,635	22,012	12,826	....	271,110
Mar. 29	52,419	9,316	32,916	49,774	7,506	9,650	11,832	2,667	9,385	17,228	10,518	....	213,211
Apr. 5	41,298	7,123	27,753	49,209	5,122	5,275	9,487	1,785	5,700	10,518	6,954	....	170,224
Apr. 12	58,142	9,663	44,487	77,029	7,375	13,209	12,704	3,155	8,801	19,403	11,357	4	265,329
Apr. 19	42,295	7,790	44,755	69,086	5,474	4,315	12,935	2,614	9,696	15,147	9,871	426	224,404

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

4. MEMBER BANKS OUTSIDE RESERVE CITIES.

COUNTRY BANKS.													
Number of reporting banks:													
Mar. 22	21	24	12	21	24	9	5	6	17	....	8	....	147
Mar. 29	21	25	12	21	26	9	5	6	18	....	8	....	151
Apr. 5	21	25	12	21	27	7	5	6	18	....	8	....	150
Apr. 12	21	24	13	21	24	8	5	6	17	....	8	....	147
Apr. 19	21	25	13	21	26	8	4	6	17	....	8	....	149
United States bonds to secure circulation:													
Mar. 22	10,123	6,618	4,011	7,564	9,348	3,230	750	1,670	2,407	....	2,403	....	48,124
Mar. 29	10,123	6,548	4,011	7,564	10,294	3,230	750	1,670	2,557	....	2,403	....	49,150
Apr. 5	10,123	6,548	4,011	7,565	10,373	2,530	750	1,670	2,507	....	2,428	....	48,505
Apr. 12	10,123	6,548	4,011	7,576	10,373	2,930	750	1,670	2,507	....	2,428	....	48,916
Apr. 19	10,123	6,548	4,011	7,656	9,674	2,830	750	1,670	2,457	....	2,428	....	48,147
Other United States bonds, including Liberty bonds:													
Mar. 22	4,792	8,403	2,498	2,979	6,172	1,366	1,529	1,079	1,545	....	1,403	....	31,766
Mar. 29	4,781	8,683	2,535	2,588	6,499	1,352	1,606	1,060	1,845	....	1,187	....	32,136
Apr. 5	4,314	8,195	2,520	2,638	6,538	1,198	1,583	1,044	1,717	....	1,265	....	31,012
Apr. 12	4,511	8,109	2,686	2,552	6,387	1,224	1,694	966	1,774	....	1,228	....	31,131
Apr. 19	4,569	8,230	2,707	2,536	6,356	1,281	1,636	973	1,610	....	1,255	....	31,153
United States certificates of indebtedness:													
Mar. 22	7,405	7,751	3,438	5,517	3,698	3,045	546	1,254	3,272	....	1,753	....	37,679
Mar. 29	7,345	7,898	3,398	5,515	4,142	3,128	544	1,204	4,552	....	1,631	....	39,357
Apr. 5	7,251	7,266	2,853	4,801	3,929	2,601	544	1,385	3,574	....	1,802	....	36,006
Apr. 12	9,028	11,183	4,458	5,999	4,556	3,965	754	1,492	5,512	....	2,516	....	49,463
Apr. 19	9,074	11,235	5,343	6,131	4,548	3,658	774	1,362	5,312	....	2,514	....	49,951
Total United States securities owned:													
Mar. 22	22,320	22,772	9,947	16,060	19,218	7,641	2,825	4,003	7,224	....	5,559	....	117,569
Mar. 29	22,249	23,129	9,944	15,667	20,935	7,710	2,900	3,934	8,954	....	5,221	....	120,643
Apr. 5	21,688	22,009	9,384	15,004	20,840	6,329	2,877	4,099	7,798	....	5,495	....	115,523
Apr. 12	23,662	25,840	11,155	16,127	21,316	8,119	3,198	4,128	9,793	....	6,172	....	129,510
Apr. 19	23,766	26,013	12,061	16,323	20,578	7,769	3,160	4,005	9,379	....	6,197	....	129,251

Principal resources and liabilities of member banks located in central reserve, reserve, and other selected cities, as at close of business on Fridays from Mar. 22 to Apr. 19, 1918—Continued.

