

FEDERAL RESERVE BULLETIN

MAY 1943



BOARD OF GOVERNORS
OF THE FEDERAL RESERVE SYSTEM
WASHINGTON

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FEDERAL RESERVE BULLETIN

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WAR LOAN DRIVE AND THE MONEY MARKET

In the Second War Loan Drive, which extended from April 12 to May 1, preliminary figures indicate that nearly 18 billion dollars of United States Government securities were sold, 5 billion dollars more than the goal announced originally. Securities allotted to banks were restricted to 5 billion dollars, although subscriptions far exceeded this amount, while sales to other investors were nearly 13 billion. The bulk of these sales was to corporations and institutional investors, but preliminary reports indicate that sales to individuals were larger in number and in amount than during the December drive. During the first four months of this year, including all sales made during the April drive, the Treasury raised 25 billion dollars through the sale of securities. This amounts to over a third of the Treasury's estimated borrowing needs for this year. In order to meet its needs the Treasury will require other large-scale sales drives, in addition to large continuous sales of Treasury bills, Savings Bonds, and tax notes.

Banks participated in the campaign not only by subscribing to the securities offered to them, but also by actively selling securities to their depositors. Ability of member banks to purchase securities was increased during the month by a sharp rise in excess reserves, which resulted principally from the recently enacted exemption of Treasury war loan deposit accounts from reserve requirements. Under this arrangement, when

depositors pay for securities purchased from the Treasury by drawing on their deposit accounts, funds are transferred on the banks' books from deposits that require reserves to war loan accounts that now require no reserves. In April such a shift of deposits resulted in a decline of more than a billion dollars in required reserves.

Early in the month some additional reserves were supplied to member banks by Reserve Bank purchases of Government securities in the open market. Later, as their excess reserves were increased further, banks subscribed heavily for new issues of Government securities and also increased their holdings of outstanding issues, partly through repurchase of Treasury bills previously sold to Federal Reserve Banks. Increases in currency demand and in Treasury deposits at Reserve Banks caused some decline in bank reserves. Nevertheless, member banks generally held about 2.3 billion dollars of excess reserves during the latter half of April, compared with an average of less than 2 billion in the preceding two months.

THE APRIL DRIVE

Investors other than banks subscribed to nearly 13 billion dollars of United States Government securities during the Second War Loan Drive, according to reports for the period up to May 3. Additional sales of Savings Bonds were reported later. To the extent that the securities were

REVIEW OF THE MONTH

purchased by individuals, and particularly to the extent that they were paid for out of current income, thus diminishing the volume of funds available for bidding up commodity prices, these subscriptions contribute to the fight against inflation.

Preliminary returns on the drive indicate that sales of about 3 billion dollars were made to individuals, partnerships, and personal trust accounts, including 400 million dollars obtained from approximately 26 million individuals through regular and continuous pay roll deductions. These sales compare with 1.6 billion dollars, including pay roll deductions, sold to individuals in the December drive. During April insurance companies and mutual savings banks together purchased over 3 billion dollars, other corporations more than 5 billion, and dealers and Government agencies over a billion dollars. The largest percentage increases compared with the December drive were in sales to corporations, other than insurance companies, and to individuals. Increased response by individuals to the latest drive is encouraging, but even more progress in this direction is necessary if enough current income is to be diverted into the war effort.

In both drives a variety of issues were offered in order to meet the needs of various groups of investors. The table shows the kinds and amounts of issues sold in the two drives; the figures given for the April drive are preliminary and do not include sales of Savings Bonds reported after May 3. The larger sales of 2½ per cent bonds and of Savings Bonds reflected principally increased sales to individuals and nonfinancial corporations. Insurance companies in both periods bought large amounts of the 2½ per cent bonds. Sales of certificates to nonbanking investors, principally corporations

with temporarily idle funds, were substantially larger than in December and those of 2 per cent bonds were more than double December sales of 1¾ per cent bonds. Sales of tax notes, most of which were purchased by corporations, were somewhat larger in April than in December.

FIRST AND SECOND WAR LOAN DRIVES
(In millions of dollars)

Types of securities	Second War Loan ¹ (April 1943)	First War Loan (December 1942)
Funds from nonbanking sources:		
7/8% certificates	3,077	1,682
1¾% bonds		1,004
2% bonds	2,757	
2½% bonds	3,738	2,830
Savings Bonds (Series E, F, and G)	1,573	1,014
Tax savings notes ²	1,697	1,335
Total	12,842	7,865
Funds from commercial banking sources:		
Treasury bills	800	897
7/8% certificates	2,138	2,117
1¾% bonds		2,058
2% bonds	2,039	
Total	4,977	5,072
Total from nonbanking and banking sources	17,819	12,937

NOTE.—Figures include only sales made in connection with the drives and do not allow for purchases and sales made in the market by the various groups of investors during the drive. It is assumed that additional Treasury bills issued are purchased by commercial banks. Mutual savings banks are included among nonbanking investors for purposes of this classification.

¹ Preliminary estimates based on sales reported as of May 3, excluding sales of Savings Bonds reported subsequently.

² Including Series A and C notes in December but only Series C notes in April.

³ Estimated allotment; to be delivered in May.

Allotments to banks during the drive were limited to 5 billion dollars, consisting of 2.1 billion each of the certificates and the 2 per cent bonds and 800 million dollars of additional Treasury bills. Subscriptions from banks greatly exceeded these amounts, reaching approximately 10 billion dollars each for the certificates and the 2 per cent bonds. Banks were requested in the offering circular not to purchase the 2 per cent bonds and the certificates from nonbanking investors during the drive, and banks are not permitted to hold the 2½ per cent bonds until ten years after the issue date.

ORGANIZATION FOR THE DRIVE

The Second War Loan Drive was conducted under the auspices of the new War Finance organization which was set up early in March to sell all types of Government securities. The new organization combined the War Savings Staff and the Victory Fund Committees in a unified effort to increase and widen the distribution of Government securities. A corps of approximately one million volunteer workers participated in the sales campaign. The work of the sales organization was directed by W. M. Robbins, as Chairman of the Treasury War Finance Committee, directly under the Secretary of the Treasury and the Under Secretary, and in the twelve Federal Reserve districts by the Presidents of the Federal Reserve Banks who were Chairmen of the district organizations.

Many forms of publicity were used during the drive. This publicity was carried out through the press, the radio, theaters, posters, and personal solicitation. By that means the attention of the public was focused on the large amount of funds that will be necessary to finance the war and on the importance of securing a wide participation by the public in financing the war.

THE YEAR'S FINANCING PROGRAM

Treasury financing during the first four months of this year was somewhat less than the amount raised in the last four months of 1942 but exceeds in amount the probable needs for each of the next two four-month periods. Including securities sold in the April drive but not paid for by the end of April, the Treasury obtained about 25 billion dollars in the January-April period. The program for the year 1943, on the basis of the January budget estimates and existing tax laws, contemplates about

70 billion dollars of new borrowing, not including refunding of maturing obligations.

It is expected that an increasing proportion of the needed funds will be raised from nonbanking investors, particularly from individuals. Part will be obtained through continuing sales of Savings Bonds and tax notes and by a limited amount of financing in the market between drives. The larger part, however, is expected to be raised through special large-scale drives similar to that in April.

With 25 billion dollars of additional securities sold in the first four months of this year, it is estimated that commercial banks increased their holdings by about 10 billion dollars, including allotments of 2 per cent bonds to be paid for in May. Holdings of Federal Reserve Banks increased slightly in the period. Bank purchases, therefore, absorbed about 40 per cent of the increase in the public debt in the first third of 1943, compared with about half of the increase in the last four months of 1942. It is the aim of the financing program that bank purchases in the future constitute much less than 40 per cent of the total.

To achieve this aim it will be necessary to sell to nonbanking investors about twice as much as in 1942. With the rapid growth of national income, growing out of expanding war activities, and the diminishing supply of goods available for civilian purchase, this volume of sales to the public can be reached or surpassed. Personal and business savings will be on a large scale and Government security offerings will be the only large-scale new outlet for investment funds.

Treasury estimates indicate that in the last six months of 1942 individuals invested in Government securities about 47 per cent

of their personal savings remaining after payments for life insurance, reduction in debt, and increase in savings bank deposits. This proportion increased to more than the 55 per cent goal set for the first four months of 1943, and the Treasury's tentative program calls for increases to 65 in the second four months and to 75 per cent in the last four months of the year. Under this schedule individuals will add to their holdings in 1943 about 25 billion dollars, including Savings Bonds and tax notes.

The Treasury similarly has estimated that corporations, other than banks and insurance companies, invested in Government securities 72 per cent of their newly available accumulations in the last six months of 1942. In the first four months of the current year they increased this proportion substantially, and the Treasury program calls for further increases, reaching 85 per cent in the last four months of the year. For the year as a whole corporations are expected to add about 13 billion dollars to their holdings of Government securities.

These purchases of Government securities by individuals and businesses, added to about 5 billion dollars expected from insurance companies and mutual savings banks and more than 4 billion from Government investment accounts, would total 48 billion dollars from nonbanking sources in the calendar year, leaving 22 billion to be bought by commercial banks. For the purpose of combating inflation, as well as for obtaining a wide distribution of the public debt, every effort should be made not only to achieve but to surpass this goal.

CHANGED STATUS OF WAR LOAN DEPOSIT ACCOUNTS

Beginning with the first World War it has been the practice of the Treasury to author-

ize banks to pay for United States Government securities purchased for their own account and for account of their customers by giving the Treasury credit in so-called war loan accounts. This practice is convenient both for the Treasury and for the banks and tends toward greater stability in the money market. It avoids large transfers of funds from the money market to the Reserve Banks at the time that the securities are sold. The Treasury gradually calls upon depositary banks for such amounts as it requires, and since these calls correspond closely to current disbursements by the Treasury, the effect of Treasury transactions on the money market is greatly diminished.

Commercial banks have been encouraged by the Treasury and the Federal Reserve authorities to make full use of war loan accounts. Until recently, however, a great many banks had not qualified for carrying such accounts. In order to encourage their use, legislation was enacted by Congress during April exempting war loan deposit accounts from Federal reserve requirements and from Federal deposit insurance assessments. This amendment became effective on April 13. These deposits, prior to the Banking Act of 1935, had been exempt from reserve requirements.

On April 14, in a radio address, the full text of which is published in this BULLETIN, Chairman Eccles said,

"Every banker who does not already have a war loan account for the Government should arrange for one through the Federal Reserve Bank of his district. He can then deposit to the Government's credit in his bank the proceeds from the Government securities purchased by his customers as well as by his bank. The Treasury draws on these accounts gradually as the Government spends the money. The money is thus returned to

the community and is in turn redeposited in the banking system as rapidly as the Government draws it out of the banking system."

The number of banks qualified to handle such accounts has increased substantially in recent months and particularly since the new legislation was first recommended to Congress. On April 24 a total of 8,475 banks—or three-fifths of all commercial banks—had qualified for war loan accounts. This compares with 5,033 banks on December 31, 1942, and only 3,253 banks on October 31, 1942. The maximum amount of war loan deposits which banks were qualified to hold had increased to 14.4 billion dollars on April 24, compared with 8.9 billion on December 31, 1942, and 6.2 billion on October 31, 1942. Data on banks qualified for war loan deposits by Federal Reserve districts are shown in the table at the end of this Review.

EFFECT ON EXCESS RESERVES

Increases or decreases in war loan deposits under the new legislation have a different effect on the reserve position of banks than they previously had. Before the recent amendment to the Act, when all types of deposits were subject to reserve requirements, an increase in war loan deposits resulting from purchases of securities for the account of customers generally caused no change in required reserves, because deposits of the customers were correspondingly reduced and there was no change in total deposits; an increase resulting from purchases of securities for the account of banks caused an increase in total deposits and, therefore, in reserve requirements. Decreases in war loan accounts in the past generally resulted in corresponding increases in other deposits and, therefore, no change in the total amount of required reserves. Under the amended Act, increases

in war loan deposits resulting from purchases of securities for account of customers, being accompanied by a decline in other deposits, have the effect of reducing reserve requirements, while increases due to purchases for banks' own accounts have no effect on the volume of required reserves. When the Treasury draws upon war loan accounts for the purpose of making disbursements, there will be a transfer of deposits from accounts that require no reserves to accounts that do and consequently an increase in required reserves and a decrease in excess reserves.

One result of the new law, therefore, is that the amount of reserves which banks are required to hold decreases sharply during a large-scale drive for the sale of Government securities, as the result of purchases for nonbank investors, and subsequently increases gradually as war loan accounts are reduced. Under the former procedure sharp increases in required reserves occurred during the drive as the result of bank purchases of securities on war loan accounts. In the long run, the effect of Government financing on the money market under the old and under the new law depends on whether the securities are bought by banks or by others. In both cases borrowing by the Treasury from banks increases bank deposits and sooner or later increases reserve requirements, while borrowing from nonbanking investors shifts funds about, but has little effect on the total volume of deposits, of reserve requirements, or of excess reserves.

RECENT CHANGES IN EXCESS RESERVES

Excess reserves of member banks, which have gradually declined since early 1941, in February of this year fell below 1.7 billion dollars. As shown in the chart, there was a temporary increase in the first half of March, primarily as a result of purchases

by the Reserve Banks from the Treasury of special one-day certificates issued to meet Treasury payments prior to heavy tax receipts. As these certificates were paid off in the latter half of March, excess reserves declined to less than 1.6 billion dollars at the end of March. Early in April, prior to the Second War Loan Drive, the Federal Reserve Banks increased their holdings of Government securities, thereby raising excess reserves to about 2 billion dollars.

The change in the status of war loan deposit accounts and the transfer of several

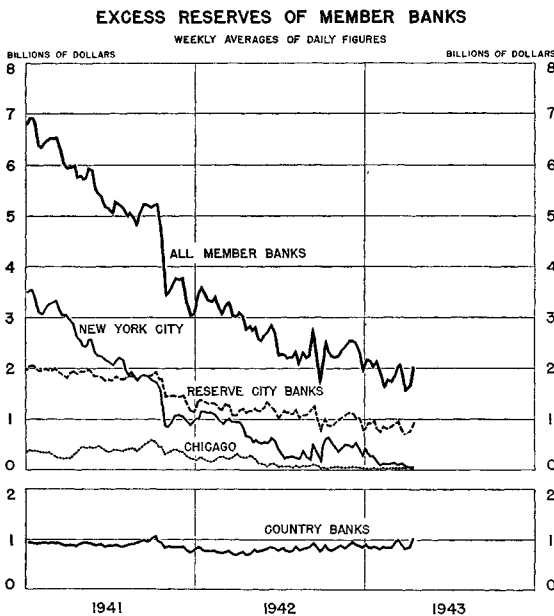
reflecting cash payments for new securities, and by repurchases on the part of member banks of Treasury bills previously sold to the Reserve Banks under repurchase options. As a result of all these various factors, excess reserves of member banks during most of the War Loan Drive were close to 2.3 billion dollars.

An increase in war loan deposits on April 22 and again early in May, resulting from bank purchases of Government securities for their own account, had no effect on the reserve position of member banks. In coming weeks, however, as the Treasury makes withdrawals from war loan accounts, other deposits will expand and required reserves will increase and excess reserves decrease.

EXCESS RESERVES BY CLASSES OF BANKS

During recent weeks member banks in New York City and Chicago have followed the practice of maintaining their reserves close to requirements. As a result practically all the excess reserves, as shown in the chart, have been held by banks outside these centers. Even though a considerable amount of reserves was released to New York and Chicago banks, as well as to other banks, by the changed status and expansion of war loan deposit accounts in April, these funds were promptly put to use, in part to meet withdrawals and in part to repurchase Treasury bills from the Reserve Banks. Excess reserves of New York and Chicago banks, therefore, continued at a low level during most of April.

Since the beginning of the year New York City banks have lost funds on balance, reflecting withdrawals of Government deposits, which were only partially offset by increases in other deposits. These banks have had a gradual decline in loans, except for temporary fluctuations in loans to brokers and dealers in securities, and also have reduced their holdings of Treasury



Figures for all member banks and for country banks are partly estimated. Latest figures are for week ending Apr. 16, 1943.

billion dollars from other deposits to those accounts in the latter half of April caused a decline of more than a billion dollars in required reserves, but the effect of this was partially offset by additions to deposits resulting from large increases in bank loans, principally to security dealers, and purchases of securities by banks in the market. In addition bank reserves were reduced by increases in currency in circulation and in Treasury deposits at the Reserve Banks,

bills, but have increased their bond holdings. There was little net change in the position of Chicago banks between the end of December and the middle of April.

Banks in leading cities outside New York and Chicago, in contrast, have gained deposits since the beginning of the year and have substantially increased their holdings of Government securities. Excess reserves of these banks declined somewhat up to the middle of April, as required reserves increased more than the gain in total reserves. In most districts, however, banks in large cities continued to hold substantial amounts of excess reserves, which were further increased by the shift of funds to war loan deposits in the latter half of April. Reserve city banks in the Cleveland, Dallas, Chicago, and Richmond Districts in the latter half of March had excess reserves amounting to more than 20 per cent of their required reserves, while such banks in the Boston, St. Louis, and Minneapolis Districts held relatively small amounts of excess reserves. The movements in excess reserves of city banks outside New York and Chicago are illustrated in the chart by the curve for reserve city banks.

At country banks, available information indicates a continued substantial growth in deposits, exceeding a billion dollars in the first three months of this year. These banks showed only a small gain in reserve balances, corresponding approximately to the increase in their required reserves, and no increase in balances due from correspondent banks; it may be estimated that the total of their loans and investments increased by about a billion dollars in the period. Country banks shared in the increase in excess reserves during April, and their excess reserves of more than a billion dollars in the latter part of April were larger than at any previous time. These excess reserves, which represent substantial capacity

for further expansion of loans and investments, are widely distributed throughout the country. In the latter half of March country banks in the Federal Reserve Districts of Cleveland, Dallas, and Kansas City had excess reserves amounting to more than 50 per cent of their required reserves, and those in every district showed corresponding ratios of a third or more.

FEDERAL RESERVE SECURITY OPERATIONS

In view of the large volume of excess reserves that was made available to banks as the result of exemption of war loan accounts from reserve requirements, the Federal Reserve Banks had no occasion during the April drive to make large security purchases as they had during December. Banks had enough reserves to enable them to purchase not only the volume of new securities offered to them but also to buy additional outstanding securities in the market.

The Government securities market was generally firm throughout the period of the drive. There was a continued demand for long-term partially tax-exempt bonds, and shorter issues after being in supply early in the month were also in demand in the second half of the month. The yield on long-term partially tax-exempt bonds declined from 2.05 to 1.98 per cent during the drive, and yields on other securities were generally steady.

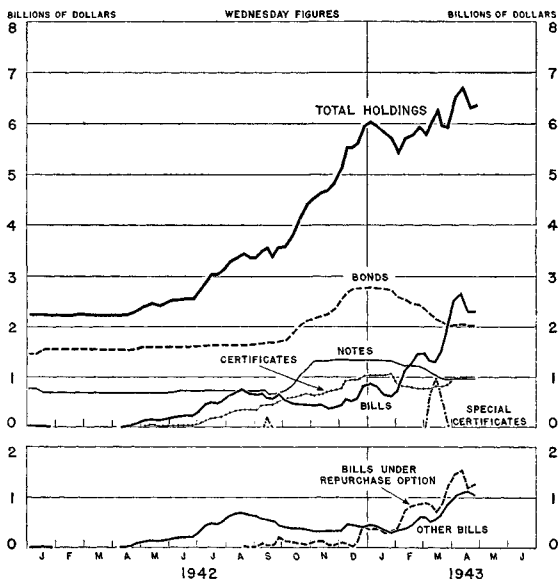
Some purchases of Treasury certificates and short bonds were made by the Federal Reserve Banks early in the month, but subsequently the System discontinued such purchases, while continuing to sell longer bonds. The System's holdings of bills, which increased sharply in the latter part of March and early April, also declined in the latter part of April, as banks repurchased bills previously sold to the Reserve Banks under repurchase agreements.

During the first four months of this year,

total holdings of Government securities by the Federal Reserve Banks showed only a small increase. In this period, however, there were important changes in the composition of the System's portfolio. These are shown in the accompanying chart. In response to a market demand, bonds and notes were sold from the System account. Holdings of certificates were also reduced, largely as a result of a maturity in February. In March the System's portfolio was temporarily increased by Treasury borrowing on one-day certificates in anticipation of tax receipts. The principal changes were in holdings of Treasury bills.

more fully employed. By selling Treasury bills to the Federal Reserve Banks under option to repurchase, banks can obtain reserves promptly as needed and reacquire the bills if later they have more reserves than they need. Federal Reserve transactions in Treasury bills have varied considerably from day to day, with some banks selling bills to their Reserve Banks and others making repurchases. On balance fluctuations in total holdings of bills on option account at the Reserve Banks reflect general money market changes. These figures are shown on the chart and, beginning with this issue, will be regularly published in the statistical section of the BULLETIN. Holdings of each Reserve Bank, as well as those for the System as a whole, will be shown.

GOVERNMENT SECURITY HOLDINGS OF FEDERAL RESERVE BANKS



U.S. Government security holdings include both direct and guaranteed issues. Other bills include those purchased under regular authority and those purchased at the buying rate, not under option. Special one-day Treasury certificates of indebtedness shown only for Sept. 16, 1942, Mar. 10, 17, and 24, 1943; there were 38 such certificates of varying amounts on dates other than Wednesdays through Apr. 28, 1943, the latest date shown.

TREASURY BILLS WITH REPURCHASE OPTION

Banks throughout the country, but more particularly in New York and Chicago, have made increasing use of sales and repurchases of Treasury bills to keep their funds

Federal Reserve holdings of bills on option account, as shown on the chart, increased sharply at the end of December in response to year-end money market needs, and declined in January. They increased in February, reflecting largely Treasury withdrawals of funds from New York and purchases of bonds by New York banks. Early in March the special Treasury borrowing temporarily supplied banks with funds and the System's bill holdings declined. They increased sharply, however, in the latter part of March and early in April, as banks lost reserves, but declined again in the latter part of April for reasons already explained.

During the past year, since the establishment of the 3/8 per cent rate at which the Reserve Banks stand ready to purchase all bills offered to them, the total amount of Treasury bills outstanding has increased from 2 billion to 10 billion dollars, and the distribution of these bills among the various types of holders has broadened. Federal Reserve Bank bill holdings showed

an increase in the period of 2 billion dollars, most of which has occurred since last December. Bill holdings of New York City banks increased from less than half a billion to more than 2 billion dollars in February and subsequently declined somewhat. Those at Chicago banks fluctuated generally at less than half a billion dollars. Banks in other leading cities have steadily increased their bill holdings to above 2.5 billion dollars, and banks outside the leading cities now hold well over a billion dollars of bills, compared with less than 200 million dollars a year ago. Other holders—largely corporations—have also increased their holdings of Treasury bills by about a billion dollars in the past year.

SPECIAL DEPOSITARIES FOR WAR LOAN DEPOSITS

Federal Reserve district	Number of banks which had qualified for war loan accounts			Amount for which qualified (In millions of dollars)			Per cent qualified on Apr. 24, 1943, to total commercial banks	
	Apr. 24, 1943	Dec. 31, 1942	Oct. 31, 1942	Apr. 24, 1943	Dec. 31, 1942	Oct. 31, 1942	Number of banks	Amt. of deposits
Boston.....	316	237	169	855	480	292	61	20
New York.....	911	654	500	6,735	4,719	3,243	91	28
Philadelphia..	585	459	299	642	386	325	67	14
Cleveland.....	710	429	191	909	541	325	60	15
Richmond.....	628	302	173	618	288	182	60	16
Atlanta.....	583	408	295	483	274	197	56	15
Chicago.....	1,159	563	458	1,951	983	732	48	16
St. Louis.....	838	291	181	500	221	170	57	16
Minneapolis..	1,094	731	235	352	192	79	86	17
Kansas City...	952	566	439	373	206	173	53	12
Dallas.....	491	290	230	404	235	194	52	15
San Francisco.	208	103	83	628	421	317	38	7
Total.....	8,475	5,033	3,253	14,449	8,945	6,229	60	19

GUARANTEED WAR LOANS

As announced in a press statement on April 17, a new standard form of guarantee agreement has been adopted for uniform use in guaranteeing loans for war production purposes. The text of this new form of agreement will be found on pages 379-388.

