

FEDERAL RESERVE BULLETIN

MAY, 1930



ISSUED BY THE
FEDERAL RESERVE BOARD
AT WASHINGTON

*Bank Credit and the Capital Market
Annual Reports of Central Banks: Belgium,
Germany, Japan, and Switzerland*



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TABLE OF CONTENTS

	Page
Review of the month—Bank credit and the capital market.....	275
The credit situation—Decrease of commercial loans—Growth of bank investments—Growth of brokers' loans—The capital market.	
Annual report of the Bank of Belgium.....	294
Annual report of the German Reichsbank.....	298
Annual report of the Bank of Japan.....	302
Annual report of the National Bank of Switzerland.....	305
Recent currency legislation in Switzerland.....	312
National summary of business conditions.....	278
Financial, industrial, and commercial statistics:	
Reserve bank credit and factors in changes (chart and table).....	279, 280
Analysis of changes in monetary gold stock.....	280
Gold movements to and from United States.....	280
Member bank borrowings at Federal reserve banks.....	281
Discount rates and money rates.....	281, 282
Member bank credit.....	283
Bankers' acceptances and commercial paper outstanding.....	283
Brokers' loans.....	283
Security prices, security issues, and building contracts awarded.....	284
Production, employment, car loadings, and commodity prices.....	285
Industrial production.....	286
Factory employment and pay rolls.....	287
Banking and business conditions in Federal reserve districts:	
Federal reserve banks—	
Discounts (chart and tables).....	288, 289
Reserves, deposits, note circulation, and reserve percentages.....	289
All member banks—Deposits subject to reserve, reserves held, and indebtedness at reserve banks..	289
Member banks in leading cities—Principal resources and liabilities.....	290
Bank debts.....	290
Building.....	293
Department stores—Indexes of sales and stocks.....	293
Commercial failures.....	293
Bank suspensions.....	293
Financial statistics for foreign countries:	
Gold holdings of central banks and governments.....	314
Gold exports and imports.....	314
Condition of central banks.....	315, 316
Condition of commercial banks.....	317
Discount rates of central banks.....	318
Money rates.....	318
Foreign exchange rates.....	319
Price movements.....	320, 321
Law department:	
Passage of trust powers upon consolidation of a national bank and a State trust company—Opinion of the Supreme Court of Tennessee.....	322
Authority of Congress for erection of Pittsburgh branch building.....	324
Amendments to Federal reserve act.....	325
Detailed Federal reserve statistics, etc.:	
Resources and liabilities of Federal reserve banks in detail and Federal reserve note statement.....	327
Condition of each Federal reserve bank at end of month.....	328-330
Maturity distribution of bills and short-term securities held by Federal reserve banks.....	331
Membership in par collection system.....	331
Changes in national and State bank membership.....	332
Fiduciary powers granted to national banks.....	333

FEDERAL RESERVE BULLETIN

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No. 5

REVIEW OF THE MONTH

The credit situation has continued to be relatively easy in recent weeks. Demand for credit from commercial sources has declined further, while demand from the securities markets has increased. During the last two months increased activity in the securities markets, a large volume of bond issues, and—until the middle of April—a rising level of stock prices have been accompanied by an increase of more than \$785,000,000 in brokers' loans at New York City. Loans and investments of member banks in leading cities, after reaching a low point at the end of February, increased in March and April by about \$750,000,000, reflecting growth in their security loans and in their investments, while "all other" loans continuously declined. Indebtedness of member banks at the reserve banks decreased further in the two months by about \$135,000,000, chiefly on account of liquidation made possible to the member banks by gold imports from the Orient and South America and a further inflow of currency from circulation. As compared with a year ago, the volume of credit extended by the member banks is larger by about \$450,000,000, but the volume of their rediscounts with the Federal reserve banks has declined from nearly \$1,000,000,000 to about \$200,000,000, the lowest level since 1917. The funds for the reduction of these rediscounts have been derived from the addition of \$200,000,000 to the country's stock of monetary gold, largely through imports from abroad, and an inflow of \$150,000,000 of money from circulation, caused by decreased activity of trade and industry and a decline in the price level, the funds from both of these sources having tended to decrease the total volume of reserve-bank credit, as well as the volume of rediscounts by member banks; in addition, the Federal reserve banks have increased their holdings of United States

Government securities by \$350,000,000 and their holdings of acceptances by \$100,000,000, these open-market operations having tended to reduce member-bank rediscounts without changing the total volume of reserve-bank credit in use. Easier conditions prevailing in the money market, therefore, which accord with the lower level of member bank indebtedness at the reserve banks, reflect gold imports from abroad, a reduced domestic demand for currency, and a more liberal open-market policy by the Federal reserve system.

The recent increase in member bank loans has been altogether in the form of loans on securities to brokers and dealers at New York City. Available information for member banks in leading cities indicates that other borrowers have been paying off their loans, both secured and unsecured, at a rapid rate since the end of last October and that during this period they have liquidated about \$2,000,000,000 of such loans. This decrease has reflected in part diminution in the demand for credit by trade and industry, owing to the prevailing recession in activity,¹ but has also reflected a shift by borrowers on securities and otherwise from seeking direct accommodation at their own banks to borrowing indirectly through brokers. Such a shift is indicated by the fact that loans on securities by banks in leading cities to borrowers other than brokers have decreased considerably; it is also suggested by the fact that in recent months the decrease in "all other" loans, that is, loans not secured by stocks and bonds, has been largely at banks in New York City. It would appear, therefore, that borrowers on securities and on regular lines of credit, who had used the proceeds of their loans for the purpose of carrying or trading in securities, have been influenced by the prevalence in the open market of lower rates

¹ The Board's current summary of business conditions in the United States appears on page 278.

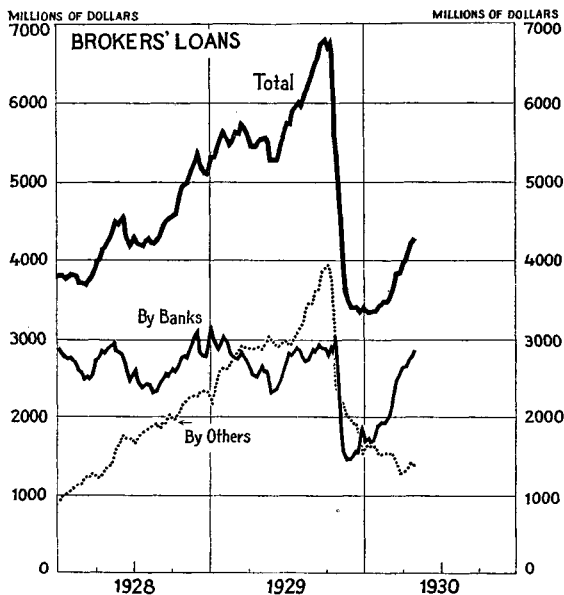
than at their banks, to transfer their borrowings from these banks to their brokers, who can borrow at the open-market rate. This shift represents a reversal of the movement that took place in 1929 during the period of extremely high rates on stock-exchange loans, when borrowings for the financing of security operations were transferred in considerable volume from the brokers to the banks. This shift from other loans to brokers' loans has been a factor in the large increase in stock-exchange loans that has characterized the period.

Liquidation of loans to others than brokers in recent months has taken place in all Federal reserve districts, and funds placed in the New York money market have come from banks throughout the country. Member bank holdings of investments, as measured by the figures for reporting member banks, after showing little change from the first of the year, increased in the last half of March and less rapidly throughout April in the amount altogether of about \$260,000,000. Excepting the period of the October–November break in the securities markets this is the most rapid increase in the banks' investment portfolio since November, 1927. This increase in the investments of member banks is another indication of the fact that these banks do not encounter a demand for all their funds from their commercial customers, and seek to employ the surplus in the purchase of investments as well as in making loans on the stock exchange.

Growth of brokers' loans in the past has usually accompanied an advance in security prices, and this has been the case in recent months, but since early in April the advance in brokers' loans has continued, while security prices have tended to recede. Between the end of December and the first week in April prices of common stocks advanced by 20 per cent, but later in April they showed a downward tendency. The advance in stock prices had been almost continuous for more than three months, becoming especially rapid after a period of pronounced ease in the money market for a few days in the early part of March. A

factor in the recent growth of brokers' loans, which include loans to issuing houses, has been the large volume of bonds issued and in process of distribution.

The course of brokers' loans, showing a distribution between loans by banks and loans by other lenders, is presented in the chart for the period since the end of 1927. During December, 1929, and the first two months of 1930 there was relatively little change in the aggregate of brokers' loans, funds withdrawn by nonbanking lenders being replaced by funds



Loans by reporting member banks in New York City (1) for own account and account of out-of-town banks and (2) for account of others

loaned by the banks themselves. Further withdrawals by nonbanking lenders were made in March, but from the end of February the money placed in the call market by the banks exceeded these withdrawals. The growth of brokers' loans in April represented not only a further increase in lending by banks, but also an increase of \$120,000,000 of loans for other lenders, the first growth in this class of loans since last October. At their present level of \$1,400,000,000 loans for nonbanking lenders placed by reporting New York banks, notwithstanding the recent increase, are lower than at any time during the two years between the spring of 1928 and the end of March, 1930.

Loans to brokers by banks, on the other hand, which total \$2,900,000,000 at the present time, are close to the highest levels that they have ever reached, and brokers' loans by banks in New York City for their own account are larger than at any previous time, excepting only the week following the break in the stock market last October.

With greater activity in recent months in the markets for securities, the volume of new securities issued has been increasing and in the first quarter of 1930, at \$2,140,000,000, was much larger than in the final quarter of last year, but continued to be below the exceptional levels of the late months of 1928 and the first three quarters of 1929. More than half of the new issues during the last six months have been in the form of bonds, for the first time in more than a year, and from January through March bonds represented more than 75 per cent of the new issues. New foreign securities issued in the American market during the quarter in the amount of \$300,000,000 represented about one-sixth of all bond issues. Preliminary figures for April indicate that as in previous months most of the new financing in the American market was accomplished through the issue of bonds.

Bond prices advanced in February and March to the highest level in nearly two years, but after the third week in March they receded. In the second and third weeks of March, when exceptionally easy credit conditions accompanied the quarterly Treasury financing, bond prices advanced by 1.5 per cent, but in subsequent weeks they declined by more than one-half of this amount. A factor in this decline, in addition to the passing of the temporary period of exceptional ease in the money market, was the continued issue of new bonds in substantial volume. Furthermore, the preference of investors for stocks has continued in recent months, as for several years past, and has been a factor in making the revival of the bond market slow and irregular.

Changes in Discount Rates and Bill Rates

The discount rate on all classes and maturities of paper was reduced from 4½ to 4 per

cent at the Federal Reserve Bank of Dallas, effective April 8; at the Federal Reserve Bank of Richmond, effective April 11; at the Federal Reserve Bank of Atlanta and the Federal Reserve Bank of St. Louis, effective April 12; and at the Federal Reserve Bank of Minneapolis, effective April 15.

The discount rate at the Federal Reserve Bank of New York was reduced from 3½ to 3 per cent, effective May 2. The buying rate on bills with maturities from 1 to 120 days was reduced from 3 to 2½ per cent, effective May 1, and to 2¼ per cent, effective May 2. Rates on bills with maturities of 4 to 6 months were reduced from 3¼ to 3 per cent, effective May 2.

Changes in Foreign Central Bank Discount Rates

The following changes have been made since the 1st of April in the discount rates of central banks in foreign countries: April 3, Bank of Sweden, from 4 to 3½ per cent; Imperial Bank of India, from 7 to 6 per cent; National Bank of Switzerland, from 3½ to 3 per cent; April 24, Bank of Italy, from 6½ to 6 per cent; April 28, Bank of Finland, from 7 to 6½ per cent; May 1, Bank of England, from 3½ to 3 per cent, and National Bank of Belgium, from 3½ to 3 per cent; May 2, Bank of France, from 3 to 2½ per cent, and Bank of Danzig from 5½ to 5 per cent; May 3, Bank of Denmark, from 4½ to 4 per cent.

Revision of Member Bank Reporting Service

Beginning with the statement for April 23, 1930, the statistics for weekly reporting member banks in leading cities have included figures of a number of selected banks in the Chicago district—but outside the city of Chicago—in the place of figures for one large bank in Chicago. This change was necessitated by the withdrawal of this bank from the Federal reserve system through merger with a nonmember bank; the merger occurred in 1929 but by special arrangement it did not affect the reporting service until recently. Adjustment of the reporting service has been made in such manner as to preserve as nearly as possible the comparability of the series for the Chicago district and for the country as a whole. For the city of Chicago, however, since the new series must be at a level considerably lower than the old one, comparable figures have been prepared back to the beginning of 1929; these are given by months on page 283, and recent weekly figures are given on page 290.

Annual Report of the Federal Reserve Board

The text of the annual report of the Federal Reserve Board, covering operations for 1929, was presented to Congress on April 24 and released for publication April 25.

The complete edition of the report is now in press and is expected to appear in May. It contains, in addition to the text of the report,

tables giving all the items of the so-called "elements analysis"—reserve bank credit, gold stock, money in circulation, member bank reserve balances, etc.—and statistics relating to discount rates and money rates and to banking and business conditions generally. It also gives the recommendations made by the Federal Advisory Council during 1929 and court decisions relating to the Federal reserve system.

NATIONAL SUMMARY OF BUSINESS CONDITIONS

[Compiled April 21 and released for publication April 24]

Industrial production declined in March, while factory employment and pay rolls showed little change, and wholesale prices continued to decline. There was an increase in construction, as is usual at this season. Interest rates continued to decline in the first three weeks of March, but later became somewhat firmer.

Production.—Production in basic industries declined in March, contrary to the usual seasonal trend. Average daily output of steel, coal, and copper decreased substantially, while output of cotton and wool textiles declined at about the usual seasonal rate. Production of automobiles and lumber increased.

For the first quarter of the year, taken as a whole, output of basic industries was considerably smaller than in the unusually active first quarter of 1929 and smaller than in any other first quarter since 1925. In the steel and automobile industries output for the first three months, though smaller than in 1929, was about the same as in the corresponding months in 1928, while in most of the other major industries it was smaller than in either of the two preceding years.

Building contracts awarded increased substantially in March as is usual at this season, according to reports of the F. W. Dodge Corporation. In comparison with a year ago, a large increase in contracts for public works and utilities was more than offset by a decrease in residential building. Average daily awards in the first half of April were somewhat larger than in March, but continued smaller than a year ago.

Employment.—Factory employment and pay rolls, which usually increase during March, changed little from February and continued to be considerably smaller than in other recent years. The number of workers employed in the automobile industry increased somewhat less than is usual at this season, and reductions in employment and in earnings were reported in the iron and steel, machinery, and car-building industries.

Distribution.—Freight carloadings, which have been at low levels in recent months, did not show the usual seasonal increase during March. Department-store sales continued in smaller volume than a year ago.

Wholesale prices.—Wholesale prices, which began to decline last summer, continued to move downward in March to the lowest level since 1916, the decline reflecting chiefly sharp decreases in prices of agricultural products. Prices of imported raw materials, such as sugar, coffee, and silk, fluctuated around the low levels reached in February. The price of silver advanced slightly from the low point reached early in March.

In the last week in March and the first week in April there were advances in prices of agricultural products, especially grains and cotton, while the price of steel declined. On April 15 the price of copper was sharply reduced, and in the same week prices of a number of other important commodities also declined.

Bank credit.—At member banks in leading cities total loans and investments increased in the 4-week period ending April 16, reflecting a growth of \$184,000,000 in loans on securities and of \$80,000,000 in investments, offset in part by a further decrease of \$186,000,000 in "all other" loans.

Member-bank indebtedness at the reserve banks and total reserve-bank credit declined further between the weeks ending March 15 and April 12, reflecting primarily additional imports of gold from the Orient.

In the third week of March money rates in the open market reached the lowest levels since 1924, but in the next three weeks were somewhat firmer. Rates on commercial paper declined to a range of 3½–4 per cent on March 24 and remained steady at that level; rates on 60–90 day bankers' acceptances were reduced to 2½ per cent on March 20 but later advanced to 3 per cent. Bond yields, after declining during most of March, increased gradually in the first half of April.

FEDERAL RESERVE BANK CREDIT

RESERVE BANK CREDIT OUTSTANDING AND PRINCIPAL FACTORS IN CHANGES



Based on weekly averages of daily figures; latest figures are for week ending April 26

RESERVE BANK CREDIT OUTSTANDING AND FACTORS IN CHANGES

[Averages of daily figures. In millions of dollars]

Month or week	Reserve bank credit outstanding				Total	Factors of decrease ¹		Factors of increase ¹			
	Bills discounted	Bills bought	United States securities	Other reserve bank credit ²		Monetary gold stock	Treasury currency outstanding	Money in circulation	Member bank reserve balances	Non-member clearing balances	Unexpended capital funds
1929—January.....	859	473	229	52	1,613	4,115	1,789	4,748	2,387	31	351
February.....	889	385	184	44	1,502	4,143	1,784	4,686	2,357	29	357
March.....	969	265	197	50	1,481	4,166	1,791	4,709	2,337	31	361
April.....	1,004	186	165	52	1,377	4,226	1,785	4,679	2,308	35	366
May.....	956	145	153	49	1,303	4,292	1,787	4,684	2,296	32	370
June.....	978	99	179	61	1,317	4,311	1,779	4,687	2,314	30	376
July.....	1,096	75	147	62	1,380	4,335	1,790	4,764	2,334	31	376
August.....	1,043	124	155	54	1,376	4,351	1,781	4,777	2,322	27	382
September.....	969	229	165	64	1,427	4,368	1,766	4,811	2,335	28	387
October.....	885	337	154	74	1,450	4,381	1,785	4,810	2,368	28	392
November.....	853	296	315	67	1,631	4,374	1,789	4,845	2,521	33	395
December.....	803	320	446	74	1,643	4,324	1,797	4,943	2,395	27	399
1930—January.....	601	314	485	57	1,357	4,283	1,784	4,652	2,349	29	394
February.....	378	285	480	38	1,181	4,319	1,781	4,556	2,305	27	393
March.....	274	246	540	35	1,095	4,395	1,797	4,533	2,330	27	397
April.....	231	266	530	45	1,072	4,443	1,781	4,518	2,350	28	400
Week ending (Saturday)—											
Apr. 5.....	249	292	532	44	1,117	4,427	1,772	4,540	2,350	27	399
Apr. 12.....	242	271	523	33	1,074	4,435	1,781	4,529	2,337	26	398
Apr. 19.....	220	285	533	57	1,095	4,439	1,786	4,531	2,358	31	400
Apr. 26.....	228	251	528	47	1,054	4,449	1,780	4,500	2,354	29	400

¹ For explanation see BULLETIN for July, 1929, pp. 432-438.² Includes "other securities," amounts due from foreign banks, and reserve bank float; for explanation see BULLETIN for July, 1929.

ANALYSIS OF CHANGES IN MONETARY GOLD STOCK

[End of month basis. In millions of dollars]

Month	Gold stock at end of month	Increase or decrease (-) during month			
		Total	Through net gold import or export	Through ear-marking operations	Through domestic production, etc. ¹
1928—July.....	4,113	3.4	-63.9	60.9	6.4
August.....	4,123	10.3	0.7	5.9	3.7
September.....	4,125	2.1	0.5	-1.2	2.8
October.....	4,142	17.3	13.3	1.2	2.8
November.....	4,128	-14.0	6.7	-25.0	4.3
December.....	4,141	13.2	23.3	-15.7	5.6
Total (12 mos.).....		-237.9	-392.0	119.6	34.5
1929—January.....	4,127	-14.4	47.2	-65.0	3.4
February.....	4,153	26.4	25.5		.9
March.....	4,188	34.4	24.8	7.5	2.1
April.....	4,260	72.4	23.1	48.6	0.7
May.....	4,301	40.6	23.6	16.1	0.9
June.....	4,324	23.4	30.2	-7.5	0.7
July.....	4,341	16.3	34.7	-22.0	3.6
August.....	4,360	18.9	18.4	-1.0	1.5
September.....	4,372	12.1	17.6	-6.6	1.1
October.....	4,386	14.4	17.5	-4.5	1.4
November.....	4,366	-19.8	-23.2	1.0	2.4
December.....	4,284	-82.3	-64.4	-22.0	4.1
Total (12 mos.).....		142.4	175.1	-55.4	22.7
1930—January.....	4,293	8.8	4.0	2.5	2.3
February.....	4,355	61.9	60.0	0.0	1.9
March.....	4,423	68.2	55.5	13.0	-0.3
April.....	4,491	68.1	62.2	0.5	5.4

¹ For explanation of this figure, which is derived from preceding columns, see BULLETIN for December, 1928, p. 831.² Preliminary.

GOLD MOVEMENTS TO AND FROM UNITED STATES

[In thousands of dollars]

From or to—	1930					
	April (preliminary)		March		January-March	
	Imports	Exports	Imports	Exports	Imports	Exports
England.....			4	195	7	195
France.....			7		27	8,497
Germany.....			2	20	25	156
Italy.....						
Netherlands.....						
Canada.....			3,100	24	8,886	70
Central America.....			59		572	
Mexico.....			4,249	1	6,728	415
Argentina.....			28		325	
Brazil.....	36,738		5,425		22,678	
Chile.....			39		84	
Colombia.....			1,155		2,440	
Ecuador.....			226		482	
Peru.....	2,396		212		660	
Venezuela.....			44		129	
British India.....						
China and Hong Kong.....						
Dutch East Indies.....	21,583		2,410		3,250	22
Japan.....			139	50	380	50
Philippine Islands.....			38,314		79,222	
New Zealand.....			297		764	
All other countries.....	1,605	190	15		54	
Total.....	62,332	90	55,768	290	128,874	9,445

¹ Includes all movements of unreported origin or destination.² At New York—imports, \$40,739,000; exports, \$90,000. Elsewhere—imports, \$21,593,000.

MEMBER BANK BORROWINGS AT FEDERAL RESERVE BANKS

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

Month or date	Total ¹		Reporting member banks in leading cities								Member banks outside leading cities ¹	
			Total		New York City		Other leading cities					
	1929	1930	1929	1930	1929	1930	Total		Chicago		1929	1930
							1929	1930	1929	1930		
January.....	891	462	663	247	190	39	473	208	69	7	228	215
February.....	893	371	659	174	131	21	528	163	93	1	234	197
March.....	978	247	740	81	166	1	574	80	121		238	166
April.....	991		725		162		563		46		266	
May.....	951		661		145		516		36		260	
June.....	972		670		165		505		64		292	
July.....	1,100		801		319		482		47		299	
August.....	1,013		717		196		521		32		296	
September.....	974		706		166		540		18		268	
October.....	885		634		74		560		38		251	
November.....	944		655		60		595		28		289	
December.....	755		490		80		410		37		265	

¹ Includes (in small amounts) discounts by Federal reserve banks for nonmembers: (1) bills discounted for intermediate credit banks and (2) notes secured by adjusted service certificates discounted for nonmember banks.

FEDERAL RESERVE BANK RATES

DISCOUNT RATES

[Rates on all classes and maturities of eligible paper]

Federal reserve bank	Rate in effect on May 3	Date established	Previous rate
Boston.....	4	Feb. 13	4½
New York.....	3	May 2	3½
Philadelphia.....	4	Mar. 20	4½
Cleveland.....	4	Mar. 15	4½
Richmond.....	4	Apr. 11	4½
Atlanta.....	4	Apr. 12	4½
Chicago.....	4	Feb. 8	4½
St. Louis.....	4	Apr. 12	4½
Minneapolis.....	4	Apr. 15	4½
Kansas City.....	4	Feb. 15	4½
Dallas.....	4	Apr. 8	4½
San Francisco.....	4	Mar. 21	4½

BUYING RATES (N ACCEPTANCES)

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

Maturity	Rate in effect on May 3	Date established	Previous rate
1-15 days.....	2¾	May 2	1 276
16-30 days.....	2¾	do	1 276
31-45 days.....	2¾	do	1 276
46-60 days.....	2¾	do	1 276
61-90 days.....	2¾	do	1 276
91-120 days.....	2¾	do	1 276
121-180 days.....	3	Mar. 20	3¼

¹ Reduced from 3 to 2¾ per cent, effective May 1.

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

OPEN-MARKET RATES

RATES IN NEW YORK CITY

Month or week	Prevailing rate on—			Average rate on—		Average yield on—	
	Prime commercial paper, 4 to 6 months	Prime bankers' acceptances, 90 days	Time loans, 90 days ¹	Call loans ¹		U. S. Treasury notes and certificates, 3 to 6 months	Treasury bonds ²
				New	Renewal		
1929							
April.....	6	5½	8½-9	9.46	8.89	4.80	3.67
May.....	6	5½	8½-9	8.79	8.91	5.09	3.67
June.....	6	5½	8 -8¼	7.83	7.70	4.80	3.71
July.....	6	5½	7½-8	9.41	9.23	4.55	3.68
August.....	6 -6¼	5½	8¾-9	8.15	8.23	4.70	3.72
September.....	6¼	5½	8¾-9	8.62	8.50	4.58	3.70
October.....	6¼	5½	7 -9	6.10	6.43	4.37	3.67
November.....	5½-6¼	3¾-4¾	4¾-6	5.40	5.44	3.47	3.45
December.....	5	3¾-4	4¾-5	4.88	4.83	3.03	3.46
1930							
January.....	4¾-5	3¾-4	4¾-5	4.31	4.64	3.39	3.51
February.....	4¾-5	3¾-3¾	4¾-5	4.28	4.32	3.36	3.50
March.....	3¾-4¾	2¾-3¾	3¾-4¾	3.56	3.69	2.95	3.40
April.....	3¾-4	2¾-3	4 -4¾	3.79	4.00	3.00	3.46
Week ending—							
Apr. 5.....	3¾-4	2¾	4	4.00	4.40	2.90	3.45
Apr. 12.....	3¾-4	2¾	4¼	3.67	4.00	2.97	3.46
Apr. 19.....	3¾-4	2¾-3	4¼	3.83	4.00	3.06	3.48
Apr. 26.....	3¾-4	3	4 -4¾	3.56	4.00	3.06	3.46

¹ Stock exchange call loans; new and renewal rates.

² Stock exchange 90-day time loans.

³ 3 issues—3¾, 4, and 4¾ per cent; yields calculated on basis of last redemption dates—1926, 1924, and 1922.

⁴ Change of issues on which yield is computed.

PREVAILING RATES CHARGED CUSTOMERS BY BANKS IN PRINCIPAL CITIES

WEIGHTED AVERAGES

Month	New York City				Eight other northern and eastern cities				Twenty-seven southern and western cities			
	1927	1928	1929	1930	1927	1928	1929	1930	1927	1928	1929	1930
January	4.66	4.56	5.74	5.64	4.99	4.73	5.87	5.88	5.72	5.53	5.94	6.12
February	4.56	4.44	5.73	5.35	4.98	4.76	5.86	5.66	5.71	5.53	5.96	6.04
March	4.56	4.59	5.81	5.22	4.88	4.81	5.91	5.47	5.65	5.54	6.04	5.98
April	4.63	4.72	5.85	4.91	4.90	4.91	6.00	5.22	5.57	5.54	6.07	5.84
May	4.63	4.97	5.88	-----	4.95	5.04	6.09	-----	5.59	5.56	6.10	-----
June	4.60	5.09	5.93	-----	4.93	5.36	6.02	-----	5.54	5.67	6.16	-----
July	4.56	5.38	5.88	-----	4.90	5.57	6.08	-----	5.52	5.77	6.17	-----
August	4.41	5.56	6.05	-----	4.87	5.59	6.11	-----	5.53	5.80	6.22	-----
September	4.44	5.63	6.06	-----	4.77	5.80	6.24	-----	5.61	5.82	6.27	-----
October	4.49	5.63	6.08	-----	4.79	5.80	6.25	-----	5.56	5.87	6.29	-----
November	4.35	5.56	5.86	-----	4.82	5.82	6.12	-----	5.56	5.90	6.29	-----
December	4.50	5.63	5.74	-----	4.76	5.91	5.94	-----	5.60	5.91	6.20	-----

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

PREVAILING QUOTATIONS

Federal reserve bank or branch city	Prime commercial loans			Loans secured by prime stock-exchange collateral			Loans secured by warehouse receipts			Interbank loans		
	February, 1930	March, 1930	April, 1930	February, 1930	March, 1930	April, 1930	February, 1930	March, 1930	April, 1930	February, 1930	March, 1930	April, 1930
New York City	5 -5/4	4 3/4-5	4 1/2-4 3/4	5 1/2-6	5 -6	5-5 1/2	5 1/2-6	5 -5 1/2	5	5 -5 1/2	4 3/4-5 1/2	4 1/2-5
Northern and Eastern Cities												
Boston	5 -5 1/4	4 3/4-5	4 1/2-5	5 -5 1/2	5 1/4-5 1/2	4 1/2-5 1/2	5 3/4-6	5 1/2-6	5 1/2	5 -5 1/2	4 3/4-5	4 1/2-4 3/4
Buffalo	5 3/4-6 1/2	5 1/2-6	5 -6	6 -6 1/2	6	5 1/2-6	6 -6 1/2	6 -6 1/2	6 -6 1/2	5 1/2-6	5 1/2-5 3/4	5 1/2
Philadelphia	5 -6	5 -5 3/4	4 1/2-5 1/2	5 1/2-6	5 1/2-6	5 1/2-6	6	6	5 3/4-6	5 -5 1/2	5 -6	4 3/4-5 1/2
Pittsburgh	5 1/2-6	5 1/2-6	5 -6	6	5 1/2-6	5 1/2-6	6	6	6	6	6	6
Cleveland	5 1/2-6	4 1/2-6	4 1/2-6	5 1/2-6	5 1/2-6	5 -6	5 1/2-6	5 1/2-6	6	5 1/2-6	5 1/2-6	5 -5 1/2
Cincinnati	6 -6 1/2	5 1/2-6 1/2	5 1/2-6 1/2	6 -7	6 -7	5 1/2-6 1/2	6 1/2-7	6 1/2-7	6 -7	6 -7	5 1/2-7	5 -6
Detroit	6	6	5 -6	6 -6 1/2	5 3/4-6 1/2	5 1/2-6 1/2	6 -6 1/2	6	6	6	6	5 1/2-6
Chicago	5 1/2-5 3/4	5 -5 1/2	4 3/4-5	5 1/2-6	5 -6 1/2	5 -5 1/2	5 3/4-6	5 1/2-6	5 -6	5 1/2-6	5 1/2-6	5 1/2
Southern and Western Cities												
Richmond	5 -6	5 -6	5 3/4	6	6	5 1/2-6	-----	6	-----	5 1/4-6	5 1/2-6	5 -6
Baltimore	5 1/2-6	5 1/2-6	5 1/2-6	5 1/2-6	5 1/2-6	4 3/4-6	6	6	6	5 1/2-6	5 1/2-6	5 -6
Charlotte	5 1/2-6	5 1/2-6	5 1/2 6	6 -7	6	6	6	6	6	6	6	6
Atlanta	5 1/2-6 1/2	6 -6 1/2	5 1/2-6	6 -6 1/2	6 -6 1/2	6 -6 1/2	5 1/2-6	5 1/2-6	6	6	6	6
Birmingham	6 -8	6 -8	6 -8	6 -7	6 -7	6 -7	6 -8	6 -8	6 -7	6	6	5 1/2-6
Jacksonville	5 1/2-6	5 1/2-6	5 -6	6 -7	6 -7	6 -7	6 -8	6 -8	6 -8	6	6	6
Nashville	6	6	6	6	6	6	5 1/2-6	5 1/2-6	5 1/2-6	5 1/2-6	5 1/2-6	5 1/2-6
New Orleans	5 1/2-6 1/2	5 1/2-6 1/2	5 -6	6 -7	6 -7	6 -7	6 -6 1/2	6 -6 1/2	5 1/2-6 1/2	5 1/2-6 1/2	5 1/2-6	5 -6
St. Louis	5 -6	5 -5 1/2	4 1/2-5 1/2	5 1/2-6	5 1/2-6	5 1/2-6	5 1/2-6	5 1/2-6	5 1/2-6	5 1/2-6	5 1/2-6	5 -6
Little Rock	6 -6 1/2	6 -6 1/2	6 -6 1/2	6 -7	6 -7	6 -7	6 -7	6 -8	6 -8	6	6 -7	6
Louisville	6	6	6	6	6	6	6	6	6	6	6	5 -6
Minneapolis	5 1/2-6	5 -5 3/4	4 1/2-5	5 1/2-6 1/2	5 1/2-6	6	5 1/4-5 3/4	5 -5 1/2	4 1/2-5	6	6	5 1/2-6
Helena	8	8	8	8	8	8	6 -8	6 -8	6 -8	6 -8	6 -8	6 -8
Kansas City	5 1/2-6 1/2	5 1/2	5 1/4-5 1/2	5 1/2-6	5 1/2	5 3/4-6	5 1/2-6	5 1/2-6	5 1/2-6	5 1/2-6	5 1/2-6	5 1/2-6
Denver	6	6	5 1/2-6	6 -7	6 -7	6 -6 1/2	6 -8	6 -8	6 -8	6 -6 1/2	6 -6 1/2	6 -6 1/2
Oklahoma City	6	6	6	8	8	8	6 -8	6 -8	6 -8	6	6	6
Omaha	5 1/2-6	5 -5 1/2	5 -5 1/2	6 -6 1/2	6 -7	6 -6 1/2	6 -6 1/2	6	6	6 -6 1/2	6 -6 1/2	6
Dallas	5 1/2-6 1/2	5 -7	5 1/2-6	6 -8	6 -8	6 -7	6	6 -6 1/2	5 1/2-6	6	5 1/2-6	5 1/2-6
El Paso	6 -8	6 -8	6 -8	6 -8	6 -8	6 -8	8	8	8	6	6	6
Houston	6	6	6	6 -7	6 -7	6	6 -6 1/2	6	6	5 1/2-6	5 1/2-6	5 1/2-6
San Antonio	6 -7	6 -6 1/2	6 -6 1/2	6 -8	6 -8	6 -8	6 -8	6 -8	6 -8	6	6	6
San Francisco	5 1/2-6	5 1/2-6	5 -6	6 -6 1/2	6 -6 1/2	6 -6 1/2	6	6	6	5 -5 1/2	5 -5 1/2	5 -5 1/2
Los Angeles	6 -6 1/2	6 -6 1/2	6 -6 1/2	6 -7	6 -7	6 -6 1/2	6 1/2-7	6 -7	6 1/2-7	6 -6 1/2	6 -6 1/2	6
Portland	6	6	6	6 -6 1/2	6 -6 1/2	6 -6 1/2	6 -7	6 -7	6 -7	6	6	6
Salt Lake City	6	6	6	6 -7	6 -7	6 -7	7	7	7	6	6	6
Seattle	5 1/2-6	6	6	6 -6 1/2	6 -6 1/2	6 -6 1/2	6 1/2-7	6 1/2-7	6 1/2-7	6	6	6
Spokane	6	6	6	6 1/2-7	6 1/2-7	6 1/2-7	7	7	7	6	6	6

NOTE.—Rates shown are those at which the bulk of the loans of each class were made by representative banks during week ending 15th of month. Rates from about 200 banks with loans exceeding \$3,000,000,000; reporting banks are usually the larger banks in their respective cities.

Revised.

SECURITY PRICES, SECURITY ISSUES, AND BUILDING CONTRACTS

SECURITY PRICES

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

Month or date	Common stocks (1926=100)															
	Bonds ¹	Preferred stocks ²	Selected groups of industrial issues													
			Total	Industrial issues	Railroads	Public utility	Auto-mob-ile	Build- ing equip- ment	Chain store	Chem- ical	Cop- per and brass	Elec- trical equip- ment	Ma- chin- ery	Oil	Steel	Tex- tile
Number of issues.....	60	20	404	337	33	34	13	13	17	9	9	4	10	16	10	30
1929-January.....	97.0	129.2	185	193	142	193	281	164	159	223	262	257	168	137	174	144
February.....	96.3	128.8	187	192	142	202	277	163	153	231	286	258	174	133	179	138
March.....	95.8	128.7	189	196	140	204	284	160	150	232	329	257	167	141	187	136
April.....	95.8	128.6	187	193	138	201	278	157	149	235	294	255	163	148	191	132
May.....	95.7	128.6	188	193	139	212	261	158	148	248	280	282	161	146	185	127
June.....	95.3	127.7	191	191	145	233	242	158	145	270	271	308	159	144	188	122
July.....	95.2	127.0	207	203	160	273	241	169	148	315	281	360	172	149	212	120
August.....	95.0	126.3	218	210	165	304	241	165	149	320	289	405	177	158	238	118
September.....	94.8	126.8	225	216	168	321	241	172	155	338	294	399	191	167	244	114
October.....	95.1	126.4	202	194	157	277	196	152	139	305	259	345	172	161	217	103
November.....	95.7	123.9	151	145	135	195	134	114	104	214	204	227	135	131	169	78
December.....	96.5	126.4	154	147	136	201	134	113	106	228	196	241	143	132	170	77
1930-January.....	96.5	126.5	156	149	137	209	135	117	102	240	193	265	146	129	177	78
February.....	96.4	126.9	166	156	143	231	145	125	100	254	193	307	154	128	188	85
March.....	97.8	127.8	172	163	143	242	155	125	100	266	193	323	161	141	192	85
April.....	97.9	128.2	181	171	142	264	162	127	101	282	174	359	173	156	197	83
Apr. 3.....	98.2	128.3	180	170	146	258	162	130	101	281	198	349	166	152	200	85
Apr. 10.....	97.9	128.5	184	174	144	267	174	132	101	288	185	370	171	156	201	85
Apr. 17.....	97.8	128.0	183	173	142	266	166	129	102	293	177	373	176	153	200	84
Apr. 24.....	97.6	128.1	181	170	141	264	158	126	101	278	161	356	179	158	195	82
Apr. 30.....	97.8	128.0	177	167	136	263	151	120	100	268	151	347	173	159	189	80

¹ Average price of 60 high-grade bonds adjusted for differences in coupon rate and maturity.