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

4. MEMBER BANKS OUTSIDE RESERVE CITIES—Continued.

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
COUNTRY BANKS—continued.													
Loans secured by United States bonds and certificates:													
Mar. 22	5,813	9,948	540	831	1,651	266	432	394	105	....	100	....	20,081
Mar. 29	5,765	9,718	554	835	2,034	775	416	752	151	....	149	....	20,649
Apr. 5	5,612	9,472	666	799	2,100	261	412	352	108	....	146	....	19,928
Apr. 12	5,580	9,342	768	838	2,119	266	460	788	148	....	155	....	20,464
Apr. 19	9,659	9,117	780	819	2,017	312	396	687	121	....	164	....	24,072
Other loans and investments:													
Mar. 22	179,969	188,725	60,087	71,693	93,976	38,134	11,306	23,679	49,282	....	29,119	....	745,970
Mar. 29	178,804	189,795	59,685	72,198	100,842	38,364	11,410	24,463	62,325	....	29,421	....	767,307
Apr. 5	179,334	185,306	60,061	68,622	102,085	32,263	11,555	25,564	51,839	....	29,121	....	745,750
Apr. 12	177,609	189,646	68,364	71,809	102,211	35,328	11,431	21,633	60,737	....	28,888	....	767,656
Apr. 19	173,157	208,761	68,384	72,161	98,331	33,378	10,823	23,816	58,143	....	27,645	....	774,599
Loans and investments:													
Mar. 22	208,102	221,446	70,574	88,584	114,845	46,041	14,563	28,076	56,611	....	34,778	....	883,620
Mar. 29	206,818	222,642	70,183	88,700	123,811	46,349	14,726	29,149	71,430	....	34,791	....	908,599
Apr. 5	206,634	216,787	70,111	84,425	125,025	38,853	14,844	30,015	59,745	....	34,762	....	881,201
Apr. 12	206,851	224,828	80,287	88,774	125,646	43,713	15,089	26,549	70,678	....	35,215	....	917,630
Apr. 19	206,582	243,891	81,225	89,303	120,926	41,459	14,379	28,508	67,643	....	34,006	....	927,922
Reserve with Federal Reserve Bank:													
Mar. 22	10,815	13,565	4,475	5,024	6,099	2,629	851	1,386	3,064	....	2,005	....	49,913
Mar. 29	10,707	12,622	4,380	5,230	6,512	2,544	839	1,455	3,850	....	2,185	....	50,324
Apr. 5	10,654	13,362	4,044	5,146	6,506	2,096	1,104	1,706	3,295	....	1,930	....	49,843
Apr. 12	10,663	13,448	4,800	5,219	6,503	2,410	919	1,367	4,029	....	1,852	....	51,210
Apr. 19	11,028	13,527	5,757	5,415	5,775	2,044	801	1,464	3,671	....	1,918	....	51,400
Cash in vault:													
Mar. 22	6,329	14,837	2,674	4,109	3,746	2,082	397	1,320	2,527	....	1,557	....	39,578
Mar. 29	6,270	7,262	2,847	4,150	4,333	2,166	362	1,220	3,277	....	1,508	....	33,395
Apr. 5	6,851	7,562	3,291	4,433	4,528	1,716	396	1,311	3,066	....	1,424	....	34,577
Apr. 12	7,042	7,528	3,300	4,012	4,331	1,911	355	1,231	3,180	....	1,404	....	34,294
Apr. 19	6,944	7,701	4,198	4,116	4,001	1,734	462	1,339	2,980	....	1,333	....	34,808
Net demand deposits on which reserve is computed:													
Mar. 22	127,579	174,793	57,955	65,645	74,701	26,149	9,238	17,527	35,063	....	24,223	....	612,873
Mar. 29	127,263	174,198	58,024	64,396	79,259	26,713	9,110	17,435	43,815	....	20,361	....	620,574
Apr. 5	127,965	174,080	59,050	63,998	81,448	20,781	9,662	17,824	38,389	....	24,230	....	617,427
Apr. 12	130,639	175,272	68,653	63,889	79,608	25,424	9,526	17,609	45,210	....	23,411	....	639,241
Apr. 19	130,981	175,341	69,623	65,164	72,659	22,576	8,862	17,542	41,673	....	22,187	....	626,608
Time deposits:													
Mar. 22	49,282	25,475	6,164	17,517	13,841	14,446	4,446	5,979	18,160	....	4,980	....	160,290
Mar. 29	49,456	25,809	6,192	17,170	15,223	14,515	4,417	5,959	23,487	....	2,777	....	165,005
Apr. 5	49,370	25,869	6,204	16,857	15,304	14,286	4,420	6,042	19,028	....	5,020	....	160,460
Apr. 12	49,356	26,018	6,254	17,107	17,420	14,180	4,472	5,967	23,298	....	4,901	....	168,973
Apr. 19	49,367	26,068	6,243	16,213	15,063	14,498	4,356	5,953	22,209	....	4,870	....	164,840
Total net deposits on which reserve is computed:													
Mar. 22	148,700	185,711	60,597	73,152	80,633	32,340	11,143	20,089	42,846	....	26,357	....	681,568
Mar. 29	148,458	185,259	60,678	71,754	85,783	32,934	11,003	19,989	53,881	....	21,551	....	691,290
Apr. 5	149,124	185,167	61,709	71,222	88,007	26,904	11,556	20,413	46,570	....	26,381	....	687,053
Apr. 12	151,792	186,422	71,333	71,220	87,074	31,501	11,444	20,166	55,195	....	25,511	....	711,658
Apr. 19	152,138	186,513	72,299	72,112	79,115	28,789	10,729	20,093	51,191	....	24,274	....	697,253
Government deposits:													
Mar. 22	8,197	12,901	2,245	1,156	2,891	772	234	1,362	2,134	....	754	....	32,646
Mar. 29	5,891	10,274	1,947	1,070	2,571	1,000	210	1,039	2,561	....	648	....	27,211
Apr. 5	4,203	6,976	1,510	783	1,932	1,350	166	636	1,982	....	311	....	19,849
Apr. 12	5,125	13,704	2,186	791	2,157	1,299	336	767	2,047	....	900	....	29,312
Apr. 19	3,746	11,035	1,452	865	1,730	1,117	257	520	1,339	....	749	....	22,810