To March 31, 1943, i.e., during the first year of operations under Executive Order 9112 and the Reserve Board's Regulation V, the War Department, Navy Department, and Maritime Commission, acting through the Federal Reserve Banks, authorized 3,534 guarantees for war production loans totaling \$3,725,241,000. Advances to borrowers on guaranteed loans amounted to \$2,224,704,000, of which \$979,682,000 was repaid, leaving unpaid balances of \$1,245,022,000 on March 31. The guaranteed portions of loans outstanding aggregated \$998,774,000, or 80 per cent on the average. In addition to the amounts outstanding on

March 31, \$1,866,286,000 was available to borrowers under guarantee agreements in force.

About 39 per cent of all loans for which guarantees were authorized were for amounts of not more than \$50,000 and 55 per cent were for amounts of not more than \$100,000, as is shown in the following table:

Amount of loan	Per cent of total number	Cumulative percentage
Up to \$5,000	4.6	4.6
\$5,001 to \$10,000	6.1	10.7
\$10,001 to \$25,000	13.3	24.0
\$25,001 to \$50,000	14.6	38.6
\$50,001 to \$100,000	16.6	55.2
\$100,001 to \$250,000	16.4	71.6
\$250,001 to \$500,000	10.6	82.2
\$500,001 to \$1,000,000	7.1	89.3
\$1,000,001 to \$5,000,000	8.3	97.6
\$5,000,001 to \$10,000,000	1.2	98.8
\$10,000,001 to \$25,000,000	.7	99.5
\$25,000,001 to \$50,000,000		99.8
Over \$50,000,000		100.0

LAW DEPARTMENT

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

Amendments to Federal Reserve Act War Loan Deposit Accounts

The President of the United States on April 13, 1943, approved an Act of Congress amending Section 12B of the Federal Reserve Act so as to suspend until six months after the cessation of hostilities in the present war, the provisions of law requiring the payment of deposit insurance assessments on balances to the credit of the United States Treasury arising solely as a result of subscriptions for United States Government securities issued under the Second Liberty Bond Act, as amended. The Act also amends section 19 of the Federal Reserve Act so as to suspend for the same period the requirements of law for maintenance with the Federal Reserve Banks of reserves against Treasury balances arising solely as a result of subscriptions for such securities. The text of the Act is as follows:

[PUBLIC LAW 37—78TH CONGRESS]

[CHAPTER 62—1ST SESSION]

[S. 700]

AN ACT

Suspending certain provisions of sections 12B and 19 of the Federal Reserve Act until six months after the cessation of hostilities in the present war as determined by proclamation of the President or concurrent resolution of the Congress.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the second sentence of paragraph (1) of subsection (h) of section 12B of the Federal Reserve Act (U. S. C., title 12, sec. 264 (h) (1)), as amended, is hereby further amended by substituting a colon for the period at the end thereof and adding the following: "*And provided further,* That until six months after the cessation of hostilities in the present war as determined by

proclamation of the President or concurrent resolution of the Congress any balance payable to the United States by any insured bank, whether represented by a deposit account or otherwise, arising solely as a result of subscriptions made by or through such insured bank for United States Government securities issued under authority of the Second Liberty Bond Act, as amended, shall be excluded from the definition of 'deposit' for the purpose of determining the assessment base."

SEC. 2. The last sentence of section 19 of the Federal Reserve Act (U. S. C., title 12, sec. 462a-1) be amended by substituting a colon for the period at the end thereof and by adding the following: "*Provided,* That until six months after the cessation of hostilities in the present war as determined by proclamation of the President or concurrent resolution of the Congress no deposit payable to the United States by any member bank arising solely as the result of subscriptions made by or through such member bank for United States Government securities issued under authority of the Second Liberty Bond Act, as amended, shall be subject to the reserve requirements of this section."

Approved April 13, 1943.

Reserves

Amendment to Regulation D

The Board of Governors, effective April 13, 1943, amended Regulation D entitled Reserves of Member Banks by striking out the period at the end of the first sentence of paragraph (b) of section 2 thereof and inserting the following:

"and, until six months after the cessation of hostilities in the present war as determined by proclamation of the President or concurrent resolution of the Congress, no deposit payable to the United States by any member bank arising solely as the result of subscriptions made by or through such member bank for United States Government securities

issued under authority of the Second Liberty Bond Act, as amended, shall be included in net demand deposits or in time deposits which are subject to reserve requirements."

**War Loan Financing
Guarantee Agreement**

There is set forth below the text of a new standard form of guarantee agreement, dated April 6, 1943, which has been adopted by the War Department, Navy Department, and United States Maritime Commission after consultation with the Board of Governors of the Federal Reserve System and others, for uniform use in guaranteeing loans for war production purposes pursuant to the President's Executive Order 9112 of March 26, 1942, and the Board's Regulation V, which were published in the 1942 Federal Reserve BULLETIN at pages 299 and 425, respectively. The new form of agreement incorporates, in large measure, the substance of the form heretofore in use and the general intent of the agreement remains the same.

(Form of April 6, 1943)

No. . .

GUARANTEE AGREEMENT

The { War Department of the United States }
 { Navy Department of the United States }
 { United States Maritime Commission }
(herein called "Guarantor"), acting through the Federal Reserve Bank of as fiscal agent of the United States in accordance with the provisions of Executive Order No. 9112 of March 26, 1942, and the Financing Institution, as hereinafter defined, hereby agree each with the other as follows:

Section 1. Definitions

As used in this agreement—

(A) The words "Financing Institution" shall mean

(B) The word "Borrower" shall mean....

.....
(Name)

of
(Address)

the said Borrower being engaged in a business or operation which is deemed by the Guarantor to be necessary, appropriate or convenient for the prosecution of the war.

(C) The words "the loan" shall mean a financing arrangement between the Financing Institution and the Borrower, the terms and conditions of which are briefly described as follows:

(The description of the loan shall include the following items in the following order: Type of loan (straight loan or revolving credit), principal amount (maximum amount of credit in the case of a credit), interest rate, and maturity (latest maturity in the case of a credit). Provisions as to collateral and other protective provisions prescribed by the Guarantor should also be described here, or, if preferred, by referring to an annexed loan agreement or other similar instrument; but the terms and the provisions of such agreement or instrument should not be made a part of or incorporated in the guarantee agreement. There is no requirement by the Guarantor, however, that a loan agreement or similar instrument be used in any case.)

(D) The word "obligation" shall mean the instrument or instruments evidencing the Borrower's indebtedness under the loan and any renewals or extensions thereof.

(E) The term "guaranteed percentage" shall mean (1).....per cent, or (2) the percentage specified above as increased by an adjustment thereof under section 5, section 12, or section 13 of this agreement.

(F) The term "unguaranteed percentage" shall mean the difference between 100 per cent and the guaranteed percentage.

(G) The words "collateral for the loan" shall mean all collateral or security specified in the description of the loan under paragraph (C) of this section or taken or accepted in substitution for such specified collateral or security, and any collateral or security hereafter taken or accepted for the specific protection of the loan.

(H) The words "interest in the obligation" shall mean the amount of the obligation owned by the Guarantor or by the Financing Institution, as the case may be.

(I) The word "Holder" shall mean the party to this agreement which has possession of the obligation and shall be determined in accordance with the provisions of sections 8 and 14 of this agreement.

(J) The words "Reserve Bank" shall mean the Federal Reserve Bank of as fiscal agent of the United States acting on behalf of the Guarantor in accordance with the provisions of Executive Order No. 9112 of March 26, 1942.

Section 2. Guarantee as to Sharing of Losses and Expenses

(A) All losses of principal and interest on the loan, and all expenses as defined in paragraph (D) of this section, shall be shared ratably by the Guarantor and the Financing Institution in accordance with the guaranteed percentage and the unguaranteed percentage, respectively, as such losses, expenses and percentages exist on the date of settlement between the Financing Institution and the Guarantor, regardless of whether or not any purchase has been made under this agreement.

(B) The date of settlement between the Financing Institution and the Guarantor shall be such date as may be agreed upon by the parties or, if no such date is agreed upon, the thirtieth day after the date on which either party to this agreement receives from the other party a written request for such settlement, but no such request will be made by the Guarantor

prior to maturity nor prior to the time when the amount of the ultimate losses and expenses appears to be determinable with reasonable certainty.

(C) In determining losses under paragraph (A) of this section, all amounts which, on the date of settlement, have not been paid shall be regarded as losses even though they may appear to be recoverable thereafter. All net recoveries realized after the date of settlement, from whatever source realized, shall be shared ratably by the Guarantor and the Financing Institution on the basis prescribed in this section.

(D) For the purposes of this section, expenses shall mean all reasonable out-of-pocket expenses (including reasonable counsel fees incurred by the Financing Institution or the Reserve Bank prior to but not after any purchase under this agreement) which relate to the enforcement of the loan or the preservation of the collateral and which are incurred during the period of any default in the payment of principal or interest, and which have not been recovered from the Borrower.

Section 3. Agreement to Purchase

(A) Upon written demand or demands made by the Financing Institution on the Reserve Bank at any time prior to the date of settlement between the Guarantor and the Financing Institution, the Guarantor will purchase from the Financing Institution, on the tenth (10th) day after the receipt by the Reserve Bank of such a demand, the guaranteed percentage of the unpaid principal amount of the loan, less any amounts which have been previously purchased by the Guarantor under any provision of this agreement and have not been repaid. Such purchases will be made by the Guarantor from time to time either as a whole or in such portions as may be demanded in writing as above specified.

(B) Any purchase by the Guarantor pursuant to any provision of this agreement shall be made at the Reserve Bank, and the amount that the Guarantor shall pay shall be the face amount of the portion of the unpaid principal amount

of the obligation so purchased, as of the date of the demand, plus all unpaid accrued interest on such portion, with appropriate adjustment for guarantee fees, computed as of the date of purchase. Such purchase shall be made for cash, except that if the Guarantor owns an interest in any obligation which has been issued under a revolving credit arrangement and if, at or before the maturity of such obligation, the Reserve Bank receives written demand from the Financing Institution for the purchase of the same or a lesser amount of a new obligation to be issued in place of such maturing obligation, payment for the portion of the new obligation purchased pursuant to such demand will be made by the Guarantor by surrendering, at or before maturity, its interest in the maturing obligation, in the amount of the demand by the Financing Institution and without regard to the ten day period specified in paragraph (A) of this section.

Section 4. Cancellations of Borrower's War Production Contracts

(A) For the purposes of this agreement:

(1) A "war production contract" shall mean any contract (other than a contract solely for the construction or acquisition of facilities to be used by the Borrower) made or order accepted by the Borrower for the sale or furnishing by the Borrower of materials, equipment, supplies, facilities, or services or for the processing or treatment by the Borrower of materials, which (a) constitutes a prime contract with the War Department, Navy Department, or Maritime Commission or (b) constitutes a contract made or order accepted by the Borrower to aid directly or indirectly in the performance of any prime contract with any of said Government agencies;

(2) A "cancelled contract" means (a) a war production contract constituting a prime contract with the War Department, Navy Department, or Maritime Commission, or a part of such a war production contract, which contract or part is hereafter cancelled or terminated by any of said Government agencies not by

reason of fault of the Borrower, or (b) any other war production contract or part of such war production contract, which contract or part is hereafter cancelled, terminated or violated because of the cancellation or termination, in whole or in part, without fault of the prime contractor, of any prime contract by any of said Government agencies (provided that the Borrower shall have been substantially observing the provisions of such war production contract);

(3) A "settled contract" means a cancelled contract (a) with respect to which the Borrower has released all claims or (b) with respect to which the Borrower has received full payment in cash, or by offset, or otherwise, of such amounts as may be payable to it as the result of a final determination, by mutual agreement of the parties to such contract or by final decision of a court of competent jurisdiction from which no appeal or request for review has been or can be taken, or otherwise, or (c) with respect to which one year (or such longer period as the Guarantor, in its sole discretion, shall consider fair under the circumstances) has elapsed after the date of such a final determination;

(4) A "cancelled contract as to which no substantial investment has been made" is a cancelled contract with respect to which the Borrower's total expenditures and commitments to the date of cancellation are not certified by the Borrower as being in excess of 5 per cent of the sum of (a) amounts which were due and which would have become due on such contract if completely performed, in accordance with the provisions of the contract as they existed immediately prior to the date of cancellation and (b) all payments received on such contract prior to such date;

(5) An "uncancelled contract" is a war production contract or part thereof which does not fall within the definition of a cancelled contract in clause (2) above; and

(6) "Adjustment notice date" means the date of receipt by the Reserve Bank of the request for adjustment under section 5 of this agreement, or the date of receipt by the Financing Institution

of a request for adjustment under paragraph (A) of section 6 of this agreement.

(B) The aggregate of all amounts which were due on the Borrower's cancelled contracts, and which would have become due on such contracts if completely performed, in accordance with the provisions of such contracts as they existed immediately prior to the dates on which they were respectively cancelled (but not including any amounts of any contracts which, on the adjustment notice date, are settled contracts or cancelled contracts as to which no substantial investment has been made), less any payments received upon such contracts between the dates on which they were respectively cancelled and the adjustment notice date, shall be called (x). The amount of (x) as thus determined plus the aggregate of all amounts due on all uncanceled contracts of the Borrower, and which are to become due on all such contracts when and if completely performed, according to their provisions as they exist on the adjustment notice date, shall be called (y).

Section 5. Protection of Financing Institution against Cancellations

The Financing Institution at any time prior to the date of settlement between the Guarantor and the Financing Institution may make written request to the Reserve Bank for an adjustment under this section, and thereupon the following computation shall be made by the Financing Institution in agreement with the Reserve Bank as of the adjustment notice date: The ratio of (x) to (y) shall be multiplied by the then unguaranteed percentage and the product of such multiplication shall constitute an additional percentage which shall be added to the then guaranteed percentage; and the sum of such percentages shall, effective as of the adjustment notice date, constitute the guaranteed percentage within the meaning of all provisions of this agreement. After the guaranteed percentage has once been increased pursuant to the provisions of this section, the Financing Institution shall have no further rights under this section. The provisions of this section shall

not be effective in any case if the ratio of (x) to (y) is less than one-fourth.

Section 6. Protection of Borrower against Cancellations

(A) The Borrower, from time to time but not more frequently than once every sixty (60) days, may request the Financing Institution in writing for an adjustment under this section, and the Financing Institution shall, within five (5) days after receiving such request, advise the Reserve Bank in writing of the receipt thereof. In each such case, the ratio of (x) to (y) shall be determined by the Financing Institution in agreement with the Borrower and the Reserve Bank as of the adjustment notice date and effective as of such date the Financing Institution will waive interest and suspend maturity upon such portion of the then unpaid principal amount of the obligation as is determined by multiplying such unpaid amount by such ratio and by deducting from the product any portion of the obligation upon which maturity is then in suspense pursuant to any previous request from the Borrower; but in no event shall the amount of the obligation with respect to which interest is waived or maturity suspended pursuant to an adjustment under this section as a result of a determination of the ratio of (x) to (y) exceed (1) the amount of (x) or (2) the amount of the Borrower's estimate of its claims on cancelled contracts as of the adjustment notice date. No waiver of interest or suspension of maturity shall be made under this section if the ratio of (x) to (y), as determined pursuant to any such request by the Borrower, is less than one-fourth.

(B) As payments are received by the Borrower on any cancelled contract after the adjustment notice date, the amount of the obligation as to which maturity is suspended and interest waived shall be forthwith reduced, dollar for dollar, by an amount equal to each such payment. When any cancelled contract has become a settled contract after the adjustment notice date or when the Borrower has failed to file claim under any cancelled contract before the

sixtieth day (or such longer time as the Guarantor may grant) after the adjustment notice date, the amount of the obligation as to which maturity is suspended and interest waived shall be forthwith reduced so that the total amount of reduction under this paragraph shall be the greater of (1) the amount as to which maturity was suspended and interest waived by reason of the inclusion of such cancelled contract in the last prior computation under paragraph (A) of this section, or (2) the amount of reduction under the preceding sentence.

(C) Upon the termination of suspension of maturity of all or any portion of the obligation, by reason of any reduction made under paragraph (B) of this section or failure to comply with paragraph (F) of this section, the obligation or such portion thereof shall become immediately due and payable, regardless of any maturity date otherwise established.

(D) In the event that the Borrower shall initiate any appeal or request for review from the determination by any court of the amounts due under a cancelled contract, the Financing Institution will not waive interest on the portion of the obligation with respect to which maturity has been suspended on account of such cancelled contract, from the date of entry of the order or judgment from which the appeal or request is taken until the date of entry of the final order or judgment on appeal or review.

(E) So long as the Financing Institution continues to own any portion of the obligation as to which a waiver of interest is in effect in accordance with this section, the Financing Institution shall be under no obligation to pay any fee to the Guarantor under section 16 of this agreement on such portion of the obligation; and the Guarantor will pay to the Financing Institution, on the dates on which interest would otherwise have been payable by the Borrower, or at least quarterly, interest upon such portion of the obligation (1) in an amount equal to the difference between the amount which would have been payable by the Borrower to the Financing Institution and the amount which would have been payable by the Financ-

ing Institution to the Reserve Bank under section 16 hereof, or (2) at the rate of $2\frac{1}{2}$ per cent per annum, whichever is less.

(F) In consideration of the execution of this agreement by each party hereto, the Guarantor and the Financing Institution agree with each other for the benefit of the Borrower, and also severally promise the Borrower, that the provisions of this section shall inure directly to the benefit of, and shall be enforceable directly by, the Borrower. No suspension of maturity or waiver of interest under this section shall (1) take effect unless the Borrower shall have agreed with the Reserve Bank and the Financing Institution to be bound by the provisions of this agreement which govern suspension of maturity and waiver of interest, or (2) continue in effect unless the Borrower shall furnish to the Reserve Bank and the Financing Institution, not less often than every sixty (60) days, a report as to all payments received on the Borrower's cancelled contracts, including full information with respect to any cancelled contract that shall have become a settled contract.

(G) Nothing contained in this section shall impair any of the rights of the Financing Institution under any other provision of this agreement nor any right the Financing Institution or the Guarantor may have to accelerate the maturity of the obligation, including any suspended portion thereof, unless such acceleration is based solely on a provision of the loan to the effect that cancellation of a contract or suspension of maturity pursuant to this section is of itself an event of default.

Section 7. Ownership of Suspended Portions of the Loan

(A) Any portion of the obligation at any time owned by the Guarantor shall be deemed to include, to the extent possible, any portion of the obligation as to which maturity has been suspended pursuant to section 6 of this agreement; and the Guarantor shall comply and the Financing Institution shall be relieved from compliance with the provisions of such section 6 relating to the waiver of interest and suspension

of maturity with respect to such portion of the obligation.

(B) The Guarantor will from time to time purchase from the Financing Institution any part or all of that portion of the obligation on which maturity has been suspended pursuant to section 6 of this agreement, whether or not such purchase shall result in ownership by the Guarantor of an interest in the obligation which shall be in excess of the then effective guaranteed percentage of the loan, but such purchase in all other respects shall be made in accordance with the provisions of section 3 hereof. If and when the Financing Institution shall have obtained an adjustment pursuant to section 5 of this agreement, the Guarantor shall be under no further obligation to make a purchase under this section. If pursuant to the provisions of this section the Guarantor shall own an amount of the obligation in excess of the guaranteed percentage following such an adjustment, the Financing Institution will forthwith repurchase such excess. Nothing in this paragraph affects the sharing of losses on the basis prescribed in section 2 of this agreement.

Section 8. Administration of Loan and Possession of Obligation and Collateral

(A) Prior to any purchase under this agreement, the Financing Institution shall administer the loan and shall hold the obligation and the collateral for the loan. Whenever the Guarantor becomes the owner of any part of the loan under this agreement, the Financing Institution shall continue to administer the loan and to hold said obligation and collateral, and shall forthwith deliver to the Reserve Bank a certificate reciting that the Financing Institution holds said obligation and collateral for the account of the Guarantor to the extent of the Guarantor's interest therein. In any such case, however, upon written demand by the Reserve Bank, the Financing Institution shall forthwith endorse the obligation to the Reserve Bank without recourse or warranty and shall assign the collateral (or its interest therein if such collateral cannot be assigned because it is held for

the account of more than one Financing Institution) to the Reserve Bank without recourse or warranty, except as to the genuineness of the signature of the Borrower to any instrument, and shall forthwith deliver to the Reserve Bank possession of the obligation and of the collateral (or an assignment of its interest therein as above provided). Thereupon the Reserve Bank shall issue to the Financing Institution a certificate reciting that the Reserve Bank holds said obligation and collateral for the account of the Financing Institution to the extent of the Financing Institution's interest therein. Thereafter the Guarantor, through the agency of the Reserve Bank, shall administer the loan and shall hold said obligation and collateral for the account of the Guarantor and the Financing Institution as their interests in the obligation may appear. The Guarantor and the Financing Institution shall at all times during the existence of this agreement have the right to examine and inspect said obligation and collateral.

(B) Whenever the Guarantor becomes the Holder of the obligation, the Financing Institution will at any time at the written request of the Guarantor furnish to the Guarantor such instruments as may be reasonably necessary or appropriate to enable the Guarantor to administer the loan and enforce the obligation and collateral for the loan in accordance with the terms of the loan.

(C) Nothing contained in this or any other section of this agreement shall be construed to prevent the Financing Institution from offering the obligation as collateral for advances by a Federal Reserve Bank, if such obligation is otherwise eligible and acceptable as collateral for such advances.

Section 9. Ratable Application of Collections

(A) All amounts at any time paid or credited on the obligation, from whatever source realized, shall be applied ratably for the benefit of the Financing Institution and the Guarantor according to their respective interests in the obligation, first in accordance with such re-

spective interests in the unsuspended portion of the obligation, and then in accordance with such respective interests in the suspended portion of the obligation. All amounts so paid or credited upon the obligation after the date of a demand by the Financing Institution or the Guarantor, as the case may be, for a purchase under this agreement and prior to the date of such purchase shall be applied as above provided according to such respective interests of the Guarantor and the Financing Institution as such interests exist immediately after such purchase. The Holder of the obligation and collateral shall receive all payments from the Borrower in connection with the obligation and shall promptly remit to the other party to this agreement such other party's share thereof.

(B) In the event that the total of all amounts eventually so paid or credited in accordance with paragraph (A) of this section is not sufficient to cover principal and interest in full, the application of such amounts shall be readjusted upon the date of settlement between the Guarantor and the Financing Institution so that the Guarantor and the Financing Institution will share all losses on the loan on the basis prescribed in section 2 of this agreement.

Section 10. Application of Proceeds of Collateral and Other Assets

(A) There shall first be applied to the full payment of the loan before they are applied to the payment of other indebtedness of the Borrower to the Financing Institution: (1) All proceeds of any collateral for the loan; and (2) all proceeds of accounts receivable and of inventories (including finished products and work in process) arising under the Borrower's war production contracts, to the extent that such accounts receivable or inventories are taken or appropriated by the Financing Institution, except war production contracts under which claims may heretofore have been, or may with the written consent of the Guarantor hereafter be, specifically assigned to the Financing Institution as security solely for other indebtedness of the Borrower to the Financing

Institution. If any funds on deposit, or other amounts payable to the Borrower by the Financing Institution, or other assets of the Borrower (except those described in clause (2) above) which are not specifically pledged as security for any indebtedness shall be taken or appropriated by the Financing Institution, the Financing Institution shall apply such funds and the proceeds of such other assets pro rata against the then unpaid balance of the loan and the then unpaid balance of such other indebtedness of the Borrower to the Financing Institution. Funds on deposit, amounts payable, and other assets shall not be considered to be specifically pledged for any indebtedness, within the meaning of this section, if the right of the Financing Institution to apply the proceeds thereof to such indebtedness exists only by virtue of the right of banker's lien or setoff or only by virtue of a "spreader", "overlap" or "cross-lien" provision in any note or loan agreement.

(B) There shall first be applied by the Guarantor to the full payment of the loan, before they are applied to the payment of other indebtedness of the Borrower to the Guarantor, all proceeds obtained by the Guarantor from: (1) accounts receivable and inventories (including finished products and work in process) arising under the Borrower's war production contracts, and (2) any right of priority accruing to the Guarantor on account of any claim by the Guarantor against the Borrower, and (3) any right of setoff in respect of amounts due to the Borrower on any war production contract (except a right of setoff arising out of a claim under the same contract); except that the foregoing shall not apply to any pledge, lien, or other security taken by the Guarantor as collateral for an advance payment or loan by the Guarantor to the Borrower.