² 20 high-grade industrials; average price.

DOMESTIC CAPITAL ISSUES

[In millions of dollars. Source: Commercial and Financial Chronicle]

Class of issue	March, 1930		January-March			
	New	Re-fund- ing	1930		1929	
			New	Re-fund- ing	New	Re-fund- ing
Total.....	658.0	18.2	1,840.1	103.8	2,463.1	325.8
Corporate issues.....	515.9	15.5	1,514.4	98.3	2,227.3	321.2
Bonds and notes—						
Long term.....	367.9	10.5	1,028.1	76.0	625.2	185.0
Short term.....	25.0	4.6	87.4	21.0	37.6	8.0
Stocks.....	123.0	.4	398.9	1.3	1,564.5	128.2
Farm-loan issues.....	20.0		22.0			
Municipal issues.....	122.1	2.7	303.7	5.5	235.8	4.6
Total new and re-fund- ing.....	676.1		1,943.8		2,788.9	

FOREIGN CAPITAL ISSUES

[In millions of dollars]

Class of issue	March, 1930		January-March			
	Gov- ern- ment	Cor- porate	1930		1929	
			Gov- ern- ment	Cor- porate	Gov- ern- ment	Cor- porate
Total.....	42.8	107.6	107.9	201.4	53.8	198.5
New issues.....	38.8	107.6	58.9	201.4	47.2	196.5
Europe.....	22.9		22.9	34.3	23.6	20.8
Canada and Newfound- land.....	2.9	2.8	16.1	22.4	1.8	32.7
Latin America.....	3.0		8.5		20.4	2.2
U. S. insular possessions.....			1.5		1.5	6.5
Miscellaneous.....	10.0	104.8	10.0	144.8		134.4
Refunding issues.....	4.0		49.0		6.6	2.0
Total Government and corporate.....		150.4		309.3		252.3

BUILDING CONTRACTS AWARDED, BY TYPES OF BUILDING

[Value of contracts in millions of dollars]

	Total		Residential		Industrial		Commercial		Public works and public utilities		Educational		All other	
	1929	1930	1929	1930	1929	1930	1929	1930	1929	1930	1929	1930	1929	1930
February.....	361.3	317.1	129.5	74.8	56.1	33.5	68.3	72.9	57.6	85.8	22.6	21.2	27.3	28.8
March.....	484.8	456.1	197.2	101.5	55.8	74.3	75.6	77.0	71.5	105.3	37.5	35.4	47.2	62.6
Year to date.....	1,256.1	1,097.1	464.7	242.9	175.0	146.1	244.2	204.0	195.6	303.2	77.8	75.6	98.6	125.4
April.....	642.1		253.8		68.2		78.0		152.1		29.9		57.1	
May.....	587.8		192.0		80.8		86.5		139.4		38.2		50.9	
June.....	545.9		189.8		70.0		80.9		120.8		43.4		40.9	
July.....	652.4		199.9		66.6		91.3		194.5		48.0		52.0	
August.....	488.9		146.1		75.3		72.0		119.3		32.3		43.9	
September.....	445.4		118.4		52.6		76.9		117.2		29.8		50.4	
October.....	445.6		137.7		60.9		67.7		85.1		36.9		57.3	
November.....	391.0		113.5		39.7		101.8		72.4		25.7		38.0	
December.....	316.4		114.0		67.4		33.4		51.8		19.8		29.9	

Figures for building contracts awarded are for 37 States east of the Rocky Mountains, as reported by the F. W. Dodge Corporation.

PRODUCTION, EMPLOYMENT, CAR LOADINGS, AND PRICES

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

Year and month	Industrial production*						Build- ing con- tracts award- ed	Fac- tory em- ploy- ment	Fac- tory pay rolls	Freight car loadings*				Commodity prices†	
	Total		Manufactures		Minerals					Total		Merchandise in less-than-car- load lots¹		All com- mod- ities	Farm prod- ucts
	Unad- justed	Ad- justed	Unad- justed	Ad- justed	Unad- justed	Ad- justed				Unad- justed	Ad- justed	Unad- justed	Ad- justed		
1919.....	83		84		77		64	107	98	84				139	158
1920.....	87		87		89		63	108	118	91		72		154	151
1921.....	67		67		70		57	82	77	79		87		98	88
1922.....	85		87		74		81	90	81	86		93		97	94
1923.....	101		101		105		84	104	103	100		96		101	99
1924.....	95		94		96		95	96	96	98		99		98	100
1925.....	104		105		99		122	100	101	103		104		104	110
1926.....	108		108		108		130	101	104	107		107		100	100
1927.....	106		106		107		128	99	102	103		105		95	99
1928.....	111		111		106		135	97	102	103		104		98	106
1929.....	118		119		115		117	100	107	106		104		97	105
1926															
January.....	105	106	108	109	90	92	111	101	101	94	102	98	107	104	107
February.....	108	106	111	108	92	95	106	102	106	96	104	102	106	102	105
March.....	109	107	111	108	98	104	146	103	107	99	104	107	106	100	102
April.....	108	107	110	107	96	107	139	102	105	98	107	107	106	100	103
May.....	107	106	108	106	102	104	134	101	104	106	107	108	105	101	102
June.....	106	108	106	108	109	106	133	101	104	110	109	108	107	101	101
July.....	103	107	102	107	110	107	26	99	99	111	108	106	106	100	99
August.....	109	110	108	111	115	109	148	101	104	113	108	107	106	99	97
September.....	113	112	112	112	118	110	137	103	105	122	109	112	107	100	99
October.....	114	111	112	110	124	114	126	103	108	123	109	112	107	99	98
November.....	110	108	108	106	123	118	119	101	105	113	109	110	108	98	95
December.....	101	106	99	103	113	119	131	100	104	98	107	103	108	98	95
1927															
January.....	106	106	104	105	112	116	94	98	99	97	105	100	108	97	97
February.....	110	108	110	107	113	117	96	100	105	100	109	104	109	96	95
March.....	113	111	113	109	111	118	151	100	106	102	108	108	107	95	94
April.....	110	109	112	109	96	107	147	100	105	100	108	108	107	94	94
May.....	112	111	113	111	108	109	135	99	104	105	106	106	104	94	96
June.....	107	108	107	109	108	105	154	99	102	106	104	105	104	94	97
July.....	102	106	102	107	103	99	130	98	99	104	101	104	104	94	98
August.....	105	107	104	107	111	106	135	99	102	109	104	105	104	95	102
September.....	106	105	106	105	111	104	127	101	102	116	104	110	104	97	106
October.....	105	102	104	102	112	105	137	99	103	114	101	109	105	97	105
November.....	101	99	101	99	105	101	114	97	98	101	97	106	104	97	104
December.....	96	100	95	99	97	103	116	95	99	88	95	98	103	97	104
1928															
January.....	105	106	106	106	100	103	104	94	96	92	100	98	106	96	106
February.....	112	109	114	110	99	103	113	96	101	94	102	101	105	96	105
March.....	112	110	115	111	98	103	144	97	103	97	102	105	104	96	104
April.....	110	109	113	110	94	105	157	96	100	96	104	105	104	97	108
May.....	110	109	111	109	104	105	163	96	101	104	105	106	104	99	110
June.....	108	109	108	111	104	101	158	96	101	103	102	105	103	98	107
July.....	105	110	106	111	103	101	142	96	98	105	102	104	104	98	107
August.....	111	112	110	113	111	105	126	98	103	109	104	104	103	99	107
September.....	116	114	116	116	115	107	143	100	104	119	106	109	104	100	109
October.....	118	115	117	115	122	114	145	100	107	119	106	109	105	98	104
November.....	115	113	115	113	117	113	115	99	104	108	104	106	104	97	102
December.....	108	115	109	115	106	112	105	98	104	95	103	100	105	97	104
1929															
January.....	116	117	116	117	113	118	100	97	101	95	104	97	105	97	106
February.....	120	117	120	116	116	120	88	100	108	99	107	101	105	97	105
March.....	121	118	125	120	101	107	118	101	111	98	103	106	105	98	107
April.....	123	122	127	123	104	115	156	102	111	102	111	107	106	97	105
May.....	125	123	127	125	116	116	143	102	111	110	111	108	108	96	102
June.....	125	127	126	129	116	113	133	101	109	109	108	105	104	96	103
July.....	119	124	119	126	118	114	159	101	105	111	108	105	105	98	108
August.....	121	123	121	124	121	114	119	102	109	114	109	106	105	98	107
September.....	123	122	122	122	127	118	108	103	111	121	108	110	105	98	107
October.....	120	117	118	117	127	118	109	102	110	118	104	109	105	96	104
November.....	108	106	107	105	114	110	95	98	102	102	99	106	104	94	101
December.....	95	99	92	96	110	116	77	95	99	90	97	96	101	94	102
1930															
January.....	103	103	102	102	107	112	79	93	94	89	97	94	102	93	101
February.....	109	107	110	106	104	109	77	93	97	92	99	98	102	92	98
March.....	106	104	109	105	91	96	111	93	98	90	95	101	100	91	95

* Average per working-day, except for annual indexes.

† Wholesale price index of Bureau of Labor Statistics; 1926=100. Index numbers for all major groups of commodities are given on p. 286.

‡ Preliminary.

§ Revised.

¹ Note that this series has been substituted for more comprehensive series.

INDUSTRIAL PRODUCTION, BY INDUSTRIES

[Index numbers of the Federal Reserve Board. Adjusted for seasonal variations. 1923-1925 average=100]

Industry	1929												1930		
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Manufactures															
IRON AND STEEL.....	117	126	132	135	145	155	151	143	139	124	100	99	99	118	112
Pig iron.....	114	114	116	117	126	127	131	128	121	118	107	95	94	101	102
Steel ingots.....	118	128	134	137	147	158	153	144	141	124	99	90	90	120	114
TEXTILES.....	116	113	116	120	121	121	118	120	116	118	108	96	103	99	98
Cotton consumption.....	118	115	117	119	125	122	119	119	115	117	104	90	102	94	94
Wool.....	99	97	97	101	102	101	95	101	98	101	89	77	78	76	71
Consumption.....	105	101	100	106	109	107	109	114	106	109	94	80	85	81	76
Machinery activity ¹	93	93	92	96	92	93	85	86	89	91	82	74	72	73	65
Carpet, rugloom activity ¹	89	91	94	95	98	95	83	90	90	96	88	75	69	70	66
Silk.....	135	132	144	149	138	149	146	150	148	148	144	140	141	145	150
Deliveries.....	144	135	152	159	142	159	155	161	158	158	153	148	145	149	155
Loom activity ¹	119	126	128	129	130	128	127	130	128	130	128	124	133	138	140
FOOD PRODUCTS.....	103	101	96	102	97	96	96	99	98	96	96	95	96	54	90
Slaughtering, meat packing.....	98	97	88	99	92	90	94	93	101	97	95	91	89	92	85
Hogs.....	102	104	86	100	94	90	96	94	106	104	101	96	89	93	80
Cattle.....	90	87	90	93	86	87	88	88	91	86	82	81	88	86	88
Calves.....	95	87	97	101	91	83	90	85	99	88	88	91	96	92	92
Sheep.....	109	106	105	119	125	117	124	126	126	125	125	113	116	132	141
Flour.....	100	104	104	107	112	109	100	103	99	91	92	94	92	97	101
Sugar meltings.....	129	108	111	111	90	102	94	112	84	99	106	110	127	93	90
PAPER AND PRINTING.....	122	123	125	124	127	128	124	125	129	126	122	118	121	126	-----
Wood pulp and paper.....	117	116	119	119	122	120	120	119	120	120	118	113	117	121	-----
Newsprint.....	94	90	92	93	93	92	91	95	94	94	92	93	95	97	91
Book paper.....	124	125	132	135	134	133	138	134	143	145	139	139	140	-----	-----
Machinery paper.....	109	114	118	118	119	120	122	118	119	119	120	116	118	118	-----
Wrapping paper.....	112	104	102	103	109	107	101	101	101	96	97	95	93	92	-----
Paper board.....	134	135	139	135	143	136	131	129	125	128	129	107	123	137	125
Wood pulp, mechanical.....	101	103	96	91	92	100	103	101	100	91	85	91	96	111	-----
Wood pulp, chemical.....	114	114	114	115	120	118	117	120	120	118	113	116	115	119	-----
Paper boxes.....	141	150	157	151	150	180	152	169	178	156	144	125	147	151	153
Newsprint consumption.....	136	137	138	132	137	142	131	135	148	139	133	134	131	137	130
TRANSPORTATION EQUIPMENT:															
Automobiles.....	150	148	159	153	148	162	142	143	133	113	81	49	102	103	109
Locomotives.....	15	17	28	53	55	46	59	55	49	57	45	32	39	40	48
Shipbuilding.....	48	21	49	62	93	129	155	175	101	75	69	97	169	127	-----
LEATHER AND PRODUCTS.....	95	98	99	97	101	113	114	116	116	113	105	93	96	95	97
Tanning.....	88	89	89	94	92	106	105	103	105	108	103	98	93	93	98
Sole leather ¹	94	92	85	89	84	97	86	93	94	94	95	93	99	100	96
Upper leather—															
Cattle.....	73	67	73	76	78	74	75	80	87	97	88	82	76	66	79
Calf and kip.....	67	73	86	93	96	104	111	108	102	99	88	70	68	75	80
Goat and kid.....	117	120	112	123	116	153	158	136	144	147	145	151	129	127	136
Boots and shoes.....	100	104	105	100	106	117	120	125	123	117	108	90	97	97	97
CEMENT AND GLASS:															
Cement.....	126	115	99	110	111	116	118	122	118	113	109	109	108	110	111
Glass, plate.....	141	140	148	144	146	154	164	168	174	172	149	117	124	122	-----
NONFERROUS METALS ² :															
Copper (smelter).....	132	132	140	147	145	130	133	126	127	125	126	122	110	103	103
Tin (deliveries) ¹	137	134	128	143	145	137	123	121	131	126	113	106	99	92	117
FUELS, MANUFACTURED:															
Petroleum refining.....	159	160	160	165	168	170	171	176	173	178	171	166	163	168	168
Gasoline ¹	186	187	187	194	196	199	205	209	208	215	209	201	199	204	204
Kerosene.....	93	97	94	93	103	110	95	108	95	103	93	90	89	96	99
Fuel oil ¹	134	138	136	141	140	140	138	142	141	142	136	132	121	125	117
Lubricating oil ¹	123	116	123	125	126	126	123	131	123	121	110	115	120	126	130
Coke (by-product).....	137	139	142	145	149	151	151	152	148	146	139	131	132	136	135
RUBBER TIRES AND TUBES.....	148	152	152	161	158	162	141	119	116	114	94	86	106	107	105
Tires, pneumatic.....	153	157	157	166	163	167	146	123	120	117	97	82	109	110	108
Inner tubes.....	113	116	118	126	121	125	105	87	90	87	74	70	85	85	84
TOBACCO PRODUCTS.....	131	129	126	142	142	139	131	133	136	135	130	133	131	133	128
Cigars.....	86	95	93	109	101	100	97	99	100	99	96	88	84	92	87
Cigarettes.....	167	159	153	173	178	173	160	163	168	168	160	173	167	167	162
Minerals															
COAL:															
Bituminous.....	104	110	90	102	104	102	102	98	103	102	98	103	99	91	81
Anthracite.....	110	110	77	95	86	76	72	81	106	116	92	121	106	102	69
Petroleum, crude.....	137	137	133	132	134	135	143	145	140	140	131	132	132	135	125
Iron ore shipments.....					143	126	119	121	121	107	98				
Copper (mined).....	129	136	135	141	139	124	122	119	125	123	118	116	101	95	88
Zinc.....	100	106	112	116	120	122	125	127	124	112	105	102	103	99	96
Lead.....	111	100	112	125	122	112	114	107	119	115	114	105	92	106	108
Silver.....	94	91	93	103	93	94	88	91	89	94	114	87	88	98	93

¹ Without seasonal adjustment.² Includes also lead and zinc; see "Minerals."

P Preliminary.

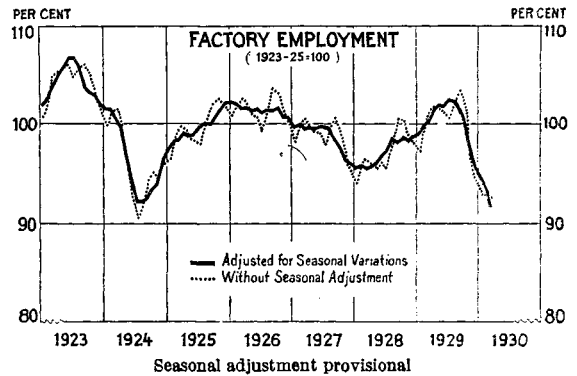
R Revised.

NOTE.—The combined index of industrial production is computed from figures for 58 statistical series, 50 of manufactures, and 8 of minerals, most of which are shown in this table. Adjustments have been made in the different industries for the varying number of working days in each month and for customary seasonal variations, and the individual products and industries have been weighted in accordance with their relative importance. The sources of data and methods of construction were described in the BULLETIN for February and March, 1927.

FACTORY EMPLOYMENT AND PAY ROLLS

INDEXES OF FACTORY EMPLOYMENT AND PAY ROLLS
[Without seasonal adjustment. Monthly average 1923-1925=100]

Month	Factory employment				Factory pay rolls			
	1927	1928	1929	1930	1927	1928	1929	1930
January.....	98.1	94.2	97.4	92.9	98.6	95.7	100.7	94.2
February.....	99.7	95.7	99.7	92.9	104.8	101.1	108.0	97.4
March.....	100.4	96.6	101.3	92.7	106.3	102.5	110.8	98.0
April.....	99.8	96.0	101.8	-----	105.0	100.3	111.3	-----
May.....	99.1	95.7	101.6	-----	104.3	100.8	111.2	-----
June.....	99.0	96.2	101.2	-----	102.5	100.9	109.2	-----
July.....	98.0	95.7	100.7	-----	98.6	98.3	104.8	-----
August.....	99.2	98.3	102.0	-----	102.2	102.5	109.4	-----
September.....	100.6	100.3	103.4	-----	101.9	104.2	110.5	-----
October.....	99.3	100.2	102.1	-----	102.5	107.5	110.0	-----
November.....	96.9	98.8	98.2	-----	98.5	103.6	102.0	-----
December.....	95.5	98.1	94.8	-----	99.4	104.2	98.7	-----
Annual index.....	98.8	97.2	100.4	-----	102.0	101.8	107.2	-----



FACTORY EMPLOYMENT: INDEXES BY GROUPS

Month	Iron and steel	Ma-chinery	Textiles	Food products	Paper and printing	Lumber and products	Transportation equipment		Leather and products	Cement, clay, and glass	Nonferrous metals	Chemicals		Rubber products	Tobacco products
							Group	Auto-mobiles				Group	Petroleum refining		
1928—November...	97.7	103.8	96.2	101.9	103.7	90.5	90.2	109.1	89.3	91.8	102.2	107.3	104.0	103.8	98.9
December.....	97.1	105.2	97.0	102.0	103.6	88.2	89.9	107.7	88.6	89.5	102.4	107.8	104.7	109.6	95.7
1929—January.....	97.1	106.7	95.9	98.6	102.5	85.5	94.0	118.3	91.9	84.3	102.4	107.6	104.0	112.2	84.1
February.....	98.3	110.4	98.0	98.8	103.4	85.8	99.0	129.5	94.1	84.5	106.1	110.9	106.7	112.3	92.0
March.....	99.3	113.8	101.1	97.6	103.1	86.6	100.5	131.1	92.7	86.8	107.9	115.5	109.2	113.3	92.0
April.....	99.7	116.7	99.3	96.2	102.5	88.2	101.7	131.4	90.6	90.5	107.7	119.0	111.9	114.3	91.3
May.....	100.7	119.1	97.3	97.3	102.8	89.2	101.5	130.0	90.3	93.1	105.3	110.3	114.4	115.3	90.3
June.....	100.8	120.8	96.3	99.2	103.2	90.0	97.6	120.6	89.4	93.8	100.5	107.9	116.4	115.0	91.4
July.....	99.8	121.5	91.5	99.8	103.6	90.5	96.4	117.8	94.6	91.6	100.5	108.9	120.0	114.2	90.5
August.....	101.0	119.4	94.2	96.7	104.1	92.2	95.5	115.0	98.1	93.8	99.8	111.2	121.9	111.5	93.0
September.....	101.0	119.5	98.4	102.4	106.0	91.8	94.8	113.1	99.5	93.6	98.6	114.5	124.0	108.3	93.7
October.....	99.4	118.7	99.8	104.2	106.1	90.1	90.2	101.3	99.3	91.9	98.5	116.1	124.6	102.7	95.0
November.....	97.0	115.0	97.1	101.6	106.7	86.7	82.9	83.7	94.4	88.9	93.6	113.8	123.7	91.2	96.1
December.....	92.2	112.1	94.3	100.5	106.9	81.6	81.3	79.6	90.0	82.3	89.9	111.8	120.9	89.2	89.2
1930—January.....	91.7	109.9	92.8	97.4	105.1	76.8	83.2	85.7	91.4	74.7	85.9	110.6	120.8	89.7	84.2
February.....	93.5	109.3	92.9	96.7	104.0	75.0	83.9	89.7	92.4	75.3	84.6	110.2	120.9	87.9	88.9
March.....	92.8	108.5	92.9	95.0	103.7	75.0	83.2	91.0	91.5	78.4	84.3	112.5	118.5	87.2	89.6

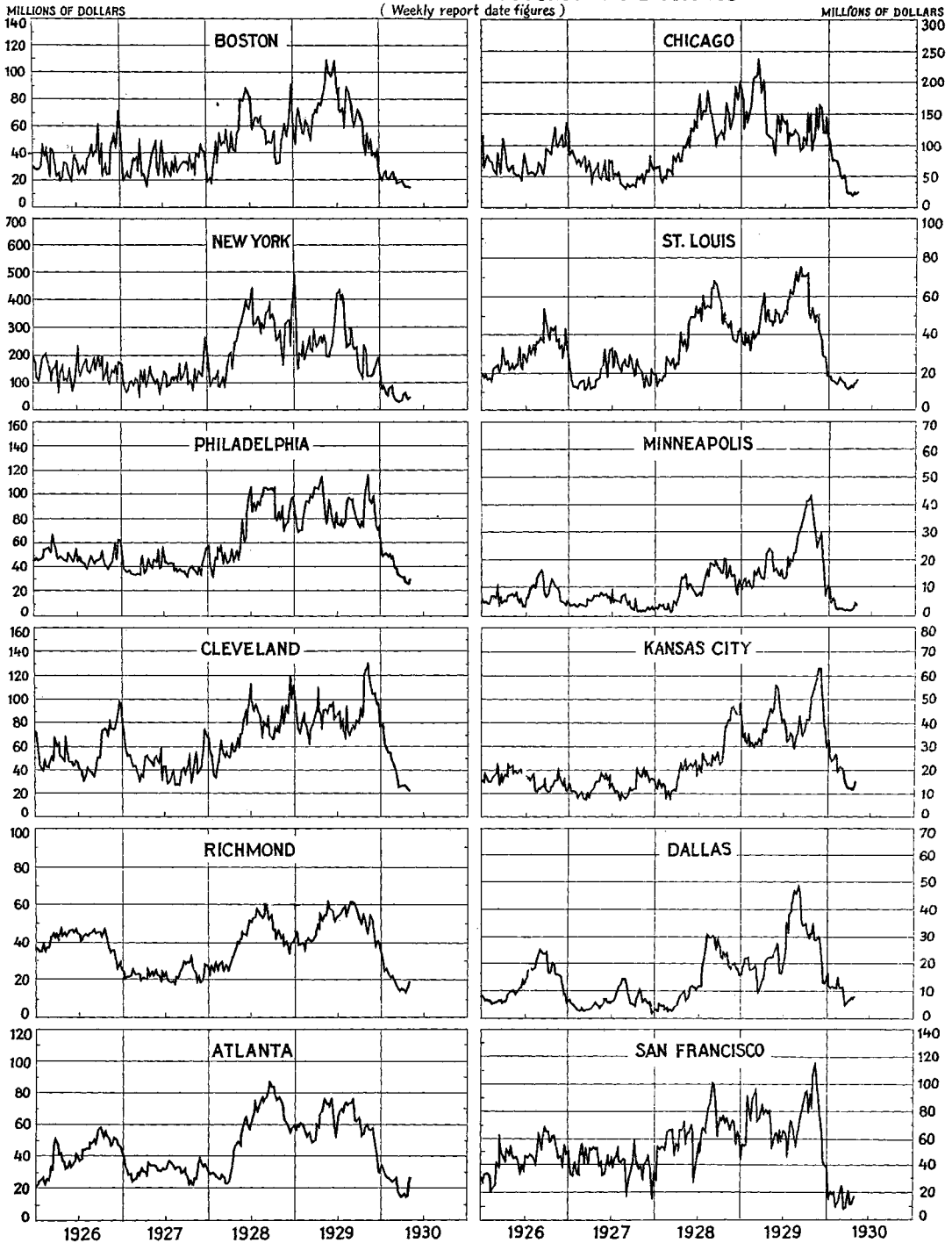
FACTORY PAY ROLLS: INDEXES BY GROUPS

Month	Iron and steel	Ma-chinery	Textiles	Food products	Paper and printing	Lumber and products	Transportation equipment		Leather and products	Cement, clay, and glass	Nonferrous metals	Chemicals		Rubber products	Tobacco products
							Group	Auto-mobiles				Group	Petroleum refining		
1928—November...	105.1	110.3	96.7	104.9	111.7	94.4	96.1	114.5	80.1	90.7	118.5	108.2	107.1	112.4	94.1
December.....	103.3	114.0	100.3	106.3	113.7	90.8	95.8	112.4	86.0	88.4	120.5	108.1	107.2	114.1	94.3
1929—January.....	101.3	112.3	97.0	102.2	111.4	83.4	93.6	114.5	90.2	79.0	117.4	106.3	105.3	111.7	76.3
February.....	107.2	120.7	103.6	102.5	113.0	86.5	111.4	147.4	94.5	81.0	124.1	111.3	110.2	123.3	82.3
March.....	108.5	126.5	108.8	101.2	114.9	88.4	113.9	148.2	91.4	84.8	127.6	113.6	112.1	123.6	84.4
April.....	110.5	129.5	103.2	100.4	113.3	90.9	117.0	152.0	87.9	89.3	127.0	117.8	117.1	124.4	86.1
May.....	111.6	131.9	99.3	103.1	114.3	92.8	116.0	147.1	88.1	91.8	123.1	113.1	118.9	125.7	86.1
June.....	109.9	131.6	97.8	105.6	113.6	92.2	107.9	130.9	89.8	92.5	117.0	111.2	120.0	120.6	88.5
July.....	103.5	128.2	90.4	105.6	111.4	93.5	97.1	110.2	97.8	86.1	112.6	111.2	123.3	115.1	87.9
August.....	109.3	127.5	97.4	105.0	112.8	94.7	106.8	128.0	105.0	91.2	113.2	113.0	125.1	110.9	90.6
September.....	108.9	127.9	103.0	108.1	116.3	96.6	103.3	120.3	104.3	91.3	112.1	116.0	129.3	104.9	93.4
October.....	107.9	129.0	104.8	108.8	117.8	96.8	99.8	108.0	100.0	90.6	112.5	118.2	129.4	100.9	94.2
November.....	100.0	121.6	96.2	105.5	117.2	89.2	89.4	84.3	83.9	86.4	99.6	115.6	126.3	85.9	94.3
December.....	93.5	119.9	93.8	105.5	118.2	82.7	85.6	72.9	84.1	80.2	96.1	114.0	124.8	85.0	88.8
1930—January.....	90.5	113.8	92.2	102.5	114.9	72.8	80.9	74.0	85.4	67.3	91.5	109.3	121.1	88.9	77.0
February.....	98.1	115.2	94.1	101.6	114.9	72.6	89.8	92.7	86.2	70.2	91.7	110.0	125.0	92.1	80.0
March.....	97.1	115.1	96.6	99.7	115.0	74.6	90.6	97.3	85.2	73.4	91.0	111.6	123.1	89.0	81.0

NOTE.—These tables contain index numbers of factory employment and factory pay rolls for certain months, together with group indexes for important industrial components. The nature and sources of basic data and the method of construction were described and the indexes for the period January, 1919, to November, 1929, were published in the BULLETIN for November, 1929, pp. 706-716.

BANKING AND BUSINESS CONDITIONS IN FEDERAL RESERVE DISTRICTS

FEDERAL RESERVE BANK DISCOUNTS - BY DISTRICTS



Latest figures are for April 30; see table on following page

FEDERAL RESERVE BANKS—RESERVES, DEPOSITS, NOTE CIRCULATION, AND RESERVE PERCENTAGES

[Averages of daily figures. Amounts in thousands of dollars]

Federal Reserve Bank	Total cash reserves			Total deposits			Federal reserve notes in circulation ¹			Reserve percentages		
	1930		1929	1930		1929	1930		1929	1930		1929
	April	March	April	April	March	April	April	March	April	April	March	April
Boston.....	258,974	263,083	194,933	149,531	145,896	146,369	163,789	162,250	133,368	82.7	85.4	69.7
New York.....	903,055	912,761	977,439	970,671	962,762	937,149	184,993	205,347	297,621	78.1	78.1	79.2
Philadelphia.....	234,241	222,371	167,007	138,696	136,457	135,926	146,422	146,422	143,096	82.2	78.6	59.9
Cleveland.....	316,156	307,581	276,072	192,266	188,058	186,372	182,434	190,335	207,762	84.4	83.5	70.1
Richmond.....	109,888	109,661	84,315	68,299	65,920	70,247	72,339	76,299	70,247	78.1	77.1	60.0
Atlanta.....	156,704	158,366	133,015	68,212	65,922	67,800	128,852	131,943	134,773	79.5	80.0	65.6
Chicago.....	540,921	540,311	514,141	350,049	342,821	346,794	270,381	296,363	301,679	87.2	84.5	79.3
St. Louis.....	124,440	120,963	83,939	80,684	78,786	81,476	78,141	82,262	57,775	78.4	75.1	60.3
Minneapolis.....	84,568	84,011	86,287	52,770	52,740	52,891	59,858	59,843	64,187	75.1	74.6	73.7
Kansas City.....	138,260	138,079	102,417	89,507	89,295	91,023	76,582	79,044	66,543	83.2	82.0	65.0
Dallas.....	63,993	64,744	71,077	64,263	63,972	68,643	33,925	37,440	37,965	65.2	63.8	66.7
San Francisco.....	278,267	280,149	246,203	183,091	180,450	182,739	137,194	158,404	155,898	81.8	82.7	72.7
Total.....	3,209,467	3,202,080	2,936,935	2,408,039	2,373,079	2,367,519	1,554,910	1,615,952	1,670,904	81.0	80.3	72.7

¹ Includes "F. R. notes of other F. R. banks" as follows: Latest month, \$18,665,000; month ago, \$22,792,000; year ago, \$17,291,000.