EARNINGS ON INVESTMENTS OF FEDERAL RESERVE BANKS.

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

Banks.	Average balances for the month of the several classes of earning assets.				
	Bills discounted for members and Federal Reserve Banks.	Bills bought in open market.	United States securities.	Municipal warrants.	Total.
Boston	$58,115,578	$12,186,820	$3,186,417	....	$73,488,815
New York	236,334,406	167,343,910	139,879,986	....	543,558,302
Philadelphia	26,466,273	19,578,914	12,150,505	$968	58,196,660
Cleveland	33,212,956	22,704,742	24,618,786	....	80,536,484
Richmond	31,263,141	6,898,743	3,227,161	....	41,389,045
Atlanta	11,243,288	7,448,816	8,040,288	57,048	26,789,440
Chicago	68,949,988	25,567,244	10,829,273	....	105,346,505
St. Louis	25,764,519	7,320,197	3,677,400	....	36,762,116
Minneapolis	6,009,000	4,890,000	5,968,000	....	16,867,000
Kansas City	23,318,739	6,910,890	13,037,948	....	43,267,577
Dallas	13,422,041	8,084,221	7,014,903	470,483	28,991,648
San Francisco	33,375,003	29,843,333	4,330,702	....	67,549,038
Total	567,474,932	318,777,830	235,961,369	528,499	1,122,692,630

Banks.	Earnings from—					Calculated annual rates of earnings from—				
	Bills discounted for members and Federal Reserve Banks.	Bills bought in open market.	United States securities.	Municipal warrants.	Total.	Bills discounted for members and Federal Reserve Banks.	Bills bought in open market.	United States securities.	Municipal warrants.	Total.
						Per cent.	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
Boston	$194,661	$42,229	$8,205	....	$245,095	4.08	4.22	3.13	....	3.81
New York	763,202	567,832	463,622	....	1,794,656	3.80	4.00	3.90	....	3.89
Philadelphia	91,247	63,175	39,660	$4	194,086	4.05	3.79	3.84	4.56	3.92
Cleveland	116,791	79,119	70,435	....	266,345	4.14	4.10	3.37	....	3.89
Richmond	108,879	24,890	7,317	....	141,086	4.10	4.25	2.70	....	4.01
Atlanta	38,560	24,494	24,126	212	87,392	4.17	4.00	3.65	4.51	3.97
Chicago	230,637	72,940	26,324	....	329,901	4.07	3.47	2.96	....	3.81
St. Louis	88,605	24,428	8,601	....	121,634	4.05	3.93	2.76	....	3.90
Minneapolis	26,189	15,381	20,178	....	61,748	5.13	3.70	3.98	....	4.31
Kansas City	73,915	19,021	26,912	....	119,848	3.73	3.24	2.43	....	3.22
Dallas	45,785	27,858	17,029	1,620	92,292	4.02	4.06	2.86	4.05	3.75
San Francisco	122,247	99,708	7,897	....	229,852	4.31	3.91	2.19	....	4.01
Total	1,900,718	1,061,075	720,306	1,836	3,683,935	3.94	3.92	3.59	4.09	3.86