Section 11. Actions as to Obligation or Collateral

The Holder shall not, without the prior written consent of the other party to this agreement, (a) make or consent to any material alteration in the terms of the loan or collateral

for the loan; (b) make or consent to any release, sale, transfer, further pledge, subordination or substitution of any of said collateral for the loan; or (c) give any consent or waiver under any provision of the loan restricting the use of funds of the Borrower. However, the consent of the other party shall not be necessary with respect to any release or substitution of such collateral required or authorized by the terms of the loan as such terms are described in paragraph (C) of section 1 of this agreement or in any instrument referred to therein, and no notice of any such action need be given to the other party. The Holder, unless prior objection thereto shall have been made in writing by the other party, may extend the term of the loan, but, without the prior written consent of the other party, not more than once and for not more than sixty (60) days; but notice of any such extension shall be thereafter promptly transmitted to the other party. The taking of additional collateral or security shall not be considered a material alteration in the terms of the loan or collateral for the loan.

Section 12. Refusal of Guarantor to Consent to Accelerated Maturity

The Financing Institution, if it be the Holder, shall not exercise any option to accelerate the maturity of the obligation without the prior written consent of the Guarantor. If such an option exists (whether or not conditioned upon the giving of notice to the Borrower) on the part of the Holder to accelerate the maturity of the obligation and (a) the Guarantor fails to give its written consent, within ten (10) days after the Reserve Bank shall have received a written request from the Financing Institution to do so, to the acceleration of the maturity of the obligation or (b) if the Guarantor be the Holder and does not, within ten (10) days after the Reserve Bank shall have received a written request from the Financing Institution that the Guarantor do so, initiate appropriate action to accelerate the maturity of the obligation, the guaranteed percentage shall thereupon, in either event, effective ten (10) days after the receipt of

such request, be 100 per cent. If the Guarantor be the Holder, it may, after giving notice to the Financing Institution, exercise any option to accelerate the maturity of the obligation without obtaining the consent of the Financing Institution.

Section 13. Failure to Sue or Consent to Suit

The Financing Institution, if it be the Holder, shall not, without the prior written consent of the Guarantor, bring suit to enforce payment of the obligation or any installment thereof, or directly or indirectly institute bankruptcy, receivership or insolvency proceedings against the Borrower, or foreclose on or otherwise enforce realization of the collateral by exercise of a power of sale or by legal proceedings; but the Guarantor, if it be the Holder, after giving notice to the Financing Institution, may take any action specified in this sentence without obtaining the consent of the Financing Institution. If at any time all or any portion of the principal or interest of said obligation is due and unpaid and (a), while the Financing Institution is the Holder, the Guarantor fails to give its written consent within ten (10) days after the Reserve Bank shall have received a written request from the Financing Institution to do so, to the taking of any action specified in the preceding sentence or (b) if the Guarantor be the Holder and does not, within thirty (30) days after the Reserve Bank shall have received a written request from the Financing Institution that the Guarantor take action as aforesaid, take the action requested or one of the other steps specified in the preceding sentence, the guaranteed percentage shall thereupon in either event, effective ten (10) days or thirty (30) days, as the case may be, after the receipt of such request, be 100 per cent.

Section 14. Voluntary Purchase by Guarantor

Whenever the Guarantor, in its sole judgment, deems that such action is necessary in order to prevent or minimize a loss on the loan which it

believes to be imminent or in order to prevent obstructions or delays in the Borrower's war production, the Guarantor may purchase, and the Financing Institution shall sell to it, the guaranteed percentage of the unpaid principal amount of the obligation, less any amounts which have been previously purchased by the Guarantor under any provision of this agreement and have not been repaid; but no such purchase shall be made except ninety (90) days or more after the original advance on the loan or shall become effective until ten (10) days (or such lesser period as the Guarantor may specify) after the Guarantor shall have sent to the Financing Institution a demand for such purchase by telegram or registered mail. In the event of any purchase under this section, the Guarantor shall, at the request of the Financing Institution, or may, at its own option, immediately become the Holder in the manner provided in section 8 without the written demand therein specified.

Section 15. Reports as to Borrower's Condition

The Holder shall promptly notify the other party of any default in the payment of principal, or of any default which shall continue for ten (10) days in the payment of interest, on the part of the Borrower. As long as the Financing Institution has any interest in the loan, each party shall notify the other party of any other default on the part of the Borrower in connection with the loan, or of any unfavorable change in the financial condition or in the business of the Borrower or in the collateral for the loan, of which such party has acquired actual knowledge in connection with the administration of said loan and which in its opinion at the time is material. The Financing Institution shall, upon the request of the Reserve Bank, furnish to the Reserve Bank any other information relating to the financial condition of the Borrower and the progress of the loan which it has acquired in connection with the administration of said loan.

Section 16. Fees Payable to Guarantor

In consideration of the execution of this agreement by the Guarantor, the Financing Institution shall pay to the Reserve Bank at the end of each monthly or quarterly period, as fixed by the Reserve Bank, an amount equal to per cent of any interest payable by the Borrower on the average daily amounts of that part of the unpaid principal of said loan which the Guarantor was obligated during such period to purchase upon demand of the Financing Institution under any provision of this agreement; provided that such obligation on the part of the Financing Institution shall terminate as to all or any portion of said loan purchased by the Guarantor immediately upon such purchase.

Section 17. Effect of Violation of Agreement

(A) If the Financing Institution shall violate, or fail to comply with, any of the terms of this agreement or any of the terms or conditions of the loan or shall through gross negligence make a material misrepresentation of fact in the application therefor, or in anything constituting a part of the application, it shall become liable to the Guarantor in an amount equal to the damages sustained by the latter by virtue of such violation, failure to comply, or misrepresentation; but the Guarantor shall not be relieved by such violation, failure to comply, or misrepresentation from any of its obligations to the Financing Institution under the terms of this agreement.

(B) In the absence of gross negligence on the part of the Financing Institution:

- (1) No invalidity or ineffectiveness of any collateral or of any assignment thereof accepted by the Financing Institution; and
- (2) No action or omission to act on the part of the Financing Institution in reliance on a statement signed by an appropriate officer or member of the Borrower with respect to the financial condition, business or operations of the Borrower or the pur-

pose for which funds of the Borrower have been or are intended to be used; shall constitute a violation of, or failure to comply with, any of the terms of this agreement or any of the terms or conditions of the loan on the part of the Financing Institution. No invalidity of any provision of the loan agreement (or other similar instrument), if any, referred to herein, arising from statute or decision of any court, shall in any way relieve the Guarantor hereunder.

Section 18. Additional War Production Contracts and Advance Payments

The Financing Institution will not obtain or require from the Borrower any agreement that (a) the Borrower will not accept additional war production contracts when requested or required by the Government, or (b) the Borrower will not consent to the modification or amendment of any of its war production contracts when requested or required by the Government, except that such agreement may prohibit additional borrowings or advance payments and may require the Borrower to notify the Financing Institution of the acceptance of any additional war production contracts.

Section 19. Interpretation of Agreement

(A) This agreement constitutes the entire contract between the Guarantor and the Financing Institution, and no claim of waiver, modification, consent, or acquiescence with respect to any of the provisions of this agreement shall be made against either party except on the basis of a letter or other written instrument executed by or on behalf of such party.

(B) No provision of the loan agreement (or other similar instrument), if any, shall increase, limit or vary the rights or obligations of the Financing Institution, the Guarantor or the Borrower under this agreement.

(C) Whenever a computation has been made under section 5 or section 6(A) of this agreement, the Guarantor (acting by such person or persons as may be designated for that purpose by the Secretary of War, the Secretary of the Navy, or the Maritime Commission, as the case

may be) shall certify that such computation is the computation that will govern the rights and obligations of the Financing Institution, the Guarantor, and the Borrower under this agreement.

Section 20. Prohibition Against Assignment

This agreement shall not be assignable by either party, but this shall not prevent the Financing Institution from granting to other financing institutions participations in the obligation, provided, however, that the Guarantor shall recognize and deal only with the Financing Institution.

Section 21. Officials Not to Benefit

No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed on their behalf by their duly authorized agents this day of, 194.....

WAR DEPARTMENT OF THE UNITED STATES
NAVY DEPARTMENT OF THE UNITED STATES
UNITED STATES MARITIME COMMISSION

By Federal Reserve Bank of.....
As Fiscal Agent of the United States

By (Name) (Title)

.....
(Financing Institution)

By (Name) (Title)

[SEAL
OF
FINANCING
INSTITUTION]

ATTEST:

..... (Name) (Title)

National Bank Loan Limitations

In connection with operations under Executive Order No. 9112, dated March 26, 1942, the Board of Governors requested the opinion of the Comptroller of the Currency as to whether the revised form of guarantee agreement dated April 6, 1943, complies with the requirements of the Comptroller's definition of the term "unconditional" as used in Exception 10 to Section 5200 of the Revised Statutes relating to the loan limitations applicable to national banks. In reply the Comptroller under date of April 7, 1943, addressed the following letter to the Board:

"This is in reply to your letter of April 3 with respect to the revised form of Guarantee Agreement enclosed therewith, which is identified by the words '(Form of April 6, 1943).' You inquire whether the revised form will comply with the definition of the term 'unconditional,' as used in exception 10 to section 5200 of Rev. Stat. of 1873, as amended (U. S. C. title 12, sec. 84), relating to extensions of credit by national banks.

"1. In many instances, the revised form will be used in situations which involve only a *single bank*. It is our opinion that in such situations a Guarantee Agreement in this revised form would be 'unconditional' for the purposes of exception 10.

"2. Section 20 of the revised form empowers a 'Financing Institution' to grant participations to other banks, but provides that the Guarantor shall recognize and deal only with the Financing Institution, thereby limiting the rights and powers of *participating banks not having the status of 'Financing Institutions.'* In view of this limitation, it is our opinion that a Guarantee Agreement in this revised form would *not* be 'unconditional' with respect to participations held by such banks.

"3. However, it is understood that where a number of banks are to participate in a loan, the following alternative arrangement will be available: The Guarantee Agreement may provide that the words 'Financing Institution' shall mean each bank named therein

or shall mean each bank which is or may become a party to a specified loan agreement, in either of which cases the Guarantee Agreement will also contain a sentence substantially as follows:

'The respective obligations hereunder of the Guarantor and of each such Financing Institution are several, and this agreement shall be deemed to constitute a separate agreement between the Guarantor and each such Financing Institution to the extent of its portion of the loan.'

Under this contemplated arrangement, the right of each participating bank which is a 'Financing Institution' to require takeover by the Guarantor for cash, within sixty days after demand, would not be contingent upon the happening of an event or condition precedent not within the control of such bank, nor subject to defeasance by a contingency or condition subsequent not within its control. Accordingly, it is our opinion that a Guarantee Agreement in this revised form would be 'unconditional' with respect to *participating banks having the status of 'Financing Institutions'* thereunder."

Further Executive Order Relating to Guarantees of Loans for War Production Purposes

There is set forth below the text of an executive order of the President, No. 9336, dated April 24, 1943, authorizing the Office of Lend-Lease Administration and the War Shipping Administration to indemnify the War Department, the Navy Department, and the Maritime Commission in connection with guarantees made pursuant to Executive Order No. 9112, of March 26, 1942, for the benefit or on behalf of the Office of Lend-Lease Administration or the War Shipping Administration.

EXECUTIVE ORDER No. 9336

Authorizing Financing Arrangements to Facilitate the Prosecution of the War

By virtue of the authority vested in me by the Constitution and statutes of the United States, and particularly by the First War Powers Act, 1941 (approved December 18, 1941), and

as President of the United States, and in order to facilitate the prosecution of the war, it is ordered as follows:

1. The Office of Lend-Lease Administration and the War Shipping Administration are hereby authorized, without regard to the provisions of law relating to the making, performance, amendment or modification of contracts, to enter into guaranties, agreements of indemnification, agreements to provide funds, and other financing arrangements with the War Department, the Navy Department, and the Maritime Commission in connection with any loans, discounts, advances, contracts, guaranties, or commitments made pursuant to Executive Order No. 9112 of March 26, 1942, for the benefit or on behalf of the Office of Lend-Lease Administration or the War Shipping Administration, respectively, and to pay out funds in accordance with the terms of any such guaranty, agreement, or other financing arrangement so entered into.

2. The authority hereby conferred may be exercised by the Lend-Lease Administrator or the War Shipping Administrator or, in their discretion and by their direction respectively, through any other official or officials of the Office of Lend-Lease Administration or the War Shipping Administration. The Lend-Lease Administrator and the War Shipping Administrator may confer upon any such official or officials the power to make further delegations of such powers within their respective offices.

3. Complete data shall be maintained by the Office of Lend-Lease Administration and the War Shipping Administration as to all guaranties, agreements, and other financing arrangements which they respectively make pursuant to this Executive order. The Lend-Lease Administrator and the War Shipping Administrator shall make available for public inspection, as they may respectively deem compatible with the public interest, so much of such data as does not cover restricted, confidential, or secret transactions.

FRANKLIN D. ROOSEVELT

THE WHITE HOUSE,
April 24, 1943.

Foreign Funds Control

Revocation of Special Regulation Issued by Federal Reserve Bank of San Francisco

There is set forth below the revocation of Special Regulation No. 1 issued on March 18, 1942, by the Federal Reserve Bank of San Francisco as Fiscal Agent of the United States,

which provided for the blocking of transactions in property of persons evacuated from military areas on the Pacific Coast. Special Regulation No. 1 was published in the April 1942 Federal Reserve BULLETIN at page 308.

SPECIAL BLOCKED PROPERTY

*Revocation of Special Regulation No. 1 Relating to Transactions in Special Blocked Property**

Special Regulation No. 1, Relating to Transactions in Special Blocked Property, as therein described, heretofore prescribed by the Federal Reserve Bank of San Francisco, as Fiscal Agent of the United States, by virtue of the authority vested in such bank pursuant to section 5 (b) of the Trading with the Enemy Act, as amended by the First War Powers Act, and other authority vested in such bank, is hereby revoked.

Made at San Francisco, California, this 16th day of March, 1943.

Federal Reserve Bank of San Francisco (Fiscal Agent of the United States).

WILLIAM A. DAY,
President.

[SEAL]

Confirmed:

Randolph Paul,
Acting Secretary of the Treasury.

Treasury Department Releases

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

Treasury Department
Foreign Funds Control
February 25, 1943

PUBLIC INTERPRETATION NO. 10

Under Executive Order No. 8339, as Amended, Executive Order No. 9193, Sections 3(a) and 5(b) of the Trading with the Enemy Act, as Amended by the First War Powers Act, 1941, Relating to Foreign Funds Control.

SUBJECT: Examination of Endorsements Appearing on Checks and Drafts Received from Abroad

Inquiry has been made as to whether a banking institution which receives a check or draft from a foreign country is

* Sec. 5(b), 40 Stat. 415 and 966; Sec. 2, 48 Stat. 1; 54 Stat. 179; Pub. Law 354, 77th Cong.; E.O. 8389, April 10, 1940 as amended by E.O. 8785, June 14, 1941, E.O. 8832, July 26, 1941, E.O. 8963, Dec. 9, 1941, E.O. 8998, Dec. 26, 1941, E.O. 9066, Feb. 19, 1942, E.O. 9095, Mar. 11, 1942.

required to examine the endorsements thereon in order to ascertain whether any of the endorsers are named on the Proclaimed List of Certain Blocked Nationals.

The Treasury has replied that any banking institution which henceforth receives a check or draft from abroad is required to examine the instrument to determine whether the payee or any of the endorsers are named on the Proclaimed List. If it is found that the check or draft is drawn in favor or bears the endorsement of a person who there is reason to believe is a Proclaimed List national, the instrument may not be endorsed, presented, accepted, collected, paid, transferred, protested, returned, or otherwise dealt with except pursuant to license expressly referring to General Ruling No. 11. However, the Treasury Department has stated that it will entertain applications by banking institutions for licenses authorizing, subject to certain conditions, the presentation, collection, etc., of such instruments.

J. W. PEHLE,
Assistant to the Secretary.

Treasury Department
Foreign Funds Control
March 8, 1943

PUBLIC INTERPRETATION NO. 11

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

The following inquiry has been made: where several persons have an interest in a transaction or proposed transaction prohibited by the Order, may any one of such persons file an application for a license authorizing the effecting of such transaction?

The Treasury Department has replied in the affirmative. Under the Order, any person having an interest in a transaction or proposed transaction may file an application for a license authorizing the effecting of such transaction, and there is no requirement that any other person having an interest in such transaction shall or should join in making or filing such application.

J. W. PEHLE,
Assistant to the Secretary.

Treasury Department, Office of the Secretary
April 13, 1943

GENERAL LICENSE NO. 53, AS AMENDED

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

General License No. 53, as amended, is hereby amended in the following respects:

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

1. Insert the following as paragraph (3):

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

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

2. Renumber paragraph (3) as paragraph (4).

RANDOLPH PAUL,
Acting Secretary of the Treasury.

Treasury Department, Office of the Secretary
April 13, 1943

GENERAL LICENSE NO. 68A, AS AMENDED

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

General License No. 68A is hereby amended by the deletion of paragraph (5) of such general license.

RANDOLPH PAUL,
Acting Secretary of the Treasury.

Treasury Department, Office of the Secretary
April 13, 1943

GENERAL LICENSE NO. 85

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

(1) A general license is hereby granted authorizing the following transactions with respect to Mexican securities of the classes specified in the Decree of August 4, 1942, of the

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

LAW DEPARTMENT

United States of Mexico and which are held in blocked or General Ruling No. 6 accounts in banking institutions within the United States, notwithstanding the fact that Form TFEL-2 may not have been previously attached to such securities:

(a) The presentation of such securities to an appropriate registry agent within the United States pursuant to the terms of such Decree;

(b) The receipt and registration of such securities by such registry agent pursuant to the terms of such Decree; and

(c) The performance of such other acts as are necessarily incident to such registration;

Provided, However, that any registry agent receiving any such security pursuant to this general license shall hold such security within the United States and subject to the provisions of section 5(b) of the Trading with the Enemy Act, as amended, and the Order; and shall, within a reasonable period of time after such security has been received, return it to the banking institution previously holding such security, and such banking institution shall return such security to the account in which it was previously held.

(2) This general license shall also authorize the transactions, above described, with respect to securities of the type referred to in section 2A(x) of the Order when such securities have been in the custody or possession of the same banking institution within the United States, continuously since July 25, 1940, notwithstanding the fact that Treasury Department Form TFEL-2 may not have been previously attached to such securities.

RANDOLPH PAUL,
Acting Secretary of the Treasury.

Treasury Department, Office of the Secretary

April 13, 1943

PUBLIC CIRCULAR NO. 18A

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

(1) *Subject and Scope.* Public Circular No. 18 prescribes the standard of conduct to be observed with respect to transactions involving enemy nationals. This public circular supplements Public Circular No. 18 and prescribes the standard of conduct to be observed by United States concerns located within Latin America with respect to transactions

involving other nationals of blocked countries. It does not purport to prescribe standards for concerns *not located within Latin America.*

(2) *Authorized Transactions by United States Concerns Located Within Latin America.* Subject to the exceptions noted in paragraph (3), United States concerns located within Latin America are authorized to engage in transactions involving blocked nationals located within the generally licensed trade area, or within Spain, Portugal, Switzerland or Sweden, without further license. Such United States concerns will, of course, be expected to comply with all local controls in engaging in such transactions.

(3) *Transactions by United States Concerns Located Within Latin America which are not Authorized.* The following transactions shall not be engaged in by any United States concern located within Latin America except pursuant to general or specific licenses issued by the Treasury Department:

(a) Any transaction involving a dollar account of a blocked national located outside the generally licensed trade area, if such account is held on the books of a United States concern located within Latin America which is a bank or other financial institution;

(b) Any transaction involving an enemy national (see Public Circular No. 18).

In addition to the foregoing, the Treasury Department or any United States Mission in the other American Republics at any time may stipulate that any particular transaction or class of transactions requires a specific license. Any such stipulation shall be binding upon all persons having notice thereof.

(4) *Filing of Applications.* Applications for specific licenses to engage in any transaction may be filed with any United States diplomatic and consular officer in the other American Republics or with a Federal Reserve Bank in the United States.

(5) *Definitions.*

(a) The term "transaction involving a blocked national" shall include any transaction with, by, on behalf of, or at the direction of a blocked country or national thereof, or which involves property in which such national or country has an interest.

(b) The term "United States concern located within Latin America" shall mean any person subject to the jurisdiction of the United States located within Latin America, and the term "person subject to the jurisdiction of the United States" shall have the meaning prescribed in Public Circular No. 18.

(c) The term "generally licensed trade area" shall have the meaning prescribed in General License No. 53.

RANDOLPH PAUL,
Acting Secretary of the Treasury.

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

WAR BONDS, TAXES, AND ECONOMIC STABILITY

by

MARRINER S. ECCLES*

The Government will spend, for war purposes alone, approximately 90 billion dollars during the present calendar year.

The goal of the Second War Loan Drive is to raise 13 billion dollars, or about one-seventh of the total war expenditures for this year. The general public, exclusive of the commercial banks, is being asked to subscribe not less than 8 billions of this amount. Eight billions is a lot of money, yet it is less than the American people are now receiving every three weeks in national income, consisting mainly of wages and salaries, including farm income.

The question is not whether the goal of this campaign will be reached, but how it will be reached. The Government can always raise the money it needs. What is of vital importance to every man, woman and child in this country is that the money needed to wage this war be raised in a way that will not result in a disastrous rise in the cost of living.

On the basis of our present tax laws, we will collect in taxes somewhat less than one-third of our total Government requirements this year. The balance, or about 70 billion dollars, will have to be borrowed.

There are two sources from which the Government can borrow. One source is the general public; that is, all of the people of this nation and their innumerable business concerns, together with all the various public as well as private organizations. The other source is the commercial banking system of the country and the Federal Reserve Banks.

The distinction between the two sources of borrowing is of critical importance in the battle against inflation. Borrowing from the general public diverts to war purposes money that might otherwise be spent in driving up the cost of living. Borrowing from the commercial banks, instead of diverting existing purchasing power to the war effort, creates entirely new funds, new purchasing power. These are the

most dangerous of dollars. We have been creating altogether too many of them.

In the calendar year of 1942 the Government spent about 56 billion dollars. Only about one-third was raised in taxes. The rest had to be borrowed. Less than half of the borrowing came from the general public. More than half came from the commercial banks. As a result, more than 20 billion dollars was added to our money supply—to demand deposits and currency. Unless we do much better in the current year, 30 billion dollars more will be added to our money supply in the same way. That would mean an increase of more than 50 billion dollars, or a doubling of our money supply, in two years.

Fifty billions of these dangerous inflationary dollars in two years' time! In the last war, and even at the peak of 1929, our total money supply was less than 30 billions!

I emphasize these figures to bring out as forcibly as I can why it is so important, if we are to hold the line against inflation, to finance this war to the fullest possible extent by taxation and by borrowing from the current incomes of the general public. To the extent that taxes are not provided to cover the costs of war, the money has to be borrowed. To the extent that the money is borrowed from the general public, the inflationary pressures of our enormously expanded national income are reduced. To the extent that we fail to tax sufficiently, or fail to borrow enough from the general public, there is no alternative except to borrow from the commercial banks or the Federal Reserve Banks. To the extent that the money is borrowed from either, more purchasing power is poured into the already dangerously swollen stream. That is the high road to inflation.

In other words, if the Government's expenditures were entirely financed by taxation and borrowing from the general public, there would be no need to turn to the inflationary method of financing through the commercial banks. The Federal Reserve, in turn, would not then be

* An address on the National Radio Forum, April 14, 1943.

confronted with the necessity of supplying reserves for what it knows to be a dangerous process of financing the war through the banks.