ALL MEMBER BANKS—DEPOSITS SUBJECT TO RESERVE, RESERVES HELD, AND INDEBTEDNESS AT FEDERAL RESERVE BANKS

[Averages of daily figures. In millions of dollars]

Federal reserve district	Net demand deposits		Time deposits		Reserves held				Indebtedness at Federal reserve banks	
	January, 1930	February, 1930	January, 1930	February, 1930	Total		Excess		January, 1930	February, 1930
					January, 1930	February, 1930	January, 1930	February, 1930		
Boston.....	1,394	1,342	951	956	149.9	145.3	1.9	1.8	23.9	23.2
New York.....	7,080	6,821	3,241	3,210	956.5	930.1	14.0	21.5	110.9	70.5
Philadelphia.....	1,144	1,130	1,080	1,097	133.8	133.1	1.8	2.0	52.0	50.8
Cleveland.....	1,473	1,471	1,623	1,636	182.2	182.9	2.0	2.7	72.8	53.3
Richmond.....	569	559	562	563	66.2	65.4	1.4	1.4	31.2	22.4
Atlanta.....	571	575	434	443	64.5	64.4	2.4	1.8	31.8	25.7
Chicago.....	2,535	2,494	2,053	2,049	337.0	332.5	6.8	7.3	87.4	63.0
St. Louis.....	699	682	536	531	79.3	78.7	1.6	2.7	17.7	16.7
Minneapolis.....	427	417	442	453	51.3	50.4	2.8	2.5	7.0	3.0
Kansas City.....	850	833	354	359	88.7	87.1	3.8	3.5	27.8	22.8
Dallas.....	659	655	225	233	63.0	63.6	2.1	2.7	13.3	11.9
San Francisco.....	1,312	1,277	1,756	1,735	176.7	172.4	3.9	3.3	21.8	15.0
Total.....	18,713	18,256	13,257	13,265	2,349.1	2,305.9	44.5	53.2	497.6	378.3

DISCOUNTS OF FEDERAL RESERVE BANKS, BY WEEKS

[In thousands of dollars]

	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
Dec. 31.....	632,421	26,644	171,759	65,777	76,719	38,939	29,347	112,668	17,938	10,177	29,649	13,291	39,513
Jan. 8.....	567,615	22,444	131,177	56,695	78,970	32,561	35,628	96,919	18,870	9,294	33,279	16,170	35,698
Jan. 15.....	442,336	19,180	70,626	49,817	77,069	29,918	32,894	86,865	16,448	4,238	25,811	12,945	15,935
Jan. 22.....	433,223	22,440	89,655	50,927	65,590	24,610	28,668	73,704	16,348	5,613	23,687	11,407	20,574
Jan. 29.....	406,941	26,456	65,104	50,399	58,355	25,676	26,959	77,555	15,067	5,217	24,936	12,328	18,889
Feb. 5.....	381,422	22,787	54,720	48,978	54,827	22,511	26,527	74,799	14,325	2,728	26,552	11,896	20,772
Feb. 12.....	381,914	20,345	79,298	50,552	54,590	21,015	25,385	65,939	15,189	2,457	26,043	11,097	10,004
Feb. 19.....	376,943	23,289	88,787	47,056	49,374	22,951	23,457	54,079	17,829	2,997	18,932	15,265	12,927
Feb. 26.....	342,781	23,544	58,404	49,710	46,386	20,906	24,043	48,497	16,449	2,571	21,009	11,068	17,194
Mar. 5.....	308,616	22,656	39,679	38,583	40,119	18,257	26,263	49,756	14,574	2,583	20,743	11,105	24,298
Mar. 12.....	296,338	22,705	33,148	38,424	34,316	16,683	24,319	38,358	14,450	2,190	14,722	9,634	17,889
Mar. 19.....	295,634	18,365	30,810	32,492	25,268	14,707	17,765	24,179	12,341	2,252	13,274	5,892	8,294
Mar. 26.....	206,829	18,575	36,858	31,297	26,470	15,304	14,534	22,685	12,239	2,211	12,698	5,579	8,379
Apr. 2.....	241,123	19,492	53,867	31,434	27,834	14,648	16,297	22,049	13,357	2,285	12,322	6,579	20,959
Apr. 9.....	226,164	15,731	62,674	27,649	26,095	13,380	15,197	19,711	12,628	2,373	12,308	7,190	11,228
Apr. 16.....	213,804	13,937	43,116	26,950	25,528	15,687	15,672	24,879	14,518	2,474	11,880	7,780	10,583
Apr. 23.....	211,491	13,932	34,126	27,297	22,870	16,402	22,053	22,206	14,703	4,263	13,178	7,551	12,910
Apr. 30.....	233,452	13,737	41,270	29,581	20,717	18,931	25,652	23,298	16,118	3,681	15,099	8,190	17,178

DISCOUNTS OF FEDERAL RESERVE BANKS

[Averages of daily figures. In millions of dollars]

Federal reserve bank	1930		1929
	April	March	April
Boston.....	15.6	21.1	75.8
New York.....	53.7	54.3	264.6
Philadelphia.....	28.3	36.7	110.0
Cleveland.....	25.7	31.1	96.6
Richmond.....	16.0	16.8	52.6
Atlanta.....	18.8	21.6	63.6
Chicago.....	22.7	35.2	133.4
St. Louis.....	13.9	14.0	51.8
Minneapolis.....	3.1	2.4	19.3
Kansas City.....	12.8	16.2	38.8
Dallas.....	7.5	8.3	18.6
San Francisco.....	13.1	13.8	79.3
Total.....	231.2	273.5	1,004.4

BANK DEBITS

[Debits to individual accounts. In millions of dollars]

	Number of centers	March, 1930	February, 1930	March 1929
New York City.....	1	40,740	31,117	55,425
Outside New York City.....	140	25,014	21,534	28,131
Federal reserve district:				
Boston.....	11	2,615	2,329	3,032
New York.....	7	41,715	31,940	56,472
Philadelphia.....	10	2,505	2,233	2,845
Cleveland.....	13	2,667	2,325	2,945
Richmond.....	7	764	654	778
Atlanta.....	15	1,068	1,009	1,246
Chicago.....	21	6,635	5,489	7,650
St. Louis.....	5	1,188	1,050	1,358
Minneapolis.....	9	730	664	745
Kansas City.....	15	1,348	1,222	1,452
Dallas.....	10	734	646	769
San Francisco.....	18	3,734	3,090	4,263
Total.....	141	65,754	52,651	83,556

WEEKLY REPORTING MEMBER BANKS IN LEADING CITIES

PRINCIPAL RESOURCES AND LIABILITIES BY WEEKS

[In millions of dollars]

	Total	Federal Reserve District											City			
		Boston	New York	Phila- delphia	Cle- land	Rich- mond	At- lanta	Chi- cago	St. Louis	Minne- apolis	Kansas City	Dallas	San Fran- cisco	New York	Chi- cago	
Loans and invest- ments:																
Feb. 5.....	22,132	1,495	8,790	1,207	2,130	650	621	3,151	666	362	655	466	1,939	7,551	1,799	
Feb. 12.....	22,106	1,508	8,779	1,207	2,129	650	617	3,132	669	362	653	465	1,934	7,525	1,786	
Feb. 19.....	22,090	1,496	8,758	1,202	2,126	642	618	3,160	666	364	656	459	1,944	7,484	1,803	
Feb. 26.....	22,003	1,485	8,694	1,196	2,128	642	618	3,158	662	369	655	459	1,938	7,412	1,815	
Mar. 5.....	22,101	1,486	8,775	1,200	2,128	648	616	3,192	659	370	652	451	1,924	7,499	1,843	
Mar. 12.....	22,232	1,490	8,868	1,192	2,117	648	614	3,206	665	375	653	452	1,954	7,595	1,847	
Mar. 19.....	22,514	1,511	9,033	1,203	2,146	657	628	3,214	670	376	645	470	1,960	7,747	1,857	
Mar. 26.....	22,563	1,519	9,041	1,209	2,203	652	625	3,205	666	373	639	466	1,966	7,756	1,854	
Apr. 2.....	22,633	1,515	9,125	1,215	2,186	658	626	3,197	663	374	642	468	1,963	7,850	1,846	
Apr. 9.....	22,560	1,517	8,998	1,217	2,185	658	625	3,230	668	370	656	470	1,966	7,724	1,865	
Apr. 16.....	22,992	1,532	9,020	1,208	2,168	650	619	3,257	669	370	658	467	1,974	7,738	1,881	
Apr. 23.....	22,746	1,527	9,188	1,214	2,177	652	618	3,248	664	367	660	462	1,968	7,885	1,872	
Apr. 30.....	22,755	1,513	9,251	1,206	2,165	646	613	3,228	664	366	655	463	1,985	7,947	1,863	
Loans:																
Feb. 5.....	16,630	1,168	6,586	924	1,523	495	497	2,502	516	248	441	362	1,362	5,648	1,441	
Feb. 12.....	16,593	1,181	6,559	922	1,523	495	493	2,486	520	247	441	360	1,365	5,611	1,429	
Feb. 19.....	16,519	1,170	6,496	914	1,515	486	494	2,511	517	248	443	353	1,371	5,578	1,444	
Feb. 26.....	16,428	1,161	6,422	909	1,518	487	494	2,510	512	253	443	352	1,368	5,499	1,454	
Mar. 5.....	16,547	1,163	6,525	914	1,513	493	495	2,533	511	253	440	345	1,363	5,582	1,472	
Mar. 12.....	16,704	1,168	6,651	907	1,509	497	493	2,550	515	259	439	346	1,372	5,700	1,483	
Mar. 19.....	16,847	1,185	6,737	915	1,524	495	499	2,569	516	259	437	355	1,355	5,787	1,499	
Mar. 26.....	16,885	1,192	6,752	920	1,556	496	499	2,555	511	256	431	353	1,364	5,810	1,495	
Apr. 2.....	16,913	1,183	6,829	923	1,535	496	497	2,543	510	253	433	355	1,356	5,894	1,483	
Apr. 9.....	16,829	1,182	6,712	922	1,534	500	495	2,568	513	251	441	356	1,353	5,780	1,495	
Apr. 16.....	16,845	1,193	6,721	913	1,521	492	489	2,590	516	252	441	356	1,361	5,785	1,509	
Apr. 23.....	16,955	1,181	6,868	917	1,529	492	489	2,579	511	249	440	351	1,350	5,912	1,500	
Apr. 30.....	16,964	1,166	6,926	908	1,519	489	483	2,558	509	254	438	352	1,363	5,969	1,492	
On securities—																
Feb. 5.....	7,692	503	3,378	492	728	192	158	1,237	230	86	133	108	446	2,921	849	
Feb. 12.....	7,682	504	3,380	488	727	192	159	1,220	233	89	136	109	446	2,912	836	
Feb. 19.....	7,669	504	3,359	483	723	185	159	1,247	232	85	136	106	449	2,913	850	
Feb. 26.....	7,641	498	3,343	477	723	188	162	1,244	233	86	138	106	444	2,890	861	
Mar. 5.....	7,737	505	3,428	481	719	192	159	1,254	230	83	135	106	445	2,953	868	
Mar. 12.....	7,833	504	3,543	473	717	196	164	1,274	233	89	136	108	446	3,065	882	
Mar. 19.....	8,054	518	3,638	484	727	197	167	1,301	233	90	135	118	445	3,160	905	
Mar. 26.....	8,183	526	3,755	482	759	200	164	1,288	229	87	130	116	447	3,280	899	
Apr. 2.....	8,244	530	3,858	488	734	199	162	1,268	228	85	135	116	440	3,393	852	
Apr. 9.....	8,163	533	3,743	485	737	201	161	1,283	232	82	147	121	437	3,284	880	
Apr. 16.....	8,238	552	3,770	479	728	196	160	1,304	234	85	146	124	450	3,316	894	
Apr. 23.....	8,326	551	3,894	484	740	197	158	1,274	230	85	143	119	450	3,409	903	
Apr. 30.....	8,381	531	3,998	478	731	201	155	1,253	231	91	140	119	453	3,511	890	

1 New series; for explanation see note on p. 277.

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PRINCIPAL RESOURCES AND LIABILITIES BY WEEKS—Continued

[In millions of dollars]

	Total	Federal Reserve District											City		
		Boston	New York	Phila- delphia	Cleve- land	Rich- mond	At- lanta	Chi- cago	St. Louis	Minne- apolis	Kansas City	Dallas	San Fran- cisco	New York	Chi- cago
Loans—Continued.															
All other—															
Feb. 5.....	8,938	666	3,207	432	795	303	339	1,265	285	162	308	254	922	2,727	592
Feb. 12.....	8,911	677	3,179	434	796	302	335	1,266	288	158	306	251	919	2,700	593
Feb. 19.....	8,850	666	3,137	431	792	301	335	1,264	284	163	307	247	922	2,665	593
Feb. 26.....	8,787	663	3,079	432	795	299	332	1,266	280	167	304	246	924	2,609	593
Mar. 5.....	8,810	658	3,097	434	794	301	336	1,279	280	170	304	239	918	2,629	604
Mar. 12.....	8,821	664	3,108	434	792	301	328	1,276	282	170	303	238	926	2,635	601
Mar. 19.....	8,793	667	3,099	430	796	298	332	1,268	283	169	302	237	910	2,627	593
Mar. 26.....	8,702	666	2,997	430	797	295	335	1,266	283	169	300	237	917	2,530	596
Apr. 2.....	8,669	658	2,971	435	801	296	335	1,274	282	168	298	239	916	2,501	602
Apr. 9.....	8,666	648	2,969	437	798	296	334	1,285	282	170	284	235	916	2,496	615
Apr. 16.....	8,607	641	2,942	434	793	296	329	1,286	282	166	286	232	910	2,468	616
Apr. 23.....	8,629	630	2,974	433	789	295	331	1,305	281	163	297	232	900	2,503	567
Apr. 30.....	8,583	635	2,928	430	787	288	329	1,305	278	163	297	233	910	2,458	601
Investments:															
Feb. 5.....	5,503	327	2,204	284	607	154	125	649	150	114	214	104	571	1,903	357
Feb. 12.....	5,513	327	2,220	285	605	155	124	646	149	116	212	105	569	1,914	357
Feb. 19.....	5,571	326	2,262	288	610	156	123	649	149	116	213	106	573	1,905	360
Feb. 26.....	5,575	324	2,272	287	611	155	124	648	149	116	213	106	571	1,914	360
Mar. 5.....	5,554	323	2,249	286	615	155	122	659	148	117	212	106	562	1,917	370
Mar. 12.....	5,528	322	2,218	284	608	152	122	656	150	116	214	106	582	1,885	364
Mar. 19.....	5,667	326	2,296	289	623	162	129	644	154	117	208	115	605	1,960	358
Mar. 26.....	5,678	327	2,289	288	647	156	126	650	154	117	208	115	602	1,946	358
Apr. 2.....	5,719	332	2,297	292	651	162	129	655	153	120	209	113	607	1,956	362
Apr. 9.....	5,731	336	2,286	294	651	159	130	662	154	119	215	113	612	1,944	370
Apr. 16.....	5,747	339	2,299	295	648	158	130	667	153	118	216	111	613	1,953	372
Apr. 23.....	5,791	347	2,321	297	648	159	129	670	153	118	221	110	618	1,973	372
Apr. 30.....	5,791	347	2,325	298	647	157	129	670	155	112	217	111	622	1,977	372
U. S. Govt. securities—															
Feb. 5.....	2,725	164	1,192	81	289	70	61	257	37	64	94	64	323	1,096	153
Feb. 12.....	2,744	164	1,210	81	289	71	61	255	37	65	95	64	323	1,110	151
Feb. 19.....	2,808	164	1,262	81	293	71	61	294	36	64	93	65	322	1,114	160
Feb. 26.....	2,801	162	1,256	81	294	70	61	293	36	64	95	66	325	1,108	160
Mar. 5.....	2,766	162	1,225	79	298	70	59	302	34	64	94	65	315	1,102	168
Mar. 12.....	2,753	158	1,209	76	296	68	58	305	36	63	95	65	325	1,097	167
Mar. 19.....	2,861	157	1,267	80	308	76	66	293	38	64	90	74	348	1,146	160
Mar. 26.....	2,844	155	1,246	78	329	71	62	293	38	64	90	73	346	1,120	157
Apr. 2.....	2,848	157	1,244	78	326	71	62	295	38	67	91	72	348	1,118	158
Apr. 9.....	2,838	157	1,228	78	323	72	64	298	38	66	95	72	350	1,102	159
Apr. 16.....	2,849	159	1,241	78	320	71	62	300	40	65	95	69	349	1,114	161
Apr. 23.....	2,873	160	1,248	78	317	71	63	316	40	65	96	69	351	1,120	162
Apr. 30.....	2,852	158	1,238	78	317	75	62	316	40	54	96	67	350	1,112	163
All other—															
Feb. 5.....	2,778	163	1,013	203	318	85	64	361	113	50	121	40	248	806	204
Feb. 12.....	2,769	163	1,010	204	316	84	63	361	112	51	117	41	246	803	206
Feb. 19.....	2,763	162	1,000	207	317	85	63	355	113	52	120	41	248	792	200
Feb. 26.....	2,774	162	1,016	206	316	85	63	355	113	52	117	41	248	805	201
Mar. 5.....	2,788	161	1,025	207	317	84	63	357	114	53	119	41	246	815	203
Mar. 12.....	2,775	164	1,009	208	312	84	63	350	114	53	119	41	257	798	196
Mar. 19.....	2,806	169	1,029	209	314	86	63	352	116	53	118	40	257	814	198
Mar. 26.....	2,834	172	1,043	210	319	85	64	357	116	53	118	41	256	826	202
Apr. 2.....	2,872	175	1,052	214	325	91	67	360	115	53	119	41	259	838	204
Apr. 9.....	2,893	179	1,058	217	328	87	66	364	117	53	120	41	263	842	210
Apr. 16.....	2,898	180	1,058	217	328	87	68	366	114	53	121	42	264	840	210
Apr. 23.....	2,917	186	1,073	219	331	88	67	353	113	53	124	42	267	853	209
Apr. 30.....	2,940	189	1,087	220	330	82	67	353	115	58	122	44	271	866	209
Reserve with F. R. bank:															
Feb. 5.....	1,702	99	809	78	129	42	40	245	44	23	52	33	108	747	170
Feb. 12.....	1,688	101	800	76	127	38	39	243	41	24	53	32	114	742	169
Feb. 19.....	1,695	98	805	77	131	40	40	239	44	25	53	34	110	743	165
Feb. 26.....	1,731	97	845	75	124	39	39	246	44	25	55	33	109	782	171
Mar. 5.....	1,683	97	788	81	129	39	40	249	42	27	51	37	102	723	174
Mar. 12.....	1,733	101	818	77	130	40	40	257	45	26	57	34	108	755	177
Mar. 19.....	1,653	97	778	79	121	38	40	244	46	26	55	33	97	713	168
Mar. 26.....	1,719	98	814	77	130	39	40	251	47	26	55	39	103	751	174
Apr. 2.....	1,738	98	826	81	133	41	39	259	45	24	54	33	105	758	181
Apr. 9.....	1,714	98	813	78	129	40	40	253	45	25	55	33	105	752	173
Apr. 16.....	1,746	99	824	77	132	38	40	263	50	27	58	33	105	758	181
Apr. 23.....	1,727	98	811	80	120	38	40	269	46	27	56	34	106	745	181
Apr. 30.....	1,774	98	849	78	130	40	41	281	43	26	56	34	99	782	192
Cash in vault:															
Feb. 5.....	222	15	61	13	26	11	9	37	6	5	10	9	19	49	16
Feb. 12.....	225	16	62	14	27	11	10	36	6	5	11	9	20	49	15
Feb. 19.....	232	15	63	14	28	11	9	35	6	5	10	15	19	50	14
Feb. 26.....	221	15	61	14	26	11	9	35	6	5	11	9	19	49	14
Mar. 5.....	218	15	61	12	27	11	9	35	6	5	10	8	18	48	14
Mar. 12.....	222	15	61	13	27	11	10	36	6	5	11	8	18	48	14
Mar. 19.....	212	15	58	13	27	11	9	34	6	5	11	8	17	46	14
Mar. 26.....	212	14	59	13	26	12	9	33	6	5	11	8	17	47	13
Apr. 2.....	207	14	58	12	26	11	9	33	6	5	10	7	17	46	13
Apr. 9.....	216	15	60	12	27	11	9	34	6	5	11	8	18	47	14
Apr. 16.....	207	15	57	13	26	11	9	32	5	5	10	7	17	45	13
Apr. 23.....	221	15	59	13	29	11	10	35	6	5	11	8	18	47	13
Apr. 30.....															

PRINCIPAL RESOURCES AND LIABILITIES BY WEEKS—Continued

[In millions of dollars]

	Total	Federal Reserve District											City		
		Boston	New York	Phila- delphia	Clevel- land	Rich- mond	At- lanta	Chi- cago	St. Louis	Minne- apolis	Kansas City	Dallas	San Fran- cisco	New York	Chi- cago
Net demand depos- its:															
Feb. 5	13,010	901	5,871	704	1,002	351	332	1,775	370	208	471	287	739	5,300	1,188
Feb. 12	12,978	916	5,802	703	996	353	330	1,766	373	210	476	286	766	5,218	1,177
Feb. 19	12,966	901	5,785	699	1,002	345	330	1,797	370	211	479	290	757	5,199	1,196
Feb. 26	12,943	879	5,816	686	998	346	330	1,795	372	216	482	284	740	5,226	1,203
Mar. 5	12,940	887	5,787	714	1,009	354	327	1,812	367	225	474	281	701	5,186	1,218
Mar. 12	13,152	893	5,871	706	1,015	353	331	1,849	379	230	489	282	753	5,276	1,231
Mar. 19	13,076	897	5,877	701	1,015	347	319	1,835	378	225	479	284	719	5,278	1,217
Mar. 26	13,205	891	5,920	700	1,043	351	324	1,835	378	222	479	333	727	5,320	1,228
Apr. 2	13,329	917	6,029	725	1,040	351	328	1,851	377	222	480	286	723	5,426	1,241
Apr. 9	13,208	899	5,896	723	1,036	354	329	1,867	380	222	486	289	728	5,300	1,250
Apr. 16	13,383	919	5,979	711	1,042	347	337	1,906	386	222	498	295	742	5,366	1,267
Apr. 23	13,455	908	6,120	711	1,042	346	328	1,899	375	218	490	289	729	5,485	1,252
Apr. 30	13,581	924	6,252	705	1,036	342	327	1,900	372	223	484	287	728	5,625	1,258
Time deposits:															
Feb. 5	6,863	478	1,799	295	942	239	242	1,177	229	133	174	145	1,010	1,241	507
Feb. 12	6,856	477	1,787	296	948	240	240	1,177	229	134	173	146	1,008	1,223	508
Feb. 19	6,851	478	1,790	297	946	239	241	1,174	229	134	174	144	1,006	1,225	501
Feb. 26	6,874	479	1,796	297	950	239	241	1,183	229	134	175	143	1,009	1,230	511
Mar. 5	6,887	474	1,810	285	946	240	243	1,196	230	130	176	143	1,015	1,246	521
Mar. 12	6,948	475	1,867	287	940	240	243	1,200	230	131	176	143	1,015	1,295	525
Mar. 19	6,975	478	1,876	293	948	241	241	1,201	231	132	177	144	1,014	1,304	523
Mar. 26	7,085	488	1,921	292	982	241	244	1,209	231	133	180	145	1,020	1,351	530
Apr. 2	7,087	477	1,933	286	981	245	243	1,210	231	133	178	146	1,024	1,368	532
Apr. 9	7,102	492	1,929	286	983	246	242	1,208	231	131	178	148	1,027	1,368	528
Apr. 16	7,068	491	1,904	297	966	246	244	1,210	229	131	177	146	1,025	1,344	529
Apr. 23	7,034	491	1,891	299	965	247	244	1,188	230	131	178	146	1,025	1,334	532
Apr. 30	7,055	477	1,909	302	969	241	243	1,193	231	131	178	150	1,030	1,344	538
Government depos- its:															
Feb. 5	18	1	4	1	2	1	2	2				2	4	4	2
Feb. 12	9		2	1	1		1	1				1	2	2	1
Feb. 19	4		1				1	1					1	1	
Feb. 26	5		1					1				1	1	1	
Mar. 5															
Mar. 12															
Mar. 19	280	20	108	18	23	16	24	14	4	1	4	19	30	99	10
Mar. 26	238	17	92	16	20	14	20	12	3	1	3	16	25	85	7
Apr. 2	217	15	84	14	18	13	18	10	3	1	3	14	23	77	8
Apr. 9	173	10	67	11	14	10	14	8	2	1	2	11	18	61	6
Apr. 16	141	10	55	9	12	8	12	7	2	1	2	9	15	50	5
Apr. 23	108	8	42	7	9	6	9	5	1		1	7	11	38	4
Apr. 30	96	7	36	6	8	9	8	5	1		1	6	10	33	3
Due to banks:															
Feb. 5	1,110	54	114	58	90	51	73	210	59	51	116	62	171	77	129
Feb. 12	1,131	38	120	55	87	50	76	232	64	52	124	59	176	76	152
Feb. 19	1,104	42	116	58	93	49	68	225	58	49	117	67	163	78	145
Feb. 26	1,082	48	111	57	94	48	70	211	54	49	119	62	159	74	130
Mar. 5	1,098	45	117	57	97	48	74	209	58	51	125	64	154	77	124
Mar. 12	1,113	44	119	57	97	48	77	202	57	53	121	67	157	82	119
Mar. 19	1,219	58	158	73	100	49	77	229	57	47	131	72	168	112	136
Mar. 26	1,204	50	148	58	99	52	79	213	54	48	131	114	158	107	117
Apr. 2	1,232	67	171	65	106	57	78	229	59	50	130	72	152	122	133
Apr. 9	1,130	62	146	59	110	52	75	188	57	49	115	70	156	105	104
Apr. 16	1,194	62	146	67	106	51	74	214	56	49	130	71	168	102	123
Apr. 23	1,155	59	169	58	99	51	65	192	55	46	118	68	174	125	116
Apr. 30	1,188	65	193	64	99	55	67	196	51	55	115	68	159	147	116
Due to banks:															
Feb. 5	2,899	135	1,013	172	209	102	119	423	137	77	205	100	206	950	303
Feb. 12	2,848	129	972	176	209	92	113	433	134	76	201	100	213	911	315
Feb. 19	2,734	115	904	170	203	94	109	431	129	73	200	98	208	844	314
Feb. 26	2,790	108	965	165	210	98	111	436	124	75	205	95	198	904	314
Mar. 5	2,910	115	1,006	172	211	100	115	460	126	82	211	96	215	943	330
Mar. 12	2,827	114	958	169	208	93	110	451	121	81	199	88	253	897	327
Mar. 19	2,933	119	1,044	171	216	96	109	471	125	80	198	89	214	982	341
Mar. 26	2,922	119	1,045	162	231	98	110	468	119	81	190	89	212	983	338
Apr. 2	3,061	139	1,106	187	234	105	113	477	126	80	195	91	206	1,039	346
Apr. 9	2,954	128	1,041	173	236	99	116	455	125	79	191	91	220	975	333
Apr. 16	2,961	134	1,042	173	237	96	112	456	124	76	196	88	226	975	331
Apr. 23	2,797	126	960	165	226	94	102	451	116	74	187	90	206	891	321
Apr. 30	2,930	124	1,096	165	225	96	100	454	113	80	180	83	215	1,030	328
Borrowings from F. R. Banks:															
Feb. 5	173	5	17	11	33	9	15	45	4		14	7	11	11	3
Feb. 12	185	5	47	14	34	7	14	36	4		15	6	2	37	2
Feb. 19	186	6	58	12	31	9	12	28	6	1	8	10	5	37	1
Feb. 26	152	8	25	16	30	8	12	24	5		10	6	8	1	1
Mar. 5	128	6	9	8	23	7	14	26	3		10	6	16	2	1
Mar. 12	96	7	6	9	20	6	12	17	3		5	5	8	1	
Mar. 19	51	4	4	5	12	5	7	6	3		3	2			
Mar. 26	47	4	9	4	14	4	3	3	2		3	1			
Apr. 2	82	5	27	5	15	4	4	3	2		3	1	13	15	
Apr. 9	75	4	38	4	13	3	2	2	2		2	1	3	31	
Apr. 16	65	3	22	4	13	5	3	8	3		2	2	1	16	7
Apr. 23	58	2	12	4	10	4	8	6	3		2	1	3	10	
Apr. 30	74	3	17	4	7	7	10	7	4		4	1	8	12	

* Revised.

BUILDING CONTRACTS AWARDED

[Value of contracts in thousands of dollars]

Federal reserve district	1930		1929
	March	February	March
	Boston.....	28, 102	17, 961
New York.....	105, 493	90, 312	113, 466
Philadelphia.....	25, 511	17, 743	35, 399
Cleveland.....	60, 012	35, 992	47, 078
Richmond.....	43, 220	28, 707	32, 979
Atlanta.....	20, 898	19, 526	25, 398
Chicago.....	73, 812	37, 983	107, 289
St. Louis.....	23, 705	24, 510	38, 795
Minneapolis.....	15, 131	4, 980	8, 343
Kansas City.....	35, 974	18, 071	22, 854
Dallas.....	24, 260	21, 267	23, 204
Total (11 districts).....	456, 119	317, 053	484, 848

Figures for building contracts awarded are for 37 States east of the Rocky Mountains, as reported by the F. W. Dodge Corporation.

INDEX OF DEPARTMENT STORE SALES

[Monthly average 1923-1925=100]

Federal reserve district	Number of stores	Without seasonal adjustment		With seasonal adjustment			
		1930		1929		1930	1929
		Mar.	Feb.	Mar.	Mar.	Feb.	Mar.
		Boston.....	36	88	77	101	97
New York.....	60	103	89	111	115	114	115
Philadelphia.....	57	83	73	99	88	90	98
Cleveland.....	55	88	77	105	95	98	107
Richmond.....	28	98	81	114	103	107	115
Atlanta.....	41	93	83	113	101	103	117
Chicago.....	97	96	87	120	106	112	124
St. Louis.....	19	93	83	110	100	102	111
Minneapolis.....	18	87	66	92	98	89	96
Kansas City ¹	27	89	75	102			
Dallas.....	22	99	85	115	106	107	116
San Francisco.....	36	112	90	115	120	117	116
Total.....	496	95	83	110	104	106	113

¹ Monthly average 1925=100.

^{*} Revised.

COMMERCIAL FAILURES¹

[Amounts in thousands of dollars]

Federal reserve district	Number		Liabilities			
	1930		1930		1929	
	Mar.	Feb.	Mar.	Mar.	Feb.	Mar.
Boston.....	264	283	200	5, 020	6, 124	3, 017
New York.....	416	563	310	11, 401	13, 466	7, 226
Philadelphia.....	132	123	77	2, 054	3, 757	1, 584
Cleveland.....	169	168	194	5, 263	3, 023	4, 141
Richmond.....	126	145	140	2, 639	2, 418	2, 168
Atlanta.....	204	93	101	3, 659	1, 844	2, 983
Chicago.....	333	376	366	15, 854	8, 845	6, 329
St. Louis.....	133	102	123	2, 420	6, 090	1, 988
Minneapolis.....	101	48	39	1, 100	522	541
Kansas City.....	124	115	119	1, 827	1, 231	1, 707
Dallas.....	66	42	49	926	1, 359	559
San Francisco.....	279	204	269	4, 684	2, 706	4, 113
Total.....	2, 347	2, 262	1, 987	56, 846	51, 326	36, 356

¹ Figures reported by R. G. Dun Co.

BUILDING PERMITS ISSUED

[Value of permits in thousands of dollars]

Federal reserve district	Number of cities	1930		1929
		March	February	March
		Boston.....	14	7, 319
New York.....	22	44, 610	30, 231	188, 517
Philadelphia.....	14	11, 020	4, 241	14, 808
Cleveland.....	12	15, 850	9, 639	16, 104
Richmond.....	15	12, 126	6, 011	13, 013
Atlanta.....	15	6, 630	3, 179	7, 595
Chicago.....	19	15, 503	15, 729	44, 279
St. Louis.....	5	3, 085	2, 670	5, 952
Minneapolis.....	9	2, 035	1, 083	2, 545
Kansas City.....	14	8, 022	6, 501	9, 154
Dallas.....	9	5, 840	4, 614	7, 371
San Francisco.....	20	19, 905	14, 144	30, 729
Total.....	168	151, 944	102, 118	352, 637

INDEX OF DEPARTMENT STORE STOCKS

[Monthly average 1923-1925=100]

Federal reserve district	Number of stores	Without seasonal adjustment		With seasonal adjustment			
		1930		1929	1930		1929
		Mar.	Feb.	Mar.	Mar.	Feb.	Mar.
		Boston.....	34	95	87	99	93
New York.....	34	107	101	107	105	108	105
Philadelphia.....	45	85	79	90	81	83	85
Cleveland.....	49	92	86	97	90	90	93
Richmond.....	28	100	91	100	97	96	97
Atlanta.....	29	94	90	101	91	92	99
Chicago.....	79	113	105	113	109	109	109
St. Louis.....	19	88	82	91	86	88	90
Minneapolis.....	14	73	69	78	70	72	75
Kansas City ¹	21	116	113	122			
Dallas.....	21	82	77	83	80	80	80
San Francisco.....	32	108	104	106	106	109	104
Total.....	413	100	93	102	97	98	99

¹ Monthly average 1925=100.

^{*} Revised.

BANK SUSPENSIONS¹ IN MARCH, 1930

[Amounts in thousands of dollars]

Federal reserve district	All banks		Member banks ²		Nonmember banks	
	Number	De-posits ³	Number	De-posits ³	Number	De-posits ³
	Boston.....	1	2, 707			1
New York.....						
Philadelphia.....						
Cleveland.....	2	1, 186			2	1, 186
Richmond.....	4	626			4	626
Atlanta.....	8	2, 166	1	526	7	1, 640
Chicago.....	27	6, 319	2	964	25	5, 355
St. Louis.....	9	2, 629	2	705	7	1, 924
Minneapolis.....	15	1, 709	2	325	13	1, 384
Kansas City.....	8	6, 282	3	5, 728	5	554
Dallas.....						
San Francisco.....	1	85			1	85
Total.....	75	23, 709	10	8, 248	65	15, 461

¹ Banks closed to the public on account of financial difficulties by order of supervisory authorities or directors of the bank.

² Includes 9 national banks with deposits of \$7,722,000 and 1 State member bank with deposits of \$526,000.

³ Subject to revision.

FOREIGN BANKING AND BUSINESS CONDITIONS

ANNUAL REPORT OF THE NATIONAL BANK OF BELGIUM

The annual report of the National Bank of Belgium for 1929 was submitted to the general meeting of shareholders on February 24, 1930. Selected sections of the report are given herewith.¹

The favorable developments which had their origin in our currency stabilization have continued and strengthened during 1929, and three years of great prosperity have now followed the return of this country to sound money.

From the standpoint of currency, all those countries which have reestablished the convertibility of their bank notes in gold or gold exchange have benefited as a result of the reform which they had the courage to accomplish. At the same time that the international flow of funds on a stable basis has been assured, the interdependence of the great markets of the world has again become evident and calls for constant attention. During almost the entire year the money market has been influenced by the withdrawal of capital in large volume for investment on the New York stock exchange, where excessive speculation and high rates of interest proved attractive to holders of funds. On the other hand, the advance in most European exchanges reacted on the American market. Ultimately, the speculative crash in the United States brought about a considerable release of funds and a return to more moderate conditions for short-term credit. In Belgium the amplitude of the gold and gold exchange reserves and the prosperity of the export industries kept our money market from experiencing the ill effects of these disturbances.

Gold policy.—Our policy in respect to gold has been to secure the demand liabilities of the bank in such manner that the metallic reserve in and of itself shall constitute a sufficient cover, and that under these circumstances the holdings of foreign exchange shall form a supplementary margin of security. The results of this policy are clearly indicated in the following table, which shows the reserve ratio of gold alone for the past four years:

	Per cent
Dec. 25, 1926.....	30.90
Dec. 25, 1927.....	32.86
Dec. 25, 1928.....	36.17
Dec. 25, 1929.....	40.48

¹ In addition the report contains discussion of the international situation, commerce, industry, and agriculture, the position of labor, and the growth of savings, as well as details of bank operations and a number of tables. For earlier reports see FEDERAL RESERVE BULLETIN, April, 1929, 1928, 1927, 1926, etc.

Under these circumstances the bank is in a position to exchange its notes for gold at any time, although up to the present and at the existing level of exchange only jewelers have had any occasion to demand metal. This situation, however, might change; therefore in the revision of our by-laws we took pains to elaborate in chapter 3 the provisions which define the methods of note convertibility.²

The gold added to our reserve during 1929 came partly from the United States, partly from the London market, and partly from the Congo, in the following proportions:

	Francs	Dollars
Gold from the United States.....	1,179,500,000	32,790,000
Gold from England.....	175,000,000	4,865,000
Gold from the colony.....	96,225,000	2,675,000
	1,450,725,000	40,330,000

¹ It should be noted that these figures do not agree exactly with those given above and published in the weekly balance sheets of the bank; the differences, which are of minor importance, are due to (1) sales of gold to industries, (2) imports of gold coin, and (3) purchases of gold by the Treasury. It should also be noted that Belgian customs statistics do not include gold imported for monetary uses.

As the gold output of the Congo is turned over to us under contract and so comes to us regularly, we left on deposit with the Federal Reserve Bank of New York part of the gold which we acquired in the United States, and waited until we could replace it by gold imported from the colony. But in March and April last the opportunity arose to transact an important operation with the Reichsbank, which consisted in transferring to the Reichs-

² ART. 160. Notes are payable at sight at the offices of the bank in Brussels according to the terms of the royal decree of Oct. 25, 1926, relative to currency stabilization.

Notes are likewise redeemable on demand at the branches and the agencies in the Provinces. Such payment, however, may be postponed until the necessary funds can be received.

ART. 161. The bank shall redeem its notes in gold and on demand at its wickets at the legal parity of 0.209211 gram of fine gold per belga.

Gold payments shall be made in the form of bars or bullion of the weight generally used in the principal money markets of the world (about 12 kilograms).

ART. 162. If the bank makes use of the privilege reserved to it by article 8 of the royal decree of Oct. 25, 1926, it shall itself determine on what market it will deliver bills of exchange. Only banking centers shall be selected in which the bank of issue redeems its notes in gold and on demand.

The rate of exchange to be used is the actual parity, increased at discretion by a commission not to exceed the difference between parity and gold export point, allowing for costs of transportation, interest, and insurance to its destination in the foreign center in question.

ART. 163. For purchases of gold at its wickets, the bank may deduct from the legal parity a commission equivalent to the costs of minting.

ART. 164. The provisions of articles 46 and 47 of the present by-laws, relating especially to the assay certificate for bullion, are applicable to the operation provided for in the preceding article.

These regulations were approved by the Minister of Finance Apr. 10, 1929.

bank against gold bullion which the Reichsbank shipped to us from Berlin dollar balances which we held in New York. This interesting clearing operation made it possible—to the advantage of both banks—to save the greater part of the costs which would otherwise have been incurred by the double shipment of gold between America and Europe. This is a conspicuous instance of cooperation between banks of issue, and it is because of this feature that we call attention to it.

On the whole gold is now distributed among the central banks of the world in a far more normal proportion than in the years immediately following the war. This new distribution is more in line with the needs of the general economic situation and gives the European markets a certain independence in performing their economic functions.

Note circulation.—Turning now to the circulation, we find that the monthly average of notes in circulation rose from 11,925,922,000 francs (\$331,541,000) in January, 1929, to 13,401,947,000 francs (\$372,574,000) in December, 1929, an increase of 1,476,025,000 francs (\$41,033,000). This advance is due chiefly to the influx of foreign exchange. The bank, in other words, has never tried to acquire gold, as is sometimes thought. It has merely taken up the volume of gold exchange which has come into the country in excess of the needs of the market. It has done this systematically at a rate corresponding to the gold import point or slightly lower. Being in possession of these foreign bills, and finding that the market was not repurchasing them, the bank converted them into gold in the considerable amount noted above. It may be said, therefore, that the greater part of the additional circulation was issued against 100 per cent in gold values.

This influx of foreign exchange came from the surplus in our balance of payments, which throughout the year was influenced by a large volume of exports sold at favorable prices. The loans floated abroad and the purchase of Belgian securities by foreign investors aided this movement, but to a less extent than during previous years. Likewise the participation of foreign markets in capital increases, which have been numerous in Belgium during 1929, were by no means negligible. Nevertheless, a certain balance has been struck through the purchase of foreign securities by our own nationals. All these economic phenomena are normal in character.

This is not to say that the increase of our circulation, however adequately covered it may

be, need not be a matter of concern to the bank of issue. By no means is this the case, and the bank has neglected none of the expedients at its disposal to keep the circulation within prudent limits. Furthermore, it has continued the policy which we described in our annual reports for the years 1927 and 1928, and the Government has seconded these efforts by continuing to redeem the balance of the debt which it contracted through the withdrawal of German marks.