GOLD IMPORTS AND EXPORTS.

Gold imports and exports into and from the United States.

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

	Week ending— Mar. 22, 1918.	Mar. 29, 1918.	Apr. 5, 1918.	Apr. 12, 1918.	Apr. 19, 1918.	Total since Jan. 1, 1918.	Total for corresponding period during 1917.
IMPORTS.							
Ore and base bullion	142	346	144	558	271	3,500	4,795
United States mint or assay office bars							7
Bullion refined	155	384	277	126	120	4,439	219,259
United States coin	19		15		7	2,490	51,019
Foreign coin						132	55,985
Total	316	730	436	684	398	10,561	331,065
EXPORTS.							
Domestic:							
Ore and base bullion			10			26	72
United States mint or assay office bars							9,926
Bullion refined	4	6	3	2	2	3,270	1,289
Coin	414	312	987	804	878	10,085	59,809
Total	418	318	1,000	806	880	13,381	71,096
Foreign:							
Bullion refined							31
Coin	115		10	4		304	4,507
Total	115		10	4		304	4,538
Total exports	533	318	1,010	810	880	13,685	75,634

Excess of gold exports over imports since Jan. 1, 1918, $3,124; excess of gold imports over exports since Aug. 1, 1914, $1,047,180.

DISCOUNT RATES.

Discount rates of each Federal Reserve Bank approved by the Federal Reserve Board up to Apr. 30, 1918.

Federal Reserve Bank.	Maturities.							
	Discounts.						Trade acceptances.	
	Within 15 days, including member banks' collateral notes.	16 to 60 days.	61 to 90 days.	Agricultural and live-stock paper over 90 days.	Secured by U. S. certificates of indebtedness or Liberty loan bonds. Within 15 days, including member banks' collateral notes.	Secured by U. S. certificates of indebtedness or Liberty loan bonds. 16 to 90 days.	1 to 60 days, inclusive.	61 to 90 days, inclusive.
Boston	4	4¾	4¾	5	4	4¼	4½	4½
New York[1]	4	4¾	4¾	5	4	4¼	4½	4½
Philadelphia	4	4¾	4¾	5	4	4¼	4½	4½
Cleveland	4¼	4¾	4¾	5¼	4	4¼	4½	4½
Richmond	4¼	4¾	4¾	5	4	4¼	4½	4½
Atlanta	4	4¾	4¾	5	4	4¼	4½	4½
Chicago	4	4¾	5	5½	4	4¼	4½	4½
St. Louis	4	4¾	4¾	5½	4	4¼	4½	4½
Minneapolis	4	4¾	5	5½	4	4¼	4½	4½
Kansas City	4	4¾	4¾	5	4	4¼	4½	4½
Dallas	4	4¾	5	5¼	4	4¼	4½	4½
San Francisco	4	4¾	4¾	5½	4	4¼	4½	4½

[1] Rate of 3 to 4½ per cent for 1-day discounts in connection with the loan operations of the Government.

NOTE 1.—Acceptances purchased in open market, minimum rate 4 per cent.
NOTE 2.—Rates for commodity paper have been merged with those for commercial paper of corresponding maturities.
NOTE 3.—In case the 60-day trade acceptance rate is higher than the 15-day discount rate, trade acceptances maturing within 15 days will be taken at the lower rate.
NOTE 4.—Whenever application is made by member banks for renewal of 15-day paper, the Federal Reserve Banks may charge a rate not exceeding that for 90-day paper of the same class.

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