Let us look at the economic picture for a moment from another angle. More than half of our total production this year is going for war, leaving less than half available for purchase by civilians who nevertheless are receiving incomes based on the total production. It is apparent, therefore, that there are not enough goods and services available for more than half of this income to purchase. To the extent that this surplus income bids for the existing supply of goods, it subjects the price ceilings to irresistible inflationary pressures. No Government edict or agency can hold prices indefinitely against such pressures. The only way to reduce these pressures is to transfer the surplus income to the Government through taxes or through borrowing from the general public. The way to prevent these pressures from growing constantly greater and more threatening is to avoid all further increases in wages, salaries, profits and prices. Increasing the number of dollars we receive will not add one iota to the goods that we can buy. We are only fooling ourselves by exchanging more dollars for the same or a smaller amount of goods.

The gap between what the public is receiving in spendable income and what is available to buy is constantly enlarging as more is produced for war and less for civilians. As more is spent for war, civilian incomes go up, but civilian supplies go down. Accordingly, there is no sensible choice before us, if we are to ward off inflationary dangers, except to keep as close a balance as possible between the amount of money which is bidding for civilian goods and services and the available supply. This means that instead of buying more, despite enlarged incomes, we must of necessity buy less and less. It means that, far from increasing the standard of living today, we must be prepared to cut it to the bone. Too many of our people have already increased and are still trying to increase their living standards. They must be awakened

to the fact that this spells peril to themselves and to the nation. As our war effort continues to expand, it will not be enough merely to buy only what we need; we will have to scale down our ideas of what we need and scale up our ideas of what we can do without.

Since the additional taxation necessary to reduce excessive buying power is not in immediate prospect, it is all the more important that it be reduced by borrowing from the public. It is all the more reason why every effort should be made in this and subsequent drives to obtain as much as possible by the sale of Government securities to all nonbank investors and as little as possible by borrowing from the commercial banks. We must do far better than we did in the December drive, when the number of nonbanking investors, excluding the purchasers of Series "E" Savings Bonds, reached the insignificant total of less than 350,000.

I recognize that many individuals as well as business concerns have not shared in the general rise in incomes resulting from war expenditures. They can not be expected to do as much as those who, directly and indirectly, are the beneficiaries of the enormous outpouring of funds. Nevertheless, they have a duty to invest to the very limit of their ability. The great majority of our people—except the boys in the armed services—are sharing in the rising tide of income. Pay rolls and farm incomes, as well as many business profits, are at record high levels. National income, already almost 60 billions above the peak of 1929, is still expanding. Young people, old people, and women previously unemployed have been added to pay rolls. A triple expansion of incomes is going on as a result of increased employment, increased pay rates, increased hours, and overtime pay.

This great majority of our people, individuals as well as business corporations, who are the beneficiaries of our war expenditures should be the first to subscribe to War Bonds in an amount commensurate with their increased incomes. In some cases, incomes have expanded by more than one hundred per cent. Many sincerely

believe that they have done their full duty when they have subscribed ten per cent of their incomes to War Bonds. If the Government is to succeed in borrowing the amount it needs to borrow from the general public, if those who have profited greatly from our war expenditures are to discharge their full obligation, ten per cent will not be nearly enough. Far more must be invested in War Bonds.

The ideal expressed in the familiar phrase, "Take the profit out of war," should be always before us, and we should strive to come as close to it as possible. To achieve it, we would have to recapture from the war beneficiaries through taxation the equivalent of every dollar expended for the war. We can not, of course, achieve this ideal, but we should at least do as well as other nations at war—and they are collecting more than one-half of their expenditures from taxes. We are collecting less than a third. We must have increased taxes, and we urgently need, without further delay, a heavy withholding tax in order to collect at the source potentially inflationary funds before they reach the spending stream or elude the tax collector altogether.

The success of this present drive is not measurable by the raising of 13 billion dollars or more. That in itself is no problem, since the money can always be obtained through the inflationary medium of borrowing from the commercial banks or the Federal Reserve Banks. The measure of success of this drive will be the amount of money that is subscribed by individuals and by corporations other than banks, and the number of subscribers who participate. The money is there to get! It is estimated that even after paying this year's taxes, combined individual savings and corporate accumulations will aggregate 70 billion dollars—30 billions more than in 1942.

In this drive, the Treasury is seeking to obtain only eight of the 13 billions from nonbank investors. In the future we must get an increasingly large proportion from the general public, and rely much less upon the commercial banks. This result can only be achieved,

however, if the public has a better understanding of the urgent necessity for financing this war by noninflationary methods. And this, in turn, will depend upon the organization and the educational and selling efforts developed by those responsible for carrying through the Government's financing program.

Several hundred thousand volunteer workers are giving their time and energies to the present drive. These men and women who call on you are volunteer workers. You do yourselves, not them, a favor by responding to the limit of your ability. You are just as much a part of this campaign as they are. Its success is just as important to you and to your future as it is to them. If you do not happen to be called upon, it does not relieve you of the duty to do your part by voluntarily subscribing. You can do so by going to the nearest bank or post office, or to any other issuing agency in your community.

Every one of us has a role to play in this and subsequent drives, for they are as necessary to protect the home front as successive drives on the fighting front are necessary to win this war. Every commercial bank in this country has a responsibility to urge all of its customers to buy Government securities, using their bank balances as well as all currency beyond what is absolutely necessary for pocket money. Much more currency is outstanding today than is necessary. Every dollar that is needlessly idle, on deposit, in your pocket, or in some hideaway, is not at work and not at war. To the extent that these dollars are not lent to your Government, other dollars must be found or must be created to do the work they are not doing. Invested in Government bonds, they go to war. They become dangerous to the enemy instead of to us.

The dollars you put into War Bonds will be safe and will earn interest. Your dollars are always obtainable because War Bonds can be readily converted into cash. However, unless urgent need arises, every effort should be made to hold them to maturity. If they are cashed, the vital part they play in reducing excessive

buying power, as well as in financing the war, is undone.

Every banker who does not already have a war loan account should arrange for one through the Federal Reserve Bank of his district. He can then deposit to the Government's credit in his bank the proceeds from the Government securities purchased by his customers as well as by his bank. The Treasury draws on these accounts gradually as the Government spends the money. The money is thus returned to the community and is in turn redeposited in the banking system as rapidly as the Government draws it out of the banking system.

The Government bonds you buy are a claim on future production—a share in the abundance that we can not have for civilian use when we are fighting a total war, but can have in peace times. The dollars you invest now are stored up purchasing power which you may need after our industry has been fully converted from war to peace production. Then your buying power will serve to sustain employment and prevent deflation. Every dollar you spend today beyond your absolute necessities only helps to make a breach in the line we are striving to hold against the deadly enemy of inflation.

We must all understand that paying taxes, buying War Bonds, refraining from a mad scramble for scarce things now, postponing buying so far as possible while we are at war, opposing wage, salary, price, and profit increases, and otherwise actively supporting the fight against inflation, are all part and parcel of the vitally important defense of the home front.

Profiteering from war is intolerable and unpatriotic. There is no profiteering on the

battle front. Waste of money or of man power, hoarding or squandering of materials, are equally incompatible with successful prosecution of the war or defense of the home front. In the gigantic effort this nation is making, some waste is inevitable, but it should be stamped out wherever possible, whether in civilian or public affairs, among military as well as civil authorities. Nevertheless, complaints on this score are no justification for giving less than full support to your Government in this campaign and in all its war effort. Out of every dollar the Government is spending, 96 cents goes to fight this war and to pay interest on the public debt.

This is total war, and the War Bonds we must invest in, the taxes we must pay, the interferences we must endure in our normal way of life, are inseparably bound up with the mobilizing of our maximum striking power on the battle fronts. What you—what all of us do—in protecting the home front not only helps to win this war, but you and I will deserve only the contempt of our fighting forces if they come home, after winning the victory, to a land that we were too dull, too weak, too soft, and too selfish to save from economic chaos. That must not happen here.

You—all of us—on the home front have much to do, much more than we have yet done. If the sacrifices of war could be apportioned with strict equity, nobody would be better off because he stayed at home. We, who stay at home, are accountable to the millions who are making the real sacrifices, even to the last full measure of devotion.

You are asked to *lend* your dollars—not to *give* your lives—to your country.

EXPANSION OF FEDERAL RESERVE BRANCH ACTIVITIES

The work of the Federal Reserve Banks having been greatly increased by the war, it has been found advisable in recent months to extend the established policy of decentralization in the Federal Reserve System by enlarging further the responsibilities of the Reserve Bank branches and the scale of their operations. These operations include the work of the Reserve Banks as fiscal agents of the Government and the administration of war production loans and consumer credit regulation.

The twelve Federal Reserve Banks and their twenty-four branches provide Reserve Bank facilities in thirty-six important cities throughout the country, and the policy long followed has been to decentralize operations so that Federal Reserve services may be performed as near as possible to the places where the need for them arises. The two principles being followed to this end are (1) expansion of branch office services and (2) integration of branch and head office organization.

Among the first steps taken has been the expansion, with the approval of the Treasury Department, of the branch fiscal agency activities, particularly those incident to the handling of War Savings Bonds. While all of the Federal Reserve branches had previously issued War Savings Bonds, in many cases their operations in this connection had been limited to over-the-counter sales. These activities were expanded to include (1) the maintenance and servicing of the consignment accounts of banks and others that have qualified as issuing agents, and (2) the issuance of Savings Bonds for others throughout the branch territories. This has tended to speed up the issuance of bonds. Prior to the expansion of fiscal agency activities, redemptions of Savings Bonds were generally made at the head offices only—a practice which usually resulted in a delay of several days in the case of bonds turned in to the branches for redemption. The Treasury has now approved the redemption of War Savings Bonds at a number of Federal

Reserve branches, and it is believed that this additional service will be of considerable benefit to owners residing in the branch zones. The increase in the number of redemption centers will also simplify the redemption problem for the Federal Reserve Banks. The branches are also handling Series F and G Bonds and Tax Savings Notes, and consideration is being given to an expansion of their activities in connection with market issues.

In addition to fiscal agency activities, other operations of the branches are being expanded and developed wherever it appears feasible to do so. Particular attention has been given to the expansion of branch activities in connection with war production loans under Executive Order 9112 and the Board's Regulation V, and in the administration of consumer credit control under Regulation W. The decentralized setup of the Federal Reserve Banks and their branches with trained executive personnel made it possible for the System to accept these new responsibilities and to put them into effect efficiently and promptly.

While it is planned to expand the functions and services of the branches—with particular attention being given to those located in important war-activity areas—the pattern of development will not necessarily be the same at each branch. As a matter of fact, a uniform pattern was purposely avoided in order that the services and facilities of each branch may be adjusted to the needs of the time and place. Wherever it appears feasible and desirable to have a given branch perform a particular service, the System is giving the matter careful consideration with a view to having the service installed at that branch.

The Federal Reserve Bank of Chicago has adopted a comprehensive program in recognition of the importance of expanding its Detroit Branch facilities. As announced in the February BULLETIN, the Chicago Bank has appointed a Vice President of the Federal Reserve Bank as

resident head of the Branch. The former Managing Director at Detroit is to continue as the chief operating officer of the Branch with the title of Manager. The Detroit Branch head is no longer a member of the Branch board of directors, which has been reduced from seven members to five members. A senior examiner is now stationed at the Detroit Branch in direct charge of examinations in Michigan. The examiner will, of course, be available for consultation by member bankers in the Branch territory. A resident attorney will be stationed at the Detroit Branch, as well as a research economist. The Branch has already found it necessary to rent space outside of its building in order to carry on the expanded operations, and further expansion is planned as soon as space, equipment, and personnel are available.

War Department liaison officers are stationed at the Detroit and Los Angeles Branches and applications for war production loans under Regulation V originating in their respective areas are forwarded direct by these Branches to the War Department in Washington. While applications originating at other branches are forwarded to Washington through the head

offices, many of the branches are now making credit investigations and recommendations.

The Federal Reserve Bank of Cleveland also has changed the title of the heads of its Cincinnati and Pittsburgh Branches from Managing Director to Vice President, and is greatly expanding the facilities and operations at both Branches. The Federal Reserve Banks of New York and San Francisco have made considerable progress in decentralization and their branches now perform most of the operations performed at the head office. Due to the volume of foreign funds control applications originating in the Los Angeles area, the Treasury has recently authorized an expansion of the activities of the Los Angeles Branch in issuing licenses under general authorizations. The Federal Reserve Bank of Richmond was among the first Banks to install fully the War Savings Bond operation at its branches and the general activities of the Baltimore Branch especially have increased at a rapid rate in recent months. The New Orleans Branch of the Federal Reserve Bank of Atlanta has operated on a decentralized basis for many years. Other Banks have expanded the operations and functions of their branches and steps toward the further development of branch activities will be actively continued.

REPORT OF THE BANK OF SPAIN, 1936-1941

A report on the operations of the Bank of Spain, covering the six years from 1936 through 1941, was presented to the stockholders' General Meeting at Madrid on November 29 and December 6, 1942, by the President of the Bank, Señor Antonio Goicoechea y Cosculluela. Only one previous stockholders' meeting had been held under the Nationalist administration of the Bank, an extraordinary meeting at Santander on December 18, 1938.

During the period of hostilities in Spain, two institutions were functioning under the title "Bank of Spain," one controlled by the Government of the Spanish Republic and the other by the Nationalist Government. Both were issuing peseta notes and advancing them in large amounts to their respective governments to finance domestic war expenditures; the Republican administration also expended the bulk of Spain's large prewar gold reserve (over 700 million dollars) to meet the foreign needs of the Republican regime.

The present Report describes the role of the Nationalist institution in financing the Franco regime, and discusses the reconstruction of the currency and central banking system in Spain after the conclusion of hostilities. It was not until March 13, 1942, that legislation was passed enabling the Bank finally to regularize its accounts. To this end, sweeping adjust-

ments were made in the Bank's liabilities and assets as of December 31, 1941. All of the note liabilities and a large part of the deposit liabilities incurred by the Republican administration of the Bank were formally repudiated; these and other smaller adjustments reduced the total liabilities from 46.7 to 24.2 billion pesetas. At the same time, claims on the Republican government and on gold no longer in possession of the Bank were written off; after other minor changes had been effected, total assets had been reduced from 46.7 to 19.7 billion pesetas. In order to restore equilibrium to the balance sheet, the Government issued to the Bank a special certificate of indebtedness for 4.4 billion pesetas, the amount by which the Bank's adjusted assets fell short of its adjusted liabilities.

The resulting balance sheet for December 31, 1941 is the first to be published for the Bank of Spain since 1936. To this have been added the balance sheet figures for December 31, 1942, as presented to a general meeting of the stockholders held in Madrid on March 7 and 14, 1943.

The greater part of the Report, translated from the official Spanish text, is given herewith. The original document contains in addition certain statistical statements of the Bank's operations in 1939-1941 and brief sections devoted to matters of only technical or administrative significance.

The Report and Balance Sheet for the fiscal period from January 1, 1936 to December 31, 1941, is hereby submitted for your approval, under the authorization of the order of the Minister of Public Finance of September 19, 1942. The Administrative Council at the ordinary General Meeting called for this purpose desires to reestablish contact with the stockholders and to resume the statutory relationship, which was suspended during the war with the exception of the special meeting held at Santander on December 18, 1938. Our aim in so doing is to give you an account of the steps taken to recover our metal reserves, of which the Bank

was despoiled by the Marxist governments, and to ask for your vote of confidence in order to follow the matter through to its conclusion.

Our further purpose here is to give an account of our operations and a brief description of our work during these years. Two fundamental ideas have been guiding us: strict collaboration with the National Government in the economic and financial reconstruction of the country and coordination and subordination of the interests of the Bank to that great task. Our path is determined by the aim set forth by His Excellency, the Commander-in-Chief: the achievement of spiritual unity of our Spain, its

sovereignty, and the complete restoration of its economic life. To him, Gentlemen, let us express our gratitude for his work, which has made possible a reunion at our place of business for the first time since the beginning of those sorrowful years, before the hope of victory became happy reality.

The Council also wishes to express to you its gratitude for the loyalty and affection for the Bank which you showed in the hard winter of 1938, when you attended a meeting in a number never before equalled in the life of our corporation, in order to demonstrate that we were the only and the legitimate Bank of Spain. And you may well feel proud of your work, for it made the judgments of foreign tribunals recognize your rights and our standing as a juridical entity.

FIRST PART

I. REESTABLISHMENT OF THE JURIDICAL STATUS OF THE BANK AND THE FIRST ACTS OF THE COUNCIL

On the outbreak in Spain of the "Glorious Liberating Movement" on July 18, 1936, the First Deputy Governor and the Subdirector of Branch Offices, who were at Vitoria, the Alavan capital, began to group and unify under their management the branches situated in the National Zone. When the Defense Council established itself at Burgos, they came to that city to cooperate with it, exerting all their power toward the recovery of gold and foreign exchange and concerning themselves with money and credit policies. In accordance with the desire of the Defense Council to convoke without delay the Council of the Bank, a meeting was held in Burgos on September 14, 1936, at which agreement in principle was reached on the issue of new bank notes. This was the first of the periodic sessions thereafter held in the old Castilian capital. The meetings of September, October, and November, under the presidency of the First Deputy Governor, Don Pedro Pan, were attended by the following eleven members: Marquis de Amurrio, Aritio, Count de Heredia-Spínola, Marquis de San Nicolás de Noras, Céspedes, Marquis de Aledo, Pastor, Count de Limpías, Count de Barbate, Coronas, and Viscount de San Alberto, who met in the National Zone. With a nucleus so important and so closely identified with the National Movement, it was not difficult for the Administration of the Bank to unify the credit policy to be followed by all the branches. Later, the Council included Count de Gamazo

and Martínez Fresneda, and with the liberation of Madrid, Señores Alvarez Guerra and Prats.

The fact that the vaults of the forty-four branches in the National Zone held 393 million pesetas in bank notes and 123 million pesetas in silver, as stated in the minutes of September 23, 1936, eloquently bespeaks the gravity of the situation and the difficulties which had to be met. All were happily overcome. The initial task of the Administration and of the Council was to obtain with maximum speed new issues of bank notes. Orders were therefore sent to Bradbury in London, an old source of supply of the Bank, and to the German concern Giesecke & Devrient in order to supply the country with sufficient means of payment. The first thing was the stamping of the bank notes, which confirmed the reality of the separation of the national monetary community from the Red community and found its legal expression in the Decree of November 12, 1936. This decree ordered the stamping of the notes of the Bank put in circulation before July 18, 1936, and set up for that purpose rules and time limits which had to be prolonged until the new issues ordered from Giesecke & Devrient were in our possession. On receipt of these, the Decree of February 15, 1937 was promulgated to provide for the exchange of the old for the new bank notes.

A scarcity of subsidiary coin developed from the shortage of silver, and the urgent needs of the monetary circulation made necessary the authorization to issue bank notes of 10, 5, 2 and 1 peseta, in addition to the above issues.

The need for both of these issues became critical with the liberation of additional cities. In many of them, including San Sebastián, Bilbao, Santander, Gijón, Castellón, Tortosa, Tarragona, Reus, Valencia, Barcelona and Madrid, the Reds in their flight took with them from the vaults bank notes, coin, securities, and even the contents of rental boxes.

Let me stress here the successful work done by the First Deputy Governor, Señor Artigas, and by the Councillors, Señores Céspedes, Count de Limpías, Aritio, and Larraz, who always went to the liberated cities immediately after the troops had conquered them, in order to adopt on the spot measures conducive to the normal functioning of the freed branches.

In our account to you in December 1938 of the first steps taken to recover the gold reserve, we referred to the legal difficulties encountered when the courts of England and France rejected our suits on the grounds of our alleged lack of legal status. In view of this circumstance, and since the National Government had decreed the

suspension of Señor Suárez de Figueroa from his post of Second Deputy Governor, by the Decree of December 16, 1936, Don Ramón Artigas Gracia, the Subdirector of Branch Offices, was named to replace him. In the absence of Señor Pan, for reasons of health, from his post as First Deputy Governor, the exceptionally difficult burden of management fell full upon Señor Artigas. At his suggestion on October 30, 1937, Señores Barba, Costa, García Victoria, and Villarroya were named to act pro tempore as Director and Subdirector of Branch Offices, Auditor, and Specie Cashier, respectively. At the same time Don José Larraz was appointed Manager of the Research Department and Señor Mendéz became Assistant Secretary.

The definite appointment of a permanent executive personnel for the Bank was an immediate need. The Government, therefore, issued on March 12, 1938, a decree, signed by His Excellency, the Commander-in-Chief, and by the Minister of Finance, conferring upon the one who has the honor to sign this report in the name of the Council, the duties of Governor of this Bank and Commissioner of the Official Banks. Don Ramón Artigas Gracia was promoted to First Deputy Governor to fill the place of Don Pedro Pan Gómez, for whom a retirement pension was provided. Don César Antonio de Arruche y Villanueva was appointed to the office of Second Deputy Governor. On the same date, at the proposal of the Minister of Public Finance, Señores Don José Larraz López, Don Angel Gutiérrez Martínez and Don Eduardo Aunós Pérez were named as Council members to represent the State. The Decree of June 4, 1940, replaced Don José Larraz López with Don Ramón Canosa Suárez, whose place was in turn taken, upon his retirement on September 26, 1941, by Don Luis Sáez de Ibarra y Sáez de Urabain. Don Eduardo Aunós was retired and was replaced by Don Luis Olariaga Pujana, by the Decree of June 4, 1940.

The Administration and the General Council of the Bank were thus completed and the powers conferred on the Heads of the agencies in London and Paris came into force. To meet the requirements of the rules governing law suits in England, powers were granted by the members of the Council, including the representatives of the State, and by the Administration, to three Council members, the Duke of Alba, Count de Gamazo and Señor Rodríguez Pastor, in order that they might appear in their own and in the Council's name in the litigation concerning Martin's Bank, filed before the King's Bench Division of the High Court of Justice. These

powers were to be amplified according to whatever action they might have to take in the defense and interest of our Bank. In this manner the personnel of the General Council and directing organs of the Administration of the Bank were completed.

II. RECOVERY OF PROPERTY OUTSIDE THE COUNTRY

Gold. In the Report read at the Extraordinary General Meeting held at Santander on December 18, 1938, we gave you an account of the manner in which the Red governments had despoiled the Bank of its metal reserves. We described the joint action of the Defense Council in Burgos and of the Bank in protesting to the governments and banks of issue abroad against such exploitation. Special mention was made of our statement to the Bank of France, made on the justified assumption that the first shipments had been consigned to it, to the effect that that gold, being the reserve against the bank notes, could not be transferred by anyone, not even by the Bank itself, without a law giving express authorization. You will remember that the official negotiations failed. There was danger that the direct action which the Council might be able to take before the Courts might likewise fail due to political considerations, which certainly would prevail over all juridical criteria. In view of this the Crédito Navarro, a well known banking institution of Navarre, offered its services to us as a large shareholder of the Bank. It presented before the courts of Paris a declaration specifying all gold shipped by steamer or plane, and the current accounts opened against that gold, so as to solicit a judicial inquiry which, by confirming the facts of its declaration, would make possible prosecution on the grounds of the transgression of both French and Spanish law. The Crédito Navarro thus declared itself a civil party in the proceedings.

At the same time, the Committee of Northern Banks was organized in San Sebastián and invited the Bank of Spain to join it, as its chairman, in a suit to regain possession of the gold, the securities, the bank notes and the deposits stolen from San Sebastián, Bilbao, Santander, and Gijón which had been shipped to La Rochelle and Flushing. The account of these litigations would be very long. It is sufficient to say that the decisions of the French and Dutch courts were favorable to us, returning what had been recovered to its legitimate owners.

With respect to the litigation carried on in Paris with the Red Government and Bank of

Spain Administration, concerning the claim to the gold deposited at Mont de Marsan, we told you at our Santander meeting of our initial success in obtaining the rejection of the action brought before the Referee, the latter having decreed that the parties concerned should examine and discuss thoroughly, at proper proceedings, the question at issue—a question raised also by the Bank of France, which alleged that, since a demand had likewise been made upon it by the Bank of Spain in Burgos, it desired to have a judicial decision stating the identity of the party to whom the gold should be delivered. As we then told you, we expected the decision by February 1939, but it was delayed until July of that year by incidents created by the Reds. A verdict was then handed down rejecting the pretensions of the Red Administration and of certain French holders of the bank notes of the Bank of Spain, who contended that the gold deposited in France should be used to satisfy their credit claims and indemnify French subjects for damages caused by the war.