Discount rates.—From July 1, 1928, until July 31, 1929—that is to say during 13 months—our discount rate stood unchanged at 4 per cent. This reasonableness and this stability of the cost of short-term money were exceedingly helpful to commerce and industry. They were maintained in our domestic market in spite of large international movements of capital and in face of a general tension in interest rates resulting from successive advances in official rates in London, in New York, and in most foreign banking centers.

This independent policy, which would certainly not have been possible for us before the war, shows the advantages offered by our present position, and especially by the amplitude of our gold reserves. The result was of course a very considerable increase in our portfolio of domestic securities. Thus, in one year, from July 1928, to July, 1929, this portfolio was increased by about 1,500,000,000 francs (\$41,700,000) to the great advantage of Belgian industry. On the other hand, we find as in previous years that our portfolio of commercial securities is smaller than it was before the war. Toward the end of July, 1929, however, rediscounts threatened to increase too rapidly, and the situation of the international money market demanded prudence. Under these circumstances our discount rate was raised to 5 per cent. Subsequent events were not slow in justifying this decision. Demands on the bank for credit at once assumed more moderate proportions. Some weeks later a financial crisis of exceptional violence occurred on the New York stock exchange. As a result of the enormous liquidation which took place in that market the tendency toward higher money rates, which had been noticeable up to that time, was completely reversed. On November 13, 1929, our discount rate was lowered from 5 to 4½ per cent, and later, on December 31, to 3½ per cent.

In lowering its rate of discount at the end of the year to 3½ per cent—the lowest rate existing at that time—the National Bank strove to give its support to the commerce and industry of the country at a time when the situation of foreign

markets and the high level of net costs of production at home made exporting more difficult.

The private rate of discount has been constantly held very close to the official rate. In general, money has been abundant and the rate for call money not very profitable.

Securities market.—The stock exchange and public securities play so large and so important a part in the modern world that they are a considerable factor in the money market. During all of 1929 the Belgian stock exchanges, sobered by the crisis which took place about the middle of 1928, were quiet and often inactive. The volume of shares issued, nevertheless, was fairly large.

The margin, nearly always considerable, between the issue price and the market quotation was favorable to investment in securities. During the excessive speculation which characterized the year 1928, huge issues were floated one after another. The purchasing power of the public became exhausted, bringing about a decline in quotations. Thereafter the position of the stock exchange was at the mercy of chance. In October the decline was accentuated under the influence of the inactivity of foreign bourses; shortly afterwards the downward movement was hastened by the debacle which occurred in the New York market.

In order to appreciate the movement as a whole and its results, it will be sufficient to glance through the following table, which gives, month by month for 1928 and 1929, the index of the Brussels stock exchange as it is published periodically in the bulletin issued by our Economic Research Service. It should also be remembered that the base for this table—that is, the quotation on January 3, 1928—was already at a very high level.

INDEX OF THE BRUSSELS STOCK EXCHANGE

[120 securities with variable yield. Base January 3, 1928=100]

	1928	1929
January.....	100	108
February.....	107	117
March.....	106	114
April.....	121	112
May.....	125	104
June.....	124	102
July.....	115	97
August.....	103	99
September.....	119	103
October.....	114	90
November.....	110	85
December.....	107	75

The fluctuations are wide, and there is no doubt that our financial market and the public suffered great losses. Such happenings confirm once again those truths of experience to which

we have called attention from time to time, that a movement on the stock exchange which overlooks essential considerations, such as business profits and investing capacity, bears within itself the seeds of a depression the seriousness of which will be in proportion to the extent to which the principles of sound finance have been disregarded.

In contrast with the weakness of the stock market, the market for rentes remained strong and steadily improved, as did also the bond market. Thus, in the course of the year the Belgian Communal Credit Office was able to place about 9,000,000 francs (\$250,000) of 6 per cent bonds issued almost at par. At the time of writing this report the price of securities with fixed yield has still further improved. The return of investors to this type of securities is also in evidence on foreign markets. It is facilitated by the decline in the rate on short-term loans. This revival was necessary in the public interest as well as in that of industrial enterprises, to which the bond market has been practically closed for a long time, although they were in a position to offer investments which were both safe and profitable.

Banking situation.—The general situation of the Belgian banks, which is always thoroughly sound, was strengthened still further during the year under review by a large volume of business and by important increases of capital and reserve. The following table gives a summary of the balance sheets as of December 31, 1927, and December 31, 1928.

POSITION OF THE PRINCIPAL BELGIAN CREDIT INSTITUTIONS ON DECEMBER 31

[In thousands of francs]

	1928 ¹	1927 ²
Resources:		
Cash funds: Cash on hand, at National Bank, postal checks, coupons, foreign currency.....	3, 194, 235	2, 620, 046
Commercial bills discounted (exclusive of rediscounts).....	5, 066, 198	4, 392, 881
Securities and participations.....	4, 168, 076	3, 356, 306
Debits in current account, banking correspondents, acceptances, loans and securities, advances, accounts carried forward.....	16, 574, 704	13, 171, 854
Liabilities:		
Paid-up capital.....	2, 703, 928	1, 876, 243
Reserves.....	2, 190, 268	1, 091, 637
Aggregate capital and reserves.....	4, 894, 196	2, 967, 880
Miscellaneous liabilities: Credits in current account, correspondents, acceptances, bills payable.....	23, 858, 613	20, 316, 729
Percentage of—		
Cash funds to miscellaneous liabilities....	13. 39	12. 90
Bills discounted to miscellaneous liabilities.	21. 23	21. 62
Debits in current account to miscellaneous liabilities.....	69. 47	64. 88
Capital and reserves to—		
Miscellaneous liabilities.....	20. 51	14. 61
Security investments and participations.....	117. 42	88. 43

¹ 58 banks; decrease from preceding year due to amalgamations.

² 62 banks.

It will be seen that the participation of the Belgian banks in industry and commerce, represented by their portfolio of securities and participations, is considerably less than the aggregate of their own funds—that is, than the aggregate of their paid-in capital and reserves.

Conclusion.—Belgium has closed the one-hundredth year of its independent existence with an economic situation which on balance is favorable. It is her duty to maintain this position. The depression and the difficulties now prevailing in most foreign markets, if they persist and are augmented, may give Belgium also reason to fear a cycle of business depression. The country is in a position to withstand such a period, provided it uses prudence and does not neglect the lessons of the past.

The concern for international markets dominates our industry as well as our labor. In this connection we should realize that foreign competition is rapidly winning back the advantages which we were able to gain as a result of various temporary causes; consequently a great effort on the part of commercial organizations and a rigorous supervision of costs of production are imperative if we wish to maintain our position. On this point employers and workers are in entire agreement.

The same necessity for prudence exists in the matter of public finance. The excellent situation of the treasury, it is true, justifies some important tax reductions which the Government has submitted to Parliament. Tax reductions, moreover, will permit a corresponding increase in savings which can be made available to business enterprises. The same principle applies to the amortization of the public debt, which ought to be very greatly reduced because its service constitutes a heavy charge upon the country. In this connection the repayment of certain foreign loans which are especially burdensome is particularly to be recommended.

To imagine, however, that the country is in a position to expand its public expenditures, whether these are made by the Government or by local administrations and authorities, or even by endowed institutions of the civil service, would be a grave error. Our public debt has been only partly reduced, and even

the most useful ends do not justify its being increased to any considerable extent, since the resources arising out of German reparations have already been allocated to new expenditures.

BALANCE SHEET OF NATIONAL BANK OF BELGIUM
DECEMBER 25, 1929

	Francs (in thousands)	Dollars ¹ (in thousands)
RESOURCES		
Reserve:		
Gold.....	5,875,239	163,332
Foreign exchange on gold standard countries.....	2,796,100	77,732
	8,671,339	241,063
Subsidiary coin.....	11,446	318
Belgian and foreign bills.....	4,038,570	112,272
Advances on Belgian public securities.....	166,099	4,618
Belgian treasury bills and other public securities (royal decree of Oct. 25, 1926).....	1,687,716	46,919
Public securities.....	186,721	5,191
Public securities in the surplus account of the bank.....	73,697	2,049
Public securities in amortization account of real estate in use, furniture, and fixtures.....	34,692	964
Insurance fund assets.....	76,092	2,115
Bills deposited for collection in current account.....	55,822	1,552
Real estate in use.....	96,362	2,679
Furniture and fixtures.....	4,700	131
Provision for the manufacture of bank notes, and labor involved.....	3,655	102
Interest earned or receivable.....	6,191	173
Assets held in pledge or to be liquidated (art. 34 of the statutes).....	3,511	98
Total resources.....	15,116,614	420,242
LIABILITIES		
Bank notes:		
Issued.....	14,747,092	409,969
Held by the bank.....	1,309,611	36,407
In circulation.....	13,437,481	373,562
Current accounts:		
Treasury.....	151,745	4,219
Individual.....	923,453	25,672
	1,075,198	29,891
Bills deposited for collection in current account.....	55,822	1,552
Capital.....	200,000	5,560
Surplus.....	76,693	2,132
Amortization account of real estate in use, furniture, and fixtures.....	39,702	1,104
Insurance fund.....	76,390	2,124
Interest and rediscount.....	19,974	555
Taxes payable to the Government:		
Profits on discounts and advances in excess of 3½ per cent.....	20,228	562
Tax on fiduciary circulation.....	8,055	224
Share of the Government in profits on foreign exchange.....	76,008	2,113
Share of the Government in profits (art. 38 of the statutes).....	15,038	418
	119,329	3,317
Unpaid dividend for second half year of 1929.....	16,026	446
Total liabilities.....	15,116,614	420,242

¹ Converted at par of exchange: 1 franc=\$0.0278.

ANNUAL REPORT OF THE GERMAN REICHSBANK

The annual report of the German Reichsbank for 1929 was presented to the general meeting of shareholders on February 15, 1930. The main section of the report dealing with financial and economic conditions is given herewith:¹

For the Reichsbank the year 1929 was especially noteworthy because of the successful recovery from the currency disturbance which took place in the spring in connection with the negotiations of the experts at Paris. The occurrence strikingly revealed the dependence of German credit upon political factors, as well as the grave dangers arising from large foreign indebtedness. Even though the actual difficulties were overcome within a relatively short time, nevertheless the checkered course of the Paris conference and its unsatisfactory outcome for Germany prevented the material and psychological relief which all countries had hoped might follow from it. In Germany, at all events, there remained a lingering economic and political unrest which, accentuated by the bankruptcy of some well-known firms as well as by the financial embarrassment of many public bodies, still persists.

Business recession.—The business recession, which had begun as early as 1928, was more severe during the year under review. The exceptionally long and rigorous winter, the reparation payments which had risen to their maximum amount, the continued advance in rates of interest—already abnormal—credit difficulties, high unemployment figures, and oppressive public charges, combined with inadequate business profits—these were some of the additional factors which characterized the economic situation during the year. That figures of production and sales were comparatively slow in showing a decline, and that the decline when it came was comparatively slight, was due partly to the strength and determination of German enterprise to withstand the difficulties against which it had to contend, and partly to an increased capacity on the part of foreign countries to absorb German products, which compensated to some extent for the reduction of internal purchasing power. Some of the exports, however, were effected at sacrifice prices. While prices controlled through cartels and similar organizations in general maintained their level, prices not thus controlled declined in all groups

of commodities. Standard wages based on wage agreements, which, like many commodity prices, are largely controlled through cartels, continued to advance even in the latter half of the year.

The money market.—Immediately after the 1928 end of year settlements the seasonal relaxation set in, and on January 12 the Reichsbank was able to reduce its discount rate from 7 to 6½ per cent. Because of the considerable decline in the volume of its credit outstanding, the bank was able deliberately to disregard the fact that curtailment of the margin between rates of interest in and outside Germany would check the influx of foreign capital, and under some circumstances might even involve a reduction in the Reichsbank's large holdings of gold and foreign exchange. The withdrawals of gold and foreign exchange which began in the spring, however, assumed proportions beyond anything that had been anticipated. Not only did the service of interest and amortization of the heavy foreign indebtedness and the unremitting foreign exchange payments on reparation account draw heavily on the gold and devisen of the Reichsbank, but the situation of the leading international money markets became less favorable; finally, toward the end of March there began a "flight from the mark," the origins of which are to be sought in a fear psychosis created by the uncertainties of the Paris conference and fostered by irresponsible elements within and outside Germany. Inasmuch as Germany, as a result of her own lack of capital and her heavy reparation burdens, is dependent on the assistance of foreign capital, grave difficulties arose when foreign aid ceased to be available and foreign funds were withdrawn—in part deliberately—or were no longer sent to Germany for investment. The dangers inherent for Germany in this situation were clearly revealed during the crisis in the spring, although throughout the negotiations on the Young plan, both in Paris and at The Hague, they were kept in the background. It was inevitable that this situation should affect the German money and capital market in such a way as to undermine and unsettle confidence.

An advance in the discount rate of the bank from 6½ to 7½ per cent, made effective on April 25, had no effect. There was neither any return flow of gold and foreign exchange to the Reichsbank, nor any reduction of demands on the Reichsbank for negotiation of inland bills.

¹ In addition the report contains several charts and tables, as well as details of banking operations. For earlier reports see Federal Reserve Bulletin March, 1929, May, 1928, 1927, 1926, etc.

It became increasingly clear that a crisis of confidence had developed; the demand for domestic credit rose beyond the economic requirements of the country, and was directed largely to the accumulation of stocks of foreign exchange. In this situation, in which advance in the discount rate seemed to be without effect, the Reichsbank at the beginning of May unfortunately felt itself compelled to employ the method of credit restriction. The bank management is, however, fully persuaded that credit restrictions involve a danger to economic development, depriving business of the undisturbed flow of services which it is the function of currency to render. The utilization of this last resource, therefore, was justified only by the fact that Germany was powerless to resist foreign pressure, and confidence within the country was threatening to give way.

The aim of the policy of restriction, namely, to limit the demand for credit to essential purposes, was quickly attained, especially as the progress of the Paris negotiations relieved the general situation. The gold and foreign exchange holdings of the Reichsbank began once more to advance, and by the end of May the demand for Reichsbank credit had been reduced to proportions which the bank could meet without danger. The measures of restriction became less and less necessary, and by the middle of June were superfluous.

During the latter half of the year the position of the Reichsbank improved still further, so that there was no longer any objection on the part of the bank to relieving the business community by a reduction in the discount rate. But in view of the exceptionally difficult conditions in foreign money markets and the large volume of Germany's short-term indebtedness to foreign countries, it was essential to avoid too great a reduction of the margin between interest rates in Germany and in the principal foreign markets. Under these circumstances it was not possible until November 2 to meet the pressing need of the business community for a relief from the burden of interest, and then only to the extent of one-half per cent. Further reduction, which might have been possible in view of the easier conditions that were beginning by that time to prevail on all foreign markets, was unfortunately impossible owing to special conditions in the German market—in particular, the continual demand for credit on the part of public bodies.

Movement of gold and foreign exchange.—During the critical weeks in the spring of 1929 the Reichsbank surrendered altogether nearly

1,500,000,000 reichsmarks (\$357,300,000) of gold and foreign exchange. Under the influence of the withdrawals of foreign exchange by German and foreign holders the official quotation of the dollar dropped to the gold export point. The necessary consignments of gold to foreign countries were in every case effected by the Reichsbank itself, which sold the gold principally in New York. In order to dispense with the actual shipment of part of this gold to New York, agreements were made on several occasions with foreign (European) banks of issue, which placed the necessary amounts at the disposal of the Reichsbank out of their stocks of earmarked gold on deposit in America. The gold delivered by the Reichsbank in exchange, amounting to about 700,000,000 reichsmarks (\$166,740,000), was shipped, not to America, but to the European centers concerned. Altogether some 870,000,000 reichsmarks (\$207,234,000) were sold in New York, 40,000,000 reichsmarks (\$9,528,000) in London, 17,000,000 reichsmarks (\$4,049,400) in Paris, and 28,000,000 reichsmarks (\$6,669,600) in Holland and Switzerland.

The short-term foreign indebtedness of the German banks at the end of March and the end of June, 1929, was not much less than at the end of December, 1928, in spite of the large surrenders of foreign exchange by the Reichsbank during this period; in the second half year a considerable increase was again to be observed. From the inflow of funds the Reichsbank was able once more to replenish its holdings of foreign exchange. At first the bank had purchased to only a limited extent the foreign exchange accumulated during the flight from the mark and now offered to it as a result of the measures of credit restriction. The effect of this policy was to strengthen reichsmark exchange. The improvement of the reichsmark was especially noticeable with reference to sterling, which was periodically depressed on the international market. From the end of May it was possible to import gold from England. If the Reichsbank on occasion intervened to prevent such imports, it did so in order that the Bank of England might not be led to adopt a discount policy which in turn would be undesirable for the German money market.

Position of the reichsmark.—Movements of the exchanges during the eventful period of the year under review show that the Reichsbank was able at all times to protect and maintain the stability of the reichsmark. The bank was able to improve its position quickly with the aid of the measures indicated whenever it

considered such measures necessary; and it showed once again that, even under difficult circumstances, it can fulfill the tasks imposed upon it in so far as it is prepared to make energetic use of the powers at its command.

It is most regrettable that there should nevertheless still be persons who speak and write of an impending collapse of the currency and endeavor to alarm the public by prophesying a new inflation. Such action is particularly unscrupulous on the part of persons who go about the country protesting without any sense of responsibility against the collection of taxation, and make a living out of such practices.

The capital market.—The tension in the German capital market increased still further during the year under review. There was a marked decline in the ability of the market to absorb capital issues. The volume of public loans and issues of mortgage bonds diminished; considerable amounts of public issues could not be placed at all, and the interested parties were obliged, in order to support the quotations, to take large blocks off the market without even then being able to accomplish their purpose. Quotations on the stock exchange fell almost uninterruptedly. Mortgage bonds were so depressed that the placing of mortgages at tolerable interest rates was practically impossible. For industrial concerns also it was generally impossible to raise capital by the issue of shares or bonds. Rates of interest in the German capital market rose continuously, and are now, as formerly, far in excess of the limits which can be borne by an industrial country which has international connections and is dependent on the formation of capital. The average yield of fixed interest-bearing securities at 8 per cent or less quoted on the Berlin Stock Exchange rose from 8.02 per cent at the end of 1928 to 8.42 per cent at the end of 1929. The financial difficulties of the Reich and of a large number of German municipalities at the end of the year showed that the highly precarious system of meeting long-term capital commitments over considerable periods of time by the provisional contraction of short-term debts had reached a point at which it was no longer practicable.

In proportion as foreign financial capital ceased to be available to Germany in the form of long-term loans, the dependence of German industrial concerns on foreign industrial capital increased. Purchases by foreign countries of German shares through the medium of the stock exchange were replaced to an increasing

extent by special contractual participations in German enterprises. As a result of this development, any estimate of the undoubtedly large volume of foreign capital which found its way into Germany during the past year is even more difficult than it was in previous years.

The Reichsbank as the currency institution which finances short-term credit is, in the nature of things, limited in the amount of support it can give to the capital market; so that the not inconsiderable extension of the list of securities eligible as collateral for lombard loans, as well as other facilities accorded lombard transactions, can be of little practical significance.

Proposed changes in the Reichsbank law.—In connection with the proposed reparation settlement, a revision of the Reichsbank law has also been under discussion. The changes proposed take account of the situation created by The Hague agreement, while certain other provisions of the law are adjusted to requirements which have in the interval made themselves felt. The fundamental principles of the present law remain unchanged; and in particular the independence of the Reichsbank is still further secured. Special mention should be made of the new proposals respecting distribution of profits, which are included in the other provisions for amendment to be presented to the general meeting for its approval. The arrangement contemplated in the Dawes plan and incorporated in section 37 of the bank law of August 31, 1924, was based on the assumption that it would be desirable to increase the capital of the Reichsbank to 400,000,000 reichsmarks (\$95,280,000), or at least to an effective amount of 300,000,000 reichsmarks (\$71,460,000), and to draw on the foreign capital market for the purpose. Neither step has been necessary. The Reichsbank has been able to manage hitherto with the capital which it acquired through consolidation of its old shares and the transfer to it of shares of the Golddiskontbank and other institutions. While, therefore, it seemed only reasonable in connection with the new reparations plan—which imposes extremely heavy commitments on the Reich—to modify an obviously unfair distribution of profits based on incorrect assumptions, it was impossible to ask the shareholders to agree to such a change without the offer of a suitable equivalent. Improvement in the position of the Reich is assured by the following arrangement: After payment of a minimum dividend of 8 per cent to the shareholders the

distribution of the remaining profits will be changed in such a way that of the first 25,000,000 reichsmarks (\$5,955,000) the Reich will receive 75 per cent and the shareholders 25 per cent; of the next 20,000,000 reichsmarks (\$4,764,000), the Reich will receive 90 per cent and the shareholders 10 per cent; of any surplus still remaining, the Reich will receive 95 per cent and the shareholders 5 per cent. The general meeting will be asked to agree to this proposal, subject to the provision that shareholders shall be entitled, gratis, out of the reserves of the bank, to a £10 Golddiskontbank share and a new Reichsbank share of 100 reichsmarks (both with dividend as from January 1, 1930) in respect of every four old shares of 100 reichsmarks each.

The capital of the German Golddiskontbank will be paid up in full before this arrangement is put into effect, so that in future it will have at its disposal a share capital of approximately 200,000,000 reichsmarks (\$47,640,000) and reserves of approximately 50,000,000 reichsmarks (\$11,910,000). These resources offer a practical basis for the resumption and extension of its activities in the financing of exports, and justify the expectation that even after the abolition—contemplated in connection with the revision of banking legislation—of the present privileged position in regard to taxation, of the cumulative dividend, and of the share of the Reich in the profits, a reasonable return on the share capital will be earned. In any case the resumption of a dividend payment is proposed for the year 1930.

BALANCE SHEET OF THE GERMAN REICHSBANK AS OF
DECEMBER 31, 1929

	Reichs- marks (in thousands)	Dollars ¹ (in thou- sands)
RESOURCES		
Reichsbank shares not issued.....	177,212	42,212
Gold, not under lien (gold bars, domestic and foreign coins):		
In the cash offices of the bank.....	2,133,329	508,159
With foreign central banks of issue.....	149,788	35,680
	2,283,117	543,838
Cash balances:		
Subsidiary coin.....	89,111	21,226
Rentenbank notes.....	9,616	2,291
Reichsbank notes.....	1,369,716	326,266
Notes of German private banks of issue.....	3,979	948
Credit balances in foreign currencies (of which the equivalent of 401,043,000 reichsmarks was assigned as cover for the notes in circulation).....	1,472,422	350,731
Foreign notes.....	413,234	98,432
Foreign bills and checks.....	2,544	606
Domestic bills and checks:		
Treasury bills of the Reich.....	396,453	94,435
Other domestic bills and checks.....	240,690	57,332
Domestic bills negotiated.....	2,212,479	527,012
Silver.....	332	79

¹ Conversion at par: 1 reichsmark = \$0.2382.

BALANCE SHEET OF THE GERMAN REICHSBANK AS OF
DECEMBER 31, 1929—Continued

	Reichs- marks (in thousands)	Dollars (in thou- sands)
RESOURCES—continued		
Loans against collateral (lombards), viz:		
Loans against gold and silver (sec. 21, 3a, of the bank law).....	1	-----
Loans against securities (sec. 21, 3b, c, d, of the bank law).....	166,667	39,700
Loans against bills (sec. 21, 3e, of the bank law).....	32,878	7,832
Loans against goods (sec. 21, 3f, of the bank law).....	1,170	279
Loans against long term obligations of the Reich (sec. 21, 3, par. 2, of the bank law).....	27,434	6,535
Loans against treasury bills of the Reich (sec. 21, 3g, of the bank law).....	22,480	5,355
	250,630	59,700
Securities owned.....	93,292	22,222
Doubtful assets.....	9,779	2,329
Land and buildings.....	30,000	7,146
Claims resulting from the settlement with the Reich.....	108,914	25,943
Miscellaneous:		
Bank notes no longer fit for circulation.....	583	139
Postponed claim on the German Rentenbank in virtue of section 11, 4 of the law of Aug. 30, 1924, for the liquidation of Rentenbank notes in circulation.....	70,082	16,694
Claim on the German Rentenbank in respect of the Rentenbank notes withdrawn from circulation and placed under earmark for the amount of the above-mentioned claim of the Reichsbank.....	70,082	16,694
Credit balances with postal check offices.....	20,038	4,773
Other claims.....	140,842	33,549
	301,628	71,848
Total resources.....	7,992,726	1,903,867
LIABILITIES		
Total bank-note issue.....	6,413,975	1,527,809
Credit balances of giro and current accounts.....	755,170	179,881
Original capital:		
Shares issued.....	122,788	29,248
Shares not yet issued.....	177,212	42,212
	300,000	71,460
Legal reserve fund (including transfer from net profits of the year 1929).....	53,915	12,843
Reserve for pensions, etc.....	80,000	19,056
Reserve for probable losses (including 15,000,000 reichsmarks transfer from gross profits of the year 1929).....	90,000	21,438
Reserves for —		
Printing of new notes.....	35,000	8,337
New buildings.....	35,000	8,337
Increase of original capital.....	31,000	7,384
	101,000	24,058
Special reserve fund for future payments of dividends.....	45,811	10,912
Miscellaneous:		
Interest on bills due in 1930.....	11,043	2,630
Dividends due but not yet paid.....	171	41
Rentenbank sinking fund.....	17	4
Dollar treasury notes of the Reich to be redeemed by the Reichsbank.....	279	66
Liabilities in foreign currencies.....	197	47
Other book debts.....	120,676	28,745
	132,383	31,534
Net profits for the year 1929.....	25,589	6,095
Less 20 per cent assigned to the legal reserve fund.....	5,118	1,219
Contingent liabilities resulting from negotiated domestic bills.....	20,471	4,876
Total liabilities.....	7,992,726	1,903,867

ANNUAL REPORT OF THE BANK OF JAPAN

The annual report of the Bank of Japan for 1929 was submitted to the general meeting of shareholders on February 15, 1930. The address of Mr. Hisaakira Hijikate, governor of the bank, is given herewith:¹

Business conditions during the past year, as in the preceding year, were characterized by slackness. Foreign trade was from the beginning distinctly unfavorable; the exchanges followed a downward course, while the question of the removal of the gold embargo remained undecided. The depression became even more pronounced in the latter half of the year, when the new Government, on coming into power, made the restoration of the gold standard one of its cardinal policies. In order to insure the attainment of the goal, the Government effected a retrenchment and economy in public finances, endeavored to check fresh expansions of national and local government debts, and inculcated thrift and economy in consumption upon the nation. In deference to the Government's policy, which gradually assumed a definite shape, business and industry were induced to adopt a more cautious attitude. Commercial transactions were further held up. In various branches of industry production was limited or subjected to further curtailment, promotions or extensions of business enterprises were conspicuous by their decline, and commodity and share prices moved to lower levels.

Meanwhile, under the influence of economy in consumption and expectations of an early removal of the ban on the export of gold, foreign trade showed a falling off in imports and an advance in exports, which resulted in an improvement in the country's position in international payments. The exchanges also began to take a sharp upward turn. Whereupon, with a view to mitigating the effects upon business of a violent advance in exchange rates and to replenishing its holdings of foreign funds in connection with the return to the gold standard, the Government proceeded to purchase foreign exchanges. Moreover, the Yokohama Specie Bank, assisted by the Government and this bank, established credits in London and New York to the extent of 100,000,000 yen (\$49,850,000). While these preparations were in progress, it so happened that money rates in foreign countries began to take a downward course. The conditions both at home and

abroad showing favorable development, the Government announced on November 21, by an ordinance of the Finance Ministry, the repeal of the ordinance regulating gold exports, to take effect on January 11, 1930. Thus was solved the long-standing problem of the removal of the gold embargo.

Money market.—The money market displayed a growing tendency toward relaxation from the beginning of the year under review: Overnight loans were obtainable in Tokyo, in the middle of January, at as low as 0.4 sen per diem (1.46 per cent per annum), with other rates showing an equally easy trend. Consequently, the associated banks in Tokyo and Osaka lowered in February their rates of interest on deposits to 4½ per cent per annum in respect of fixed deposits with the class A banks and to 5 per cent on those with the class B banks, the banks at other centers following suit. The reduction in the rates of interest on deposits had the effect of hastening a decline in loan rates. The share market, however, was extremely wary and inactive, owing to the uncertain outlook on the gold-embargo situation. Interest seemed to center in debenture issues. As the terms of issue became more favorable to the borrowers, the refunding of old loans at lower rates of interest was undertaken to a large extent, thereby serving in no small measure to improve the position of industrial establishments. The activity in corporation debentures, however, did not last beyond the month of May, so that, whereas the total amount of debentures issued during the first six months reached 690,000,000 yen (\$343,965,000), the figure fell away in the latter half year to 350,000,000 yen (\$174,475,000), or about one-half. The business in Government bonds was likewise inactive throughout the year, and with the approach of the embargo removal the weakness in the share market was more in evidence. The commercial transactions in seasonal goods were also limited to immediate requirements. This, combined with declines in commodity prices, resulted in an extreme slackness in the movements of funds. Bank clearings reflected the situation. The aggregate of clearings at all clearing houses during the past year, amounting to 63,100,000,000 yen (\$31,455,350,000), shows a decrease of 5,300,000,000 yen (\$2,642,050,000), compared with the preceding year. The keen anxiety manifested by bankers during the first half year to seek employment in short loans for the funds, which had accumulated as the result of their

¹ Official English version, published (in abridged form) by the Bank of Japan. In addition to the address of the governor, the report contains numerous tables showing the condition and operations of the bank. For earlier reports see FEDERAL RESERVE BULLETIN, April, 1929; May, 1928; 1927; June, 1926; etc.

calling in long-term credits and their reluctance to furnish them, was intensified in the last half year. The proceeds of the foreign exchanges purchased by the Government increased the already abundant supplies of funds on bankers' hands, so that the treasury bills to the amount of 35,000,000 yen (\$17,447,500) offered in October were sold out on the day of issue at the rate of 1 sen per diem (3.65 per cent per annum). Discount rates likewise showed an easing tendency all through the year. Commercial paper, which was quoted in Tokyo earlier in the year at 1.6-1.7 sen, (5.84 per cent to 6.24 per cent per annum), ruled after August at 1.5 sen. Overnight money did not rise above 1.5-1.6 sen (5.51 per cent to 5.84 per cent per annum) even at the time of year-end pressure and the turn of the year passed quite easily.

Central bank credit.—Turning now to a consideration of the bank's business, we observe a gradual decrease in the loans and discounts due to repayments of special advances made under the indemnity act and other loans, the total amount of advances outstanding in the middle of December receding to 684,000,000 yen (\$340,974,000). As the year-end requirements for currency were largely met out of the bankers' deposits with us, our advances, after rising for a time to 748,000,000 yen (\$372,878,000), decreased on December 31 to 679,000,000 yen (\$338,481,500), of which 598,000,000 yen (\$298,103,000) represented the advances under the indemnity act. Of the deposits with the bank, although Government deposits showed on the whole a decrease, the superabundance of funds in the market caused private deposits to be maintained at substantial figures throughout the year, with monthly averages ranging between 258,000,000 yen (\$128,613,000) and 352,000,000 yen (\$175,472,000). Even at the year end the figures did not fall below 152,000,000 yen (\$75,772,000). The increase in private deposits and the repayment of advances caused a contraction in the bank-note circulation, the monthly averages of the note issue ranging between 1,191,000,000 yen (\$593,713,500) and 1,396,000,000 yen (\$695,906,000). The amount outstanding on December 31 was 1,641,000,000 yen (\$818,038,500), showing a decrease of 97,000,000 yen (\$48,354,500) in comparison with a year ago. As regards the special advances made by the bank in respect of the earthquake bills, we received between December, 1927, and February, 1929, by which latter date a complete settle-

ment of the account was effected, indemnification from the Government according as our advances were recognized as losses. The entire amount so received was in the form of Government bonds aggregating 99,000,000 yen (\$49,351,500) in all.

Government issues.—The amount of Government bonds issued during the past year, excluding rice-purchase notes and treasury bills, totaled 441,000,000 yen (\$219,838,500), against repayments of 335,000,000 yen (\$166,997,500), leaving a net increase in national debt of 106,000,000 yen (\$52,841,000). Of the entire issues only 271,000,000 yen (\$135,093,500) of conversion loans were offered to the public. The new issues of 169,000,000 yen (\$84,246,500), with the exception of the portion subscribed for by the treasury deposit bureau, were delivered to the various Japanese banks in connection with the readjustment of their loans to the Chinese Government or used in payment for the purchase of private railways and for other purposes. Of the amount repaid, 260,000,000 yen (\$129,610,000) were retired upon maturity, while 74,000,000 yen (\$36,889,000) were purchased by means of sinking-fund operations.

International developments.—Turning to conditions abroad, in the United States the phenomenal prosperity that marked the preceding years continued in the past year. The speculative enthusiasm in the stock markets attained an excessive intensity and created an extraordinarily strong demand for funds. Money rates, in consequence, rose higher and higher, and there was a continuous efflux of European funds to New York, resulting in a sympathetic rise in rates in the financial centers of the world. However, with the spectacular reaction that occurred late in October, more normal conditions obtained in the United States and money rates in the European markets also tended to lower levels, a development quite favorable to the removal of the gold embargo in this country.

The international conferences that were held in Europe did much toward the settlement of the German reparations problem, bringing about a brighter economic outlook in that part of the world. Still, the general situation in Europe was one of continued depression. Although the boycott of Japanese merchandise in China practically subsided, the political unsettlement in that country, combined with the slump in the price of silver, had a diminishing effect on the purchasing power of the general

public. In India, Australia, and the South Seas conditions were not wholly satisfactory as a result of decreased agricultural crops or of declines in their prices. Nevertheless, our exports to those quarters increased more or less owing to peculiar market conditions obtaining there.

Foreign trade and foreign exchange.—The feature of the foreign trade of this country was a great rush of raw-cotton imports in the first six months, which was largely responsible for the excess of imports over exports during the period, amounting, in respect of Japan proper, to 282,000,000 yen (\$140,577,000). In the latter half, however, each succeeding month showed a substantial excess of exports, so that, taking the year as a whole, the import balance was reduced to 67,000,000 yen (\$33,399,500). The returns for the whole country, including Chosen and Taiwan, showed exports valued at 2,217,000,000 yen (\$1,105,174,500) against imports of 2,388,000,000 yen (\$1,190,418,000). The net import balance of 171,000,000 yen (\$85,243,500) showed a decrease of 163,000,000 yen compared with the corresponding figures for the preceding year, and was the lowest recorded in the postwar period.

The foreign exchange rate followed a downward trend from the beginning of the year, reflecting the unfavorable condition of trade in the first half-year. The Yokohama Specie Bank's rate on New York, which was quoted early in the year at \$46, fell away by the end of June to \$43.75, a decline of \$2.25. The practical measures taken in furtherance of the Government's policy of the return to gold, together with the improvement in our trade position, brought about a rally in the exchange, which steadily rose from July, until \$48.625 was reached on November 21, the day of the announcement on the removal of the embargo. Further advances brought the rate by the end of the year to \$49, showing a gain of \$5.25 since the end of June when the lowest point in the year was touched.

Restoration of the gold standard.—It will be seen from the above that the latter half of the past year saw the efforts for the restoration of the gold standard brought to fruition. If the depression in business was somewhat deepened in the course of the attainment of that object, it is highly gratifying that, thanks to the measures taken by the Government and the cooperation of the public at large, this great problem has finally been solved without any disturbing effects. The removal of the gold

embargo, however, marks merely the first step in the return to normality of our economic activities. The healthy unfolding of national resources under a full gold standard can come only through the continued exertions of the nation in the future. The development of industries and the expansion of foreign commerce are the urgent needs of the country. It devolves upon this bank, as its essential function, to meet the monetary needs of the community, while at the same time so regulating and controlling the circulation of money as to insure the stability of the currency system. We shall, accordingly, be guided by these considerations in determining the discount policy and other measures to be pursued by this bank; and it is important that we extend credits only where liquidity is assured and strictly refrain from making such advances as would tend to tie up our resources. For my part, I shall do my best in conducting the bank's affairs in accordance with these principles.

BALANCE SHEET OF THE BANK OF JAPAN AS OF
DECEMBER 31, 1929

	Yen (in thousands)	Dollars † (in thousands)
RESOURCES		
Advances to Government (art. 2, bank-note act).....	22,000	10,967
Advances on foreign bills.....	30,033	14,971
Bills discounted.....	51,475	25,660
Bills discounted (law No. 55 of 1927).....	598,180	298,193
Deposits with other banks.....	36,993	18,441
Government bonds.....	221,979	110,657
Gold and silver bullion.....	819,447	408,494
Agencies accounts.....	25,943	12,933
Agencies accounts, specified.....	4,627	2,307
Foreign agencies accounts.....	240,973	120,125
Suspense payments.....	439	219
Bank premises.....	4,729	2,357
Capital unpaid.....	22,500	11,216
Redemption fund for fractional Government notes as per contra.....	12,085	6,024
Cash items on Government account.....	49,840	24,845
Cash on hand.....	289,628	144,380
Total resources.....	2,430,871	1,211,789
LIABILITIES		
Notes issued.....	1,641,852	818,463
Redemption fund for fractional Government notes.....	12,085	6,024
Government deposits.....	392,096	195,460
Funds for the payment of mint certificates.....	100	50
Current accounts.....	140,561	70,070
Remittances.....	11,530	5,748
Due to other banks.....	3	1
Suspense receipts.....	67,754	33,775
Reserve for taxes.....	2,637	1,315
Capital subscribed.....	60,000	29,910
Reserve fund.....	91,765	45,744
Reserve against depreciation of bank premises.....	615	307
Dividends unpaid.....	4	2
Profit brought forward from last half year.....	4,916	2,451
Net profit for the current half year.....	4,952	2,469
Total liabilities.....	2,430,871	1,211,789

† Conversion at par: 1 yen = \$0.4985.

ANNUAL REPORT OF THE NATIONAL BANK OF SWITZERLAND

The annual report of the Swiss National Bank for 1929 was submitted to the meeting of stockholders on January 22, 1930. The full text of the report, with the exception of paragraphs dealing with the branches of the bank and with personnel, are given herewith.¹

Currency situation since 1914.—In decreeing on July 30, 1914, that notes of the Swiss National Bank should be inconvertible and accepted as legal tender the Federal Council was exercising powers conferred upon it by the bank law. This decree still remains in force, although the circumstances under which it was legally permissible—i. e., "emergency in time of war"—have long since ceased to exist. An increasing body of opinion demands the removal of this decree, which is contrary to the law and no longer justifiable. The situation in Switzerland and in other countries, however, has undergone great changes; so many countries have reformed their currency by establishing or preparing for a return to the gold standard that a simple repeal of this decree is not sufficient. Its mere repeal would reintroduce the legislative provisions in force before 1914, which required that the reserve should consist of "gold or silver coin having the quality of legal tender or a value recognized by legal convention, but exclusive of silver fractional currency and foreign gold coin and bullion"; and that bank notes should be redeemable "in lawful money."

Proposed amendments to bank law.—The dissolution of the Latin Monetary Union has enabled Switzerland to inaugurate a truly national currency system under which foreign gold coin and 5-franc silver pieces, formerly circulating in the country and recognized as currency either by law or agreement, have finally lost their legal-tender quality. This state of affairs made it necessary that our banking law should be amended at the same time at which the exemptions of the bank in respect to note redemption were to be repealed. A small commission of experts, summoned in January by the Federal Department of Finance to study the problem of currency reform, adopted the solution which was under consideration by the Department of Finance and the bank of issue, namely, to change from bimetallicism to gold monometallism; thereupon the banking authorities were able to finish their

preliminary draft of a bill amending the bank law and adapting it to new conditions. These proposals, approved on March 2, 1929, by the general assembly of shareholders of the bank and transmitted to the Federal Assembly, were made the subject of a message and a bill submitted to the houses of Parliament by the Federal Council on October 8, 1929. This bill was debated and approved without delay in the December session. This decree bears the following title: "Federal law of December 20, 1929, amending the Federal law of April 7, 1921, in re the Swiss National Bank." The Federal Council at the end of three months allowed for referendum will fix the date on which the law shall become effective.

The new law modifies the organic law of 1921 only in respect to those points which are incompatible with the introduction of gold monometallism. Henceforward silver will no longer be eligible as metallic reserve. There will be no mention of it in article 19 of the bank law, which governs the reserve; accordingly the provision in article 19bis of the law of September 27, 1923, authorizing the inclusion in the metallic reserve of 5-franc pieces of the Latin Monetary Union which had been withdrawn from circulation, becomes null and void. The right—of which the bank had never availed itself—to issue silver certificates, as provided in article 14, is revoked. On the other hand, article 19 introduces a new provision, which obligates the National Bank to maintain a minimum reserve of 40 per cent within Switzerland, which implies that any part of the reserve in excess of 40 per cent may be held abroad.

The revised law contains the following provisions for redemption of notes:

ART. 20. The National Bank is obligated to redeem its notes on demand in Swiss gold coin—

- (a) At its office in Berne, without limit as to amount.
- (b) At its office in Zurich, as well as at the branches and agencies administered by the bank, to the extent that the reserve of coin and their own needs permit, but in any event with no more delay than is necessary to have specie brought from the head office.

The service of note redemption shall be organized to meet the needs of the locality.

ART. 20bis. During such time as the banks of issue of countries designated as important by the authorities of the bank do not themselves redeem their notes in gold coin, the bank shall have the right to redeem its notes on demand in one or another of the following forms:

- In Swiss gold coin;
- In gold bars, of the customary commercial weight (about 12 kilograms) on the basis of mint parity;
- In gold exchange (bank deposit or check); that is to say, in exchange on countries having a free gold

¹ In addition the report contains details of bank operations, tables, and discussion of financial conditions, gold movements, etc., in other countries. For earlier reports see FEDERAL RESERVE BULLETIN, April, 1929, 1928; March, 1927; April, 1926, etc.

market. The rate of conversion of this exchange shall be calculated on the basis of the exchange rate of the foreign currency at the time of the transaction. It shall not, however, in any case exceed the export point for shipment of Swiss gold coin to the foreign bank on which the draft is drawn. The selection of the foreign currencies [in which redemption is to be effected] is reserved to the National Bank.

Redemption shall be made—

In gold coin and gold bars, at the office in Berne without limitation as to amount; at the office in Zurich, and at the branches and agencies administered by the bank, to the extent that the reserve and their own needs permit, but in any event with no more delay than is necessary to bring the metal from the head office;

In gold exchange at any of the above-mentioned offices of the bank, without limitation as to amount.

The service of note redemption shall be organized to meet the needs of the locality.

In principle, article 20 provides that the conversion of bank notes shall be made exclusively in Swiss gold coin, and thus implies that gold will be put into circulation. For the present, however, the provision is important rather as a goal to be achieved, because for practical reasons its application must be deferred until such time as those other countries which are financially important to us shall again have put gold coin into circulation. It is impossible, therefore, to fix the precise date on which it will go into effect; until then the bank will redeem its notes in accordance with the temporary arrangement provided in article 20bis.

In framing the amendment the question was considered of retaining—in other words, of including permanently—in the banking law the legal-tender status of notes of the National Bank, established by the decree of the Federal Council of July 30, 1914. According to article 30 of the Federal constitution and of article 22 of the bank law, such a measure can be decreed by the Federal Council only in an emergency in time of war. Inasmuch as a decision to make this change would have required an amendment to the Federal constitution, it seemed preferable to give it up in order to expedite the monetary reform. Thus from the time when the amended banking legislation becomes effective, inconvertibility and legal-tender quality will both be abrogated, and the situation as provided for under the constitution will be reestablished.

Bank for International Settlements.—The event which deserves first place in our discussion of business and finance is unquestionably the creation of the Bank for International Settlements. This institution, in addition to playing a most important part in international business, will also, being located in Swiss terri-

tory and closely related to our economic life, become in many ways a factor of great significance to this country.

The International Bank, created for the purpose of carrying out the reparation plan, owes its origin to the postwar situation. The Dawes plan of 1924—the first attempt to liquidate the financial consequences of the war on economic rather than on political considerations—was superseded provisionally on September 1 by the Young plan, as embodied in the final report of the committee of experts which met in Paris from February 9 to June 7 under the presidency of an American, Mr. Owen D. Young. Their desire to substitute for more or less political controls an organism of economic and commercial character, and their conviction that the management of reparations would involve large financial operations, led the experts at once to envisage the creation of an International Bank. They followed up this idea and stated their conclusions in the final report mentioned above. In August, after prolonged negotiations, The Hague conference of representatives of the various Governments concerned ratified the Young plan in its essential particulars. Thereupon an organization committee met in Baden Baden during October and November and drew up the statutes and charter of the International Bank, which were approved in January by the subsequent Hague conference. There, in accordance with the suggestion of the organization committee, the conference finally chose Basel as the seat of the International Bank. This choice may be regarded as proof of confidence in the political and economic situation of Switzerland and in the soundness of its currency.

The idea of creating a special institution for international settlements is by no means new; it has been put forward in various forms during the past decade. The extreme currency depreciation brought about by the war, as well as the reciprocal indebtedness of the former belligerents, have strengthened the desire for international collaboration and have shown the absolute necessity of cooperation between banks of issue. The International Bank, therefore, will not be restricted to the performance of its immediate task, namely, that of administering the reparations plan; it will also be called upon to promote cooperation between central banks. From this point of view no slight importance attaches to the establishment of a system of clearings through transfers of gold or foreign exchange. Besides the countries directly concerned in reparations, only

such Governments as have a currency which conforms to the practical requirements of the gold or gold exchange standard will be allowed to participate in the International Bank. Because of this fact the bank will become the chief support of gold monometallism and will contribute to stability of the exchanges.

Commercial treaties.—During the course of the year Switzerland concluded a new commercial treaty with the Belgo-Luxemburg economic union, and a new treaty with Albania regarding commerce and the right of domicile; also the commercial treaty signed with Germany on July 14, 1926, has been put into effect. The commercial agreement concluded in 1928 between France and Switzerland was superseded this year by a formal commercial treaty covering the principal questions as to interchange of commodities and including the tariff agreements in force up to that time.

Business conditions in Switzerland.—The economic situation of Switzerland on the whole was satisfactory. Toward the end of the year, however, the effects of foreign developments—the stock-exchange crisis in the United States, overproduction in some countries, and the sharp decline of prices on the international commodity markets—began to be felt in this country, especially by some of our export industries. The number of unemployed was less than that of the year before. Only a few lines of business suffered from unemployment, while in others there was at times a dearth of skilled labor. Except for the ribbon industry and certain other branches of the textile industries—embroidery in particular—which showed a further decline in exports, the greater part of our industries have been well employed, particularly the metallurgical, electrical, and chemical industries, the manufacture of machinery, and watchmaking for at least the first three quarters of the year. The building industry, interrupted at first by the abnormally long period of intense cold, became very active later on. Weather conditions were favorable to agriculture and grape growing, and the harvests were abundant almost everywhere; market prices, however, were generally lower than had been anticipated. Nevertheless, the remedial measures taken—the embargo on the import of beef cattle, the increased tariff on butter, and the final solution of the grain problem, which requires the Confederation to purchase grain at a price guaranteed by law—have already had excellent effects and have somewhat relieved the situation of agriculture. Even if the profits of the tourist industry fell

short of the expectations raised by the success of the previous year, the total income from this source will hardly be less than that of 1928. Mountain railways have also made a good showing. Our generally satisfactory economic situation is clearly indicated by the increased turnover of postal checks and the larger earnings of our transport companies. It may be added at this point that the official cost-of-living index fluctuated throughout the year around 160 (June, 1914=100). The fluctuations of the wholesale price index were kept within a narrow range, the slight decline during the summer months being compensated by a corresponding advance in the months following.

Federal budget and public debt.—In 1928, for the first time since 1914, the accounts of the Confederation were closed with a surplus, which amounted to 23,700,000 francs (\$4,574,100). It is expected that, owing to the excellent economic situation, the year 1929 will show a no less satisfactory outcome, since customs receipts, stamp duties, and the revenues from Federal undertakings exceed those of the previous year. It should be noted, however, that the close relationship between State finances and economic conditions presents a certain amount of danger, and that the advice of the Federal Council to keep down expenditure is thoroughly sound. The efforts directed toward the amortization of the large public debt were also fully justified and will relieve future generations of a heavy burden. The funded debt of the Confederation reached its highest point in 1924 and at that time amounted to 2,200,000,000 francs (\$424,600,000). At the end of 1928 it had been reduced to 1,987,000,000 francs (\$383,491,000), and during the past year was still further reduced to 1,885,000,000 francs (\$363,805,000), as a result of systematic amortizations and of the repayment of the 5½ per cent American loan of \$30,000,000 floated in 1919, of which 94,000,000 francs (\$18,142,000) remained at the end of 1928. The bank obtained the dollars required for this repayment at an average rate of 5.1825 francs per dollar—that is, at about parity—although at the time the loan was floated the dollar was quoted at 5.70 francs per dollar. Even allowing for the discount at which the loan was issued, the Confederation has realized a profit of about 7,800,000 francs (\$1,505,400). The payment was made without floating any new loan, while as a result of the preparations taken by the Confederation and by the bank it caused no disturbance on either the money or the exchange market.

Swiss railways.—By the Federal decree of June 26, 1929, a grant of 35,000,000 francs (\$6,755,000) will be made at the beginning of 1930 to the State railways in compensation for the extraordinary services which they rendered the Confederation during and after the war. This grant will further strengthen their financial situation which made satisfactory progress during 1929 in spite of the fact that on August 1 they reduced freight charges—a measure which proved helpful to business. It should be remembered, however, that the very growth in transportation which produced an increase in revenues necessitates larger operating expenditures (laying double tracks, improvement of railway stations, purchase of rolling stock, increase of personnel). Hence it is necessary to continue to administer this enterprise with a strict regard for economy. In this connection it should be noted that the index of railway operating costs has been reduced to the pre-war level.

The finances of the cantons and communes also benefited from the economic situation. All the cantons except two closed their 1928 accounts with a surplus.

The capital market.—The volume of Swiss loans floated in our capital market amounted to 248,000,000 francs (\$47,864,000), as against 55,000,000 francs (\$10,615,000) in 1928. In round figures, 100,000,000 francs (\$19,300,000) were for account of banks, and 100,000,000 francs (\$19,300,000) for account of other financial institutions and electric companies. On the other hand, neither the Confederation nor the State railways had recourse to the market, while the cantons and communes had to cover requirements slightly in excess of those of the preceding year.

The cantons were able to float their loans successfully at an interest rate of 4½ per cent and an issue price slightly below par. The average yield of five of the principal obligations of the Confederation varied between 4.50 and 4.70 per cent. The continued demand for these securities by foreign as well as Swiss investors brought about a slight decline in the yield, especially toward the end of the year. Throughout 1929 almost all the great banks issued their certificates at 5 per cent. On the other hand, banks in the cantons obtained sufficient funds until autumn on offer of 4½ per cent and were generally able to maintain this rate throughout the year. In the autumn increasing requirements induced some establishments to offer 5 per cent and occasionally 5½ per cent. The crisis on the American stock exchange and its consequences brought into our

short-term money market later on a great abundance of liquid funds, which at length influenced the capital market also, so that toward the end of the year several banks were able to obtain a reduction in the rate of interest on their certificates. In general, the rate of interest on old mortgages remained unchanged, whereas for new mortgages a somewhat higher rate had to be paid.

In this connection it should be stated that during the past year further progress was made toward the creation of the Federal mortgage bond (*lettre de gage*). The outline, drawn up by the Federal Council, of a Federal law governing the issue of mortgage bonds was thoroughly debated and accepted by the National Council which, in all essential points, agreed with the conclusions adopted the year before by the Council of the States. The National Bank now takes great satisfaction in being able to report that the two chambers have adopted the proposals which the bank submitted in a report in January, 1929, at the request of the mortgage bond committee of the National Council. The chambers decided that two central mortgage bond bureaus should be established, one for banks in the cantons, and one for the other banks. At the same time the National Council approved the plan for revision of the bank law to permit the National Bank to receive subscriptions to the bonds of the central mortgage bond bureaus.

Domestic stock issues amounted to 508,000,000 francs (\$98,044,000), as against 282,000,000 francs (\$54,426,000) in 1928. These figures, however, include issues in the amount of 191,000,000 (\$36,863,000) francs—as compared with 10,000,000 francs (\$1,930,000) in 1928—which were not offered for subscription except as they were admitted to listing on the Swiss stock exchange, and hence do not represent a fresh demand for capital to their full amount. Two of the great Swiss banks have increased their share capital so that the aggregate capital of the eight great banks, including also their declared reserves, has increased to more than 1,100,000,000 francs (\$212,300,000), and constitutes approximately 45 per cent of the aggregate capital and reserves of all the Swiss banks. The trust companies and holding companies showed considerable expansion both through the organization of new companies, and through capital increases which, during the first half year, amounted to 460,000,000 francs (\$88,780,000). At the end of June these societies held about one-third of the aggregate share capital of Swiss enterprises—that is, about 2,400,000,000 francs (\$463,200,000).

The demand made on the Swiss capital market by foreign borrowings amounted to about 110,000,000 francs (\$21,230,000)—slightly larger than that of the previous year, but not such as to create any difficulty in meeting domestic capital requirements. In the first months of the year these issues followed one another in somewhat too rapid succession and, together with foreign short-term loans floated in this market, brought about an advance in foreign exchange rates. It became advisable, therefore, to separate offerings of foreign loans by a specified length of time, as is done in the case of Swiss bonds. The "gentlemen's agreement" observed by the great banks with the National Bank since 1925 was continued during the past year, and the bank of issue was always advised in advance of any contemplated issue of foreign loans.

The international money market.—The international money market was disturbed by a number of events. For some time it was the problem of reparations which influenced the various markets, but the most important factor was the feverish speculation which prevailed on the New York stock exchange and at length spread to the stock exchanges of other countries. It was sustained by the unbounded optimism which the expansion of commerce and industry inspired, and it was further strengthened by a liberal credit policy. It is true that America gave evidence of extraordinary prosperity, but the price of shares was completely out of line with their yield. To finance the speculation in securities the New York stock exchange drew an immense volume of funds from abroad. The Federal reserve banks, recognizing the unsoundness of this position, tried to check speculation by various means. But their form of organization under the law made it impossible for them to take any effective action in the money market, and furthermore their efforts were counteracted by the activity of the private banks. The excessive speculation was bound to result in a crash. Toward the end of October the long expected crisis broke and assumed proportions such as the stock exchange had never before known. The irresistible upward movement was suddenly succeeded by a wave of pessimism which caused a huge volume of distress selling and a collapse in prices. This sudden change affected foreign bourses more or less severely. The fears that a stock exchange crisis might react adversely upon commerce and industry, and even the entire economic life of the country, were fully realized. The repercussions of the crisis were not confined to America; for by

diminishing the purchasing power of many classes they created a situation which made itself felt even in Switzerland. Later on the stock exchange crisis led to an abundance of funds and a lowering of money rates. Funds previously employed in the New York stock exchange were now set free and flowed not only into the market there but also into the short-term markets of Europe, so that a number of central banks were able to reduce their discount rates, some of them more than once.

The Swiss money market.—The Swiss money market was not wholly unaffected by the international situation. During the first half year the raising of interest rates abroad, the withdrawal of funds invested in Germany, the difficulty of floating German loans in America—all pressed heavily on our market, but it was the influence of Germany which was felt most. The withdrawal of a large part of our available funds to those foreign centers where interest rates were high produced a stringency in the Swiss market. The directors of the bank were thus faced with the question whether they should yield to this pressure from abroad, which would necessitate an advance in the official bank rates and therefore a general advance in interest rates; or whether they should try to maintain the existing lower rates for the benefit of domestic business. They decided that there was no justification for the unrestricted admission of foreign bills to discount in Switzerland, and that foreign bills, to be eligible for discount at the bank, must represent an actual import of commodities into Switzerland. Otherwise the bank of issue would have allowed foreign enterprises, in many cases competing with our own, to profit unduly by use of its credit at a favorable discount rate. Nor did the bank confine itself to applying the restriction already in effect, which limited the maturity of these bills to 20 days. It decided that foreign documentary bills and acceptances as well as finance bills, either Swiss or foreign, should be accepted only in limited amounts and together with Swiss paper eligible for discount. The bank also tried to put its credit so far as possible at the disposal of Swiss importers and exporters, and especially, whenever the transactions were plainly of a commercial character, to enable them, by discounting directly with the bank, to take advantage of its low discount rate. The bank continued to apply to discount operations the conditions which it laid down in 1924. These measures, which became still more effective following the reduction of the foreign credit operations of the banks, accomplished the de-

sired result. From the middle of August, therefore, the bank was able to liberalize its restrictions in respect to foreign documentary bills, acceptances, and finance bills which might be included in the offerings submitted for discount.

Stock exchanges.—The international stock exchange crisis caused some disturbance on the Swiss exchanges; the index of industrial shares, for example, declined from 246 to 212. The liquidation of loans on foreign stock exchanges, however, and the reduction of short-term investments abroad brought some relaxation in our money market. The economic situation of other countries led to a renewed inflow of funds into Switzerland, which created a strong demand for securities, especially bonds of the Swiss Confederation, and hence, an advance in the index of securities. As, on one hand, funds flowed into the market and, on the other hand, the demand for short-term funds was not large, the private discount rate showed a declining tendency during the last weeks of the year. In 1929 the margin between the official and the private rate of discount averaged 0.19 per cent as against 0.17 per cent in 1928. Compared with those of other countries, the private rate of discount in Switzerland was lowest of all, the average for the year being 3.31 per cent.

Discount rates.—The official discount rate was unchanged at 3½ per cent, that for advances on collateral at 4½ per cent. The efforts of the bank to reduce those advances on collateral which had in effect become long-term loans were carried on successfully. The amount of loans on collateral showed a moderate decline while at the same time the number of transactions increased, which indicates greater liquidity and activity in lombard loans.

The official discount rates of the principal financial markets, in comparison with the Swiss rate, show the following yearly averages:

	1929	1928
	<i>Per cent</i>	<i>Per cent</i>
Switzerland.....	3.50	3.50
France.....	3.50	5.52
England.....	5.50	4.50
Germany.....	7.12	7.00
Belgium.....	4.35	4.25
Netherlands.....	5.13	4.50
Austria.....	7.37	6.27
Italy.....	6.79	5.95
Spain.....	5.50	5.02
Sweden.....	4.74	4.01
New York.....	5.15	4.51

Foreign exchanges.—The Swiss franc remained firm throughout the year under review, although the discount rate of the National Bank was low compared with that of other countries. It is true that at the beginning of the year heavy demands for foreign exchange (during the first two months the bank was called upon to deliver 160,000,000 francs) caused the franc to decline slightly below dollar parity; but the depreciation never exceeded 0.32 per cent. During the spring the bank was able to strengthen its portfolio of foreign bills, and the position of Swiss currency in respect to the dollar improved steadily. This improvement continued until, in the summer, a revival of activity abroad on the part of the Swiss banks created a new demand for foreign bills and brought about a slight, temporary advance in the exchanges. The situation in the exchange market, however, suddenly became very different following the crisis on the American stock market, which reacted on the principal currencies, so that the National Bank was shortly able to purchase foreign bills at a lower rate. During this period, except for scattered transactions, no imports of gold worth mentioning took place, for the reason that in Switzerland minting of gold coins is subject to a tax and that the bank, by purchasing foreign bills, anticipated imports of gold; in other words, the bank never permitted the foreign exchanges to decline to the effective gold import point to Switzerland. The Swiss franc at length rose to a premium over all the other exchanges.

Disapproval of term "Swiss gold franc."—In this connection the directors of the bank wish to express their disapproval of the use of the expression "Swiss gold franc." In Switzerland the difference in value between the bank note and the coin has never been anything but temporary and has practically not existed at all since the autumn of 1925. In connection, however, with recent foreign loans floated in Switzerland, mention has been made from time to time of the Swiss gold franc. The board of directors would be greatly distressed if this term should become established by use. The board contends that there is no reason for its existence. In the opinion of the board there is only one national Swiss monetary unit, the franc, which in its metallic form is equal in value to a weight of 0.3225806 gram of gold nine-tenths fine. On the other hand, there is no place for a Swiss gold franc, and if this expression is used, it does not even mean a coin but a definite weight of gold—that is to say, a payment in kind; a

payment in money, on the other hand, can be made only in the currency unit of the country. It is therefore much to be desired that at least on the part of Switzerland such an interpretation of the gold clause should not be countenanced any longer.

Silver 5-franc coins.—In connection with the revision of our currency legislation—still in preparation—mention should be made of the fact that the commission of experts, called together in January by the Federal department of finance, was in all essential points in complete agreement with the conference of August 16, 1928, on monetary circulation. The commission recommends that 5-franc silver pieces continue to be coined as subsidiary currency and that their weight be reduced from 25 to 15 grams; this measure will obviate the need of bank notes in smaller denominations than 20 francs. The other fractional coins will undergo no change. The board of directors of the bank agrees with the opinion of the commission.

Gold policy of the National Bank.—The bank has no reason to change the gold policy which it has pursued for several years. It has profited by the favorable position of the Swiss franc to strengthen its metallic reserve by exchanging for gold part of the foreign bills brought to it. This policy seems advisable in view of the fact that note circulation has increased and that silver is to be taken out of the reserve after the introduction of the gold standard.

Note circulation.—During 1929 note circulation showed a further increase; the average for the year rose to 856,000,000 francs (\$165,208,000) as compared with 818,000,000 francs in 1928 and 799,000,000 francs in 1927; at the end of the year the circulation amounted to 999,000,000 francs (\$192,807,000), thus reaching almost 1,000,000,000 francs for the first time since 1921. During 1928 the increase in note circulation was due entirely to the normal development of business and the general situation of the country. During the past year, in addition to these factors, it would seem that the international situation has exerted no small influence; as long ago as in the spring, but more especially during the second half year, the foreign demand for Swiss francs has tended to increase our note issue.

Agreements for suppression of counterfeiting.—As we mentioned before in our report for 1927, efforts have been made to bring about international agreements for the purpose of suppressing effectively the counterfeiting of bank notes and coins. During the past year these efforts have met with success. On the

basis of a preliminary report prepared by a committee of experts, an international conference called together in April by the League of Nations has worked out an international convention for the suppression of counterfeiting. This convention was signed on April 20 by most of the Governments, including Switzerland. The convention prescribes penalties for making and putting into circulation counterfeit bank notes and coin and provides that in prosecutions no distinction shall be made between counterfeiting foreign or national currency. Furthermore, the agreement contains a number of administrative provisions which should assure prompt collaboration between the police authorities and the banks of issue. In signing this convention Switzerland was unable to assume any obligation as to the penal clauses of the convention, because the question of the introduction of a unified penal code in Switzerland is still unsettled. Nevertheless, the Federal council announced its willingness to enforce the administrative provisions to the extent of its authority.

Reserves of the bank.—During the year the position of the bank was still further strengthened. The aggregate reserve of gold and foreign bills averaged 781,000,000 francs (\$150,733,000) as compared with 723,000,000 francs (\$139,539,000) in 1928. The ratio of the gold reserve against notes in circulation fluctuated during the year between 55.04 per cent and 68.05 per cent, and in 1928 between 56.72 per cent and 67.81 per cent; the yearly average was 63.52 per cent, as compared with 61.89 per cent in 1928. The ratio of the reserve in gold and foreign exchange reached a maximum of 99.81 per cent, compared with 98.72 per cent in 1928, and a minimum of 82.33 per cent against 80.62 per cent in 1928; the yearly average was 91.30 per cent, as against 88.37 per cent for the previous year. The yearly average of the ratio of the reserve in gold and foreign exchange against the aggregate of notes in circulation and other demand obligations was 81.49 per cent.

“Rescriptions.”—Since the end of 1928 the bank has not been called upon to discount any bills of the Confederation (“rescriptions”), nor has it had any of them in its portfolio during the year. Since the beginning of April no bills of the Federal railways have been presented for discount, although in the previous months small amounts were found for short periods in the portfolio of the bank. The volume of noninterest-bearing bills, offered to the bank by the Confederation as cover for the difference between the bullion value and the nominal

value of 5-franc silver coins of other countries of the former Latin Monetary Union, amounted at the end of the year to 39,097,500 francs (\$7,545,818). It will decline in proportion to the periodical withdrawals of 5-franc pieces by the Governments mentioned above; and on January 15, 1932, when the repatriation of these coins will be completed, such bills will no longer figure in the balance sheet of the bank.

BALANCE SHEET OF THE SWISS NATIONAL BANK AS OF DECEMBER 31, 1929

	Francs (in thou- sands)	Dollars ¹ (in thou- sands)
RESOURCES		
Cash:		
Swiss gold coin.....	193, 802	37, 404
Foreign gold coin.....	139, 339	26, 892
Gold bars.....	225, 671	43, 555
Swiss 5-franc pieces.....	2, 498	482
5-franc pieces of other countries of old Latin Union (60,150,000 francs at 35 per cent, by authority of art. 19bis of the bank law).....	21, 053	4, 063
Subsidiary coin.....	1, 623	313
Other cash items.....	1	-----
	583, 987	112, 709
Gold earmarked abroad.....	36, 175	6, 982
Foreign exchange on gold standard countries.....	352, 872	68, 104
Foreign exchange other than gold exchange.....	9, 417	1, 817
Swiss portfolio:		
Swiss bills.....	134, 240	25, 908
Other discounts.....	15, 127	2, 920
	149, 367	28, 828
Advances on security:		
Eligible as cover for bank notes.....	75, 073	14, 489
Other.....	175	34
	75, 248	14, 523
Government securities.....	5, 439	1, 050
Due from postal check service.....	1, 174	227
Due from Swiss correspondents.....	40, 175	7, 754
Items for collection.....	1, 158	223
Coupons.....	1, 049	202
Interest accrued on securities.....	169	33
Unpaid capital.....	25, 000	4, 825
Bank premises.....	4, 000	772
Furniture and fixtures.....	(²)	-----
Miscellaneous assets.....	3, 715	717
Total resources.....	1, 288, 945	248, 766
LIABILITIES		
Notes in circulation.....	990, 185	192, 843
Giro accounts.....	171, 698	33, 138
Federal accounts.....	28, 527	5, 506
Other deposits.....	7, 071	1, 365
Drafts and officers' checks.....	997	192
Rediscounts.....	2, 066	399
Capital.....	50, 000	9, 650
Surplus ³	9, 000	1, 737
Net profits.....	7, 311	1, 411
Dividends unpaid.....	13	3
Reserve for uninsured risks.....	1, 000	193
Reserve for printing bank notes.....	1, 000	193
Miscellaneous liabilities.....	11, 078	2, 138
Total liabilities.....	1, 288, 945	248, 766

¹ Conversion at par: 1 franc=\$0.193.

² Carried at 1 franc.

³ After the transfer of 500,000 francs (\$96,500) from the profits of the year 1929 the surplus will be 9,500,000 francs (\$1,833,500).

RECENT CURRENCY LEGISLATION IN SWITZERLAND

The Swiss National Bank has pursued since the middle of 1925 the policy of maintaining Swiss exchange within the gold points, notwithstanding the absence of legal obligation to redeem its notes. The obligation to redeem was suspended by a decree of the Federal Council under date of June 30, 1914. This decree has now been abrogated, effective April 1, 1930.

At the same time the nature of the bank's obligation has been altered by legislation which was passed by the Federal Assembly last December and became effective April 1. Prior to the decree of 1914 redemption was required to be in legal-tender coin, either gold or silver. Redemption must now be effected in gold coin, gold bullion, or gold exchange, at the bank's option, but with provision requiring the bank to fall in line with other banks of issue if and when these other banks undertake to redeem their notes in gold coin.

The reserve and note-cover requirements of the bank have also been modified so as to eliminate silver. Only gold held in Switzerland may be counted as reserve.

The text of the new law is given in full below.

FEDERAL LAW AMENDING THE FEDERAL LAW OF APRIL 7, 1921, RESPECTING THE SWISS NATIONAL BANK

(December 20, 1929)

The Federal Assembly of the Swiss Confederation, with reference to the message of the Federal Council transmitted on October 8, 1929, decrees:

I

Articles 14, 19, 20, and 22 of the Federal law of April 7, 1921, respecting the Swiss National Bank, are repealed and replaced by the following provisions:

ART. 14. The National Bank is a bank of issue, of clearing, and of discount, and is authorized to carry on the following operations only:

1. To issue bank notes in accordance with the provisions of the present law.

2. To discount Swiss bills of exchange and demand drafts bearing the names of at least two persons of unquestioned solvency and independent of one another; and to discount Swiss securities eligible as collateral. The maturity of these securities may not exceed three months. Bills of exchange and demand drafts of agriculturists, arising out of commercial transactions, are to be dealt with in the same manner as other bills of exchange.

3. To buy and sell bills of exchange, demand drafts, and sight balances abroad, as well as treasury bills of foreign governments. Their maturity shall not exceed three months. The bills shall bear the names of at least two persons of unquestioned solvency and independent of one another.

4. To make advances at interest against collateral (avances sur nantissement):

(a) For a fixed period not to exceed three months.

(b) On current account, callable in 10 days at most.

Shares may not be accepted as collateral.

5. To receive deposits without interest; also deposits in current account, at interest, of funds of the Confederation and of the administrative departments and establishments under the supervision of the Confederation.

6. To effect transfers and clearings, to issue drafts, and to make collections.

7. To purchase for its own account interest-bearing securities—payable to bearer and readily marketable—of the Confederation, the Cantons, or foreign governments; such operations to be effected only for the temporary employment of resources at the disposal of the bank.

8. To buy and sell, for its own account and for account of others, precious metals in the form of bullion or coin, and to make advances on these metals.

9. To issue gold certificates.

10. To receive for safe-keeping, and to act as trustee for, securities and other articles of value; to buy and sell securities and to make subscriptions for account of others.

11. To assist in issuing loans of the Confederation, and to accept subscriptions to loans of the Confederation and of the Cantons, but without itself underwriting any of these loans.

ART. 19. The equivalent of notes in circulation must be covered by—

Swiss gold coins.

Gold bullion calculated at the legal monetary rate, making deduction for cost of minting.

Foreign gold coin.

Swiss bills of exchange and demand drafts and Swiss securities.

Foreign bills of exchange and demand drafts, treasury bills of foreign governments, and sight balances abroad.

Credits arising out of advances in current account—

(a) On securities in conformity with the provisions of article 14, section 4, subsection (b).

(b) On precious metals (art. 14, sec. 8).

The metallic reserve shall amount to at least 40 per cent of notes in circulation. This minimum metallic reserve of 40 per cent shall be held entirely in Switzerland.

ART. 20. The National Bank is obligated to redeem its notes on demand in Swiss gold coin—

(a) At its office in Berne, without limit as to amount;

(b) At its office in Zurich, as well as at the branches and agencies administered by the bank, to the extent that the reserve and their own needs permit, but in any event with no more delay than is necessary to have specie brought from the head office.

The service of note redemption shall be organized to meet the needs of the locality.

ART. 20BIS. During such time as the banks of issue of countries designated as important by the authorities of the bank do not themselves redeem their notes in

gold coin, the bank shall have the right to redeem its notes on demand in one or another of the following forms:

In Swiss gold coin.

In gold bars, of the customary commercial weight (about 12 kilograms) on the basis of mint parity.

In gold exchange (bank deposit or check); that is to say, in exchange on countries having a free gold market. The rate of conversion of this exchange shall be calculated on the basis of the exchange rate of the foreign currency at the time of the transaction. It shall not, however, in any case exceed the export point for shipment of Swiss gold coin to the foreign bank on which the draft is drawn. The selection of the foreign currencies [in which redemption is to be effected] is reserved to the National Bank.

Redemption shall be made—

In gold coin and gold bars, at the office in Berne without limitation as to amount; at the office in Zurich, and at the branches and agencies administered by the bank, to the extent that the reserve and their own needs permit, but in any event with no more delay than is necessary to bring the metal from the head office.

In gold exchange at any of the above-mentioned offices of the bank, without limitation as to amount.

The service of note redemption shall be organized to meet the needs of the locality.

ART. 22. The Federal Council may not decree that notes are legal tender nor release the bank from its obligation to redeem its notes as provided in articles 20 and 20 bis except in case of necessity in time of war.

II

The Federal law of September 27, 1923 (art. 19bis of the law governing the National Bank), is repealed.

III

The Federal Council will fix the date when the present law is to become effective.¹

The above law was passed by the Federal Council, Berne, December 19, 1929.

(Signed) *The President, MESSMER.*
The Secretary, KAESLIN.

The above law was passed by the National Council, Berne, December 20, 1929.

(Signed) *The President, E.-PAUL GRABER.*
The Secretary, G. BOVET.

The Federal Council issues the following decree:

The foregoing Federal law shall be published in accordance with article 89, paragraph 2, of the Federal constitution, and article 3 of the law of June 17, 1874, respecting the popular referendum on Federal laws and decrees.