The Committee of Shareholders of the Bank of Spain, which had been formed in Paris months before by the shareholders and Council members Count de Gamazo and Martínez Fresneda, under the chairmanship of Marquis de Amurrio, contributed to our success in this case. Their actions were most effective and not without risk for their relatives who resided in Red territory.

The gold at Mont de Marsan was the remainder of the security for the loan made by the Bank of France in 1931 at the request of the Minister of Public Finance of the Republic; it consisted of American and British coins to the value of 250 million gold pesetas. The Red Government, taking advantage of the devaluation of the franc, liquidated this loan on September 29, 1937. From the above-mentioned security, the Bank of France deducted its custody fees.

Negotiations for the return of the gold having been initiated with the Bank of France, a Commission under the chairmanship of Second Deputy Governor Arruche, and of which Count de Limpas and Señores Martínez Fresneda and Larraz were members, was designated by the General Council to go to Paris with all the documents required by the Bank of France for the surrender of the gold. The Commission met with Deputy Governor M. Bréart and with the Governor, M. Fournier, and lively discussions took place concerning the terms proposed by the Bank of France for the liquidation of all the accounts between the two banks. The French claimed that the delivery of the Mont

de Marsan gold signified for the Bank of Spain the clear and definite approval of all the accounts which had existed or might exist between it and the Bank of France. The Commission, however, expressed the view that these accounts should be limited to the contracts of 1931. The Governor of the Bank of France argued that all accounts had been fused into a single account. Señores Arruche and Larraz returned to San Sebastián to confer with and receive instructions from the Government; settlement was accordingly reached and signed with slight changes in the original proposals. Delivery of the balance of Account No. 230 amounting to 930,842.36 francs now could be made to Señores Martín and Carracedo, Auditor and Manager of Operations, respectively, of our Bank. This was credited immediately to our current account at the Banco Español de Paris. After a thorough inventory, superintended by our officials, the gold deposited at Mont de Marsan, totalling \$26,782,640¹ was delivered to us. At the intrinsic par value this is equal to 138,814,423.12 gold pesetas, and with the gold premium equals 496,539,191.50 paper pesetas.

As for the 1,596,401,003.67 gold pesetas which appeared in the Red balance sheets as being in custody and in the possession of the Government, it was no more than a fiction. According to authentic reports, that gold was sent by the Marxists first to Cartagena and then to Russia.

Throughout the negotiations for the restitution of the gold the decisive action of the Government was seconded enthusiastically by Señor Quiñones de León and the Ambassador Don José Félix Lequerica, their staffs, and other important and patriotic persons for whose aid we are most grateful.

Silver in France. In February 1939 the Bank of Spain learned that a shipment of silver had crossed the frontier at Le Pherthus, carried by fourteen trucks and seven railway cars. In agreement with the Government and with the Spanish Embassy in Paris, urgent steps were initiated with a view to the seizure of this merchandise, consigned to the Sociedad de Metales Preciosos de Paris, which did not wish to take charge of it. Then the Sociedad Belga de Empresas Comerciales "SODECO," domiciled at Antwerp, entered the proceedings with a claim to ownership of the embargoed silver, which had been sold by the Red Government at the price of 300,000 pounds. The courts of Paris (with respect to the silver deposited in Pantin) as well as the courts of Cérét (concerning

¹ Valued at \$20.67 per fine ounce.

the silver held at Le Boulou) rendered a verdict to the effect that the question of ownership could not be settled in urgent proceedings but only in the manner prescribed by law. This litigation lasted no less than two and a half years. The representatives of the Belgian concern argued that the silver was not the property of the Bank, because it consisted of bars and according to the Spanish Banking Law silver reserves must consist of coins and not bars. But since we could offer documentary proof that the stock of silver in the Bank had been claimed by the Red Government in order that the "Dirección de Industria" might proceed with its melting, this argument lost all its efficacy. Even more decisive was the proof of contract forgery. The Belgian concern initiated negotiations for a compromise settlement, but these failed, and the litigation proceeded to the end. The verdict rendered by the courts of Cérét gave full support to the Government, which had entered the proceedings with its claim to the silver, the verdict stipulating that delivery be made to joint representatives of the Government and the Bank.

Silver sold to the United States. At the end of May 1938, the Council learned that a shipment of silver sold by the Red Government to that of the United States had left for New York. The Manager of our London Agency was ordered to leave immediately for New York and, in agreement with the official representatives of our Government, to institute the proceedings necessary for the recovery of this silver. The speed with which all this was done and the success in having the melting of the disembarked silver suspended had the effect of preventing further shipments. The shipments which arrived in the United States in the month of June totaled 2.45 million pesetas or 49 million duros,² and the price paid by the American Government was 14 million dollars. The first verdict was against us; Señores Arruche and Ventosa held a conference in Paris with the lawyers Sullivan and Cromwell, who were defending the Bank's interests, and after hearing the report of the above-mentioned Deputy Governor, the Council approved the filing of an appeal. This was carefully prepared, in accordance with the instructions of the American lawyers, and was accompanied by authentic documentary proof that the Bank had not participated either morally or materially in the sale, and by the opinions of such outstanding

lawyers as Señores Ventosa, Cobián, Tornos, and Gascón y Marín, in order to prove the unconstitutionality of the sale, unauthorized by any law. A study written by the Second Deputy Governor on the Law and Statutes of the Bank of Spain was also appended. All this was sent in due time to our representative in New York. Unfortunately, this appeal did not bring about a decision in favor of the Bank. The Court upheld the decision rendered by the lower court.

The American lawyers proposed that an appeal should be made to the Supreme Court; but in conformity with the opinion of Señor Ventosa, and because of the costliness of the litigation and the improbability of a reversal of the verdict, this step was not undertaken.

As the Government of the United States in making payment withheld five per cent, which amounted to 700,000 dollars, against the expenses of melting and refining, it is probable that the settlement of these charges will leave a balance that will permit the Bank to cover the numerous expenditures that the lawsuit has caused. The reclamation of that amount is being attended to by the Commission established for the purpose of recovery of assets and securities of all kinds held outside the country, which functions in the Ministry of Foreign Affairs.

III. EXERCISE OF THE NOTE ISSUE PRIVILEGE AND LEGAL PROVISIONS RELATIVE TO THE MANUFACTURE OF BANK NOTES

In the first part of this Report, attention was called to our Council's intense preoccupation with supplying the country and our branches with bank notes sufficient for all needs. Hence the urgent ordering of new issues, which were impeded by the fact that the Bradbury firm did not fulfill its obligations. The first issues, executed by Giesecke & Devrient, were those dated November 21, 1936, and May 20, 1938. By Decree of November 12, 1936, the Government approved the decision of the Bank of Spain not to recognize the validity of its notes—including silver certificates—which had been put in circulation after July 18, 1936. Article 2 of this Decree stipulated the stamping of bank notes put into circulation before that date, as the indispensable requirement for their legitimacy. Articles 3-12 established the periods and manner of stamping. The periods were extended until, after the receipt of the new issues of bank notes, the exchange of the old notes for the new ones was ordered by Decree of March 9 for the denominations of 25, 50, and 100 pesetas, and by Decree of April 9 for

² The duro is equivalent to 5 pesetas.

the denominations of 500 and 1,000 pesetas. Both decrees fixed the periods for the operation and the form of its execution and were clarified by later regulations.

The extent of the stamping operations and of the later exchange of bank notes issued prior to November 21, 1936, is shown by the following figures, which include total exchanges up to December 31, 1941:

	Pesetas
Total amount of stamped bank notes presented for exchange.	2,462,267,550
Total amount of unstamped bank notes presented for exchange.	<u>3,408,633,900</u>
Total exchanged up to Aug. 25, 1939.	5,870,901,450
Amounts approved by the "Exchange Tribunal" from Aug. 25, 1939, up to Dec. 31, 1941.	<u>9,508,125</u>
Total exchanged.	<u><u>5,880,409,575</u></u>

These figures fully justify the policy pursued by the Bank of having in its vaults reasonable stocks of new fiduciary currency with which to meet not only these exchange needs but also the requirements of an expanding circulation imposed by circumstances.

The Council, being deeply concerned over the high cost of the note issues, and the Ministry of Public Finance sharing this concern, undertook to study the possibility of having the notes of the Bank of Spain printed at home. Once this study had been approved by the General Council, bids were invited from leading national and foreign houses.

Simultaneously with these negotiations, the Minister of Public Finance issued a Decree, dated April 5, 1940, authorizing the National Note Printing Company (Fábrica Nacional de la Moneda) to organize the manufacture and stamping of notes of the bank of issue on a permanent basis and to arrange for the contracts of supply. The Order of September 10 approved the regulations of the "Division of Valuable Documents" and no later than October 21 a contract was signed with the National Note Printing Company for the manufacture of 3 million bank notes of 1,000 pesetas and another 3 million of 500.

The price per thousand of the bank notes was 97.90 pesetas for the 1,000 peseta notes and 80.75 pesetas for the 500 peseta notes. These prices, compared with those of the German firm of Giesecke & Devrient and the Italian Cartografia e Cartevalori, represent a saving of approximately 50 per cent.

IV. EXPLANATORY SUMMARY OF THE LAWS AND REGULATIONS WHICH HAVE AFFECTED THE JURIDICAL OR ECONOMIC STATUS OF THE BANK

Decree of November 18, 1936 and Law of August 25, 1939. Clause 7 of the Banking Law provided for intervention by the Government and the Bank of Spain in the foreign exchanges and in the regulation of the money market. Through the Decree-law of June 25, 1928, the mechanism provided by the above law was put into practice and the Foreign Exchange Intervention Committee was created, with an executive commission presided over by the Deputy Governor of the Bank. In compliance with article 5 of said Decree-law, all operations approved by the Committee were to be carried out through the Bank of Spain, which was to share equally with the State all the profits and losses this intervention might bring about, subject to the limitation provided in clause 7 of article 1 of the aforesaid Banking Law.

By Order of July 14, 1930, the Committee and its executive commission were replaced by the Foreign Exchange Regulating Center, which was merged into the Official Center for Currency Contracts upon the establishment of the latter by Decrees of August 31 and September 6, 1930. These decrees stipulated that the funds for operations of the Official Center should be provided one-third each by the Treasury, the Bank of Spain, and the Banco Exterior de España—a provision modified by the Decree of December 30, 1930, article 1 of which states that all operations of the Official Center for Currency Contracts shall be carried out exclusively through the Treasury and the Bank of Spain.

This legal provision with reference to the functions of the Bank in currency and foreign exchange matters was in force from that date to the Decree of November 18, 1936, which modified it substantially by abolishing the Official Center for Currency Contracts, setting up in its place the Foreign Currency Committee, a purely governmental organization which was later dissolved by the Law of August 25, 1939. This Law established the Spanish Institute for Foreign Currency, defined by article 4 of the Law as "a public law entity, endowed with legal personality and subordinated to the Ministry of Industry and Commerce." There were assigned to this institute the functions and jurisdiction detailed in article 7, amplifying those which had been enjoyed by the Foreign Currency Committee created in 1936 and confirming the elimination of the Bank of Spain from the foreign

exchange functions. Later, by Order of May 17, 1940, a Liquidating Commission of the old Official Center for Currency Contracts was established; in July 1941, it presented to the Minister of Public Finance a balance sheet as of April 1, 1939, and by law of February 20, 1942, the rules governing liquidation were laid down.

This law, like that of March 13, 1942, was promulgated after the fiscal year ended December 31, 1941, to which the present Report and Balance Sheet refer; but since the provisions of both laws affect this Balance Sheet, it was necessary to refer to them in the Report.

Concerning the liquidation of the Official Center for Currency Contracts, we confine ourselves to quoting the statement in the preamble of the Law, since it explains with sufficient clearness the views of the Government. We quote: "It is true that clause 7 of the Banking Law stipulates that the profits which may originate from the financial policy of the State shall be divided equally between the State and the Bank of Spain; but when that law was adopted it was not possible to foresee the magnitude of economic and political happenings which were to affect the life of the Center for Currency Contracts from 1936 on, primarily in consequence of the conditions under which Spain had to struggle for three years in search of its salvation. Nor would it be just for the Bank of Spain in its relations with the State to take over half of the unexpected profits caused by the liquidation of the Center when the above-mentioned law itself, by placing a limit upon the Bank's losses, makes it obvious that the possibility of such extraordinary profits was not taken into consideration. Nor, finally, and from the strictly private point of view of the Bank of Spain as an enterprise, would this delivery be sufficient in order to rectify the position of the bank of issue and balance its accounts, a task which will necessitate the support and protection of the State itself, and this for much larger amounts.

"However, according to the above-mentioned clause of the Banking Law, the Bank of Spain assumes the obligation of covering, in equal part with the State, the possible losses resulting from the liquidation of the Official Center for Currency Contracts, although the participation of the Bank in the loss may not exceed the balance of the special reserve accumulated at the rate of 2 million pesetas annually which is established in section 3 of the same Law, the accumulation of said reserve being compulsory and exempt from the calculation of the participation in profit. It would be unjust to deprive the bank of issue of a share in the profits obtained by the abolished

Currency Center, on the pretext of their unusual and unexpected character, and it is only fair on the other hand that the participation of the Bank in the profits should be limited to the amount of the above-mentioned balance of the special reserve prescribed by the Law of 1921, or to the amount of the risk assumed by the Bank in the operations of the Center in question."

Laws of November 9, 1939. War always upsets the legal order. Its consequences for the Bank, and even for the State itself, were the alteration of the legal aspects of its activity and relations, until peace permitted the proclamation of the Laws of November 9, 1939. These laws, in confirming the legality of acts carried out during the war, created—although only provisionally—a new legal status in the relations of the Government and the Bank, different from that established by the Banking Law of December 29, 1921, as amended by the Laws of January 24, 1927, and November 26, 1931.

Section 2 of article 1 of the Law and part C of section 3 were suspended. The first of these suspensions referred to the abrogation of the limit on the note circulation, which the Law fixed at a maximum of six billions, and the note cover and metal reserves established on that basis. Part C of section 3 limits the amount of credits to the Treasury to 12 per cent of the annual expenditures authorized in the national budget. This regulation also remains suspended unless arrangements to the contrary are made. These credits will not bear any interest. The obligations of the State and the increase in the portfolio which may legally take place, will, for the purposes of section 6, article 1, form part of the offsetting entry under assets. A logical consequence of these suspensions has been the suspension of article 2 of the Law of July 14, 1891. Finally, the Law is made retroactive to July 18, 1936, which, naturally and logically, does not validate the decisions or pacts of the so-called Republican governments or Parliaments after the date indicated.

No less important, and very beneficial to the Bank, is the Law of the same date which, taking its cue from the widespread acceptance which open-market operations of central banks have found in the economies of countries of very different ideological orientation, recommends the creation in Spain of a legal framework for an operating technique already established by foreign banking laws. This law states that "independently of the Government bond portfolio existing in July 1936, the Bank may, for its own account, acquire in the market, possess, and

transfer State and Treasury securities, but that this power should be subjected to the necessary authorization from the Ministry of Public Finance."

Finally, another Law, also of the same date, invokes the principle of lawful money and legal tender of the notes of the banks of issue in the principal countries, and applies this principle to the full extent to our own notes as lawful means of payment, with the natural exception of those cancelled by virtue of the Decree of November 12, 1936. The credit of the notes of our Bank was thus confirmed by the legislature. Their legal tender quality had already been recognized in the law since the Decree-sentence of June 18, 1881.

Laws of January 20, 1939, of December 7, 1939, and of November 5, 1940. The first of these laws refers to the withdrawal of silver and its compulsory exchange for the notes of the Bank of Spain. In fulfillment of this law, we must hold in our vaults all the silver coin collected, which remains at the disposal of the Treasury, and is credited in a special account entitled "Silver property of the Ministry of Public Finance" which will also include silver which we receive from abroad.

The Laws of October 13, 1938, of April 1, September 9, and December 7, 1939, and of November 5, 1940, are the fundamental measures with which the National State has sought the solution of the problems created by war damage and the Marxist devastation.

The first was intended to lessen the effects of the Red inflation on demand deposits, and followed the line initiated by the measure taken for the blocking of the balances after July 18, 1936, in accordance with the Order of April 1 of that year. This was supplemented by the Law referred to (promulgated after July 18) in connection with the general blocking of obligations in pesetas, in so far as they originated after July 18, 1936, and had not been extinguished at the time the cities subjugated by Marxism were liberated.

The Law of April 1, 1939, extended the application of the preceding Law to nonbanking obligations; the Law of September 9 was limited in purpose to the alleviation of damages caused by the war to real property.

It is needless to emphasize the importance to our national economy of the Law of December 7, governing the "unblocking." Its purposes were: gradually to lift the suspension which was ordered by the Laws of October 13, 1938, and April 1, 1939, for certain current accounts in order to protect the national economy from the

inflation brought about by the enemy; to exclude from the process of "unblocking" the balances owned by so-called "unprotectible" interests; to maintain in an optional way for the debtor and compulsorily for the creditor, the last moratorium preceding this Law, and to establish the General Commissariat for Unblocking as the executory body, a system of compensation being set up for losses and gains which might be caused in the banking system by this Law—from which compensation, because of its nature, the Bank of Spain had to be excluded.

This exclusion, in the final analysis, was favorable to the Bank; nevertheless the provisions of the Law of March 13 last were necessary in order to adjust the balance sheet for the fiscal period 1936-1941. The analysis given elsewhere in this Report of the items and figures shown under the assets and liabilities of the balance sheet, will permit you, Gentlemen, to appreciate the success with which, thanks to the above-mentioned Law, this adjustment was achieved.

As for the Law of November 5, 1940, concerning contracts in the Red Zone, it has for its purpose the cancellation of agreements which lack the most elementary conditions for their validity and an equitable distribution between creditors and debtors through release and respite agreements which, after taking account of accrued interest, would establish appropriate contractual relationships. Of great importance is article 9 of this Law, which regulates the payment of interest and establishes with precision the cases in which 50 per cent of the amount may be remitted, as a rule imposed by a sense of justice.

The Law of September 9, 1939, like that of November 5, 1940, has affected and is seriously affecting the Bank. The former affected the Bank with respect to those cases in which the Bank's own debtors, in order to assure their solvency and secure their commercial borrowings, gave mortgages to the Bank in accordance with the provisions of article 18 of our Statutes. As for the law of November 5, 1940, the effect has been even greater, since various claims have been submitted, some for important amounts, seeking in particular the cancellation of notes and open credits. The Administration, following the tradition of the Bank, as regards both the cases in which the obligation was claimed to be invalid and cases in which only the remission of interest was at issue, has proceeded according to law. In the case of debtors who were killed by the Reds and whose fortunes were seized, leaving their heirs virtually ruined,

the Bank has proceeded with all possible generosity. In other cases, where there were no such reasons, and where the remission of interest likewise was not justified by law, it has been defending itself against such claims and in the majority of cases the courts have found us right, recognizing the temerity of the complainants' action. As yet, it is impossible to state in figures the results of the application of these Laws.

In view of the provisions of article 12 of the Law of March 13, 1942, the governing body of the Bank of Spain is constituted by the Commissioner of the Official Banking Institutions and two technical advisers. Of the latter, one shall be appointed by the Government on the proposal of the Minister of Public Finance; by the Decree of April 11, Don Francisco Cárdenas de la Torre has been appointed. The second shall be the Director of Banks and Stock Exchanges, which post is held by Don Luis Sáez de Ibarra y Sáez de Urabain.

SECOND PART

I. GENERAL SURVEY OF THE BANK'S OPERATIONS DURING THE FISCAL PERIOD 1936-1941

Any outline of the banking activity of this institution during this period should show first of all, in view of their importance and their significance, the operations carried out in the direct and immediate service of the public interest. During the period covered by this Report, the Bank has lent to the Treasury whatever funds it needed, in order to meet the requirements of national defense and carry out the all-important services of national interest.

Operations with the Treasury. It is possible to distinguish in this period two distinct phases of the operations of the Bank of Spain in relation to the national Treasury; the first, during the war of liberation, and the second, in meeting the needs of Spain's postwar reconstruction.

The financing of the war of liberation was done by the State with funds furnished by the Bank of Spain, which turned over to the State against Treasury notes the amount of 10,100 million pesetas, without interest; these operations were not legally approved until November 1939.

These advances began in Burgos in the spring of 1937, and 19 of them were extended in that city, for the amount of 9,100 million pesetas. The last note, for 1,000 million pesetas, was agreed on in Madrid on September 14, 1939; since that date the State has ceased its policy of borrowing in this manner from the Bank of

Spain. Furthermore, by the Law of March 13 of this year, an annual credit has been included in the budget of the State for the amortization of these advances and since that date the Treasury has maintained in the Bank a current cash account which has always exceeded 1,500 million.

The war having victoriously ended, the economic needs of the postwar period have forced the Spanish Treasury to engage in important issues of short and long term obligations. The first such issues were purely for the purpose of improving the money market, suffering from a plethora of funds which it was advisable to absorb in the national interest. These operations were begun with the issue on September 29, 1939, of 2,000 million pesetas in Treasury obligations at 3 per cent, for 3 years, dated October 1, 1939. The Bank of Spain organized the procedure for public subscriptions, the totals of which were as follows:

	Number of subscriptions	Pesetas
In Madrid.	1,667	2,566,178,500
At the branches.	11,806	3,016,406,500
Total.	13,474	5,582,585,000

The issue was oversubscribed 2.791 times, but since subscriptions of less than 5,000 pesetas, under the law, could not be prorated, the allotment ratio was 35.23 per cent and resulted in a surplus slightly in excess of one-half million pesetas.

Supplementing the above operation and in order to adjust the position of the whole Treasury debt, the Ministry of Public Finance was authorized by the law of September 23, 1939, to renew and convert all Treasury obligations issued prior to the war of liberation for which the owners did not request reimbursement before October 8 of that year. The Treasury issues thus retired totalled 2,465 million pesetas.

In order to restore the situation on the money market, which was still burdened by an excess of funds, and although the situation of the Treasury did not make it necessary, the Law of June 21, 1940, authorized the Minister of Public Finance to issue, without advance stipulation of the amount, 5-year Treasury obligations at 3 per cent. Once the result of the applications was known, the Law of July 13 fixed the total amount of the issue at 2,750 million pesetas, of which 250 million was reserved for the Bank of Spain in order that it might be prepared to carry out open-market operations which it was authorized to perform by the Law of November 9, 1939. The subscription to this issue, which took place

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on July 8, showed numerous peculiarities in comparison to the previous one, since there was no prorating of any applications made by individuals or juridical persons other than banks, bankers, or savings banks, or of those filed by the latter establishments by order and for account of their customers.

The result of this operation may be summarized as follows:

	Exempt from prorating		Subject to prorating		Total	
	Ap-plications	Pesetas	Ap-plications	Pesetas	Ap-plications	Pesetas
Madrid...	2,395	711,504,000	24	2,095,015,000	2,419	2,806,519,000
Branches...	7,123	377,280,000	182	899,397,000	7,305	1,276,677,000
Total...	9,518	1,088,784,000	206	2,994,412,000	9,724	4,083,196,000

Since the amount of the issue was 2,750 million pesetas and allotment to nonbank subscribers had to be made in full for an amount of about 1,089 million, there remained the difference between this amount and 2,750 million to be allocated among the amounts requested by the banks and savings banks for their own portfolios, in strict proportion to the credit balances in their current accounts with the Bank of Spain. This prorating having been effected, there was allotted 1,661 million pesetas, plus a small amount which was applied to the Pension Fund of the Bank.

In July 1941, the Ministry of Public Finance realized the necessity of increasing the funded debt, in view of the large amount of amortizable obligations. The Law of June 24 of that year authorized the issuance of 2,000 million pesetas, face value, of "Perpetual Internal Bonds" at an interest rate of 4 per cent, to be issued at a price of 90.

Subscriptions were opened at the Bank of Spain on July 5 against payment in cash of the corresponding amount, with the following results:

	Number of subscriptions	Pesetas
Madrid.....	1,319	1,068,443,000
Branches.....	14,013	1,432,046,000
Total.....	<u>15,332</u>	<u>2,500,489,000</u>

The 2,000 million were prorated against the above total at the rate of 80 per cent and the small remainder—a little more than one million—was allotted to the Bank of Spain.

These were the most important Treasury operations of this period.

General operations. On December 31, 1941, the circulation of bank notes amounted to 13,535,848,914 pesetas, representing a substantial increase over the amount shown in the balance sheet published with the report of 1935, due to circumstances which it is superfluous to describe.