Berne, December 20, 1929.

By order of the Swiss Federal Council.

The Chancellor of the Confederation,

KAESLIN.

Date of publication: December 26, 1929.

Referendum period ends March 26, 1930.

¹ The referendum period having expired March 26 without any move for a referendum, the Federal Council fixed Apr. 1, 1930, as the date on which the law should go into effect. [Ed.]

FINANCIAL STATISTICS FOR FOREIGN COUNTRIES

GOLD HOLDINGS OF CENTRAL BANKS AND GOVERNMENTS

[In millions of dollars. Figures for end of month or latest available preceding date; see BULLETIN for June, 1929, p. 396]

Month	Total (44 countries)	United States	Ar- gen- tina	Aus- tra- lia	Bel- gium	Bra- zil	Can- ada	Eng- land	France	Ger- many	In- dia	Italy	Ja- pan	Neth- er- lands	Rus- sia	Spain	Swit- zer- land	28 other coun- tries
1929—March.....	10,091	3,814	585	110	126	150	78	748	1,340	639	128	270	542	170	92	494	93	713
April.....	10,048	3,889	569	110	134	150	78	762	1,403	451	128	270	542	174	92	494	95	708
May.....	10,121	3,931	564	106	134	151	78	795	1,435	420	128	270	542	176	93	494	96	708
June.....	10,134	3,956	527	108	139	151	76	780	1,436	455	128	271	542	176	93	494	96	706
July.....	10,150	3,974	513	111	141	151	76	694	1,462	512	128	271	541	181	103	495	98	699
August.....	10,233	3,995	507	113	141	151	77	670	1,526	520	128	271	541	178	119	495	98	703
September.....	10,261	4,008	497	114	142	151	77	648	1,545	527	128	272	541	178	132	495	103	704
October.....	10,293	4,023	476	109	143	151	77	643	1,570	531	128	272	541	178	142	495	103	708
November.....	10,297	4,003	452	97	151	151	78	659	1,600	534	128	273	542	180	142	495	105	708
December.....	10,290	3,900	434	89	163	150	78	711	1,633	544	128	273	542	180	147	495	115	708
1930—January.....	10,351	3,921	442	88	164	139	78	732	1,633	547	128	273	520	177	147	495	108	710
February.....	10,431	3,988	448	124	164	127	78	740	1,680	532	128	273	477	176	150	476	108	713
March.....	10,496	4,061	445	126	164	-----	66	759	1,668	595	128	274	453	174	156	476	108	713
April.....	4,131	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

* Preliminary, based on latest available figures.

* Revised.

NOTE.—Table covers all countries for which satisfactory figures are available; see BULLETIN for April (p. 170), where separate figures for the 44 countries are given by years back to 1913. For the 16 countries here shown separately—all of which have held gold in recent years to the amount of \$90,000,000 or more—the figures are for central banks only except as follows: **United States**—Treasury and Federal reserve banks; **Argentina**—Government conversion fund and Bank of the Nation; **Brazil**—Bank of Brazil and Government stabilization fund; **Canada**—Government reserve against Dominion notes and savings-bank deposits, and gold deposits of chartered banks in the central reserve; **India**—currency and gold standard reserves of Government; **Japan**—domestic holdings of Bank of Japan and Government.

GOLD MOVEMENTS

[In thousands of dollars]

Month	United States			Germany			Great Britain			Netherlands			South Africa	India
	Im-ports	Ex-ports	Net	Im-ports	Ex-ports	Net	Im-ports	Ex-ports	Net	Im-ports	Ex-ports	Net	Net	Net
1929—January.....	48,577	1,378	47,199	1,250	577	672	11,844	27,891	-16,047	504	14	490	-16,607	4,730
February.....	26,913	1,425	25,488	1,338	764	574	12,347	21,383	-9,036	181	6	175	-17,848	7,700
March.....	26,470	1,635	24,835	1,701	804	897	25,734	7,746	17,987	133	14,320	-14,187	-21,542	13,063
April.....	24,687	1,594	23,093	1,768	223,247	-221,480	16,144	3,714	12,430	165	2	163	-15,871	6,580
May.....	24,098	467	23,630	1,946	781	1,165	28,284	4,652	23,632	4,338	23	4,315	-17,975	6,076
June.....	30,762	550	30,212	7,493	681	6,812	21,035	40,001	-18,917	190	17	173	-22,625	3,596
July.....	35,525	807	34,718	48,728	716	48,012	22,578	100,479	-77,901	129	8	121	-14,816	4,164
August.....	19,271	881	18,390	27,728	879	26,849	17,226	59,278	-42,052	103	2,522	-2,419	-20,981	2,771
September.....	18,781	1,205	17,576	9,939	851	9,088	18,301	41,283	-22,982	116	17	99	-15,375	3,390
October.....	21,321	3,805	17,516	4,624	1,002	3,622	28,591	26,794	1,796	177	12	166	-15,812	3,146
November.....	7,123	30,289	-23,166	5,093	919	4,174	36,249	27,844	8,405	107	15	92	-20,922	4,403
December.....	8,121	72,547	-64,426	11,096	806	10,290	65,343	16,439	48,903	297	17	280	-18,220	4,608
1930—January.....	12,908	8,948	3,960	5,052	629	4,423	41,702	16,102	25,600	248	3,224	-2,975	-17,808	5,370
February.....	60,198	2,207	59,991	38,252	687	37,565	38,961	34,074	4,886	80	1,026	-946	-20,786	3,844
March.....	55,768	290	55,478	15,119	769	14,350	38,258	12,826	25,432	-----	-----	-----	-----	3,473

MOVEMENTS TO AND FROM GREAT BRITAIN

[In thousands of dollars]

From or to—	1930				1929	
	March		January–March		Calendar year	
	Im-ports	Ex-ports	Im-ports	Ex-ports	Im-ports	Ex-ports
France.....	358	366	918	11,341	2,066	162,527
Germany.....	2,290	7	38,690	3,203	92,991	2,006
Netherlands.....	55	-----	280	14,382	-----	-----
Spain and Canaries.....	1	19,466	9	4	359	-----
Switzerland.....	208	-----	832	-----	10,781	-----
United States.....	-----	-----	23,090	39,129	61,293	-----
South America.....	402	-----	13,027	-----	-----	-----
British India.....	1,915	-----	2,216	-----	10,320	-----
Australia.....	19,734	-----	29,885	2	24,603	-----
New Zealand.....	-----	-----	2,433	-----	3,786	-----
Egypt.....	5	-----	6	-----	4,641	-----
Rhodesia.....	366	-----	1,177	-----	184,954	-----
Transvaal.....	16,957	-----	53,155	-----	4,216	-----
West Africa.....	377	-----	1,125	5	1,003	8
All other countries.....	62	8,855	161	9,619	33,434	-----
Total.....	38,258	12,826	118,921	63,002	303,725	377,505

MOVEMENTS TO AND FROM BRITISH INDIA

[In thousands of dollars]

From or to—	1930		1929			
	January		January		Calendar year	
	Im-ports	Ex-ports	Im-ports	Ex-ports	Im-ports	Ex-ports
England.....	1,263	-----	1,012	-----	10,461	-----
United States.....	-----	-----	-----	-----	22	-----
Aden and dependen- cies.....	102	86	-----	-----	1,045	-----
Arabia.....	32	13	-----	-----	1,287	-----
British Oceania.....	1,500	262	-----	-----	7,701	-----
Bahrein Islands.....	3	19	-----	-----	119	-----
Ceylon.....	10	-----	-----	-----	4,151	1
China.....	58	5	-----	-----	188	-----
Mesopotamia.....	194	189	-----	-----	2,613	-----
Straits Settlements.....	113	4	-----	2	19	28
Egypt.....	382	171	-----	-----	6,867	-----
Natal.....	1,417	-----	2,974	-----	29,595	-----
All other countries.....	-----	-----	1	-----	206	19
Total.....	5,373	4	4,733	3	64,275	48

* Revised.

CONDITION OF CENTRAL BANKS

[Figures are for the last report date of month]

	1930			1929		1930			1929
	March	February	January	March		March	February	January	March
Bank of England (millions of pounds sterling):					Bank of Belgium (millions of belgas):				
Issue department—					Gold.....	1,181	1,179	1,177	908
Gold coin and bullion.....	155.1	151.3	150.1	153.3	Foreign bills and balances in gold.....	545	548	542	488
Notes issued.....	415.1	411.3	410.1	413.3	Domestic and foreign bills.....	837	808	816	746
Banking department—					Loans to State.....	399	309	322	345
Gold and silver coin.....	.9	.7	.3	.4	Note circulation.....	2,790	2,798	2,768	2,412
Bank notes.....	63.8	64.5	62.1	51.5	Deposits.....	128	99	138	124
Government securities.....	44.8	34.4	54.3	50.6	Bank of Brazil (millions of milreis):				
Other securities.....	13.3	12.9	14.0	17.1	Gold.....	407	407	407	407
Discounts and advances.....	6.1	4.7	5.5	13.9	Currency.....	680	554	678	678
Public deposits.....	18.8	12.0	14.6	19.7	Correspondents abroad.....	246	234	350	350
Bankers' deposits.....	54.9	50.7	67.5	58.2	Loans and discounts.....	1,478	1,438	1,438	1,128
Other deposits.....	35.9	36.2	36.0	36.4	Securities.....	128	128	128	147
Reserve ratio ¹ (per cent).....	58.1	65.9	52.9	45.4	Note circulation.....	592	592	592	592
Bank notes in circulation ²	352.3	346.8	348.0	361.8	Deposits.....	1,830	1,483	1,461	1,461
Bank of France (millions of francs):					National Bank of Bulgaria (millions of leva):				
Gold.....	42,557	42,855	42,921	34,186	Gold.....	1,404	1,400	1,395	1,342
Sight balances abroad.....	6,920	6,956	6,984	10,577	Net foreign exchange.....	325	352	506	1,836
Foreign bills.....	18,746	18,738	18,732	18,434	Total foreign exchange.....	718	724	875	2,953
Loans and discounts.....	8,943	7,987	8,517	9,160	Loans and discounts.....	1,245	1,292	1,227	1,485
Negotiable bonds.....	5,396	5,453	5,453	5,930	Government obligations.....	3,339	3,304	3,340	3,685
Note circulation.....	70,826	71,116	70,539	64,373	Note circulation.....	3,350	3,148	3,260	4,101
Public deposits.....	6,802	8,767	10,172	11,617	Other sight liabilities.....	1,780	1,887	1,886	3,082
Other deposits.....	8,719	7,136	7,512	6,603	Central Bank of Chile (millions of pesos):				
German Reichsbank (millions of reichsmarks):					Gold at home.....	63	63	63	61
Gold reserve.....	2,346	2,294	2,147	2,553	Deposits abroad.....	340	385	501	413
Gold abroad.....	150	150	150	130	Loans and discounts.....	128	121	103	92
Reserves in foreign exchange.....	387	384	397	36	Note circulation.....	356	353	344	366
Loans and discounts.....	2,269	2,288	2,222	2,488	Deposits.....	118	158	181	114
Deposits.....	457	469	357	478	Bank of the Republic of Colombia (thousands of pesos):				
Reichsmarks in circulation.....	4,806	4,722	4,653	4,822	Gold at home.....	21,315	21,270	25,395	26,554
Rentenmarks in circulation.....	382	384	392	515	Gold abroad.....	9,477	10,897	16,954	16,954
Bank of Italy (millions of lire):					Loans and discounts.....	17,689	17,979	16,954	16,954
Gold at home.....	5,202	5,190	5,189	5,126	Note circulation.....	33,241	34,246	51,072	51,072
Credits and balances abroad.....	4,858	4,855	4,911	5,334	Deposits.....	6,573	6,720	9,360	9,360
Gold abroad.....	4,379	4,614	4,713	5,214	Czechoslovak National Bank (millions of Czechoslovak crowns):				
Loans and discounts.....	16,322	16,095	16,329	16,396	Gold.....	1,262	1,262	1,262	1,158
Total note circulation.....	300	300	300	300	Foreign balances and currency.....	1,907	1,980	2,039	1,731
Public deposits.....	1,436	1,663	1,560	2,125	Loans and advances.....	639	292	364	527
Other deposits.....					Assets of banking office in liquidation.....	352	354	355	422
Bank of Japan (millions of yen):					Note circulation.....	7,011	6,838	6,923	7,333
Gold.....	912	965	1,066	1,063	Deposits.....	417	395	407	350
Advances and discounts.....	755	755	732	793	Danish National Bank (millions of kroner):				
Government bonds.....	131	144	179	175	Gold.....	172	172	172	173
Notes issued.....	1,270	1,277	1,347	1,247	Foreign bills, etc.....	101	128	106	88
Total deposits.....	706	733	822	789	Loans and discounts.....	77	79	78	71
Commonwealth Bank of Australia (thousands of pounds sterling):					Note circulation.....	352	352	347	357
Issue department—					Deposits.....	31	29	35	27
Gold coin and bullion.....	25,993	25,379	18,148	22,581	Bank of Danzig (thousands of Danzig gulden):				
Securities.....	6,191	9,769	17,263	21,740	Balances with Bank of England.....	15,347	14,502	13,969	16,069
Banking department—					Foreign bills, etc.....	9,472	13,328	13,883	13,967
Coin, bullion, and cash.....	2,600	1,345	1,411	1,524	Loans and discounts.....	25,059	20,155	20,481	25,329
Money at short call in London.....	5,100	4,351	4,669	17,403	Note circulation.....	36,661	36,045	36,281	38,739
Loans and discounts.....	14,637	15,483	16,497	12,552	Deposits.....	1,659	1,696	1,333	2,116
Securities.....	20,208	17,208	12,319	10,252	Bank of Estonia (thousands of kronas):				
Deposits.....	42,619	38,348	33,239	42,083	Gold.....	6,461	6,450	6,437	6,243
Bank notes in circulation.....	37,727	37,648	38,466	39,635	Net foreign exchange.....	19,800	18,131	19,478	22,257
Austrian National Bank (millions of schillings):					Loans and discounts.....	28,336	28,292	27,819	31,628
Gold.....	169	169	169	169	Note circulation.....	33,169	33,332	32,260	36,259
Foreign exchange of the reserve.....	221	204	204	210	Deposits—				
Other foreign exchange.....	336	315	312	357	Government.....	13,948	9,289	8,733	14,594
Domestic bills.....	166	234	238	188	Bankers.....	3,422	5,112	6,187	2,208
Government debt.....	108	109	109	110	Other.....	1,819	1,450	2,102	2,934
Note circulation.....	980	974	981	1,004					
Deposits.....	26	59	53	33					

¹ Ratio of gold and notes in banking department to deposit liabilities.

² Notes issued, less amounts held in banking department and in currency note account.

CONDITION OF CENTRAL BANKS—Continued

[Figures are for the last report date of month]

	1930			1929		1930			1929
	March	February	January	March		March	February	January	March
Bank of Finland (millions of Finnish marks):					Bank of Poland (millions of zlotys):				
Gold.....	304	301	301	302	Gold at home.....	483	521	521	427
Balances abroad and foreign credits.....	933	739	705	706	Gold abroad.....	219	180	180	195
Foreign bills.....	85	16	15	11	Foreign exchange of the reserve.....	325	360	372	530
Domestic bills.....	1,130	1,223	1,147	1,355	Other foreign exchange.....	116	100	101	129
Note circulation.....	1,447	1,369	1,259	1,596	Loans and discounts.....	697	739	756	790
Demand liabilities.....	395	342	308	265	Note circulation.....	1,324	1,282	1,247	1,333
					Current account of the treasury.....	162	290	300	270
					Other current accounts.....	146	166	154	242
Bank of Greece (millions of drachmas):					Bank of Portugal (millions of escudos):				
Gold.....	627	643	644	565	Gold.....	9	9	9	9
Net foreign exchange in reserve.....	2,768	2,537	2,689	3,472	Balances abroad.....	165	275	313	326
Total foreign exchange.....	3,749	3,739	3,830	4,588	Bills.....	336	359	361	280
Loans and discounts.....	295	340	377	123	Note circulation.....	1,879	1,906	1,972	1,852
Government obligations.....	3,513	3,513	3,596	3,790	Deposits.....	59	77	103	72
Note circulation.....	4,890	4,842	4,907	5,488					
Other sight liabilities.....	1,950	1,874	2,081	2,122	National Bank of Rumania (millions of lei):				
					Gold at home.....	5,307	5,280	5,021	5,021
National Bank of Hungary (millions of pengős):					Gold abroad.....	3,919	3,919	3,591	3,591
Gold.....	163	163	163	204	Foreign exchange of the reserve.....	3,610	5,063	3,655	3,655
Foreign bills, etc.....	8	25	18	22	Other foreign exchange.....	22	39	1,133	1,133
Loans and discounts.....	225	227	293	345	Loans and discounts.....	9,661	9,529	8,051	8,051
Advances to treasury.....	83	83	88	92	State debt.....	5,197	5,469	10,080	10,080
Other assets.....	72	93	97	86	Note circulation.....	19,518	19,767	20,964	20,964
Note circulation.....	431	441	476	458	Deposits.....	8,487	9,097	10,151	10,151
Deposits.....	46	77	63	198					
Miscellaneous liabilities.....	46	46	94	68	State Bank of Russia (thousands of chervontsi):				
					Loans and discounts.....	509,965	472,486	358,006	358,006
Bank of Java (millions of florins):					Deposits.....	311,114	268,314	206,156	206,156
Gold.....	139	139	140	167	Issue department—				
Foreign bills.....	31	31	31	28	Gold.....	29,080	28,567	17,833	17,833
Loans and discounts.....	63	79	95	82	Other precious metals.....	3,298	3,414	4,359	4,359
Note circulation.....	270	275	279	304	Foreign exchange.....	6,813	6,687	9,165	9,165
Deposits.....	37	32	37	42	Note circulation.....	153,580	150,027	110,212	110,212
Bank of Latvia (millions of lats):					South African Reserve Bank (thousands of pounds sterling):				
Gold.....	23,970	24	24	23,692	Gold.....	7,315	7,680	7,914	8,206
Foreign exchange reserve.....	48,292	45	43	67,421	Foreign bills.....	6,633	6,237	6,027	7,713
Bills.....	92,552	94	94	90,045	Domestic bills.....	1,211	2,333	3,081	1,412
Loans.....	54,909	54	54	44,159	Note circulation.....	8,436	9,032	9,156	9,498
Note circulation.....	48,443	49	48	39,686	Deposits—				
Government deposits.....	90,824	84	87	107,700	Government.....	2,450	2,573	1,740	1,613
Other deposits.....	60,849	82	79	63,523	Bankers.....	4,737	4,860	5,178	5,613
					Others.....	393	250	386	244
Bank of Lithuania (millions of litas):					Bank of Spain (millions of pesetas):				
Gold.....	35	35	35	34	Gold.....	2,468	2,467	2,567	2,560
Foreign currency.....	81	85	82	37	Silver.....	716	714	711	716
Loans and discounts.....	90	84	84	89	Balances abroad.....	34	185	86	95
Note circulation.....	101	99	96	93	Loans and discounts.....	2,018	2,041	2,062	1,837
Deposits.....	98	96	96	63	Note circulation.....	4,365	4,431	4,399	4,243
					Deposits.....	833	889	1,017	980
Netherlands Bank (millions of florins):					Bank of Sweden (millions of kronor):				
Gold.....	432	437	440	423	Gold.....	244	244	244	235
Foreign bills.....	204	201	217	42	Foreign bills, etc.....	262	234	237	189
Loans and discounts.....	171	130	141	252	Loans and discounts.....	302	298	296	374
Note circulation.....	837	782	787	78	Note circulation.....	575	534	521	544
Deposits.....	13	23	34	10	Deposits.....	159	166	183	174
					Swiss National Bank (millions of francs):				
Bank of Norway (millions of kroner):					Gold.....	561	561	560	481
Gold.....	147	147	147	147	Foreign balances and bills.....	335	344	378	218
Foreign balances and bills.....	37	27	30	40	Loans and discounts.....	119	120	135	242
Domestic credits.....	240	233	233	274	Note circulation.....	918	893	890	886
Note circulation.....	305	297	298	312	Demand deposits.....	122	129	188	111
Foreign deposits.....	2	2	3	2					
Total deposits.....	80	68	71	98	National Bank of the Kingdom of Yugoslavia (millions of dinars):				
					Gold.....	96	96	96	92
Reserve Bank of Peru (thousands of soles):					Foreign notes and credits.....	291	291	276	192
Gold.....	49,519	46,974	51,281	51,281	Loans and discounts.....	1,319	1,377	1,434	1,655
Gold against demand deposits.....	4,201	6,752	2,445	2,445	Advances to State.....	2,997	2,999	2,999	2,966
Foreign exchange reserve.....	6,025	8,188	9,611	9,611	Note circulation.....	5,363	5,560	5,586	5,265
Bills.....	24,498	26,388	17,169	17,169	Deposits.....	1,397	1,409	1,372	729
Note circulation.....	59,919	61,016	60,751	60,751					
Deposits.....	8,354	11,102	4,012	4,012					

¹ Figures are for Mar. 1, 1930.

² The February balance sheet of the Reserve Bank of Peru is in terms of the new currency unit, the sol (par \$0.40 00), exchangeable for the old libra (par \$4.8665) at the rate of 10 to 1. To preserve comparability figures for previous months have been converted from libras into soles.

CONDITION OF COMMERCIAL BANKS

Country	Millions of national currency			Millions of dollars								
	1930			1929						1930		
	January	February	March	January	February	March	October	November	December	January	February	March
Canada:	Millions of dollars											
Gold coin and bullion ¹	61	60	-----	64	64	63	62	61	61	61	60	-----
Current loans and discounts.....	449	428	-----	1,481	1,506	1,560	1,715	1,684	1,653	507	449	428
Money at call and short notice.....	1,641	1,628	-----	595	597	560	521	532	507	1,641	1,628	-----
Public and railway securities.....	431	423	-----	530	530	524	487	475	448	431	423	-----
Note circulation.....	150	159	-----	158	162	189	185	187	175	156	159	-----
Individual deposits.....	2,485	2,455	-----	2,595	2,560	2,560	2,679	2,636	2,605	2,485	2,455	-----
Gold reserve against Dominion notes.....	63	63	-----	59	59	58	60	60	60	63	63	-----
Dominion note circulation.....	173	167	-----							173	167	-----
Argentina:	Millions of pesos											
Bank of the Nation—												
Gold.....	7	7	-----	120	120	120	40	29	29	1	1	-----
Other cash.....	124	115	-----	143	138	120	122	113	79	112	99	-----
Loans and discounts.....	584	615	-----	493	506	512	558	564	576	534	532	-----
Deposits.....	731	750	-----	751	753	745	704	694	681	668	649	-----
Other banks in Buenos Aires—												
Gold.....	11	11	-----	11	11	12	12	12	11	11	11	-----
Other cash.....	170	181	-----	195	190	184	146	145	146	155	156	-----
Loans and discounts.....	908	911	-----	821	832	839	844	835	831	829	789	-----
Deposits.....	1,003	983	-----	982	976	991	952	929	925	916	850	-----
England:	Millions of pounds sterling											
Cash in vault and at banks.....	192	182	181	964	918	898	920	907	979	935	883	882
Money at call and short notice.....	142	120	133	716	649	650	733	707	700	692	621	645
Advances and discounts.....	1,213	1,192	1,157	5,989	5,975	5,815	5,829	5,842	5,829	5,703	5,799	5,631
Investments.....	233	229	225	1,215	1,197	1,187	1,171	1,142	1,147	1,134	1,113	1,096
Deposits.....	1,767	1,714	1,682	8,805	8,648	8,463	8,587	8,522	8,628	8,600	8,341	8,185
France:	Millions of francs											
Bills and national-defense bonds.....				838	826	816	804	819	826	834		
Loans and advances.....				376	421	398	424	421	421	420		
Demand deposits.....				1,356	1,370	1,323	1,306	1,291	1,285	1,298		
Time deposits.....				37	42	37	41	41	42	39		
Germany:	Millions of reichsmarks											
Bills and treasury notes.....		3,148	3,234				679	687			750	770
Due from other banks.....		1,160	1,182				342	293			276	282
Miscellaneous loans.....		8,561	8,619				1,931	1,969			2,039	2,052
Deposits.....		12,035	12,259				2,777	2,774			2,867	2,920
Acceptances.....		525	510				118	116			125	122
Italy:	Millions of lire											
Cash.....					61		60					
Bills discounted.....					470		434					
Due from correspondents.....					268		299					
Due to correspondents.....					711		721					
Deposits.....					160		164					
Denmark:	Millions of kroner											
Loans and discounts.....	1,787	1,810	-----	457	462	462	477	476	479	479	485	-----
Due from foreign banks.....	128	115	-----	43	45	45	39	37	38	34	31	-----
Due to foreign banks.....	74	84	-----	23	25	24	16	16	19	20	23	-----
Deposits and current accounts.....	1,941	1,971	-----	512	520	520	529	526	526	520	523	-----
Norway:	Millions of kroner											
Loans and discounts.....	1,239	1,233	-----	348	348	347	335	336	335	332	330	-----
Due from foreign banks.....	123	117	-----	33	34	31	38	34	32	33	31	-----
Due to foreign banks.....	76	75	-----	22	22	23	23	23	21	20	20	-----
Rediscounts.....	92	92	-----	27	27	27	27	26	24	25	25	-----
Deposits.....	1,524	1,521	-----	425	426	420	414	412	412	408	408	-----
Sweden:	Millions of kroner											
Loans and discounts.....	4,275	4,324	-----	1,104	1,109	1,107	1,141	1,141	1,117	1,146	1,158	-----
Foreign bills and credits abroad.....	297	265	-----	74	71	71	94	80	79	80	71	-----
Due to foreign banks.....	125	120	-----	34	33	40	39	31	30	33	32	-----
Rediscounts.....	156	154	-----	44	45	62	47	45	67	42	41	-----
Deposits.....	3,600	3,621	-----	946	945	949	954	944	933	965	970	-----
Japan:	Millions of yen											
Cash on hand.....	276	238	230	118	156	116	157	168	156	138	119	114
Total loans.....	2,148	2,157	2,167	946	936	934	974	1,003	1,058	1,071	1,072	1,080
Total deposits.....	2,072	2,063	2,050	957	953	953	990	1,021	1,023	1,033	1,028	1,022

¹ Not including gold held abroad.

NOTE.—Banks included are as follows: *Canada*—Chartered banks; *England*—nine London clearing banks; *France*—three commercial banks; *Germany*—six Berlin banks; *Italy*—four private banks; *Denmark, Norway, and Sweden*—joint stock banks; *Japan*—Tokyo banks.

DISCOUNT RATES OF CENTRAL BANKS

(Rate prevailing May 3, 1930, with date of latest change)

Country	Rate	In effect since—	Country	Rate	In effect since—	Country	Rate	In effect since—	Country	Rate	In effect since—
Austria.....	6	Mar. 22, 1930	England...	3	May 1, 1930	Japan.....	5.48	Oct. 10, 1927	Portugal....	8	July 27, 1926
Belgium.....	3	May 1, 1930	Estonia...	8	Oct. 3, 1929	Java.....	4½	Mar. 10, 1930	Rumania....	9	Nov. 26, 1929
Bulgaria.....	10	July 2, 1929	Finland...	6½	Apr. 28, 1930	Latvia....	6-7	Apr. 1, 1928	Russia.....	8	Mar. 22, 1927
Chile.....	6	Oct. 22, 1928	France.....	2½	May 2, 1930	Lithuania...	7	Feb. 1, 1925	South Africa	6	Aug. 17, 1929
Colombia.....	9	Nov. 20, 1929	Germany...	5	Mar. 25, 1930	Netherlands	3	Mar. 25, 1930	Spain.....	5½	Dec. 19, 1928
Czechoslovakia	5	Mar. 8, 1927	Greece....	9	Nov. 30, 1928	Norway....	4½	Mar. 21, 1930	Sweden....	3½	Apr. 3, 1930
Danzig.....	5	May 2, 1930	Hungary...	6	Mar. 29, 1930	Peru.....	7	Nov. 23, 1929	Switzerland	3	Apr. 3, 1930
Denmark.....	4	May 3, 1930	India.....	6	Apr. 3, 1930	Poland....	7	Mar. 14, 1930	Yugoslavia..	6	June 23, 1922
Ecuador.....	9	Jan. 10, 1930	Italy.....	6	Apr. 24, 1930						

Changes.—Belgium—May 1, from 3½ to 3 per cent; Danzig—May 2, from 5½ to 5 per cent; Denmark—May 3, from 4½ to 4 per cent; England—May 1, from 3½ to 3 per cent; Finland—Apr. 28, from 7 to 6½ per cent; France—May 2, from 3 to 2½ per cent; India—Apr. 3, from 7 to 6 per cent; Italy—Apr. 24, from 6½ to 6 per cent; Sweden—Apr. 3, from 4 to 3½ per cent; Switzerland—Apr. 3, from 3½ to 3 per cent.

MONEY RATES IN FOREIGN COUNTRIES

Month	England (London)			Germany (Berlin)				Netherlands (Amsterdam)		Switzerland
	Bankers' acceptances, 3 months	Treasury bills, 3 months	Day-to-day money	Bankers' allowance on deposits	Private discount rate	Money for 1 month	Day to-day money	Private discount rate	Money for 1 month	Private discount rate
1929—January.....	4.32	4.29	3.41	2½	5.80	7.51	5.13	4.20	4.46	3.28
February.....	5.05	4.96	4.33	2½-3½	5.80	7.07	6.33	4.39	4.78	3.31
March.....	5.33	5.30	4.51	3½	6.31	7.30	6.97	4.64	5.06	3.39
April.....	5.21	5.18	4.43	3½	6.63	7.57	6.85	5.36	5.81	3.45
May.....	5.21	5.21	4.67	3½	7.49	9.65	9.32	5.37	5.88	3.34
June.....	5.32	5.35	4.23	3½	7.50	9.89	7.90	5.30	5.30	3.26
July.....	5.38	5.39	4.54	3½	7.39	9.35	8.21	5.20	4.90	3.19
August.....	5.47	5.48	4.35	3½	7.18	9.43	7.42	5.06	4.68	3.33
September.....	5.59	5.63	4.39	3½-4½	7.18	9.48	7.86	5.36	5.32	3.38
October.....	6.13	6.19	5.45	4½-4	7.28	9.06	8.06	5.15	4.52	3.38
November.....	5.35	5.30	5.15	4-3½	6.89	8.29	7.79	4.26	4.17	3.32
December.....	4.76	4.75	4.23	3½-3	6.98	8.78	8.14	3.52	3.87	3.15
1930—January.....	4.07	4.04	3.62	3	6.33	7.71	6.03	2.99	2.85	2.97
February.....	3.82	3.72	3.76	3-2½	5.53	6.72	6.01	2.80	2.94	2.71
March.....	2.78	2.55	3.20	2½-1½	5.12	6.35	5.57	2.50	2.61	2.60

Month	Belgium (Brussels) ¹	France (Paris)	Italy (Milan)	Austria (Vienna)		Hungary		Sweden (Stockholm)	Japan (Tokyo)	
	Private discount rate	Private discount rate	Private discount rate	Private discount rate	Money for 1 month	Prime commercial paper	Day-to-day money	Loans up to 3 months	Discounted bills	Call money overnight ²
1929—January.....	3.97	3.50	5.83	6½-6¾	7¼-8½	7¾-8½	6¼-8¼	4½-6½	5.84-6.21	2.37
February.....	3.97	3.39	6.00	6¾-6¼	7¼-8¼	7¾-8½	6¼-8¼	4½-6½	5.66-5.84	2.92
March.....	3.97	3.37	6.31	6¼-6¾	7¼-8¼	7¾-8½	6¼-8¼	4½-6½	5.66-5.84	3.10
April.....	3.97	3.44	6.75	6¾-7¼	7¾-8¾	8¼-9	7-9	4½-6½	5.48-5.66	3.65
May.....	3.96	3.40	6.83	7¼-7¼	8-9	8½-9½	7-9	4½-6½	5.48-5.66	3.29
June.....	3.97	3.50	6.75	7¾-7¼	8¼-9	8¾-9¾	7-9	4½-6½	5.48-5.66	3.29
July.....	4.04	3.50	6.75	7¼-7¾	8¼-9	8¾-10	7-8¼	4½-6½	5.48-5.66	3.10
August.....	4.93	3.50	6.85	7¼-7¼	8¼-9	8¾-10¼	7-8	4½-6½	5.48	3.10
September.....	4.94	3.50	7.01	7¾	8¼-9¼	8¾-10¼	6¾-8	5½-7	5.48	2.92
October.....	4.94	3.50	7.18	8-8½	9-10	9-10¼	7¼-8	5½-7	5.48	3.47
November.....	4.57	3.50	7.00	7¾-8¼	8¾-10	8½-9¾	6¼-7¾	5½-7	5.48	3.47
December.....	4.40	3.50	7.00	7¼-7¾	8½-9¼	8½-9¾	7-7½	5½-7	5.48	3.10
1930—January.....	3.40	3.38	7.00	6½-7¼	7¾-8¾	7½-10	6½-7½	4½-6	5.48	2.74
February.....	3.41	2.91	6.95	6¼-6¾	7-8	7-9¼	5½-6¾	4½-6	5.48	3.83
March.....	3.31	2.70	6.57	5¾-6	6¾-7¾					

¹ Preliminary.

¹ The Brussels rate, formerly derived from the Bulletin Mensuel, Banque National Suisse, is now obtained from the Bulletin d'Information et de Documentation, Banque Nationale de Belgique. The rate quoted is that for the private discount of "commercial," as distinct from "financial," paper.

² The rate previously quoted for call money in Tokio represented the range of the high and low for the month. The rate now quoted represents the average for the month of the rates prevailing daily.

NOTE.—For sources used, methods of quotation, and back figures, see BULLETIN for November, 1926, April, 1927, July, 1929, and November, 1929.

FOREIGN EXCHANGE RATES

[Monthly averages of daily quotations.¹ In cents per unit of foreign currency]

Country	Monetary unit	Par of exchange	1930			Country	Monetary unit	Par of exchange	1930		
			February	March	April				February	March	April
EUROPE											
Austria.....	Schilling.....	14.07	14.0605	14.0705	14.0801	Argentina.....	Peso.....	96.48	86.5311	85.6357	88.6349
Belgium.....	Belga.....	13.90	13.9271	13.9373	13.9565	Bolivia ²	Boliviano.....	36.50	36.0000	36.0385	36.5000
Bulgaria.....	Lev.....	.72	.7212	.7216	.7221	Brazil.....	Milreis.....	11.96	11.1533	11.5012	11.7206
Czechoslovakia.....	Crown.....	2.96	2.9560	2.9622	2.9621	Chile.....	Peso.....	12.17	12.0319	12.0518	12.0549
Denmark.....	Krone.....	26.80	26.7532	26.7693	26.7745	Colombia ²	do.....	97.33	96.3900	96.3900	96.3900
England.....	Pound.....	486.65	486.1785	486.3085	486.3104	Ecuador ²	Sucre.....	20.00	20.0000	20.0000	20.0000
Finland.....	Markka.....	2.52	2.5162	2.5166	2.5171	Peru ²	Libra.....	486.65	400.0000	400.0000	400.0000
France.....	Franc.....	3.92	3.9155	3.9132	3.9185	Uruguay.....	Peso.....	103.42	88.9679	89.0137	92.9001
Germany.....	Reichsmark.....	23.82	23.8711	23.8573	23.8684	Venezuela ²	Bolivar.....	19.30	19.2500	19.2408	19.1300
Greece.....	Drachma.....	1.30	1.2862	1.2960	1.2967	ASIA					
Hungary.....	Pengo.....	17.49	17.4769	17.4738	17.4718	China ⁴	Mexican dollar.....	33.58	34.3963	33.8100	33.6670
Italy.....	Lira.....	5.26	5.2346	5.2375	5.2415	China ⁴	Shanghai tael.....	46.30	47.9616	47.1132	46.9037
Netherlands.....	Florin.....	40.20	40.1028	40.1066	40.2013	China ⁴	Yuan dollar.....	32.84	34.2746	33.6009	33.8822
Norway.....	Krone.....	26.80	26.7212	26.7589	26.7719	Hong Kong ⁴	Dollar.....	33.84	38.2350	37.2238	37.1905
Poland.....	Zloty.....	11.22	11.1935	11.2027	11.2037	India.....	Rupee.....	36.50	36.2071	36.1138	36.1163
Portugal.....	Escudo.....	108.05	4.4957	4.4930	4.4954	Japan.....	Yen.....	49.85	49.1295	49.3298	49.3661
Rumania.....	Leu.....	.60	.5950	.5953	.5957	Java ⁵	Florin.....	40.20	40.0791	40.1365	40.2350
Russia ²	Chervonetz.....	514.60	*515.0000	*515.0000	*515.0000	Straits Settlements.....	Singapore dollar.....	56.78	56.0006	55.8994	55.8744
Spain.....	Peseta.....	19.30	12.6955	12.3131	12.4828	Turkey.....	Turkish pound.....	439.65	⁶ 46.7776	⁶ 47.3035	⁷ 46.6955
Sweden.....	Krona.....	26.80	26.8262	26.8563	26.8796	AFRICA					
Switzerland.....	Franc.....	19.30	19.2838	19.3453	19.3790	Egypt.....	Egyptian pound.....	494.31	⁸ 500.6147	⁶ 499.2997	⁷ 498.5070
Yugoslavia.....	Dinar.....	19.30	1.7604	1.7637	1.7674						
NORTH AMERICA											
Canada.....	Dollar.....	100.00	99.2408	99.7637	99.9501						
Cuba.....	Peso.....	100.00	100.0313	99.9596	99.9189						
Mexico.....	do.....	49.85	47.4758	47.4921	47.5414						

¹ Based on noon buying rates for cable transfers in New York.² Averages based on daily quotations of closing rates as published by New York Journal of Commerce.³ Chervonetz quotations nominal.⁴ Silver currency. The figure given for parity represents gold value of unit in April, 1930, computed by multiplying silver content of unit by New York average price of silver for April, 1930, which was \$0.42740 per fine ounce. On the same basis, parity in April, 1929, for the Chinese-Mexican dollar was 43.98 cents; for the Shanghai tael, 60.64 cents; for the Yuan dollar, 43.02 cents; and for the Hong Kong dollar, 43.66 cents.⁵ December, 1929.⁶ January, 1930.⁷ February, 1930.

Back figures.—See BULLETIN for January, 1930, 1929, and 1928.

PRICE MOVEMENTS IN PRINCIPAL COUNTRIES

WHOLESALE PRICES

ALL COMMODITIES

Country	1929												1930		
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
United States.....	97	97	98	97	96	96	98	98	98	96	94	94	93	92	91
Canada.....	94	96	96	94	92	93	96	98	97	97	96	96	96	94	92
England.....	138	138	140	139	136	136	137	136	136	136	134	133	131	128	125
France.....	657	660	654	648	643	629	624	598	608	607	603	596	576	567	558
Germany.....	139	139	140	137	136	135	138	138	138	137	136	134	132	129	126
Italy.....	461	463	461	455	452	447	440	437	437	436	431	425	417	408	400
Japan.....	228	226	226	225	223	222	220	218	218	216	211	205	201	199	196
Australia.....	157	156	157	158	156	158	159	160	163	161	158	154	151	147	-----
Austria.....	128	130	133	134	135	134	132	132	128	127	125	123	125	123	121
Belgium.....	867	865	869	862	851	848	858	850	846	838	834	823	808	791	774
China.....	160	162	164	161	162	163	163	165	167	168	165	165	170	175	174
Czechoslovakia.....	139	139	141	141	137	134	135	134	132	131	130	128	126	124	122
Denmark.....	151	159	154	150	148	146	149	150	150	149	147	146	143	140	136
Dutch East Indies.....	149	149	150	148	150	149	149	148	148	147	146	144	143	-----	-----
Egypt.....	125	122	123	120	114	108	109	112	113	115	112	110	109	106	-----
Finland.....	100	100	100	99	98	98	97	97	96	96	95	95	94	93	92
Hungary.....	132	136	136	135	123	122	119	114	109	111	107	107	106	104	-----
India.....	145	144	143	140	139	138	142	143	143	140	137	134	131	126	125
Netherlands.....	146	146	147	144	142	141	141	142	141	140	137	135	131	126	-----
New Zealand.....	155	155	155	155	155	155	156	156	157	156	155	154	155	155	-----
Norway.....	149	150	150	148	146	147	149	148	148	147	146	146	144	143	142
Peru.....	186	185	189	185	186	186	187	187	186	186	184	182	181	181	180
Poland.....	98	99	99	98	95	95	96	95	94	93	95	92	88	85	85
Russia.....	177	177	178	179	180	181	180	180	181	182	181	182	182	182	-----
South Africa.....	135	-----	-----	131	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Spain.....	171	173	174	174	171	170	169	170	171	172	171	172	172	-----	-----
Sweden.....	144	145	144	141	140	139	140	141	140	138	135	134	131	128	125
Switzerland.....	143	143	142	140	139	139	143	143	142	142	140	139	136	133	131

* Revised.

NOTE.—All of the indexes shown, with two or three exceptions, are compiled by official agencies in the countries to which they relate, as indicated specifically in the BULLETIN for March (p. 124), where references are also given to sources in which current figures of the index numbers may be found.

The base periods, which were systematically indicated in the BULLETIN for April (p. 256), are as follows: *United States*—1926; *Australia*—July, 1914; *Austria*—January–July, 1914; *Belgium*—April, 1914; *Canada*—1926; *China*—February, 1913; *Czechoslovakia*—July, 1914; *Denmark*—1913; *Dutch East Indies*—1913; *Egypt*—January 1, 1913–July 31, 1914; *England*—1913; *Finland*—1926; *France*—1913; *Germany*—1913; *Hungary*—1913; *India*—July, 1914; *Italy*—1913; *Japan*—October, 1900; *Netherlands*—1913; *New Zealand*—1909–1913; *Norway*—December 31, 1913–June 30, 1914; *Peru*—1913; *Poland*—1927; *Russia*—1913; *South Africa*—1910; *Spain*—1913; *Sweden*—1913; *Switzerland*—July, 1914.

Annual indexes for the years 1925–1929, and in certain cases for 1913 and 1914, were given in the BULLETIN for April.

WHOLESALE PRICES—Continued

GROUPS OF COMMODITIES

Country and group	1929												1930		
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
UNITED STATES (1926=100)															
Farm products.....	106	105	107	105	102	103	108	107	107	104	101	102	101	98	95
Foods.....	99	98	98	98	98	99	103	103	103	101	99	99	97	96	94
Hides and leather products.....	114	109	108	108	107	108	109	110	111	111	108	107	105	104	103
Textile products.....	96	96	96	96	94	93	93	93	93	93	92	90	89	88	87
Fuel and lighting materials.....	83	81	81	81	81	83	82	81	81	82	82	81	80	79	77
Metals and metal products.....	104	104	106	106	105	105	105	104	104	104	102	102	101	101	101
Building materials.....	97	98	99	98	97	96	97	97	98	98	96	96	96	96	95
Chemicals and drugs.....	96	96	96	95	94	93	93	94	94	94	94	94	93	92	91
Housefurnishing goods.....	97	97	97	97	97	97	97	97	97	97	97	97	97	97	97
Miscellaneous.....	81	80	80	79	80	80	81	81	82	81	80	80	79	79	78
Nonagricultural.....	95	94	95	95	94	95	96	94	95	94	93	92	91	91	90
ENGLAND (1913=100)															
Total food.....	148	149	150	147	144	143	149	144	143	145	142	141	139	135	129
Cereals.....	140	142	140	137	133	132	143	146	141	137	132	132	129	122	114
Meat and fish.....	144	144	145	146	146	144	144	145	143	148	150	158	154	152	145
Other foods.....	159	160	165	158	152	155	158	144	145	150	145	135	135	133	131
Total not food.....	133	133	135	134	132	131	131	131	132	131	129	128	127	124	122
Iron and steel.....	113	113	113	114	115	115	115	115	115	115	115	115	115	115	115
Coal.....	120	123	130	126	121	121	121	121	126	128	128	130	130	129	127
Other minerals and metals.....	111	114	123	123	118	118	117	117	116	114	111	111	110	110	107
Cotton.....	162	159	162	159	155	154	153	154	154	152	147	144	141	134	131
Wool.....	180	177	175	174	172	167	163	161	158	154	156	152	145	135	129
Other textiles.....	136	136	135	134	131	131	131	132	132	130	127	125	123	120	116
Miscellaneous.....	139	137	136	135	134	134	136	134	138	137	134	131	130	129	127
FRANCE (1913=100)															
Farm and food products.....	610	620	609	605	607	584	578	524	551	556	555	546	512	503	495
Animal products.....	632	642	603	610	595	614	603	590	639	670	686	695	647	634	622
Vegetable products.....	596	607	612	602	614	565	563	484	499	487	476	456	432	424	419
All industrial products.....	698	693	692	688	675	668	664	664	656	652	645	640	630	623	612
Minerals and metals.....	541	551	568	558	560	560	561	562	561	567	566	568	571	570	562
Textiles.....	820	812	802	793	771	758	748	745	725	705	694	684	655	639	621
Hides and leather.....	568	530	498	499	453	450	445	442	452	455	432	433	438	439	425
Chemical products.....	592	590	596	596	598	586	579	593	603	608	606	603	602	613	607
Rubber.....	123	141	140	132	129	126	133	129	117	114	96	97	89	94	90
Paper.....	677	677	677	677	677	677	677	677	677	677	685	685	685	667	667
Lumber.....	930	930	930	930	968	969	969	969	969	1,003	1,003	987	987	987	987
Cement and brick, etc.....	592	592	592	606	606	606	636	636	636	636	636	636	708	708	708
GERMANY (1913=100)															
Total agricultural products.....	132	134	134	128	126	125	132	133	133	132	128	126	122	116	110
Vegetable foods.....	130	132	133	130	125	120	131	130	125	122	119	120	117	112	109
Cattle.....	118	120	123	122	120	127	134	134	134	128	126	126	128	123	116
Animal products.....	147	151	142	127	130	130	136	140	149	153	153	146	134	129	118
Fodder.....	138	140	142	140	133	122	127	123	120	113	107	105	98	88	86
Provisions.....	124	125	128	127	125	124	128	130	131	126	120	115	115	115	118
Total industrial raw materials and semifinished products.....	134	134	134	133	131	132	131	132	132	131	130	129	128	127	126
Coal.....	138	139	138	136	136	136	137	137	137	138	139	138	138	138	138
Iron.....	128	128	128	128	128	130	131	131	131	131	130	130	130	129	129
Nonferrous metals.....	113	118	132	127	118	118	118	118	118	116	113	112	112	111	109
Textiles.....	153	149	150	148	144	141	139	137	136	133	130	128	125	118	114
Hides and leather.....	139	131	130	129	120	123	124	122	122	121	118	116	114	114	111
Chemicals.....	127	126	127	126	126	127	126	127	127	127	127	127	127	127	127
Artificial fertilizers.....	87	87	88	88	87	87	81	82	82	82	83	84	85	86	86
Technical oils and fats.....	127	126	126	126	126	125	127	129	134	132	129	130	128	127	126
Rubber.....	28	34	34	29	30	30	31	29	28	26	23	22	21	22	22
Paper materials and paper.....	151	151	151	150	151	151	152	152	151	151	152	151	151	150	150
Building material.....	157	157	157	157	157	158	159	161	162	162	161	161	158	158	157
Total industrial finished products.....	159	158	158	158	158	158	157	158	157	157	157	156	156	155	153
Producers' goods.....	138	138	137	138	138	138	139	140	140	140	139	140	140	139	139
Consumers' goods.....	175	174	174	173	172	172	171	171	170	170	169	169	168	166	163

NOTE.—For corresponding indexes for all commodities, see preceding page. Annual indexes for the groups shown in the table are given in the April BULLETIN for the years 1925-1929 and also for 1913. For current figures of the group indexes given in this table the following sources may be used: *United States*—Wholesale Prices of Commodities, Bureau of Labor Statistics, Department of Labor; *England*—Board of Trade Journal and Commercial Gazette, Board of Trade; *France*—Bulletin de la Statistique Générale de la France, Supplément Mensuel, Statistique Générale de la France; and *Germany*—Wirtschaft und Statistik, Statistisches Reichsamt.

LAW DEPARTMENT

Passage of trust powers upon consolidation of a national bank and a State trust company.

There is published below a copy of the opinion of the Supreme Court of Tennessee in the case of *First National Bank of Chattanooga v. Chapman Company*, 22 S. W. (2d) 245, in which it is held that a national bank resulting from the consolidation of a State trust company with a national bank under the charter of the latter, pursuant to the provisions of the act of Congress of November 7, 1918, as amended by the act of February 25, 1927, succeeds to the rights of the State trust company as trustee under a deed of trust covering real estate. The decision, which is believed to be of unusual interest to national banks, discusses and distinguishes the case of *Ex parte Worcester County National Bank*, 279 U. S. 347, the opinion in which was published in the *FEDERAL RESERVE BULLETIN* for June, 1929, at page 407.

IN THE SUPREME COURT OF TENNESSEE

First National Bank of Chattanooga et al. v. Harry E. Chapman Co. et al., Dec. 9, 1929, 22 S. W. (2d) 245

GREEN, C. J.: This proceeding was brought under the declaratory judgments statute (Pub. Acts 1923, c. 29), and the question presented is whether a national bank with which a State bank has been consolidated succeeds, by virtue of the consolidation, to the rights and title of the State bank as trustee under a trust deed conveying real estate to secure the payment of certain notes, with power of sale in case of default.

The Chattanooga Savings Bank & Trust Company was a Tennessee corporation engaged in the banking business with power to act as trustee and in other fiduciary capacities. On January 29, 1929, this institution consolidated with the First National Bank under the provisions of an act of Congress passed February 25, 1927, adding a new section, 3, as an amendment to the act of Congress November 7, 1918 (12 U. S. C. A., sec. 34a). All assets of the State bank were turned over to the national bank, and the former bank ceased the transaction of business.

Previous to this consolidation, W. R. Smith and wife conveyed to the Chattanooga Savings Bank & Trust Company, as trustee, described real estate in Chattanooga to secure the payment of a series of notes in favor of Harry E. Chapman Company, aggregating \$3,529.13. The trustee was authorized upon default, after due advertisement, to offer the land for sale for the satisfaction of the indebtedness secured. Smith and wife are now in default in the payment of their notes, and the First National Bank is proposing to advertise and sell the land according to the terms of the trust deed, claiming to have succeeded to the rights, title, and powers of the trustee named in the instrument aforesaid.

Section 3, above mentioned, provides that any bank, including a trust company incorporated under the laws of any State, may be consolidated with a national banking association, located in the same county, under the charter of any such national banking association or under such terms and conditions as may

be lawfully agreed upon in the manner specified; and that all the rights, franchises, and interests of such State bank "so consolidated with a national banking association 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 banking association into which it is consolidated without any deed or other transfer, and the said consolidated national banking association shall hold and enjoy the same and all rights of property, franchises, and interests, including the right of succession as trustee, executor, or in any other fiduciary capacity, in the same manner and to the same extent as was held and enjoyed by such State * * * bank so consolidated with such national banking association. * * * No such consolidation shall be in contravention of the law of the State under which such bank is incorporated."

Referring to the last sentence of the section just quoted, it may be observed that the consolidation, as it is termed by Congress, of a State bank with a national bank is not in contravention of the laws of Tennessee. Section 23 of chapter 20 of the acts of 1913 authorizes a consolidation or merger of banks incorporated under the laws of this State with other banks, upon the observance of prescribed procedure and permission of the superintendent of banks. This section of the act of 1913 has been construed to authorize the consolidation or merger of banks chartered under the laws of this State with national banking associations by the superintendent of banks, and we have no disposition to question this construction.

In *Casey v. Galli*, 94 U. S. 673, 24 L. Ed. 168, the Supreme Court sustained the power of Congress to authorize the transmutation of a State bank into a national bank, although there was no authority in the charter of the former bank or in the laws of the State of its incorporation so to change its organization. Doubtless, therefore, it is within the power of Congress to authorize the consolidation of a State bank with a national bank in the absence of any State legislation to the contrary. *Petition of Worcester County National Bank*, 263 Mass. 444, 162 N. E. 217. As just seen, the laws of Tennessee appear to sanction, rather than forbid, such consolidation, or remain silent.

The consolidation of the two corporations, generally speaking, being valid, the question remains as to the validity and effect of that provision of section 3 undertaking to make the consolidation, ipso facto, transfer to the national bank "the right of succession as trustee, executor, or in any other fiduciary capacity."

The maker of this trust deed entered into a binding contract whereby the Chattanooga Savings Bank & Trust Company was made trustee under the trust deed, with a right of foreclosure and sale in case of default, and the proceeds of the sale were to be applied "first to paying the costs and expenses of this trust and its execution," and the remainder of the proceeds to the indebtedness and any balance turned over to the makers of the instrument. A property right was thus lawfully conferred upon the Chattanooga Savings Bank & Trust Company. It was a valuable right. Since institutions like this one have been empowered to act as trustees and in other fiduciary capacities, a large part of their business is of this nature, and much of their income is derived from such sources.

Upon a review of the authorities, this court has said that, when a valid consolidation or merger of cor-

porations is made with "transfer of rights and properties, and assumption of liabilities between the old and new companies are effected, the new company stands in the stead of the old companies, and may enforce the rights of the old companies, and be subjected to their liabilities." *Miller v. Lancaster*, 5 Cold. 514. Approved in *Memphis Water Co. v. Magens & Co.*, 15 Lea., 37.

The law is elsewhere declared to the same effect.

"Generally by express provision of the statute or agreement of consolidation, and by implication in the absence of a provision to the contrary, the consolidated corporation succeeds to and may enforce the rights of the consolidating corporations under contracts made by them before the consolidation." *Clark and Marshall on Corporations*, sec. 355b.

See, also, 14a C. J. 1069 and cases referred to in petition of Worcester County National Bank, *supra*.

We are not able to take the right to administer a trust of this nature out of the rule governing the contract or property rights generally of a corporation consolidating with another corporation.

The reason ordinarily forbidding the transfer or delegation of the office or duties of trustee to another is that "the performance of the trust is a matter of personal confidence, which it is a breach of trust in the trustee to make over to a stranger; and the original trustee will continue responsible for all the acts of the person so substituted." *Colyar v. Taylor*, 1 Cold. 372.

Such consideration can not reasonably influence the appointment of a corporate trustee. Personal confidence can not be the basis of such a selection. The stockholders, the officers, the entire management of a corporation may be expected to change from time to time. These things are sanctioned by law and constitute, on the part of the corporation, no breach of its duty as trustee. So the law sanctions the consolidation of one corporation with another corporation organized for like purposes, and those appointing a corporate trustee do so with knowledge that such a union may take place carrying all the rights and properties of both entities into combined organization. Such consolidation, authorized by law, is no more a breach of trust than a change in corporate officers and directors.

A corporate trustee is supposed to be more desirable than a personal trustee by reason of continuity of existence and ordinarily, larger financial responsibility. One designating a corporation as trustee, however, must be held to do so with knowledge that the trust is to be administered by those persons to whom the stockholders of that corporation commit the control of its affairs. In addition to changes in the personnel of its management, a corporation may increase or decrease its capital stock, or otherwise amend its charter. One dealing with a corporation deals with a creature of the law that may proceed as the law permits.

The views expressed find support in decisions of the New York Court of Appeals and of the Illinois Supreme Court.

In the matter of *Bergdorf*, 206 N. Y. 309, 99 N. E. 714, 717, the testator made a will appointing the Morton Trust Company his executor. Prior to his death the Morton Trust Company was merged into the Guaranty Trust Company under authority of a New York statute. Upon the testator's death the Guaranty Trust Company applied for letters testamentary. Referring to the statute and the effect of the merger, the court said:

"In reading the sections we do not regard the intention of the testator, but that of the legislature. Their language is broadly and conspicuously comprehensive.

The merger transferred to the Guaranty Company 'all and singular the rights, franchises, and interests of' the Morton Company 'in and to every species of property, real, personal, and mixed, and things in action thereunto belonging,' and empowered the Guaranty Company to 'hold and enjoy the same and all rights of property, franchises, and interests in the same manner and to the same extent' as the Morton Company would if it 'should have continued to retain the title and transact the business of the Morton Company. This language means not only that every right, privilege, interest, or asset of conceivable value or benefit then held by the Morton Company (except the right to be a corporation) shall pass into and be absorbed by the Guaranty Company, but also that every right, privilege, interest, or asset of conceivable value or benefit then existing which would inure to the Morton Company under an unmerged existence should inure to the Guaranty Company. Nothing appertaining to the Morton Company was to be lost, forfeited, or destroyed.

"The designation of the Morton Company as an executor created a privilege or an interest in the estate of the testator appertaining to that company. The privilege or interest was not complete or vested. It was incomplete, potential, and ambulatory. From it, undisturbed until the testator's death, issued the absolute interest of an executorship and the power to participate in the control and administration of the testator's estate and receive the legal fees and commissions. That interest had no source or origin other than the will and the designation. The testator's death did but complete and vest that which theretofore existed. It existed, although in an incomplete, imperfect, and dependent condition, from the making of the will and at the time the merger of the Morton Company was consummated. Ignorance on the part of the Morton Company of its existence did not affect it. Through it that company would have been an executor and entitled to the letters testamentary if it had 'continued to retain the title and transact the business of such corporation.' The merger transferred it to the Guaranty Company, and, in effect, substituted that company for the Morton Company. The Guaranty Company was entitled to hold and enjoy it even as would the Morton Company under an unmerged existence. By virtue of the statute, effective as a part of the will, the Guaranty Company was designated as an executor, and as such is entitled to receive the letters testamentary."

In *Chicago Title & Trust Co. v. Zinser*, 264 Ill. 31, 105 N. E. 718, 719, Ann. Cas. 1915D, 931, the testator by her will nominated the Real Estate Title & Trust Company as executor. Prior to her death that corporation consolidated with the Chicago Title & Trust Company under authority of an Illinois statute. After the testator's death the Chicago Title & Trust Company applied for and obtained letters testamentary and undertook to make a deed to testator's real estate as the executor nominated in the will was empowered to do. The right of the consolidated corporation to qualify as executor and to make such a deed was questioned, but was upheld. The court said:

"By the consolidation of the Real Estate Title & Trust Company and the Chicago Title & Trust Company the original corporations ceased to exist, and the appellee, as the consolidated corporation, acquired and succeeded to all the faculties, property, rights, and franchises of its component parts and became subject to all the duties, obligations, and conditions imposed upon them. *Robertson v. City of Rockford*, 21 Ill.

451; Chicago, Rock Island & Pacific Railroad Co. v. Moffitt, 75 Ill. 524. The material question here is whether the general rule that a trustee can not delegate his authority to another is an obstacle to the exercise of a power by the appellee to act as executor or trustee where one of the constituent corporations was named as such. That general rule rests upon the ground that the selection of a trustee implies personal confidence in his discretion and judgment. If a power is given to an executor or trustee which is not ministerial or given for the purpose of executing a declared trust which the court can enforce but which involves the exercise of discretion and judgment, the power can not be delegated or transferred to another, either by the trustee or a court. The rule, however, can not be applied to the case of a corporation, because the element of trust in the judgment and discretion of an individual is entirely wanting. A corporation is without personality, and if it is selected as trustee or executor there can be no reliance upon individual discretion or even upon the continuance of the same administration. Etta Nelson, in naming the Real Estate Title & Trust Company as executor and trustee, knew that its directors, officers, and stockholders might change from time to time, and that the statute authorized a change of name or place of business, enlargement, or change of the object for which the corporation was formed, an increase or decrease of capital stock or change in the number of shares or par value, increase or decrease of the number of directors, and the consolidation of the corporation with any other corporation then existing or that might thereafter be organized. She therefore contemplated that these changes might occur, and that the Real Estate Title & Trust Company might be consolidated with some other corporation, such as the Chicago Title & Trust Company, and that it would thereby cease to exist and become a component part of a new corporation. A consolidation took place and a new corporation was created from the original corporations, with an enlarged capital stock and unimpaired franchises. The appellee was entitled to execute the trust, and the chancellor did not err in overruling the demurrer."

In petition of Worcester County National Bank, supra, the Supreme Judicial Court of Massachusetts held that so much of section 3 aforesaid as undertook to transfer to a national bank the right of a State bank to the office of executor was unconstitutional. The Massachusetts court construed section 3 as undertaking to transfer the office held by the State bank to the national bank by force of the consolidation without more. The court said that no one, under the laws of Massachusetts, was authorized to act as an executor without approval of a probate court.

Upon appeal the Supreme Court of the United States, in an opinion (279 U. S. 347, 49 S. Ct. 368, 73 L. Ed. 733, 61 A. L. R. 987) delivered May 13, 1929, differed from the Massachusetts court in the construction given to section 3. The Supreme Court, in view of the provisions of the Massachusetts laws and of the expressed desire of Congress to avoid in section 3 anything in contravention of the law of the State in which the State bank was located, said, in substance, that section 3 upon consolidation only undertook to put the national bank in a position to apply for letters of administration; that the consolidation alone was not sufficient to effect a substitution of the national bank for the State bank as executor. The Supreme Court therefore concluded that section 3 was not unconstitutional.

In Tennessee, since no person nominated as executor may enter upon the administration of the deceased's

estate without letters testamentary (Thompson's-Shannon's Code, sec. 3933), and since under section 4259 et seq., Thompson's-Shannon's Code, detailed provisions are made for the qualification and supervision of a guardian, it is doubtless true that such a consolidation of a State bank with a national bank will not of itself and alone justify the national bank in undertaking to execute such trusts as these. The primary right to administer such trusts doubtless follows the consolidation, but the national bank must properly qualify as executor or guardian before undertaking to proceed in such capacities.

Where, however, the authority to administer a trust is altogether derived from the instrument appointing a State bank trustee, we are of opinion that a consolidation of a State bank with a national bank under section 3, without more, substitutes the national bank for the State bank as such trustee with the same rights, title, duties, and powers. This, for the reason as heretofore set out, that the maker of the instrument appoints with imputed knowledge of the law, under which a corporation is a metamorphic creature subject to transformation.

There has been some discussion of the present status of the Chattanooga Savings Bank & Trust Company—whether it is in existence, and if so, for what purposes. Thompson's-Shannon's Code, sections 2071, 2074. We need not go into this. The consolidation being valid, under the provisions of section 3, the right to execute this trust has clearly passed from the State bank.

The decree of the chancellor is affirmed.

Authority of Congress for erection of Pittsburgh Branch Bank Building.

The following is a copy of a joint resolution of Congress approved April 14, 1930, authorizing the Federal Reserve Bank of Cleveland to erect a building for its Pittsburgh branch, costing not more than \$875,000 exclusive of the cost of vaults, permanent equipment, furnishings, and fixtures.

[PUBLIC RESOLUTION—No. 65—71ST CONGRESS

[H. J. Res. 227]

Joint resolution authorizing the erection of a Federal reserve branch building in the city of Pittsburgh, Pennsylvania

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Reserve Bank of Cleveland be, and it is hereby, authorized to contract for and erect a building in the city of Pittsburgh, Pennsylvania, for its Pittsburgh branch, on a site now owned by it, provided the total amount expended in the erection of said building, exclusive of the cost of vaults, permanent equipment, furnishings, and fixtures, shall not exceed the sum of \$875,000: Provided, however, That the character and type of building to be erected, the amount actually to be expended in the construction of said building, and the amount actually to be expended for the vaults, permanent equipment, furnishings, and fixtures for said building shall be subject to the approval of the Federal Reserve Board.

Approved, April 14, 1930.

Amendment to law regarding notice required of banks withdrawing from Federal reserve system.

There is published below the text of an act of Congress approved April 17, 1930, amending section 9 of the Federal Reserve act so as to authorize the Federal Reserve Board in its discretion to permit State member banks of the Federal reserve system to withdraw from membership without waiting six months after filing notice of intention to withdraw, as heretofore required by law.

[PUBLIC—No. 134—71ST CONGRESS]

[H. R. 8877]

An act to amend section 9 of the Federal reserve act, as amended

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the ninth paragraph of section 9 of the Federal Reserve Act (United States Code, title 12, sec. 328), as amended, be further amended by inserting therein, immediately before the proviso now contained therein, the following: "*Provided*, That the Federal Reserve Board, in its discretion and subject to such conditions as it may prescribe, may waive such six months' notice in individual cases and may permit any such State bank or trust company to withdraw from membership in a Federal reserve bank prior to the expiration of six months from the date of the written notice of its intention to withdraw."

Approved, April 17, 1930.

Amendment to law regarding rediscount by Federal reserve banks of the paper of one borrower.

There is published below the text of an act of Congress approved April 12, 1930, amending the fourth paragraph of section 13 of the Federal reserve act so as to make the limitations upon the rediscount by Federal reserve banks of the paper of one borrower conform more closely to the limitations on loans to one borrower by a national bank. Under the new law, a member bank may rediscount with a Federal reserve bank the same amount of paper of a single borrower as a national bank may acquire from a single borrower under the provisions of section 5200 of the Revised Statutes. The new law does not in any way change the character or class of paper eligible for rediscount.

[PUBLIC—No. 120—71ST CONGRESS]

[H. R. 9046]

An act to amend the fourth paragraph of section 13 of the Federal Reserve Act, as amended

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the fourth paragraph of section 13 of the

Federal Reserve Act, as amended (United States Code, title 12, section 345), be further amended to read as follows:

"The aggregate of notes, drafts, and bills upon which any person, copartnership, association, or corporation is liable as maker, acceptor, indorser, drawer, or guarantor, rediscounted for any member bank, shall at no time exceed the amount for which such person, copartnership, association, or corporation may lawfully become liable to a national banking association under the terms of section 5200 of the Revised Statutes, as amended: *Provided, however*, That nothing in this paragraph shall be construed to change the character or class of paper now eligible for rediscount by Federal reserve banks."

Approved, April 12, 1930.

Amendment to law facilitating the cancellation of Federal reserve bank stock of member banks which have ceased banking operations.

There is published below the text of an act of Congress approved April 23, 1930, amending sections 6 and 9 of the Federal reserve act, so as to facilitate the cancellation of Federal reserve bank stock held by a member bank which has discontinued its banking operations without a receiver or liquidating agent having been appointed. It is provided that if a national bank which has not gone into liquidation and for which a receiver has not already been appointed for other cause shall discontinue its banking operations for a period of 60 days, the Comptroller of the Currency may, if he deems it advisable, appoint a receiver for such bank and the Federal reserve bank stock held by it may thereupon be cancelled. It is also provided that if a State member bank ceases to exercise banking functions without a receiver or liquidating agent having been appointed therefor the Federal Reserve Board may, after hearing, forfeit the membership of such bank in the Federal reserve system.

[PUBLIC—No. 163—71ST CONGRESS]

[H. R. 6604]

An act to amend sections 6 and 9 of the Federal Reserve Act, 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 6 of the Act of December 23, 1913, known as the Federal Reserve Act (United States Code, title 12, section 288), be amended and reenacted to read as follows:

"SEC. 6. If any member bank shall be declared insolvent and a receiver appointed therefor, the stock held by it in said Federal reserve bank shall be canceled, without impairment of its liability, and all cash-paid

subscriptions on said stock, with one-half of 1 per centum per month from the period of last dividend, if earned, not to exceed the book value thereof, shall be first applied to all debts of the insolvent member bank to the Federal reserve bank, and the balance, if any, shall be paid to the receiver of the insolvent bank.

"If any national bank which has not gone into liquidation as provided in section 5220 of the Revised Statutes (United States Code, title 12, section 181) and for which a receiver has not already been appointed for other lawful cause, shall discontinue its banking operations for a period of sixty days the Comptroller of the Currency may, if he deems it advisable, appoint a receiver for such bank. The stock held by the said national bank in the Federal reserve bank of its district shall thereupon be canceled and said national bank shall receive in payment therefor, under regulations to be prescribed by the Federal Reserve Board, a sum equal to its cash-paid subscriptions on the shares canceled and one-half of 1 per centum a month from the period of the last dividend, if earned, not to exceed the book value thereof, less any liability of such national bank to the Federal reserve bank.

"Whenever the capital stock of a Federal reserve bank is reduced either on account of a reduction in

capital stock of any member bank or of the liquidation or insolvency of such bank or on account of the appointment of a receiver for a national bank following discontinuance of its banking operations as provided in this section, the board of directors shall cause to be executed a certificate to the Comptroller of the Currency showing such reduction of capital stock and the amount repaid to such bank."

SEC. 2. That the eighth paragraph of section 9 of the Federal Reserve Act as amended (United States Code, title 12, section 327), be amended and reenacted to read as follows:

"If at any time it shall appear to the Federal Reserve Board that a member bank has failed to comply with the provisions of this section or the regulations of the Federal Reserve Board made pursuant thereto, or has ceased to exercise banking functions without a receiver or liquidating agent having been appointed therefor, it shall be within the power of the board after hearing to require such bank to surrender its stock in the Federal reserve bank and to forfeit all rights and privileges of membership. The Federal Reserve Board may restore membership upon due proof of compliance with the conditions imposed by this section."

Approved, April 23, 1930.

DETAILED FEDERAL RESERVE STATISTICS, ETC.

FEDERAL RESERVE BANKS—RESOURCES AND LIABILITIES IN DETAIL AND FEDERAL RESERVE NOTE STATEMENT

(In thousands of dollars)

	1930		1929
	Apr. 30	Mar. 31	Apr. 30
RESOURCES			
Gold with Federal reserve agents.....	1,642,214	1,695,084	1,322,230
Gold redemption fund with United States Treasury.....	41,097	51,852	62,131
Gold held exclusively against Federal reserve notes.....	1,683,311	1,746,936	1,384,361
Gold settlement fund with Federal Reserve Board.....	634,847	601,913	663,105
Gold and gold certificates held by banks.....	754,502	666,395	744,024
Total gold reserves.....	3,072,660	3,015,244	2,791,490
Reserves other than gold.....	178,937	182,428	173,193
Total reserves.....	3,251,597	3,197,672	2,964,683
Nonreserve cash.....	62,607	61,489	71,966
Bills discounted ¹	233,452	310,228	934,468
Bills bought:			
Outright ²	161,845	143,563	129,242
Under resale agreement.....	47,719	134,973	49,327
Total bills bought.....	209,564	278,536	178,569
United States securities:			
Bought outright.....	527,124	526,739	140,121
Under resale agreement.....	2,385	8,490	23,250
Total United States securities.....	529,509	535,229	163,371
Other reserve bank credit:			
Other securities.....	9,700	8,780	7,366
Foreign loans on gold.....			14,899
Due from foreign banks.....	711	723	725
Reserve bank float ³	22,882	15,779	27,024
Total reserve bank credit outstanding.....	1,005,818	1,149,275	1,326,422
Federal reserve notes of other reserve banks.....	20,968	20,008	13,333
Other uncollected items not included in float.....	562,769	481,482	634,338
Bank premises.....	58,580	58,507	58,739
All other resources.....	11,542	11,543	7,302
Total resources.....	4,973,881	4,979,976	5,076,783
LIABILITIES			
Federal reserve notes:			
Held by other Federal reserve banks.....	20,968	20,008	13,333
Outside Federal reserve banks.....	1,486,300	1,574,247	1,649,518
Total notes in circulation.....	1,507,268	1,594,255	1,662,851
Deposits:			
Member bank—reserve account.....	2,384,721	2,366,934	2,281,605
Government.....	22,674	40,326	27,953
Foreign bank.....	5,365	7,296	8,980
Other deposits.....	21,173	20,423	26,132
Total deposits.....	2,433,933	2,434,979	2,344,670
Deferred availability items.....	562,769	481,482	634,338
Capital paid in.....	174,209	174,227	155,912
Surplus.....	276,936	276,936	254,398
All other liabilities.....	18,766	18,097	24,614
Total liabilities.....	4,973,881	4,979,976	5,076,783
Contingent liability on bills purchased for foreign correspondents.....	465,458	482,462	345,071
FEDERAL RESERVE NOTE STATEMENT			
Federal reserve notes:			
Issued to Federal reserve banks by Federal reserve agents.....	1,826,987	1,916,435	2,057,244
Held by Federal reserve banks ⁴	319,719	322,180	394,393
In actual circulation.....	1,507,268	1,594,255	1,662,851
Collateral held by agents as security for notes issued to banks:			
Gold.....	1,642,214	1,695,084	1,322,230
Eligible paper.....	430,807	576,358	1,056,854
Total collateral.....	2,073,021	2,271,442	2,379,084

¹ Includes bills discounted for intermediate credit banks as follows: Latest month, \$1,451,000; month ago, \$1,043,000; year ago, \$9,388,000; and notes secured by adjusted service certificates discounted for nonmember banks as follows: Latest month, \$38,000; month ago, \$38,000; year ago, \$133,000.

² Includes bills payable in foreign currencies as follows: Latest month, \$1,054,000; month ago, \$1,040,000; year ago, \$1,036,000.

³ Uncollected items (exclusive of Federal reserve notes of other Federal reserve banks) in excess of deferred availability items.

⁴ Excludes "F. R. notes of other F. R. banks," which are consequently included in "actual circulation."