The needs of the State have absorbed a good part of these new funds and another part has been absorbed by the typical banking operations which are explained below.

But first of all, it must be remembered that during the Burgos era, the Bank, following the orientation and wishes of the authorities and by virtue of flexible, courageous interpretation of its regulations, relieved through personal credits the situation of those evacuees from the Red Zone who momentarily lacked their customary means of living, and that this liberal credit policy aided economic restoration by enabling hundreds upon hundreds of well-to-do persons rapidly to reconstruct their undertakings and businesses. The Bank of Spain may say with pride that the confidence which it placed in this special clientele has been magnificently justified by the beneficiaries of these credits.

All branches having been reunited under a common directorate, figures of operations embracing the whole of the Bank are available since April 1939. These show a rise over these three years in discounts on Madrid, in transactions in towns and villages, in credits secured by commercial paper and, especially, in the typical operations of the Bank: credits against securities (valores mobiliarios) and credits with personal guaranty. On the other hand, there has been a slight decrease in the discounts on other cities, in loans against securities (valores), and in credits on merchandise, due to economic and legal circumstances well known to all. However, our portfolio position during the present year, hundreds of millions in excess of the amount in the last normal year—1935—permits a prediction of further growth in our active operations—a good proof of the renewed loyalty of our customers and of their confidence in the solidarity and prosperity of the first credit establishment of the Nation.

The volume of current accounts has shown a notable increase, which indicates greater circulation of bank money in step with the success of the policy imposed by the State of normalizing the money market.

Operations in the public interest. During all this time, and in execution of Government instructions, the Bank has given effect to various

agreements reducing the rates of interest on its active operations.

On December 1, 1938, the Government approved a reduction of 1 per cent in the discount rate, thus fixing it at 4 per cent, the rate which has been in force since that time. Since October 10, 1939, loans on all public securities have carried a rate of 4 per cent, with the exception of loans secured by obligations of the Treasury, on which 3 per cent is charged. Consequently, on October 15, 1940, as a continuation of this process of cheapening money, the interest rate on credits secured by industrial securities was reduced to 4.25 per cent; on current account credit, secured by commercial paper or merchandise, to 4.50 per cent; and on personal credits to 4.75 per cent.

From its first meetings at Burgos, the Council agreed to authorize the renewal of loan and credit operations collateraled by all classes of securities issued by the State or by public or industrial corporations, assigning to such securities the same valuation which they had had on the maturity of the original loan, in spite of any subsequent depreciation which they might possibly have suffered. This policy of strengthening public credit was continued until the opening of the unofficial security markets and, later, of the stock exchanges, permitted the renewal of security dealings and the establishment of new quotations for the appraisal of this collateral.

Furthermore, in close and generous cooperation with the national authorities, the Bank exempted from the payment of interest and commission all public and social welfare institutions and all those recently liberated local bodies which were suffering economic distress. Thus transfers of funds, drafts, and payments for current account credit in other cities in amounts totaling more than 1,000 million pesetas were handled by the Bank without commission or other profit.

In a similar manner, credit operations for numerous farmers for account of the State, as well as for local bodies and semi-public undertakings, were the object of all sorts of allowances or exemptions from commissions and charges.

Wherever a crisis or an unusual need has required it since the war, the Bank of Spain, either on its own initiative or at the suggestion of higher authority, has given its assistance in order to remedy the situation.

For example, when the Catalan industrial zone, due to the scarcity of raw materials, was suffering from severe unemployment, and the wool industry needed credit on special terms, a committee of the Bank's Council visited the

Tarrasa Zone and arranged the operations necessary for the rapid relief of that situation. Likewise, the principal Spanish local bodies have found in the Bank of Spain the urgently needed relief for the financial requirements of rehabilitation of their services and a remedy for the failure of the market at times to absorb their securities.

Moreover, when the Decree of November 18, 1936, established the Foreign Currency Committee, this organization found its principal support in the Bank of Spain. It received from our institution not only financial, but also material aid, inasmuch as it operated in the Bank's offices, almost all of its personnel was drawn from our own staff, and the resources necessary for the protection of our currency were furnished it by the Bank of Spain.

An account was opened, without interest charge, against which the Foreign Currency Committee could draw in order to provide itself with the funds necessary for its purchases or payments of foreign exchange. For account of this body, the Bank of Spain transacted a very considerable number of purchases of gold coin and exchange through operating accounts the balances in which were advanced by the Bank without interest. Likewise, many deposits of gold coin and bars were made, in connection with which the Bank, without contract or previous arrangement, disinterestedly furnished the best service to the State and to Spain.

There were so many cases of this kind (guarantees of foreign credits, etc.) that it is impossible to enumerate them, and if they are mentioned here, it is not due to vanity or praise of our own conduct, but merely in order to make it clear that the Bank of Spain has known how to coordinate respect for its Laws and Statutes with the action which was necessary in the best interests of Spain, thus following its well proved tradition of constant watchfulness for the well-being and glory of the country.

Research Department. The activity of the Research Department increased in view of the abnormal circumstances and the unusual problems which faced our institution during this time. Among the outstanding tasks performed have been a report which was produced in Burgos on "The Restoration of the National Monetary Community," a study on "External Reconstruction Loans," one on "Damages and Consequences of the Red Inflation Sustained by the Bank of Spain" which was requested officially by the Ministry of Public Finance in preparation for the "unblocking" legislation,

another on "Determination of Percentages in Unblocking," etc., etc.

The Bank's Council decided some time ago on the establishment of a Research Committee which coordinates all the work of the Research Department and determines the work to be done.

II. ANALYSIS AND EXPLANATION OF THE BALANCE SHEET

If the Law of March 13 of this year (Official Bulletin of March 24) had not been put into effect, the balance sheet of the Bank presented at the General Meeting would have been very different, since it was possible only by means of this law to eliminate the deprivations of the Marxist governments.

As soon as the war of liberation had come to its victorious end, the Auditor General's Office was quickly able to present a balance sheet as of March 31, 1939, covering the changes which had been made in our institution by three years of Marxist government. As of December 31, 1941, of assets nominally totaling 46,670 million pesetas, more than half were unrealizable. Credits to the Red Treasury amounted to 23,158 million and gold in the amount of 1,596 million had been taken from our vaults without any explanation, so that it was necessary to set up a bookkeeping entry for this amount as "Gold in Custody of the Red Treasury," while in the form of credits to the State there had been an outflow of gold in the amount of more than 500 million pesetas. Silver owned by the Bank suffered the same fate. Only that part of it was saved that was held in the branches where the National Uprising triumphed during its first days, while that kept in Madrid and cities subjugated by the Popular Front had to be surrendered: 356,180,000 pesetas in the form of loans to the Government, and the remainder without any knowledge of its destination.

In the same manner, the liabilities of the Bank were enormously increased, the circulation of Red pesetas amounting to 18,661 million and the "Various Liability Accounts" of the Central Administration to 7,361 million. As the result, therefore, of the demands and impositions of the governments of Madrid, Valencia, and Barcelona, the balance sheet of the Bank of Spain (Central Administration) registered a deficit, and the consequences thereof threatened to become very disquieting. Although the cancellation of the Red bank notes and the blocking of current accounts into which such notes had been paid prevented the aggravation of the existing monetary troubles and almost completely barred the economic consequences of this con-

siderable inflation, nevertheless there were aspects of the problem of the Bank of Spain and its future development which it was urgent to solve.

In order to remedy this situation and to make possible publication of the balance sheet of the bank of issue and communication with its shareholders by means of this General Meeting, the Law of March 13 last (Official Bulletin of March 24) was passed, containing regulations for the liquidation of the accounts existing between the State and the Bank of Spain during the fiscal period 1936-1941, and its presentation in the balance sheet of December 31 of last year.

The technique of the Law of March 13 has been, roughly, as follows: To free the Bank of Spain of all the obligations in Red money appearing under its liabilities; of some, entirely, as in the case of the notes of the Bank issued in what was the occupied territory after July 18, 1936; of others, partially, as in the case of its obligations to those of its current account holders who had increased their balances after July 18, 1936, with Red money.

All these reductions in its liabilities the Bank of Spain transferred, in accordance with article 6 of the Law, to a special liquidation account entitled: "Results of Liquidation 1936-1941," and the total balance thereof, together with the profits allocated to the Bank by article 1 of the same Law, have been fully utilized in adjusting asset items, the amounts of which were purely nominal—for instance, the gold—or which represented claims on debtors who, being Marxist bodies (such as the Red State itself, the Generalship of Catalonia, the so-called Government of Euzkadi, the various Popular Fronts, etc., etc.), could not be proceeded against for nonpayment, so that claims against them had to be regarded as suspense accounts.

As all cancellations under liabilities were not sufficient to meet the writing-down of the assets, the difference was made up by the Spanish State. Through article 7 of the Law the Government has created a special certificate, which, incorporated in the Bank's portfolio of public funds, serves to adjust the assets of our organization to its liabilities.

Thanks to these measures of the Public Power, the Bank has reestablished its balance of accounts and has been able, in following the general provisions laid down for all banks, to offer its shareholders some economic compensation during these last years. The Government's comprehension has permitted the Bank to establish its dividends on a parallel with those of the private banks, and the increase in our banking business emphasizes the prestige which the

Bank has always merited among productive elements and reaffirms the position which our institution has always occupied in the structure of the Spanish economy.

The effects of the execution of this Law on our balance sheet may be clearly seen from the Statement of Position on pages 412 and 413.

A quick analysis of each section of the assets easily explains the mechanism of the Law and its economic and bookkeeping effects as shown in the third column of the above-mentioned table.

There is no change in the credit of 2 million pesetas, under "Cash," for the silver delivered to the Mint for recoining more than eight years ago, while the gold and silver taken over by the Red Treasury disappear completely, i.e., being fictitious assets, they are carried to the liquidation account. The item for specie (gold, silver, subsidiary coin, and Red bank notes) is reduced to the balance of national money (gold from Mont de Marsan, small silver coin, subsidiary coin and daily maturing bills) and there appears a new account: the balance produced by the revaluation of the gold at the rate fixed by the Customs authorities during the last ten days of December last for determining the relationship between payments in paper pesetas and payments in gold pesetas. From the gold in the possession of correspondents abroad, the amounts still due to the bank by foreign pseudo-Soviet concerns have been deducted and transferred to the Liquidation Account, inasmuch as these amounts can not be recovered. There remain in the balance sheet only the credits of undeniable solvency.

In the portfolio, the operations with the National Treasury obviously have not undergone any change; from the commercial portfolio credits such as that to the Government of Euzkadi and others of a similar nature, in the amount of 388 million pesetas, were written off. In the portfolio of public funds, the only change has been the revaluation of the 4 per cent Amortizable Debt of 1928, which was formerly valued at the purchase price and now appears at the nominal value.

This portfolio increases by 4,438 million pesetas, representing the balance of the Special Debt Certificate to which article 7 of the Law refers, the amount of which it has been possible to reduce somewhat due to the revaluation of the Bank's gold and of the public funds in its securities portfolio.

It is in the accounts with the public Treasury (it could not be otherwise) that the most important write offs appear: its entire current account—in excess of 23,000 million—which

was drawn from the Bank by the Red Government for its war financing, has been reduced to the status of July 18, 1936, and the difference—more than 22,000 million—passes into the liquidation with the State and disappears from the balance sheet.

The silver loans likewise disappear, as do all of the gold loans made after July 18, 1936, thus leaving only the accounts which show operations with the National Government.

With respect to the account Furniture and Fixtures, the Bank has been indemnified for the material damages or lootings to which its buildings were subjected during the war. Under Sundry Accounts, there have been stricken from the assets the suspense account covering the National Zone; the balance of 4.8 million pesetas resulting from the unblocking of the active accounts of the head office, and an analogous balance of 77.7 million pesetas in the accounts of the branches, both of which were transferred to the Adjustment Account; and a balance of 92.1 million pesetas representing the net asset value of more than forty accounts, some credit and some debit, of undetermined or intermediate character which previously had not been transferred to Profit and Loss Account.

Claims against the Red Treasury created through operations of the Official Center for Currency Contracts have been eliminated from the assets. On the other hand, there have been included the benefits which the Law allowed the Bank by assigning to it the Compensation Fund for Unblocking which dealt with credit and insurance institutions; also the benefit assigned to the Bank from the liquidation of the Official Center for Currency Contracts, equal to the amount of the special reserve for exchange fluctuations.

The asset side of our balance sheet has been put in sound condition by all these changes, since more than 26,000 million of doubtful credits have disappeared from it. The balances in the third column of the assets in the Statement of Position (page 412) are those which, grouped in a slightly different manner for purely formal reasons, constitute the assets of the balance sheet which you are asked to approve.

The same procedure has been adopted in reducing the liability side.

There was taken out of the reserves and transferred to the Liquidation Account 17 million pesetas of Red money by which the reserves had been increased in 1938, also the special reserve was wiped out, since the Law of March 13 expressly provides that the balance thereof, in the amount of 29.8 million pesetas, be transferred to

REPORT OF THE BANK OF SPAIN, 1936-1941

STATEMENT OF POSITION OF THE BANK OF SPAIN DECEMBER 31, 1941

ASSETS

[In thousands of pesetas]

	Balances as per statement Dec. 31, 1941	Amounts transferred to Liquidation Account	Adjusted balances as per law of Mar. 13, 1942
Cash			
Mint, recoinage of silver	2,000		2,000
Specie in transit	285	265	20
Cash held by branches—specie	2,079,821	1,897,496	182,325
Gold in coin and bars received for custody	1,596,401	1,596,401	
Coined silver received for custody	23,563	23,563	
Revaluation of gold owned by Bank		132,239	332,239
Gold with foreign correspondents	28,097	2,569	25,527
Portfolio			
Branch portfolio			
Treasury obligations	10,100,000		10,100,000
Treasury bills	69,998		69,998
Commercial credit instruments	6,119,326	387,636	5,731,690
Perpetual 4% internal debt of July 5, 1941	938		938
4% sinking fund obligations of 1928, tax free, property of the Bank	344,384	124,929	369,312
3% Treasury obligations of July 10, 1940	123,957		123,957
Shares of Compania Arrendataria de Tabacos, property of the Bank	10,500		10,500
Gold shares of the State Bank of Morocco, property of the Bank	1,155		1,155
Shares of the Banco Exterior de Espana, property of the Bank	11,250		11,250
Fund for the reserve of the Pension Fund, Royal Decree of July 4, 1921	135,291		135,291
Treasury			
Treasury current account (Red)	23,158,219	22,740,110	418,119
Operations abroad from July 1, 1932 to Jan. 31, 1939	38,702	36,394	2,308
Operations abroad during January 1941	2,808		2,808
Advance to the Treasury, Law of July 14, 1891	150,000		150,000
Acknowledged balances of contributions	1,759		1,759
Subscriptions to 4% Treasury obligations of July 7, 1936	144	144	
Subscriptions to 4% Treasury obligations of Apr. 11, 1936	134	67	67
Subscriptions to 3½% Treasury obligations of July 18, 1938	11	11	
Interest and sinking fund payments on State debts	195,585		195,585
Silver loans (Red)	356,180	356,180	
Gold loans (Red)	321,437	233,181	88,255
Furniture and fixtures			
Head office	456	456	
Branches	102,248	3,804	98,444
Sundry accounts			
Sinking fund obligations in accordance with the agreement of Dec. 10, 1881	5,733		5,733
Various head office accounts	1,240,401	92,127	1,148,275
Suspense account, National Zone	12,013	12,013	
Adjustment of unblocking of asset accounts, head office	4,800	4,800	
Adjustments of unblocking of asset accounts, branches	77,674	77,674	
Compensation fund for the unblocking of credit and insurance institutions		1350,000	350,000
Various asset accounts, representing preferred claims of the Bank against the Treasury in connection with the liquidation of the Official Center for Currency Contracts	211,500	211,500	
Anticipated yield of the liquidation of the Official Center for Currency Contracts		129,799	29,799
Pension Fund	142,756		142,756
Dividend distribution in January 1942 for the fiscal year 1941		7,784	7,784
Subtotal	46,669,522	26,947,197	19,722,326
Balance equal to the amount of the note mentioned in Article 7 of the Law of Mar. 13, 1942		14,437,782	4,437,782
Total	46,669,522	22,509,415	24,160,108

¹ Credit item.

² Minus figure.

the Liquidation Account. The latter likewise absorbs the remainder of the Profit and Loss Account as of December 31, 1941.

There is no change under liabilities in the amount shown under Bank Notes in Circulation, the notes which had been put into circulation in the occupied zone after July 18 being cancelled—both the so-called large type series and the silver certificates, the former in the amount of 12,755 million and the latter amounting to 496 million pesetas. Under liabilities has likewise been cancelled an item of 1,236 million pesetas, representing the further amount of Red bank notes in circulation which showed up this

year when the Auditor's Office revised all its statements on Red bank notes in order to comply with the provisions of the law.

There are no changes in the balances of current accounts and deposits, and of the liability accounts of the Treasury only those relating to the Marxist Government are included in the liquidation, such as the tax reserves of that period, the remnants from subscriptions to Red loans, and deposits and current accounts established in the currency which the Law has definitively voided.

Under the group Sundry Accounts, one account covering differences in exchange has been closed,

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STATEMENT OF POSITION OF THE BANK OF SPAIN, DECEMBER 31, 1941
LIABILITIES

[In thousands of pesetas]

	Balances as per statement Dec. 31, 1941	Amounts transferred to Liquidation Account	Adjusted balances as per law of Mar. 13, 1942
Capital.....	177,000		177,000
Reserve.....	50,000	17,000	33,000
Reserve for contingencies.....	18,000		18,000
Special reserve, Sections 3 and 7 of the Law of Dec. 29, 1921.....	29,799	29,799	
Profit and loss.....	117,483	117,483	
Notes in circulation (National).....	13,535,849		13,535,849
Notes in circulation (Red).....	12,754,930	12,754,930	
Silver certificates in circulation (Red).....	496,304	496,304	
Current accounts.....	5,512,555		5,512,555
Current accounts (gold).....	5,245		5,245
Deposits in specie.....	28,444		28,444
Treasury.....			
Current account for loans on agricultural products.....	17,772		17,772
Interest on the above.....	996		996
Loans for the regulation of the wheat market.....	666		666
Interest on the above.....	31		31
Refund and interest of Treasury gold bonds, 6%—Decree of Aug. 1, 1935.....	159		159
Reserve for contributions (Red account).....	8,929	8,929	
Account for funds earmarked for the payment of returns on securities.....	12,452		12,452
Gold deposits for the account of the Government, Decree of Feb. 13, 1937.....	237	237	
Silver deposits, property of the Red Treasury.....	1,070	1,070	
Current account of the National Treasury.....	2,012,512		2,012,512
Subscriptions to the 3½% Treasury obligations of Mar. 24, 1938.....	687	687	
Subscriptions to the 3½% Treasury obligations of Oct. 23, 1937.....	2,165	2,165	
Current account for payment of debt service.....	4,005		4,005
Treasury current account—gold (new account).....	12		12
Treasury current account—gold.....	11,298	11,298	
Sundry accounts.....			
Treasury, securities account (new account).....	3,929		3,929
Treasury, securities account.....	28,464		28,464
Board established by Article 9 of Law of July 21, 1876 for adjustment of the public debt.....	102		102
Securities convertible into sinking fund debt at 4%.....	5,733		5,733
Various branch accounts.....	11,511,818	7,443,204	4,068,614
Foreign exchange differences (Red account).....	40,716	40,716	
Guarantee fund for losses through compulsory compensation.....	2,236		2,236
Statements (invoices) of sinking fund and interest payment for government debts.....	135,169		135,169
Increased amount of notes in circulation (Red) based upon revised estimates prepared after Dec. 31, 1941.....		1,235,591	¹ 1,235,591
Set aside for Unprotectible Balances (not yet established).....		350,000	350,000
Pension fund.....	142,756		142,756
Total.....	46,669,522	22,509,415	24,160,108

¹ Minus figure.

and its balance of 40.7 million pesetas has been transferred to the Liquidation Account, while from the various accounts of the branches disappear 7,443 million pesetas, made up almost entirely of the adjustment account in connection with unblocking, i.e., of the deductions made from the amounts due to holders of blocked current accounts in accordance with the application of percentages in unblocking. This adjustment account has a passive balance of 6,626 million, i.e., almost the total amount of the item. The remainder is made up of numerous intermediate accounts not yet transferred to Profit and Loss Account, such as interest on the current account of the Red Treasury—395 million pesetas; differences connected with the sales of gold sent to Paris—165 million; etc., etc.

There is included among the liabilities a fund of 350 million pesetas which is expected to re-

main at the Bank's disposal, as it represents blocked accounts the owners of which are classified as "unprotectible," which means that the Bank will be legally exempt from settling with these current account holders.

This ends the enumeration of the reductions achieved in the liabilities of our balance sheet, in compliance with the Law of March 13, amounting to no less than 22,509 million pesetas. Once the assets and liabilities had been placed on a sound basis, the balance sheet of our institution as of December 31, 1941, was drawn up in a form more concise and clear than that of the Statement of Position.

Concluding the above exposition, the Council submits for your approval this Report in justification of its stewardship and of the appended balance sheet.

REPORT OF THE BANK OF SPAIN, 1936-1941

 BALANCE SHEET OF THE BANK OF SPAIN
 [In thousands of pesetas]

				ASSETS			
		December 31, 1941				December 31, 1942 ¹	
Cash							
Gold	461,682					463,344	
Specie and daily maturing credit documents	54,882		516,564			30,060	493,404
Gold and exchange with correspondents							
Value at official rates			25,527				23,414
Silver belonging to the Government			616,139				623,806
Portfolio							
Commercial loans and discounts							
Discounts	1,021,101						
Credits							
Personal loans							
Authorized less unused	382,245						
Secured credits							
Authorized less unused	1,398,738						
Secured notes	2,892						
Other documents in portfolio	48,596	2,853,571			23,067,296		
Treasury obligations	10,100,000				10,100,000		
Treasury bills	69,998	13,023,569			69,998	13,237,293	
Perpetual 4% internal debt of July 5, 1941		938				3,470	
4% tax exempt sinking fund debt of 1928		369,312				10,791	
3% Treasury obligations of July 10, 1940		123,957				367,071	
Shares of the Compania Arrendataria de Tabacos		10,500				10,500	
Shares of the State Bank of Morocco		1,155				1,155	
Shares of the Banco Exterior de Espana		11,250				11,250	
Fund for the reserve of the Pension Fund, Royal Decree of July 4, 1921		135,291				135,291	
Special debt created by Article 7 of the Law of Mar. 13, 1942, set aside for the guarantee of the fiduciary circulation		4,437,782	18,113,754			4,416,533	18,193,353
Treasury							
Operations abroad		5,115				5,115	
Advances account, Law of July 14, 1891		150,000				150,000	
Payment of interest and amortization of government debts		195,585				301,415	
Gold loans		88,255				88,255	
Other Treasury accounts		1,826	440,781			1,857	546,642
Furniture and fixtures		98,444				98,201	
Sundry accounts		2,544,328				2,323,063	
Prospective proceeds of liquidation of the Official Center for Currency Contracts		29,799					29,799
Prospective receipts from adjustment of unblocking—Credit and insurance institutions		350,000					350,000
Prospective yield of “unprotectible” accounts to be liquidated		350,000					350,000
		<u>23,085,358</u>				<u>23,031,683</u>	
		PER CONTRA ACCOUNTS					
Assets in custody		17,985,489					18,674,121
Fit currency	35,086,935					38,083,324	
Unfit currency	4,545,066					5,023,862	
Currency, the equivalent of which has been turned over to the Treasury	5,262					5,208	
Currency on deposit	8,826,390	48,463,653			6,150,843	49,263,236	
		<u>66,449,142</u>				<u>67,937,357</u>	
		LIABILITIES					
Capital		177,000					177,000
Reserve		33,000					33,000
Contingency reserve		18,000					18,000
Notes in circulation		13,535,849					15,738,352
Current accounts							
Free	3,653,110					3,450,170	
Unblocked	2,497,973	6,151,083			769,445	4,219,615	
Specie deposits		28,444					23,011
Treasury							
Current account of loans on agricultural products	19,464					19,464	
Treasury current account	1,598,398				1,022,770		
Other Treasury accounts	32,563	1,650,425			29,451	1,071,685	
Sundry accounts		1,491,557					1,751,020
Total		<u>23,085,358</u>				<u>23,031,683</u>	
		PER CONTRA ACCOUNTS					
All types of deposits in paper currency	12,684,136					13,606,087	
Deposits in jewelry	26,655					27,674	
Collateral of loans and discounts on public securities	4,274,513					4,390,246	
Securities accounts	983,744					633,589	
Sundry accounts in paper currency	16,442	17,985,489				16,525	18,674,121
Unissued currency		48,463,653					49,263,236
		<u>66,449,142</u>				<u>67,937,357</u>	

¹ Balance sheet for Dec. 31, 1942 presented to stockholders' meeting held Mar. 7 and 14, 1943.