RESOURCES AND LIABILITIES OF EACH FEDERAL RESERVE BANK ON JANUARY 31, 1930

[In thousands of dollars]

	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
RESOURCES													
Gold with Federal reserve agents.....	1,650,164	189,917	238,594	120,000	138,750	71,401	115,250	309,564	79,045	61,157	80,000	29,723	216,763
Gold redemption fund with U. S. Treasury.....	58,258	1,808	16,254	4,600	4,313	2,140	2,500	11,280	1,734	3,970	1,741	1,459	6,459
Gold held exclusively against Federal reserve notes.....	1,708,422	191,725	254,848	124,600	143,063	73,541	117,750	320,844	80,779	65,127	81,741	31,182	3,222
Gold settlement fund with Federal Reserve Board.....	650,124	33,516	265,346	22,664	80,219	21,559	13,371	80,828	23,480	12,060	43,166	16,212	37,703
Gold and gold certificates held by banks.....	601,166	27,412	350,339	40,382	41,792	11,725	4,444	69,070	7,885	5,503	7,248	9,135	26,231
Total gold reserves.....	2,959,712	252,653	870,533	187,646	265,074	106,825	135,565	470,742	112,144	82,690	132,155	56,529	287,156
Reserves other than gold.....	196,862	22,848	55,062	19,300	13,943	9,423	16,953	17,417	11,308	4,348	8,444	5,896	11,920
Total reserves.....	3,156,574	275,501	925,595	206,946	279,017	116,248	152,518	488,159	123,452	87,038	140,599	62,425	299,076
Nonreserve cash.....	66,647	5,627	15,007	3,300	4,963	4,972	3,665	6,865	8,280	1,351	2,745	4,714	5,158
Bills discounted:													
Secured by U. S. Government obligations.....	208,175	13,282	31,465	24,739	37,532	7,003	4,530	53,665	8,317	1,649	11,668	2,757	11,568
Other bills discounted.....	186,059	11,474	15,360	27,752	20,448	18,820	24,199	25,115	7,130	3,872	14,553	8,965	8,371
Total bills discounted.....	394,234	24,756	46,825	52,491	57,980	25,823	28,729	78,780	15,447	5,521	26,221	11,722	19,939
Bills bought.....	294,307	15,183	129,169	9,099	22,376	10,400	16,538	23,008	13,065	8,202	614	10,563	36,090
U. S. Government securities:													
Bonds.....	69,584	3,676	11,383	3,792	4,151	3,483	34	25,680	1,821	5,980		9,584	
Treasury notes.....	171,410	6,323	88,380	14,067	12,400	1,521	3,381	12,264	10,481	5,730	263	6,000	10,600
Certificates and bills.....	237,587	16,891	113,037	25,039	13,715	4,898	5,373	32,532	6,964	5,071	2,800	10,051	1,216
Total U. S. Government securities.....	478,581	26,890	212,800	42,898	30,266	9,902	8,788	70,476	19,266	16,781	3,063	25,635	11,816
Other securities.....	12,430	1,000	7,400	1,000	1,500			1,500	30				
Total bills and securities.....	1,179,552	67,829	396,194	105,488	112,122	46,125	54,055	173,764	47,808	30,504	29,898	47,920	67,845
Due from foreign banks.....	721	53	237	70	72	30	26	97	26	16	22	22	50
Federal reserve notes of other Federal reserve banks.....	27,623	226	10,197	346	1,493	2,204	1,342	3,236	2,313	1,618	1,353	549	2,746
Other uncollected items.....	540,223	56,246	148,763	49,880	49,126	41,555	17,617	62,969	24,567	9,523	30,244	20,835	28,898
Bank premises.....	58,267	3,580	15,664	1,762	7,058	3,194	2,658	8,295	3,811	2,018	3,972	1,876	4,379
All other resources.....	12,546	84	3,980	177	1,060	693	4,026	697	356	485	216	393	379
Total resources.....	5,042,153	409,146	1,515,637	367,969	454,911	215,021	235,907	744,082	210,613	132,553	209,049	138,734	408,531
LIABILITIES													
Federal reserve notes in actual circulation.....	1,710,566	169,351	273,770	146,855	175,072	83,343	130,858	294,400	87,793	62,324	81,552	39,394	165,854
Deposits:													
Member bank—reserve account.....	2,293,386	146,873	935,730	131,307	180,917	65,300	65,653	324,132	76,664	48,272	84,467	62,169	171,902
Government.....	37,570	4,072	5,924	2,348	3,588	6,670	2,315	2,667	2,611	1,109	1,374	2,412	2,480
Foreign bank.....	5,732	406	2,050	532	549	290	197	735	198	126	165	165	379
Other deposits.....	19,022	89	8,091	106	884	122	166	577	233	182	216	39	8,317
Total deposits.....	2,355,710	151,440	951,795	134,293	185,938	72,322	68,331	328,111	79,706	49,689	86,222	64,785	183,078
Deferred availability items.....	511,800	54,751	138,529	42,958	47,662	39,827	18,514	58,738	25,580	9,444	27,346	20,511	27,940
Capital paid in.....	171,524	11,663	67,405	16,483	15,807	6,055	5,421	20,222	5,254	3,082	4,304	4,415	11,513
Surplus.....	276,936	21,751	80,001	26,965	29,141	12,496	10,857	40,094	10,877	7,143	9,162	8,935	19,514
All other liabilities.....	15,617	190	4,137	415	1,291	978	1,926	2,517	1,403	871	463	694	732
Total liabilities.....	5,042,153	409,146	1,515,637	367,969	454,911	215,021	235,907	744,082	210,613	132,553	209,049	138,734	408,531
Reserve ratio (per cent).....	77.6	85.9	75.5	73.6	77.3	74.7	76.6	78.4	73.7	77.7	83.8	59.9	85.7
FEDERAL RESERVE NOTE STATEMENT													
Federal reserve notes:													
Issued to Federal reserve banks by Federal reserve agents.....	2,077,092	214,373	334,941	169,580	204,707	97,936	159,631	350,476	104,498	68,564	94,083	47,473	230,830
Held by Federal reserve banks ¹	366,526	45,022	61,171	22,725	29,635	14,593	28,773	56,076	16,705	6,240	12,631	8,079	64,976
In actual circulation.....	1,710,566	169,351	273,770	146,855	175,072	83,343	130,858	294,400	87,793	62,324	81,552	39,394	165,854
Collateral held by agents as security for notes issued to banks:													
Gold.....	1,650,164	189,917	238,594	120,000	138,750	71,401	115,250	309,564	79,045	61,157	80,000	29,723	216,763
Eligible paper.....	664,389	39,860	159,906	56,963	79,853	34,936	44,850	101,589	28,403	13,450	26,531	22,179	55,899

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

RESOURCES AND LIABILITIES OF EACH FEDERAL RESERVE BANK ON FEBRUARY 28, 1930

[In thousands of dollars]

	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
RESOURCES													
Gold with Federal reserve agents	1,619,405	179,917	238,594	125,000	135,750	74,901	116,170	309,564	67,045	61,230	80,000	29,471	201,763
Gold redemption fund with U. S. Treasury	54,297	1,673	15,675	3,234	4,247	1,677	2,438	11,208	2,032	1,967	1,737	1,957	6,452
Gold held exclusively against Federal reserve notes	1,673,702	181,590	254,269	128,234	139,997	76,578	118,608	320,772	69,077	63,197	81,737	31,428	208,215
Gold settlement fund with Federal Reserve Board	646,153	28,938	211,829	48,962	94,236	17,411	13,179	105,444	24,341	14,051	38,974	12,596	36,192
Gold and gold certificates held by banks	644,884	24,998	395,556	26,337	44,228	7,275	5,812	83,173	8,748	5,133	8,287	9,845	25,492
Total gold reserves	2,964,739	235,526	861,654	203,533	278,461	101,264	137,599	509,389	102,166	82,331	128,998	53,869	269,899
Reserves other than gold	186,287	19,120	59,252	16,520	12,388	8,365	14,108	17,037	10,867	3,826	7,625	6,017	11,162
Total reserves	3,151,026	254,646	920,906	220,053	290,849	109,629	151,707	526,426	113,033	86,207	136,623	59,886	281,061
Nonreserve cash	60,874	5,912	13,300	3,266	3,794	4,804	3,440	6,984	5,920	1,759	2,047	4,275	5,373
Bills discounted:													
Secured by U. S. Government obligations	182,005	13,714	20,545	23,899	32,572	4,670	2,823	35,454	10,368	418	9,401	1,939	17,202
Other bills discounted	170,912	13,019	19,100	21,918	15,436	15,528	23,527	20,979	8,877	1,861	11,980	10,931	7,756
Total bills discounted	352,917	26,733	48,645	45,817	48,008	20,198	26,350	56,433	19,245	2,279	21,381	12,870	24,958
Bills bought	270,250	13,404	48,680	11,694	32,870	14,139	19,975	30,993	20,925	11,794	8,477	16,367	40,932
U. S. Government securities:													
Bonds	69,610	3,953	12,366	4,067	2,676	2,245	818	26,217	1,802	5,704	374	9,116	272
Treasury notes	219,505	9,980	109,990	18,028	17,664	3,336	4,852	19,227	12,099	6,563	1,146	6,150	10,470
Certificates and bills	190,819	13,509	93,829	21,390	10,350	4,505	3,144	25,935	5,365	4,761	1,543	5,369	1,119
Total U. S. Government securities	479,934	27,442	216,185	43,485	30,690	10,086	8,814	71,379	19,266	17,028	3,063	20,635	11,861
Other securities	13,080	1,000	11,050	1,000				30					
Total bills and securities	1,116,181	68,579	324,560	101,996	111,568	44,423	55,139	158,805	59,466	31,101	32,921	49,872	77,751
Due from foreign banks	721	53	237	70	72	30	26	97	26	16	22	22	50
Federal reserve notes of other Federal reserve banks	24,721	235	10,857	289	1,594	1,549	962	2,080	1,161	1,897	1,336	496	2,265
Other uncollected items	606,514	61,842	162,432	51,993	57,277	46,256	21,875	75,371	26,445	11,036	37,657	23,706	30,624
Bank premises	58,419	3,580	15,664	1,762	7,058	3,204	2,658	8,295	3,811	2,018	3,972	1,876	4,521
All other resources	14,861	55	4,891	255	1,047	1,303	4,057	746	393	520	186	1,006	402
Total resources	5,033,317	394,902	1,452,847	379,684	473,259	211,198	239,864	778,804	210,255	134,554	214,764	141,139	402,047
LIABILITIES													
Federal reserve notes in actual circulation	1,655,976	161,114	222,352	150,718	182,599	79,773	131,890	300,914	85,453	60,261	79,028	39,863	162,011
Deposits:													
Member bank—reserve account	2,260,130	136,149	894,035	134,798	185,282	63,644	64,964	336,249	76,204	50,761	85,920	61,590	170,534
Government	42,289	2,923	20,781	1,948	1,722	1,764	1,159	4,549	1,787	1,033	1,536	1,222	1,865
Foreign bank	6,638	470	2,378	616	635	267	229	851	228	146	190	190	438
Other deposits	18,385	41	8,271	92	799	103	102	936	621	161	98	56	7,105
Total deposits	2,327,442	139,583	925,465	137,454	188,438	65,778	66,454	342,585	78,840	52,101	87,744	63,058	179,942
Deferred availability items	583,197	60,645	152,547	47,306	55,811	45,623	23,187	72,256	28,347	11,092	34,077	23,797	28,449
Capital paid in	171,841	11,606	67,513	16,625	15,811	6,063	5,451	20,237	5,278	3,090	4,329	4,433	11,405
Surplus	276,936	21,751	80,001	26,965	29,141	12,496	10,857	40,094	10,877	7,143	9,162	8,935	19,514
All other liabilities	17,925	203	4,969	556	1,459	1,465	2,025	2,718	1,460	867	424	1,053	726
Total liabilities	5,033,317	394,902	1,452,847	379,684	473,259	211,198	239,864	778,804	210,255	134,554	214,764	141,139	402,047
Reserve ratio (per cent)	78.3	85.6	75.9	74.5	76.9	75.1	76.9	80.3	71.5	78.2	85.3	59.8	88.0
FEDERAL RESERVE NOTE STATEMENT													
Federal reserve notes:													
Issued to Federal reserve banks by Federal reserve agents	2,027,350	201,335	302,432	171,969	209,610	105,793	160,133	344,881	100,119	65,923	89,717	53,831	221,607
Held by Federal reserve banks	371,374	40,221	80,080	21,251	27,011	26,020	28,243	43,967	14,666	5,662	10,689	13,968	59,596
In actual circulation	1,655,976	161,114	222,352	150,718	182,599	79,773	131,890	300,914	85,453	60,261	79,028	39,863	162,011
Collateral held by agents as security for notes issued to banks:													
Gold	1,619,405	179,917	238,594	125,000	135,750	74,901	116,170	309,564	67,045	61,230	80,000	29,471	201,763
Eligible paper	594,683	40,060	85,321	47,670	78,634	33,169	45,387	87,180	39,732	13,672	29,440	28,810	65,608

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

RESOURCES AND LIABILITIES OF EACH FEDERAL RESERVE BANK ON MARCH 31, 1930

[In thousands of dollars]

	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
RESOURCES													
Gold with Federal reserve agents.....	1,695,084	184,917	258,594	135,000	175,550	73,000	133,270	309,000	76,345	55,845	80,000	33,800	179,763
Gold redemption fund with U. S. Treasury.....	51,852	1,477	15,402	3,113	4,048	1,704	1,677	10,949	1,982	1,951	1,712	1,447	6,390
Gold held exclusively against Federal reserve notes.....	1,746,936	186,394	273,996	138,113	179,598	74,704	134,947	319,949	78,327	57,796	81,712	35,247	186,153
Gold settlement fund with Federal Reserve Board.....	601,913	16,835	172,630	45,594	78,027	25,717	9,672	109,826	28,741	16,706	45,282	15,681	37,202
Gold and gold certificates held by banks.....	666,395	29,584	401,114	31,392	47,103	7,544	5,692	89,609	6,888	4,611	10,063	8,705	24,090
Total gold reserves.....	3,015,244	232,813	847,740	215,099	304,728	107,965	150,311	519,384	113,956	79,113	137,057	59,633	247,445
Reserves other than gold.....	182,428	17,605	52,140	16,474	12,316	7,598	15,346	17,862	11,988	4,817	9,153	6,593	10,536
Total reserves.....	3,197,672	250,418	899,880	231,573	317,044	115,563	165,657	537,246	125,944	83,930	146,210	66,226	257,981
Nonreserve cash.....	61,489	9,437	12,371	3,589	3,907	4,137	3,388	7,144	4,563	1,429	2,019	4,435	5,070
Bills discounted:													
Secured by U. S. Government obligations.....	172,272	9,804	70,468	15,570	18,713	2,884	643	24,843	6,467	435	3,157	704	18,584
Other bills discounted.....	137,956	9,805	17,733	12,968	12,052	14,880	13,118	13,118	8,292	2,030	9,367	5,697	11,692
Total bills discounted.....	310,228	19,609	90,790	33,303	31,681	14,936	15,523	37,961	14,759	2,465	12,524	6,401	30,276
Bills bought.....	278,536	16,064	123,047	8,347	17,187	9,687	14,614	20,666	8,991	11,973	9,567	8,379	30,014
U. S. Government securities:													
Bonds.....	42,575	1,190	3,889	978	481	1,299	120	20,564	645	4,683	81	8,279	366
Treasury notes.....	195,043	12,646	77,588	17,318	17,913	3,660	4,508	16,285	11,511	6,502	1,886	6,977	18,249
Certificates and bills.....	297,611	26,487	134,367	27,828	16,601	7,681	4,163	33,745	7,112	7,209	3,957	10,381	18,080
Total U. S. Government securities.....	535,229	40,323	215,844	46,124	34,995	12,640	8,791	70,594	19,268	18,394	5,924	25,637	36,695
Other securities.....	8,780	1,000	6,750	1,000					30				
Total bills and securities.....	1,132,773	76,996	436,431	88,774	83,863	37,263	38,928	129,221	43,048	32,832	28,015	40,417	96,985
Due from foreign banks.....	723	53	238	70	72	30	26	97	26	17	22	22	50
Federal reserve notes of other Federal reserve banks.....	20,008	281	5,680	297	960	1,619	992	2,853	1,423	1,599	1,597	541	2,166
Other uncollected items.....	497,261	55,036	132,562	41,744	48,847	38,727	16,090	61,617	20,718	10,793	28,891	18,737	23,499
Bank premises.....	58,507	3,580	15,664	1,762	7,058	3,204	2,658	8,295	3,811	2,018	3,972	1,876	4,609
All other resources.....	11,543	55	2,526	145	1,112	671	3,830	797	292	523	263	879	450
Total resources.....	4,979,976	395,856	1,505,352	367,954	462,863	201,214	231,569	747,270	199,825	133,141	210,989	133,133	390,810
LIABILITIES													
Federal reserve notes in actual circulation.....	1,594,255	163,400	201,174	147,472	181,598	74,029	129,772	285,644	80,543	60,770	77,820	35,250	156,783
Deposits:													
Member bank—reserve account.....	2,366,934	142,966	1,002,241	133,837	181,994	62,312	63,556	334,828	77,783	49,841	87,017	62,495	168,064
Government.....	40,326	1,102	11,609	3,162	2,922	6,095	2,123	3,156	1,197	1,609	3,905	1,894	2,052
Foreign bank.....	7,296	491	2,842	644	664	279	239	889	239	153	199	199	458
Other deposits.....	20,423	86	9,262	214	1,708	104	145	527	339	178	203	49	7,608
Total deposits.....	2,434,979	144,645	1,025,954	137,857	187,288	68,790	66,063	339,400	79,558	51,781	91,324	64,137	178,182
Deferred availability items.....	481,482	54,159	122,925	38,350	47,414	38,904	17,373	59,188	22,062	9,379	27,934	19,623	24,171
Capital paid in.....	174,227	11,669	69,719	16,625	15,947	6,002	5,454	20,256	5,300	3,076	4,334	4,425	11,420
Surplus.....	276,936	21,751	80,001	26,965	29,141	12,946	10,857	40,094	10,877	7,143	9,162	8,935	19,514
All other liabilities.....	18,097	232	5,579	685	1,475	993	2,050	2,688	1,485	992	415	763	740
Total liabilities.....	4,979,976	395,856	1,505,352	367,954	462,863	201,214	231,569	747,270	199,825	133,141	210,989	133,133	390,810
Reserve ratio (per cent).....	79.4	81.3	73.3	81.2	85.9	80.9	84.6	86.0	78.7	74.6	86.4	66.6	77.0
FEDERAL RESERVE NOTE STATEMENT													
Federal reserve notes:													
Issued to Federal reserve banks by Federal reserve agents.....	1,916,435	204,220	252,503	166,494	210,569	92,420	162,052	323,480	94,937	65,436	88,490	45,239	210,595
Held by Federal reserve banks.....	322,180	40,820	51,329	19,022	28,971	18,391	32,280	37,836	14,394	4,666	10,670	9,989	53,812
In actual circulation.....	1,594,255	163,400	201,174	147,472	181,598	74,029	129,772	285,644	80,543	60,770	77,820	35,250	156,783
Collateral held by agents as security for notes issued to banks:													
Gold.....	1,695,084	184,917	258,594	135,000	175,550	73,000	133,270	309,000	76,345	55,845	80,000	33,800	179,763
Eligible paper.....	576,358	35,594	211,332	38,092	48,224	24,215	28,853	58,394	22,674	13,861	21,514	13,977	59,628

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

FEDERAL RESERVE BANKS—MATURITY DISTRIBUTION OF BILLS AND SHORT-TERM SECURITIES

[In thousands of dollars]

	Total	Within 15 days	16 to 30 days	31 to 60 days	61 to 90 days	91 days to 6 months	Over 6 months
Bills discounted:							
Feb. 5	381,422	275,883	28,299	42,472	25,415	8,071	1,282
Feb. 12	381,914	281,658	27,426	39,968	24,070	7,214	1,578
Feb. 19	376,943	284,604	24,845	36,365	22,191	6,811	2,129
Feb. 26	342,781	253,437	23,760	36,142	20,012	6,800	2,630
Mar. 5	308,616	222,086	24,488	34,230	18,927	6,116	2,769
Mar. 12	266,338	179,416	23,522	33,082	20,536	6,659	3,123
Mar. 19	205,634	128,042	19,040	30,205	17,080	7,350	3,917
Mar. 26	206,829	132,180	17,966	27,694	16,462	8,019	4,508
Apr. 2	241,123	164,494	19,682	27,502	17,646	8,323	3,476
Apr. 9	226,164	151,547	18,725	27,125	16,534	8,703	3,530
Apr. 16	213,804	141,044	17,888	24,958	16,693	10,435	2,786
Apr. 23	211,491	133,350	18,305	27,417	17,351	12,012	3,056
Apr. 30	233,452	149,986	17,292	29,723	18,878	14,362	3,211
Bills bought in open market:							
Feb. 5	295,791	146,963	69,096	60,674	18,651	407	
Feb. 12	276,084	146,001	68,485	49,840	11,551	207	
Feb. 19	281,057	150,444	62,413	59,899	8,123	178	
Feb. 26	299,306	158,895	70,628	50,007	19,583	193	
Mar. 5	271,202	125,896	63,532	52,697	28,375	702	
Mar. 12	256,538	135,843	49,042	45,257	25,618	778	
Mar. 19	185,017	79,605	36,401	45,272	22,669	1,070	
Mar. 26	256,482	172,731	28,467	40,634	13,977	673	
Apr. 2	301,297	205,190	41,454	40,996	13,277	380	
Apr. 9	267,002	171,421	39,178	47,492	8,690	221	
Apr. 16	302,414	190,529	47,760	48,709	12,370	3,046	
Apr. 23	256,869	147,584	54,041	35,084	16,158	4,002	
Apr. 30	209,564	110,370	44,260	39,864	11,913	3,157	
Certificates and bills:							
Feb. 5	236,939	130		76,531		95,346	64,932
Feb. 12	222,786	630		61,516		75,215	85,425
Feb. 19	210,313		45,102		16,000	64,186	85,025
Feb. 26	182,558	150	18,037		16,000	63,391	84,980
Mar. 5	206,820	38,032			16,020	55,476	97,292
Mar. 12	233,270	51,728			26,000	55,484	100,058
Mar. 19	293,424	29,000		38,000	72,530	112,038	41,856
Mar. 26	294,876	2,160		38,000	56,115	116,238	82,363
Apr. 2	281,765	100		27,400	58,072	114,753	81,440
Apr. 9	284,666			32,400	57,037	113,864	81,365
Apr. 16	289,332	1,640		26,001	62,385	112,838	82,468
Apr. 23	284,679		26,000	45,198	36,500	94,646	82,335
Apr. 30	287,882	1,580	26,000	50,802	39,500	91,151	78,849
Municipal warrants:							
Feb. 5	30				30		
Feb. 12	30				30		
Feb. 19	30				30		
Feb. 26	30				30		
Mar. 5	30			30			
Mar. 12	30			30			
Mar. 19	30			30			
Mar. 26	30			30			
Apr. 2	30		30				
Apr. 9	30		30				
Apr. 16	15	15					
Apr. 23	15	15					

MEMBERSHIP IN PAR COLLECTION SYSTEM

[Number of banks at end of month]

Federal reserve district	Member banks			Nonmember banks					
				On par list			Not on par list ¹		
	1930			1930			1930		
	January	February	March	January	February	March	January	February	March
United States	8,486	8,447	8,407	11,943	11,864	11,776	3,728	3,712	3,689
Boston	403	403	403	270	271	269			
New York	928	927	929	405	404	403			
Philadelphia	761	761	758	474	471	471			
Cleveland	795	794	794	990	988	981	9	9	9
Richmond	512	509	508	571	568	563	533	527	516
Atlanta	425	421	419	250	249	235	917	905	903
Chicago	1,173	1,167	1,153	3,458	3,435	3,413	230	230	229
St. Louis	569	565	560	1,645	1,632	1,613	480	480	485
Minneapolis	682	678	670	566	558	549	1,088	1,091	1,076
Kansas City	892	893	892	2,080	2,062	2,054	199	199	197
Dallas	740	726	722	602	596	596	210	210	214
San Francisco	606	603	599	632	630	629	62	61	60

¹ Incorporated banks other than mutual savings banks.

CHANGES IN MEMBERSHIP

STATE BANK MEMBERSHIP

The following list shows the changes affecting State bank membership during the month ended April 21, 1930, on which date 1,100 State institutions were members of the system:

Date	Federal reserve district	Capital
No. 2—NEW YORK		
1930 Mar. 22	Carteret Trust Co., Carteret, N. J., title changed to Carteret Bank & Trust Co.	
Apr. 19	Peoples Bank & Trust Co., Passaic, N. J., member. Absorbed Hobart Trust Co., Passaic, N. J., nonmember.	\$600,000 500,000
No. 3—PHILADELPHIA		
3	Integrity Trust Co., Philadelphia, Pa. Admitted to membership—a consolidation of the Integrity Trust Co., a member, and the Market Street Title & Trust Co., nonmember, under new charter.	2,987,920
Mar. 29	Colonial Trust Co., Philadelphia, Pa., member. Consolidated with and under title of the Pennsylvania Co. for Insurance on Lives and Granting Annuities, Philadelphia, Pa., member.	3,999,450 6,500,000
No. 4—CLEVELAND		
1	Lawrence Savings & Trust Co., New Castle, Pa., member. Absorbed Home Trust Co., New Castle, Pa., nonmember.	300,000 125,000
29	Peoples-Pittsburgh Trust Co., Pittsburgh, Pa., member. Absorbed East End Savings & Trust Co., nonmember.	5,125,000 250,000
No. 5—RICHMOND		
Apr. 7	Commercial & Savings Bank, Florence, S. C., member. Absorbed by Peoples State Bank of South Carolina, Charleston, S. C., nonmember.	125,000
No. 6—ATLANTA		
17	Bank of Candler County, Metter, Ga. Closed.	25,000
No. 7—CHICAGO		
Mar. 25	Kalamazoo Trust & Savings Bank, Kalamazoo, Mich., member. Absorbed the Kalamazoo National Bank & Trust Co. And changed its title to Bank of Kalamazoo.	600,000 500,000
Feb. 19	United State Bank, Chicago, Ill., member. Merged with Chicago City Bank & Trust Co., nonmember.	200,000
28	Madison & Kedzie State Bank, Chicago, Ill., member. Succeeded by Madison Kedzie Trust & Savings Bank, nonmember.	2,000,000
No. 8—ST. LOUIS		
Apr. 21	American Bank & Trust Co., Paris, Ark. Closed.	50,000
14	Franklin-American Trust Co., St. Louis, Mo., member. And Phoenix Trust Co., St. Louis, Mo., a succession to the National City Bank, St. Louis, Mo. Consolidated under a new charter and title of the Franklin-American Trust Co. St. Louis, Mo., which was admitted to membership.	2,000,000 1,000,000 2,600,000
No. 11—DALLAS		
Jan. 14	Fidelity Bank of Commerce, Spearman, Tex., title changed to First State Bank.	
Mar. 24	First State Bank, Palmer, Tex. Succeeded by Commercial State Bank, nonmember.	25,000
No. 12—SAN FRANCISCO		
Mar. 31	Plumas County Bank, Quincy, Calif. Succeeded by Plumas County Bank, nonmember.	120,000
Apr. 1	Farmers State Bank, Reardan, Wash. Succeeded by First National Bank.	50,000

NATIONAL BANK MEMBERSHIP

The following list shows reported changes (except suspensions and insolvencies) affecting national bank membership, concerning which information became available between March 25 and April 21, 1930:

Date	Federal reserve district	Capital
No. 1—BOSTON		
1930 Apr. 2	Hampden National Bank, Westfield, Mass., title changed to Hampden National Bank & Trust Co.	
15	Engineers' National Bank, Boston, Mass., title changed to Continental National Bank.	
No. 2—NEW YORK		
Mar. 24	National Exchange Bank and Trust Co., New York, N. Y. Primary organization.	\$1,000,000
Apr. 1	Baldwin National Bank, Baldwin, N. Y., title changed to Baldwin National Bank & Trust Co.	
2	Mattituck National Bank and Trust Co., Mattituck, N. Y. Conversion of Mattituck Bank, nonmember.	100,000
2	First National Bank, Highland Falls, N. Y., title changed to First National Bank and Trust Co.	
15	Flemington National Bank, Flemington, N. J., title changed to Flemington National Bank & Trust Co.	
No. 4—CLEVELAND		
Mar. 29	First National Bank, Dry Ridge, Ky. Succeeded by First State Bank & Trust Co., nonmember.	50,000
Apr. 3	Union National Bank, Butler, Pa. Primary organization.	200,000
10	First National Bank, Trafford City, Pa., title changed to First National Bank of Trafford.	
18	National Bank, Defiance, Ohio Primary organization.	150,000
No. 5—RICHMOND		
Mar. 5	First National Bank, Mount Rainier, Md. Absorbed by Prince Georges Bank & Trust Co., Hyattsville, Md., nonmember.	25,000
25	City National Bank, Sumter, S. C. Absorbed by National Bank of South Carolina.	150,000
31	National Bank of Baltimore, Md. Absorbed by Union Trust Co., nonmember.	1,500,000
No. 6—ATLANTA		
Apr. 2	First National Bank, Greenville, Ala. Bank of Greenville, nonmember. Consolidated under charter and title of First National Bank.	250,000 100,000 425,000
No. 7—CHICAGO		
Mar. 25	Kalamazoo National Bank & Trust Co., Kalamazoo, Mich. Absorbed by Bank of Kalamazoo, member.	500,000
29	Peoples' National Bank, Jackson, Mich. National Union Bank and Trust Co. Consolidated under charter of Peoples' National Bank and under title of Union and Peoples' National Bank.	200,000 500,000 700,000
7	Fishers National Bank, Fishers, Ind. Absorbed by Citizens State Bank, Noblesville, Ind., nonmember.	25,000
9	First National Bank, Georgetown, Ill. Primary organization.	40,000
19	City National Bank, Logansport, Ind. Logansport State Bank, nonmember. Consolidated under charter of City National Bank and title of City & State National Bank & Trust Co.	200,000 150,000 200,000

NATIONAL BANK MEMBERSHIP—Continued

Date	Federal reserve district	Capital
No. 8—ST. LOUIS		
1930		
Mar. 20	Mount Vernon National Bank & Trust Co., Mount Vernon, Ind. Absorbed by Old First National Bank.	\$50,000
21	First National Bank, Van Buren, Ark. Succeeded by First and Crawford County Bank, nonmember.	100,000
31	First National Bank, Stuttgart, Ark. Absorbed by First State Bank, nonmember.	100,000
Apr. 9	National Bank of Albion, Ill. Primary organization.	50,000
10	Farmers National Bank, Dahlgren, Ill. Primary organization.	25,000
11	First National Bank, Mount Olive, Ill. Primary organization.	50,000
No. 9—MINNEAPOLIS		
Jan. 22	Farmers National Bank, Harlowton, Mont. Absorbed by Continental National Bank.	25,000
Mar. 29	First National Bank, Blue Earth, Minn. Farmers National Bank, Blue Earth, Minn. Consolidated under charter of First National Bank and title of First and Farmers National Bank.	25,000 50,000
29	First National Bank, Gettysburg, S. Dak. Potter County Bank, nonmember Consolidated under charter of First National Bank and title of Potter County National Bank.	75,000 25,000 30,000
Apr. 15	First National Bank, Carson, N. Dak. Conversion of First State Bank, nonmember.	75,000 25,000
15	Union National Bank & Trust Co., Minot, N. Dak. Succeeded Union National Bank.	100,000
17	First National Bank, Aberdeen, S. Dak., title changed to First National Bank & Trust Co.	
No. 10—KANSAS CITY		
Nov. 18	First National Bank, Stilwell, Okla. Succeeded by Security State Bank, nonmember.	25,000
Mar. 31	Citizens National Bank, Fort Gibson, Okla. Absorbed by First National Bank.	25,000
Apr. 1	Grand Island National Bank, Grand Island, Nebr. Absorbed by First National Bank.	100,000
3	Overton National Bank, Overton, Nebr. Primary organization.	25,000
14	Farmers National Bank, Pilger, Nebr. Conversion of Farmers State Bank, nonmember.	50,000
17	National Bank of Doniphan, Nebr. Conversion of Bank of Doniphan, nonmember.	25,000
No. 11—DALLAS		
Mar. 26	Citizens National Bank, Henderson Tex. Primary organization.	100,000
31	City National Bank, Forney, Tex. Absorbed by Farmers National Bank.	50,000
Apr. 4	Farmers National Bank, Rockwall, Tex. Succeeded by First National Bank.	50,000
5	First National Bank, Terrell, Tex. Absorbed by American National Bank.	200,000
7	South Texas National Bank, Galveston, Tex. Hutchings-Sealy & Co., nonmember. Consolidated under charter of South Texas National Bank and title of Hutchings-Sealy National Bank.	750,000 1,200,000
8	Red River National Bank of Clarksville, Tex. Succeeded by Red River National Bank in Clarksville.	750,000 400,000
9	Commercial National Bank, Jefferson, Tex. Primary organization.	25,000
No. 12—SAN FRANCISCO		
Mar. 1	Farmers & Merchants National Bank, Blythe, Calif. Absorbed by First National Bank.	50,000
18	Pacific National Bank, Los Angeles, Calif. Absorbed by Bank of Italy National Trust & Savings Association, San Francisco, Calif. and Bank of America of California, Los Angeles, Calif., nonmember.	2,000,000
Apr. 1	First National Bank, Reardan, Wash. Succeeded Farmers State Bank.	50,000

The Comptroller of the Currency presents the following summary of increases and reductions in the number and capital of national banks during the period from February 22 to April 18, 1930, inclusive:

	Number of banks	Amount of capital
New charters issued.....	27	\$3,405,000
Restored to solvency.....	0	0
Increase of capital approved ¹	33	3,480,000
Aggregate of new charters, banks restored to solvency, and banks increasing capital.....	60	6,885,000
Liquidations.....	68	10,075,400
Reducing capital ²	5	850,000
Total liquidations and reductions of capital.....	73	10,925,400
Consolidation of national banks under act of Nov. 7, 1918.....	7	2,625,000
Consolidation of national banks and State banks under act of Feb. 25, 1927.....	6	45,150,000
Total consolidations.....	13	47,775,000
Aggregate increased capital for period.....		6,885,000
Reduction of capital owing to liquidations, etc.....		10,925,000
Net decrease.....		4,040,400

¹ Includes 1 increase in capital of \$100,000 incident to a consolidation under act of Nov. 7, 1918, also 4 increases aggregating \$1,250,000 under act of Feb. 25, 1927.

² Includes 2 reductions in capital aggregating \$300,000 incident to consolidations under act of Nov. 7, 1918.

Fiduciary Powers Granted to National Banks

During the month ended April 21, 1930, the Federal Reserve Board approved applications of the national banks listed below for permission to exercise one or more of the fiduciary powers named in section 11 (k) of the Federal reserve act as amended, as follows: (1) Trustee; (2) executor; (3) administrator; (4) registrar of stocks and bonds; (5) guardian of estates; (6) assignee; (7) receiver; (8) committee of estates of lunatics; (9) 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.

Location	District No.	Name of bank	Powers granted
Winchendon, Mass.....	1	First National Bank.....	1 to 9.
Concord, N. H.....	1	National State Capital Bank.....	2 ¹
Hamburg, N. J.....	2	Hardyston National Bank.....	1 to 8.
Irvington, N. Y.....	2	Irvington National Bank.....	1 to 9.
Mattituck, N. Y.....	2	Mattituck National Bank and Trust Co.....	1 to 9.
New York, N. Y.....		National Exchange Bank & Trust Co.....	1 to 9.
Lakewood, N. J.....	3	Peoples National Bank.....	1 to 9.
Pine Grove, Pa.....	3	Pine Grove National Bank.....	1 to 9.
Wilson, N. C.....	5	First National Bank.....	1 to 9.
Moultrie, Ga.....	6	Moultrie National Bank.....	1 to 9.
Aurora, Ind.....	7	First National Bank.....	1 to 9.
Kendallville, Ind.....	7	Citizens National Bank.....	1 to 9.
Grand Rapids, Mich.....	7	American National Bank.....	1 to 9.
Minot, N. Dak.....	9	Union National Bank and Trust Co.....	
Wayne, Nebr.....	10	First National Bank.....	1 to 9.
Abilene, Tex.....	11	Citizens National Bank.....	1 to 3, 5 to 9
Venture, Calif.....	12	Union National Bank.....	1 to 5.

¹ Supplementary.

FEDERAL RESERVE DISTRICTS