² Total commercial loans and discounts; distribution not available.

CORRESPONDENCE

Relation between Currency and Bank Deposits

QUESTION: How can banks have 85 billion dollars of bank deposits when the amount of actual currency in circulation is only 16 billion? (1) Does the difference represent the creation of money by banks? (2) In such a situation how could banks count on meeting all the possible demands of their depositors?

These questions arise from certain misconceptions regarding the functioning of our money system: they assume that the difference between the deposit liabilities of banks and the amount of currency in actual circulation must in some way represent credit extended by banks; and that in meeting demands of their depositors banks can draw only on the existing supply of currency.

(1) The fact is that currency and bank deposits are two forms of money and supplement each other. The supply of each of them in the possession of the public originates from the same source. They are used interchangeably for much the same purposes, and a transaction resulting in an increase or decrease in the volume of currency in circulation frequently results in an opposite change in the volume of deposits. When a depositor brings currency to a bank to add to his account bank deposits increase and currency in actual circulation outside banks decreases.¹ The bank may pay out the currency thus obtained to meet other current demands for cash, may hold it in its vaults, or may turn it in to the Federal Reserve Bank and receive in exchange an increase in its reserve balance. When a depositor withdraws currency from a bank, deposits decrease and money in circulation increases. The bank paying out the currency obtains it, in the final analysis, from the Federal Reserve Bank, which issues currency under a procedure established by law.

The extent to which money is held in the form

¹ Money in circulation, as defined for statistical purposes, comprises paper currency and coin outstanding outside of the Treasury and the Federal Reserve Banks; it therefore includes currency held as vault cash by commercial banks, but the amount of such currency is relatively small and has not changed much in recent years.

of deposits and the extent to which it is held in the form of currency is determined by the desires of the public. Currency is preferable for some purposes, deposits for others; by far the largest amount is held in the form of bank deposits.

The total of currency and bank deposits increases or decreases as the result of expansion or contraction of bank credit or of changes in certain other factors. When a bank extends credit—makes a loan or purchases a security—the borrower, or the seller of the security, has the option of obtaining either a bank deposit or currency. In either case, the addition to the money supply has resulted from an expansion of bank credit. In most cases the credit takes the form of a deposit—either a credit on the books of the lending bank or a check which is deposited in some other bank. But if the borrower requires currency, for example to meet a pay roll, then the resulting extension of credit will be reflected in a growth of money in circulation. Thus, both currency and deposits result from credit extension.

In addition to extension of credit by banks, which is the largest source of new money, the total of deposits and currency may also be increased as a result of increases in monetary gold stock or the issuance of currency by the Treasury. The issuance of currency by Federal Reserve Banks, however, does not in and of itself increase the total supply of money. It merely reflects conversion of a deposit into cash. Except for gold, the uses of which are restricted, the various forms of money—bank deposits, Treasury currency, and Federal Reserve currency—are freely interchangeable.

(2) The amount of currency in circulation has no bearing on the ability of banks to meet deposit withdrawals. Currency in circulation outside banks belongs to its various holders and is not available to banks to meet deposit withdrawals. The ability of a bank to meet depositors' demands for currency rests on the

character of assets that the bank has and on the power of the monetary authorities to lend on or buy these assets and issue new currency. In order to remain in operation, banks must be able at all times to pay out cash to their depositors. But this does not mean that they must hold large amounts of cash in idleness; nor does it mean that their ability to pay their depositors depends primarily upon the amount of cash they hold. It is their assets as a whole—including mainly their loans and investments—that stand behind their deposit liabilities. If a bank carried all its assets in currency, it would have to charge large fees for providing a deposit and checking service, whereas at present it is able to furnish these services in large part out of the earnings on its loans and investments. The reserves which banks are required by law to hold provide an immediately available fund upon which they can draw to obtain currency. Under the Federal Reserve System a member bank is able within a short time to convert all its sound assets into reserves or into currency to meet depositors' demands.

It is one of the purposes and achievements of the Federal Reserve System to assure free convertibility between deposits and currency. This convertibility is provided through two

powers: (1) the power to issue Federal Reserve notes and (2) the power to extend credit, either by making loans to member banks or by buying bills and securities in the open market. Under existing provisions of law member banks may borrow from the Reserve Banks on any sound assets and the Reserve Banks in turn may issue notes against gold, Government securities, or certain classes of paper representing member bank borrowing; these three classes comprise most of the assets of the Reserve Banks. As a result of these provisions, the deposits in banks with sound assets could be readily converted into currency, should there be such a demand. Such a demand, however, on an all inclusive scale can hardly occur so long as the economy continues to function.

The important points to keep in mind are that currency and deposits both represent money in the hands of the public; that they are freely interchangeable; that the division of the money supply between deposits and currency is determined by the public's wishes as to the form in which it wants to hold or use its money; that the Federal Reserve banking system is in a position to provide any additional currency that may be needed; and that it therefore assures ready convertibility of deposits into currency.

CONSUMER LOANS OF INSURED BANKS

DECEMBER 31, 1942

Personal and retail instalment paper reported by all insured commercial banks on December 31, 1942 amounted to 1 billion dollars, a decrease of .4 billion or 31 per cent as compared with June 30, 1942. Single-payment loans to individuals as reported by insured commercial banks on December 31, 1942 amounted to 1.3 billion dollars.

As discussed on pages 300-301 of the April 1943 BULLETIN, consumer credit figures collected in the December report are not comparable with figures previously collected, particularly in the case of single-payment loans to individuals where the December figure appears to show an increase over June 30. Another important difference is that consumer instalment loans are now reported on a gross basis, whereas they were previously reported net, i.e., after deducting deposits accumulated for repayment of the loans. After adjusting the June instalment figures on an estimated basis (applying 90 per cent of the accumulated deposits against personal instalment cash loans and 5 per cent each against retail automobile instalment and other retail and instalment paper), a rough comparison may be made. This indicates that retail automobile instalment paper declined approximately 45 per cent, other retail instalment paper and repair and modernization instalment loans 26 per cent, and personal instalment cash loans 23 per cent. Monthly estimates of consumer loans compiled from data reported by a sample of reporting banks, which are published

regularly in the BULLETIN (see pages 462-463 of this issue), indicate that the decline during the six months period was 46 per cent in retail automobile instalment, 29 per cent in other retail instalment paper, and 26 per cent in personal instalment cash loans.

The figures for personal loans and retail instalment paper reported as of December 31, 1942 are shown in detail by States in the table on the following page.

NOTE.—These figures were obtained by the Comptroller of the Currency for national banks, the Board of Governors for State member banks, and the Federal Deposit Insurance Corporation for insured nonmember banks. Detailed instructions were given to the banks for their guidance in reporting consumer loans to individuals. Following are excerpts from these instructions:

Item 4, "Consumer loans to individuals." Under this caption should be reported all loans to individuals *except the following*: Business loans, agricultural loans, loans for the purpose of purchasing or carrying securities, and real-estate loans. Include retail instalment sales paper purchased by the bank from dealers, finance companies, and others. *Do not include* loans made to dealers and finance companies on their own promissory notes, secured by the pledge of instalment paper. *Do not deduct* bona fide deposits accumulated by borrowers for the payment of loans.

Item 4(a), "Retail automobile instalment paper" should represent the unpaid balance of instalment loans to individuals, both direct loans and purchased paper, arising from the retail sale of and secured by automobiles.

Item 4(b), "Other retail instalment paper and repair and modernization instalment loans" should represent the unpaid balance of instalment loans to individuals, both direct loans and purchased paper, (1) arising from the retail sale of and secured by household appliances, furniture, clothing, jewelry, etc., i.e., by goods other than automobiles, and (2) to finance alterations and improvements to existing completed properties, unless such loans are secured by real estate.

Item 4(c), "Personal instalment cash loans" should represent the unpaid balance of all secured and unsecured loans, regardless of size, which are made to individuals and are by their terms repayable in instalments, *except the following*: Retail instalment paper, repair and modernization instalment loans, business loans, agricultural loans for the purpose of purchasing or carrying securities, and real-estate loans. The proceeds of personal instalment cash loans are ordinarily used for consolidation of debts, medical attention, general personal expenditures, etc., and are sometimes secured by life insurance policies or other collateral.

Item 4(d), "Single-payment loans to individuals" should represent the unpaid balance of all secured and unsecured loans, regardless of size, which are made to individuals and are by their terms repayable in full on demand or at maturity, *except the following*: Business loans, agricultural loans, loans for the purpose of purchasing or carrying securities, and real-estate loans. Single-payment loans to be reported against item 4(d) may be similar in purpose to any of the three classes of instalment loans required to be reported against items 4 (a), 4(b), and 4(c).

CONSUMER LOANS OF INSURED BANKS

CONSUMER LOANS OF INSURED BANKS, DECEMBER 31, 1942

[In thousands of dollars]

Classes of banks and geographic divisions	Total personal loans and retail instalment paper	Retail automobile instalment paper	Other retail instalment paper and repair and modernization instalment loans	Personal instalment cash loans	Single-payment loans to individuals
All insured commercial banks	1,269,025	280,422	329,307	402,720	1,256,576
Member banks—Total	1,847,172	211,425	277,685	284,876	1,073,186
Central reserve city banks.....	365,715	13,069	59,983	46,264	246,399
Other reserve city banks.....	807,786	108,555	126,335	93,315	479,581
Country banks.....	673,671	89,801	91,367	145,297	347,206
Insured nonmember banks	421,853	68,997	51,622	117,844	183,390
New England	174,335	9,243	18,668	25,332	121,092
Maine.....	6,635	708	392	901	4,654
New Hampshire.....	4,396	293	242	969	2,892
Vermont.....	6,637	884	436	1,069	4,268
Massachusetts.....	127,736	5,825	13,725	13,494	94,692
Rhode Island.....	4,538	543	555	911	2,529
Connecticut.....	24,353	990	3,318	7,988	12,057
Middle Atlantic	800,084	41,987	122,004	148,572	487,521
New York.....	474,775	18,200	73,779	84,702	298,094
New Jersey.....	94,865	6,670	17,652	22,488	48,055
Pennsylvania.....	230,444	17,117	30,573	41,382	141,372
East North Central	396,952	58,388	63,534	70,840	204,190
Ohio.....	142,789	20,613	15,951	33,891	72,334
Indiana.....	35,635	5,593	4,732	4,907	20,403
Illinois.....	122,868	13,103	22,120	18,702	68,943
Michigan.....	63,248	15,958	16,953	9,175	21,162
Wisconsin.....	32,412	3,121	3,778	4,165	21,348
West North Central	189,397	31,711	37,636	21,731	98,319
Minnesota.....	53,807	3,214	19,911	6,788	18,894
Iowa.....	28,135	6,304	4,703	3,758	13,370
Missouri.....	75,072	9,277	8,100	6,394	51,301
North Dakota.....	3,178	957	590	641	990
South Dakota.....	4,129	1,270	664	577	1,618
Nebraska.....	9,196	1,635	1,735	1,510	4,316
Kansas.....	15,880	4,054	1,933	2,063	7,830
South Atlantic	258,864	33,477	26,230	58,426	140,731
Delaware.....	11,498	346	392	6,656	4,104
Maryland.....	32,753	2,435	3,607	4,414	22,297
District of Columbia.....	24,554	4,047	2,202	6,616	11,689
Virginia.....	77,130	12,864	9,295	15,593	39,378
West Virginia.....	17,288	1,691	703	3,659	11,235
North Carolina.....	38,085	3,105	1,955	9,562	23,463
South Carolina.....	5,674	726	590	1,221	3,137
Georgia.....	38,045	6,241	5,098	7,746	18,960
Florida.....	13,837	2,022	2,388	2,959	6,468
East South Central	104,409	10,087	10,984	16,486	66,852
Kentucky.....	31,628	2,250	1,517	4,148	23,713
Tennessee.....	41,679	4,775	6,642	6,866	23,396
Alabama.....	23,359	2,190	1,998	3,557	15,614
Mississippi.....	7,743	872	827	1,915	4,129
West South Central	110,890	17,484	8,779	22,965	61,572
Arkansas.....	9,310	1,301	583	1,115	6,311
Louisiana.....	16,292	1,140	1,372	3,277	10,503
Oklahoma.....	22,087	4,064	1,794	5,536	10,693
Texas.....	63,111	10,979	5,030	13,037	34,065
Mountain	28,898	6,752	6,287	6,203	9,616
Montana.....	2,711	555	507	713	936
Idaho.....	1,942	490	417	259	776
Wyoming.....	1,907	391	185	515	816
Colorado.....	8,390	2,073	948	1,689	3,680
New Mexico.....	2,064	309	380	453	922
Arizona.....	5,682	999	2,203	1,545	935
Utah.....	4,266	1,560	1,082	670	954
Nevada.....	1,896	375	565	359	597
Pacific	205,326	71,293	35,185	32,165	66,683
Washington.....	24,422	10,085	4,910	4,450	4,977
Oregon.....	24,275	6,497	2,129	1,848	13,801
California.....	156,629	54,711	28,146	25,867	47,905

¹ Includes approximately \$136,000,000 held by insured Morris Plan and other "industrial" banks.

CURRENT EVENTS

Appointment of Branch Directors

On April 8, 1943 the Federal Reserve Bank of Dallas appointed Mr. John K. Hicks, President and Manager of the Hicks-Hayward Company, El Paso, Texas, a director of the El Paso Branch for the unexpired portion of the term ending December 31, 1945.

The Federal Reserve Bank of Cleveland, on April 22, 1943, appointed Mr. Archie J. McFarland, President of the Wheeling Steel Corporation, Wheeling, West Virginia, a director of the Pittsburgh Branch for the unexpired portion of the term ending December 31, 1943.

The Board of Governors of the Federal Reserve System on April 13, 1943 announced the appointment of Mr. John J. Shaffer, Jr., sugar planter of Ellendale, Louisiana, as a director of the New Orleans Branch of the Federal Reserve

Bank of Atlanta for the unexpired portion of the term ending December 31, 1945.

Admissions of State Banks to Membership in the Federal Reserve System

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

Illinois

Hartsburg—Hartsburg State Bank

Kentucky

Greensburg—The People's Bank

Ohio

Defiance—The State Bank of Defiance Company
Fort Loramie—The Loramie Banking Company
Marion—The Fahey Banking Company

NATIONAL SUMMARY OF BUSINESS CONDITIONS

Compiled April 20 and released for publication April 22. Figures shown on charts may differ from preliminary figures used in text.

Industrial activity increased slightly in March and prices of commodities advanced further. Retail trade in March and the first half of April was in large volume, although reduced from the February peak.

INDUSTRIAL PRODUCTION

The Board's seasonally adjusted index of industrial production advanced from 202 per cent of the 1935-39 average in February to 203 in March. The rise in total output continued to reflect chiefly increased production in the machinery and transportation equipment industries producing armaments. At merchant shipyards 146 ships were delivered in March. Completions totaled 1,516,000 deadweight tons, an annual rate of more than 18,000,000 tons.

Steel mills operated at peak levels. Production of lumber, however, increased less than usual in March, continuing the gradual downward trend of production which began a year ago.

Output of fuels reached a new peak in March. Bituminous coal production rose further. Crude petroleum output likewise exceeded the Febru-

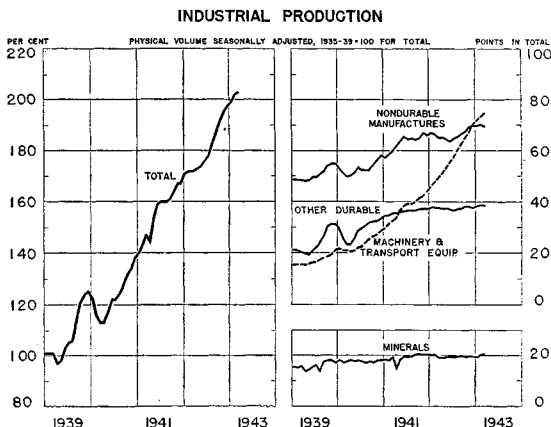
ary level as new pipeline facilities for transport of petroleum products to the East Coast were completed.

Output of important nondurable manufactures was maintained in March. In most branches of the wool textile industry production increased to new high levels in February and March following a Federal order allowing an increase in wool consumption for the manufacture of civilian fabrics.

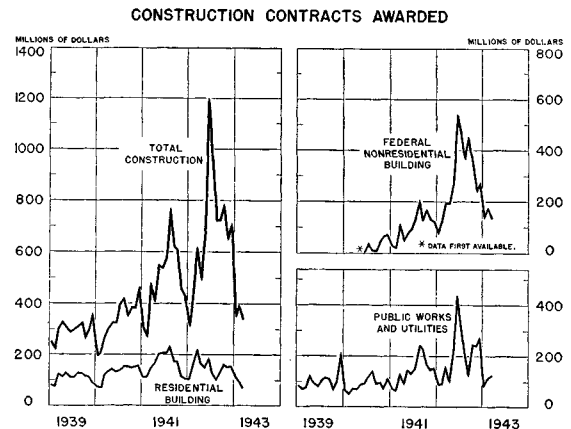
The value of construction contracts awarded in March, according to figures of the F. W. Dodge Corporation, continued at a level considerably lower than that for the year 1942, reflecting chiefly the fact that the construction phase of the war program has been largely completed. Awards for residential building declined for the third consecutive month, while contracts for public works were higher than in February.

DISTRIBUTION

Retail sales, which generally increase from February to March, showed little change this year, following the buying wave that swept the



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



F. W. Dodge data for 37 Eastern States, total includes State and local Government and private nonresidential building not shown separately. Monthly figures, latest shown are for March.

country in February. At department stores, where increases in February had been particularly marked, sales declined in March and the Board's seasonally adjusted index dropped from 167 to 135 per cent of the 1923-25 average. Despite this decline, the index continued above the high level that prevailed in the latter part of last year. In the first half of April department store sales increased by about the usual seasonal amount, making allowance for the late date of Easter this year.

Freight car loadings in March remained at the February level and other transportation activity was also maintained in large volume.

COMMODITY PRICES

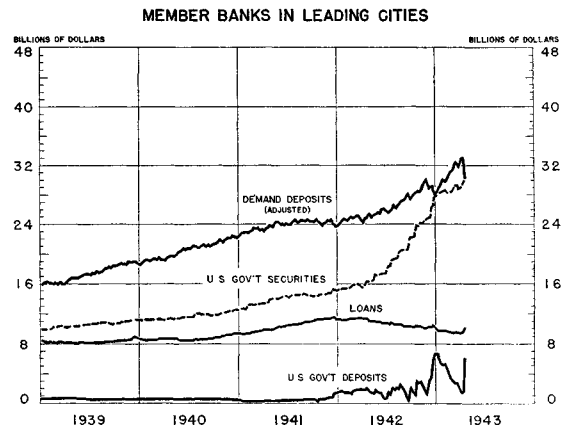
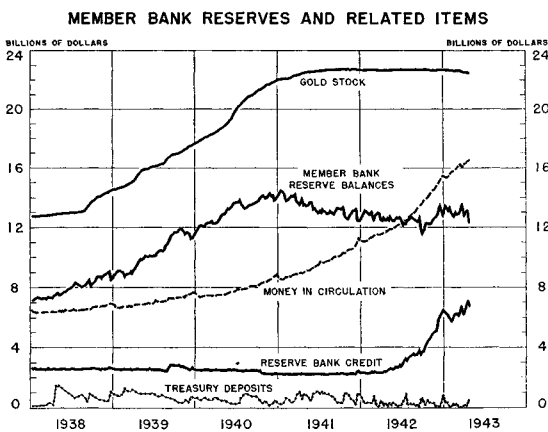
Wholesale commodity prices averaged higher in March and the early part of April. Prices in retail markets also increased further from February to March, with relatively sharp advances in food prices.

On April 8 an Executive Order was issued directing that ceiling prices be placed on all commodities affecting the cost of living, that further increases in ceilings be prevented except to the minimum extent required by law, and that excessively high prices be reduced. Following this and announcements of particular Federal actions to safeguard the stabilization of prices, including an order reducing railroad freight rates, wholesale prices of some commodities declined and on April 16 were lower than at the beginning of the month.

BANK CREDIT

Excess reserves at all member banks, which decreased during the latter half of March from 2.2 billion dollars to 1.5 billion, subsequently rose to 2.6 billion on April 19. In the first week of April, the increase resulted largely from substantial Reserve Bank purchases of Government securities; subsequently excess reserves were made available by a decline of a billion dollars in required reserves, which resulted primarily from large payments for Government securities sold to bank customers. This shifted funds from customers' deposits, subject to reserve, to exempted Government deposits.

Government security holdings at reporting banks in 101 leading cities increased substantially during the first two weeks of April following declines in the latter part of March, which had resulted mainly from bill sales by banks in New York and Chicago. Holdings of certificates, notes, and bonds increased over the four-week period ended April 14. Commercial loans at all reporting banks declined by about 210 million. At New York City banks loans to brokers and dealers increased steadily over the period, especially in the week of the fourteenth at the beginning of the War Loan Drive. Deposits, other than those of the U. S. Government, increased further in March and the early part of April, but were drawn down sharply around the middle of April for purchases of Government securities.



Demand deposits (adjusted) exclude U. S. Government and inter-bank deposits and collection items. Government securities include direct and guaranteed issues. Wednesday figures, latest shown are for Apr. 21.

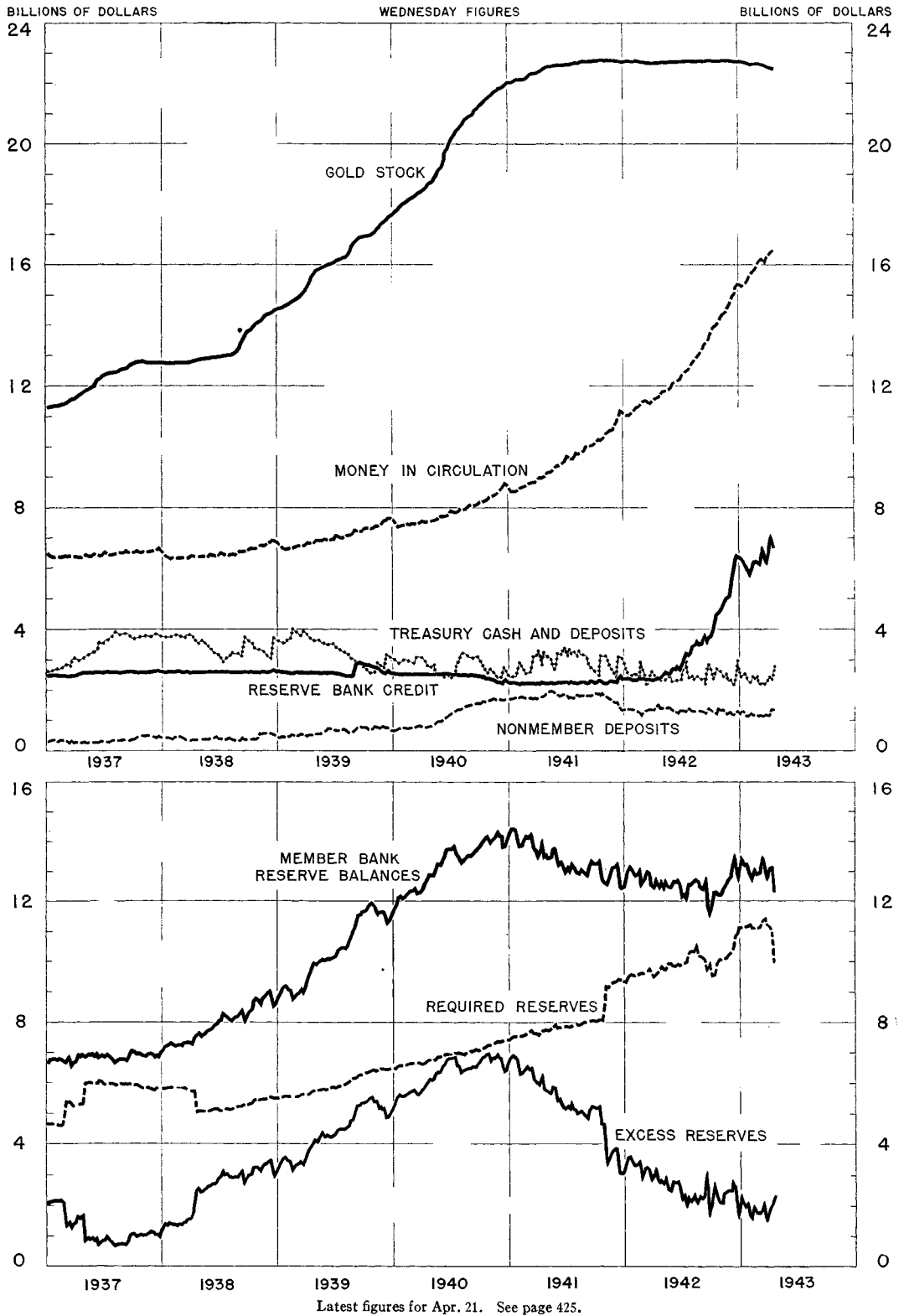
FINANCIAL, INDUSTRIAL, AND COMMERCIAL STATISTICS

UNITED STATES

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Tables on the following pages include the principal available statistics of current significance relating to financial and business developments in the United States. The data relating to the Federal Reserve Banks and the member banks of the Federal Reserve System are derived from regular reports made to the Board; index numbers of production are compiled by the Board on the basis of material collected by other agencies; figures for gold stock, money in circulation, Treasury finance, and operations of Government credit agencies are obtained principally from statements of the Treasury, or of the agencies concerned; data on money and security markets and commodity prices and other series on business activity are obtained largely from other sources. Back figures may in most cases be obtained from earlier BULLETINS and from Annual Reports of the Board of Governors for 1937 and earlier years.

MEMBER BANK RESERVES AND RELATED ITEMS



FEDERAL RESERVE BANK DISCOUNT RATES
[In effect April 30. Per cent per annum]

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

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

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

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

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

MEMBER BANK RESERVE REQUIREMENTS
[Per cent of deposits]

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

¹ See footnote to table on p. 432 for explanation of method of computing net demand deposits.

MARGIN REQUIREMENTS¹
[Per cent of market value]

Prescribed by Board of Governors of the Federal Reserve System in accordance with Securities Exchange Act of 1934	Apr. 1, 1936- Oct. 31, 1937	Effective Nov. 1, 1937
For extensions of credit by brokers and dealers on listed securities, under Regulation T.....	55	40
For short sales, under Regulation T.....	(²)	50
For loans by banks on stocks, under Regulation U.....	³ 55	40

¹ Regulations T and U limit the amount of credit that may be extended on a security by prescribing a maximum loan value, which is a specified percentage of its market value at the time of the extension; the "margin requirements" shown in this table are the difference between the market value (100%) and the maximum loan value.

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

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

FEDERAL RESERVE BANK RATES ON INDUSTRIAL ADVANCES AND COMMITMENTS UNDER SECTION 13b OF THE FEDERAL RESERVE ACT
Maturities not exceeding five years
[In effect April 30. Per cent per annum]

Federal Reserve Bank	To industrial or commercial businesses		To financing institutions		
	On advances ¹	On commitments	Discounts or purchases		On commitments
			On portion for which institution is obligated	On remaining portion	
Boston.....	2½-5	1½-1	(²)	(³)	1½-1
New York.....	2½-5	1½-1¼	(²)	(³)	1½-1¼
Philadelphia.....	2½-5	1½-1¼	4½	(³)	1½-1¼
Cleveland.....	2½-5	1½-1¼	(²)	(³)	1½-1¼
Richmond.....	2½-5	1½-1¼	(²)	(³)	1½-1¼
Atlanta.....	2½-5	1½-1¼	(²)	(³)	1½-1¼
Chicago.....	2½-5	1½-1¼	2½-5	2½-5	1½-1¼
St. Louis.....	2½-5	1½-1¼	1-1½	(³)	1½-1¼
Minneapolis.....	2½-5	1½-1¼	(²)	(³)	1½-1¼
Kansas City.....	2½-5	1½-1¼	(²)	(³)	1½-1¼
Dallas.....	2½-5	1½-1¼	(²)	(³)	1½-1¼
San Francisco.....	2½-5	1½-1¼	(²)	(³)	1½-1¼

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

MAXIMUM RATES ON TIME DEPOSITS

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

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

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

PRINCIPAL ASSETS AND LIABILITIES OF ALL FEDERAL RESERVE BANKS

[In thousands of dollars]

	Wednesday figures								End of month		
	1943								1943	1942	
	Apr. 21	Apr. 14	Apr. 7	Mar. 31	Mar. 24	Mar. 17	Mar. 10	Mar. 3	Mar.	Feb.	Mar.
Assets											
Gold certificates on hand and due from U. S. Treasury	20,274,915	20,294,417	20,337,416	20,371,412	20,392,664	20,406,666	20,443,178	20,449,179	20,371,412	20,439,279	20,481,915
Redemption fund—F. R. notes	41,083	42,245	40,708	41,990	42,104	40,835	40,972	36,232	41,990	36,591	12,947
Other cash	353,514	359,266	361,702	371,270	397,679	390,639	369,503	374,144	371,270	383,087	325,868
Total reserves	20,669,512	20,695,928	20,739,826	20,784,672	20,832,447	20,838,140	20,853,653	20,859,555	20,784,672	20,858,957	20,820,730
Bills discounted:											
For member banks	11,133	10,938	12,280	10,221	7,507	7,693	6,248	9,234	10,221	11,557	8,851
For nonmember banks, etc.		1,000	1,000	2,500	2,500	2,500	2,500	2,500	2,500	4,000	
Total bills discounted	11,133	11,938	13,280	12,721	10,007	10,193	8,748	11,734	12,721	15,557	8,851
Industrial advances	14,590	13,771	12,947	12,658	12,670	12,968	13,319	13,040	12,658	13,192	8,802
U. S. Government securities:											
Direct:											
Bonds	2,016,551	2,034,351	2,027,251	1,983,651	2,056,951	2,124,145	2,227,369	2,310,619	1,983,651	2,367,102	1,550,136
Notes	956,700	956,700	953,200	957,100	968,000	998,200	1,071,300	1,152,800	957,100	1,190,125	690,500
Certificates:											
Special one-day					512,000	981,000	632,000				
Other	997,375	997,375	983,375	849,675	815,275	814,775	788,875	788,875	849,675	788,875	
Bills:											
Under repurchase option	1,182,459	1,545,071	1,473,027	1,240,286	893,654	718,464	824,601	895,412	1,240,286	859,849	
Other	1,122,338	1,117,690	1,059,977	846,227	662,391	587,592	501,275	602,550	846,227	615,423	
Guaranteed	53,491	53,491	52,191	42,191	42,191	42,191	44,691	49,476	42,191	49,476	3,600
Total U. S. Government securities, direct and guaranteed	6,328,914	6,704,678	6,549,021	5,919,130	5,950,462	6,266,367	6,090,111	5,799,732	5,919,130	5,870,850	2,244,236
Other Reserve Bank credit outstanding	360,237	373,357	272,514	246,942	307,290	409,182	278,315	305,653	246,942	396,492	93,009
Total Reserve Bank credit outstanding	6,714,874	7,103,744	6,847,762	6,191,451	6,280,429	6,698,710	6,390,493	6,130,159	6,191,451	6,296,091	2,354,898
Liabilities											
F. R. notes in actual circulation	12,969,906	12,905,494	12,839,092	12,758,496	12,607,686	12,651,368	12,705,336	12,672,087	12,758,496	12,627,431	8,634,683
Deposits:											
Member bank—reserve account	12,318,156	13,143,680	13,110,156	12,759,300	13,084,369	13,515,702	13,121,628	12,934,772	12,759,300	13,066,513	12,574,520
U. S. Treasurer—general account	471,488	128,040	213,257	54,843	5,711	6,067	4,808	14,227	54,843	130,596	289,193
Foreign	911,865	915,252	876,420	879,395	899,682	866,617	896,820	851,281	879,395	826,581	776,301
Other deposits	460,489	460,874	298,964	287,085	285,280	262,497	282,662	289,653	287,085	284,149	628,236
Total deposits	14,161,998	14,647,846	14,498,797	13,980,623	14,275,042	14,650,883	14,305,918	14,089,933	13,980,623	14,307,839	14,268,250
Ratio of total reserves to deposit and F. R. note liabilities combined (per cent)	76.2	75.1	75.9	77.7	77.5	76.3	77.2	77.9	77.7	77.4	90.9

MATURITY DISTRIBUTION OF BILLS AND U. S. GOVERNMENT SECURITIES HELD BY FEDERAL RESERVE BANKS

[In thousands of dollars]

	Total	Within 15 days	16 to 30 days	31 to 60 days	61 to 90 days	91 days to 6 months	6 months to 1 year	1 year to 2 years	2 years to 5 years	Over 5 years
Bills discounted:										
Mar. 24	10,007	8,758	1,049	200						
Mar. 31	12,721	11,422	999	300						
Apr. 7	13,280	5,653	6,752	175	700					
Apr. 14	11,938	6,533	5,305	100						
Apr. 21	11,133	7,703	2,630	100	700					
Industrial advances:										
Mar. 24	12,670	8,857	242	145	569	1,023	955	699	180	
Mar. 31	12,658	9,199	173	144	326	1,155	795	685	181	
Apr. 7	12,947	9,619	279	206	242	1,016	733	675	177	
Apr. 14	13,771	9,544	220	223	1,230	1,000	713	663	178	
Apr. 21	14,590	11,330	156	239	218	992	827	650	178	
U. S. Government securities, direct and guaranteed:										
Mar. 24	5,950,462	652,794	104,452	907,262	766,977	351,010	441,200	352,500	808,571	1,565,696
Mar. 31	5,919,130	92,956	268,140	1,171,939	822,318	475,010	446,700	348,500	820,671	1,472,896
Apr. 7	6,549,021	226,539	588,967	935,628	1,026,770	524,050	562,400	348,100	877,621	1,458,946
Apr. 14	6,704,678	285,155	646,362	856,216	1,213,640	437,338	571,400	351,100	883,221	1,460,246
Apr. 21	6,328,914	489,839	463,130	865,785	947,743	314,250	571,400	351,100	883,221	1,442,446

RESERVE POSITION OF MEMBER BANKS, MARCH 1943

[Averages of daily figures. In millions of dollars]

Classes of banks and districts	Gross demand deposits	Net demand deposits ¹	Time deposits	Reserves with Federal Reserve Banks		
				Required	Held	Excess
All member banks	65,420	56,606	13,214	11,371	13,255	1,884
Central reserve city banks:						
New York	20,165	19,299	769	3,906	4,001	96
Chicago	4,471	4,153	458	858	892	34
Reserve city banks:						
Boston district	1,850	1,719	93	349	365	16
New York district	401	354	148	80	89	9
Philadelphia district	2,019	1,824	134	373	423	51
Cleveland district	3,237	2,791	721	601	809	207
Richmond district	1,473	1,266	249	268	337	69
Atlanta district	1,536	1,255	185	262	305	43
Chicago district	3,075	2,525	833	555	691	136
St. Louis district	1,587	1,371	175	285	299	14
Minneapolis district	775	664	85	138	151	13
Kansas City district	2,015	1,550	164	320	377	57
Dallas district	1,464	1,152	136	239	305	66
San Francisco district	4,952	4,299	2,303	998	1,170	172
Total	24,386	20,770	5,228	4,468	5,319	852
Country banks:						
Boston district	1,705	1,426	608	236	316	80
New York district	2,587	2,205	1,601	405	543	138
Philadelphia district	1,211	974	869	189	262	74
Cleveland district	1,409	1,067	785	197	321	124
Richmond district	1,355	961	423	160	215	55
Atlanta district	1,324	933	287	148	210	62
Chicago district	2,075	1,552	974	276	409	133
St. Louis district	914	647	269	107	149	42
Minneapolis district	684	512	307	90	125	35
Kansas City district	1,015	660	162	102	154	52
Dallas district	1,229	814	97	120	185	66
San Francisco district	890	634	375	111	154	43
Total	16,399	12,385	6,759	2,139	3,042	903

¹ Gross demand deposits minus demand balances with domestic banks (except private banks and American branches of foreign banks) and cash items in process of collection.

NOTE.—See tables on p. 426 for percentages of deposits required to be held as reserves.

MEMBER BANK RESERVE BALANCES BY CLASSES OF BANK

[Averages of daily figures. In millions of dollars]

	All member banks ¹	Central reserve city banks		Reserve city banks	Country banks ¹
		New York	Chicago		
Total reserves held:					
1942—March	12,827	5,188	1,157	4,279	2,204
April	12,649	5,028	1,140	4,293	2,188
May	12,510	4,870	1,049	4,325	2,265
June	12,624	4,859	979	4,448	2,338
July	12,409	4,609	1,000	4,447	2,353
August	12,623	4,616	1,009	4,574	2,423
September	12,299	4,150	944	4,676	2,529
October	12,234	4,093	834	4,711	2,597
November	12,618	4,086	859	4,990	2,684
December	13,152	4,303	877	5,122	2,850
1943—January	13,344	4,352	898	5,190	2,905
February	12,933	3,999	875	5,141	2,918
March	13,255	4,001	892	5,319	3,042
Week ending (Friday):					
1943—Mar. 5	13,062	3,946	889	5,243	2,983
Mar. 12	13,344	4,002	898	5,362	3,081
Mar. 19	13,554	4,031	887	5,474	3,162
Mar. 26	13,246	4,042	879	5,283	3,042
Apr. 2	12,857	3,961	834	5,115	2,947
Apr. 9	12,946	3,916	832	5,212	2,985
Apr. 16	13,150	3,803	841	5,357	3,149
Excess reserves:					
1942—March	3,147	962	255	1,190	740
April	2,951	795	262	1,175	718
May	2,667	546	178	1,171	772
June	2,704	556	89	1,232	827
July	2,237	269	64	1,105	799
August	2,248	286	60	1,091	812
September	2,300	302	73	1,069	857
October	2,328	557	27	921	823
November	2,362	455	45	1,035	827
December	2,376	416	35	1,020	904
1943—January	2,132	337	22	913	860
February	1,712	97	10	784	820
March	1,884	96	34	852	903
Week ending (Friday):					
1943—Mar. 5	1,845	102	26	857	860
Mar. 12	2,012	122	29	911	950
Mar. 19	2,080	88	16	956	1,021
Mar. 26	1,813	106	25	788	895
Apr. 2	^{P1} 559	55	35	670	^{P799}
Apr. 9	^{P1} 672	39	37	758	^{P838}
Apr. 16	^{P2} 348	50	2	931	^{P1,344}

² Preliminary.

¹ Weekly figures of excess reserves of all member banks and of country banks are estimates.

DEPOSITS OF MEMBER BANKS IN LARGER AND SMALLER CENTERS

[Averages of daily figures. In millions of dollars]

Federal Reserve district	All member banks				Member banks in larger centers (places over 15,000)				Member banks in smaller centers (places under 15,000)			
	Gross demand		Time		Gross demand		Time		Gross demand		Time	
	Mar.	Feb.	Mar.	Feb.	Mar.	Feb.	Mar.	Feb.	Mar.	Feb.	Mar.	Feb.
Boston	3,555	3,416	701	687	3,329	3,197	574	561	226	219	128	126
New York	23,153	23,124	2,518	2,502	12,446	12,459	¹ 1,194	¹ 1,189	543	536	556	551
Philadelphia	3,230	3,147	1,003	998	2,753	2,680	542	540	477	467	461	458
Cleveland	4,646	4,448	1,506	1,500	4,106	3,925	1,135	1,130	540	523	371	370
Richmond	2,828	2,740	673	670	2,404	2,329	453	451	424	411	219	219
Atlanta	2,860	2,792	472	467	2,522	2,466	381	376	338	326	91	91
Chicago	9,620	9,511	2,266	2,247	14,350	14,210	¹ 1,417	¹ 1,403	800	778	390	386
St. Louis	2,502	2,474	444	442	1,963	1,939	320	318	539	535	124	124
Minneapolis	1,459	1,440	392	393	1,119	1,102	207	207	340	339	186	186
Kansas City	3,031	2,945	326	325	2,332	2,249	216	215	699	695	110	110
Dallas	2,694	2,696	233	232	2,025	2,022	192	191	669	674	40	41
San Francisco	5,842	5,752	2,679	2,651	5,561	5,477	2,552	2,525	281	275	127	126
Total	65,420	64,485	13,214	13,114	¹ 34,910	¹ 34,054	¹ 9,183	¹ 9,106	5,875	5,778	2,804	2,788

¹ Excluding central reserve city banks, for which figures for latest month are shown in table above.

KINDS OF MONEY IN CIRCULATION
(Outside Treasury and Federal Reserve Banks. In millions of dollars)

End of month	Total	Gold certificates	Silver dollars	Silver certificates	Treasury notes of 1890	Subsidiary silver coin	Minor coin	United States notes	Federal Reserve notes	Federal Reserve Bank notes	National bank notes
1942—January.....	11,175	61	61	1,657	1	471	206	302	8,253	19	143
February.....	11,485	61	61	1,695	1	475	206	309	8,514	19	143
March.....	11,566	60	62	1,697	1	482	208	307	8,587	19	142
April.....	11,767	60	64	1,707	1	488	209	309	8,767	19	141
May.....	12,074	60	65	1,745	1	496	211	316	9,022	19	140
June.....	12,383	59	66	1,754	1	504	213	317	9,340	19	139
July.....	12,739	59	67	1,764	1	510	215	315	9,650	19	138
August.....	13,200	59	69	1,786	1	521	218	321	10,068	18	138
September.....	13,703	59	71	1,754	1	537	222	324	10,580	18	137
October.....	14,210	59	73	1,704	1	551	225	326	11,118	18	136
November.....	14,805	58	74	1,731	1	565	227	327	11,667	18	136
December.....	15,410	58	76	1,751	1	575	228	317	12,082	188	135
1943—January.....	15,590	58	77	1,700	1	567	226	312	12,152	362	135
February.....	16,088	58	78	1,703	1	573	226	317	12,523	474	134
March.....	16,250	58	79	1,674	1	583	228	316	12,643	534	134

Back figures.—See Annual Report for 1937 (table 35).

PAPER CURRENCY, BY DENOMINATIONS, AND COIN IN CIRCULATION
(Outside Treasury and Federal Reserve Banks. In millions of dollars)

End of month	Total in circulation ¹	Coin and small denomination currency ²							Large denomination currency ²						Unassorted ²	
		Total	Coin	\$1 ³	\$2	\$5	\$10	\$20	Total	\$50	\$100	\$500	\$1,000	\$5,000		\$10,000
1942—February.....	11,485	8,326	743	668	42	1,344	2,825	2,704	3,163	767	1,511	266	565	21	33	4
March.....	11,566	8,396	752	673	42	1,351	2,834	2,744	3,174	779	1,528	268	561	9	29	5
April.....	11,767	8,560	757	680	43	1,362	2,898	2,820	3,204	792	1,549	268	558	9	29	1
May.....	12,074	8,841	771	696	44	1,402	3,004	2,924	3,235	801	1,566	260	570	9	28	1
June.....	12,383	9,083	783	704	45	1,427	3,099	3,024	3,301	824	1,602	262	576	8	29	2
July.....	12,739	9,398	793	712	45	1,464	3,234	3,149	3,343	840	1,628	263	574	8	30	2
August.....	13,200	9,795	809	731	48	1,517	3,379	3,310	3,409	868	1,663	266	575	8	29	4
September.....	13,703	10,207	830	754	50	1,555	3,532	3,487	3,500	904	1,715	268	576	9	29	4
October.....	14,210	10,629	848	764	51	1,597	3,684	3,686	3,584	940	1,762	274	570	9	30	3
November.....	14,805	11,122	867	782	53	1,647	3,887	3,885	3,686	972	1,824	278	575	9	28	3
December.....	15,410	11,576	880	801	55	1,693	4,051	4,096	3,837	1,019	1,910	287	586	9	25	3
1943—January.....	15,590	11,665	869	773	54	1,678	4,107	4,183	3,928	1,047	1,962	293	592	10	25	3
February.....	16,088	12,065	877	786	56	1,718	4,279	4,349	4,026	1,079	2,013	298	599	11	25	3
March.....	16,250	12,121	890	791	56	1,713	4,280	4,391	4,129	1,104	2,069	306	616	11	23	1

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

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

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

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

STOCK OF UNITED STATES MONEY, MARCH 31, 1943
(On basis of circulation statement of United States money. In millions of dollars)

Kind of money	Total outstanding	Money held in the Treasury			Money held by Federal Reserve Banks and agents	Money in circulation ¹
		As security against gold and silver certificates	Treasury cash	For Federal Reserve Banks and agents		
Gold.....	22,576	20,471	2,105			
Gold certificates.....	320,471			17,598	2,815	57
Federal Reserve notes.....	13,315		50		621	12,643
Treasury currency—total.....	43,989	1,958	68		371	3,549
Standard silver dollars.....	547		24		2	79
Silver bullion.....	1,517	1,517				
Silver certificates and Treasury notes of 1890.....	37,953				283	1,675
Subsidiary silver coin.....	632		36		13	583
Minor coin.....	239		4		6	228
United States notes.....	347		3		27	316
Federal Reserve Bank notes.....	574		(⁵)		39	534
National bank notes.....	135		(⁵)		1	134
Total—Mar. 31, 1943.....	339,879	322,429	42,224	17,598	3,808	16,250
Feb. 28, 1943.....	339,658	322,497	42,221	17,660	3,689	16,088
Mar. 31, 1942.....	335,020	322,519	42,190	17,679	3,586	11,566

¹ Includes any paper currency held outside the continental limits of the United States; figures for other end-of-month dates shown in table above and totals by weeks are shown in table on page 425.

² Includes \$1,800,000,000 Exchange Stabilization Fund, \$143,663,418 balance of increment resulting from reduction in weight of the gold dollar, and \$156,039,431 held as reserve against United States notes and Treasury notes of 1890.

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

⁴ Figures for total Treasury currency outstanding and for total Treasury cash by weeks and months are shown in the table on p. 425.

⁵ Less than \$500,000.

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

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

Period	Gold stock at end of period	Increase in gold stock	Net gold import	Ear-marked gold: decrease or increase (-)	Domestic gold production ¹
1934 ²	8,238	4,202.5	1,133.9	82.6	92.9
1935	10,125	1,887.2	1,739.0	.2	110.7
1936	¹¹ 11,258	1,132.5	1,116.6	-85.9	131.6
1937	¹² 12,760	1,502.5	1,585.5	-200.4	143.9
1938	14,512	1,751.5	1,973.6	-333.5	148.6
1939	17,644	3,132.0	3,574.2	-534.4	161.7
1940	21,995	4,351.2	4,744.5	-644.7	170.2
1941	22,737	741.8	982.4	-407.7	169.1
1942	22,726	-10.3	(4)	-458.4	126.0
1942—March	22,687	-17.3		-65.5	11.3
April	22,691	3.3		-20.1	11.4
May	22,714	23.6		-38.2	11.2
June	22,737	22.3		-14.8	10.5
July	22,744	7.6		-24.4	12.8
August	22,756	11.4		-21.8	10.2
September	22,754	-1.3		-27.8	11.8
October	22,740	-14.3		-56.4	12.0
November	22,743	3.3		-10.8	7.8
December	22,726	-17.2		-31.0	6.2
1943—January	22,683	-43.3		-76.1	5.2
February	22,644	-39.3		-63.4	4.8
March	22,576	-68.0		⁵ -59.0	4.8
Jan.-Mar.	22,576	-150.5		⁵ -198.5	¹⁴ 4.8

¹ Figure carried forward. ² Preliminary.
¹ Annual figures are estimates of the United States Mint. Monthly figures are those published in table on p. 471, adjusted to exclude Philippine Islands production received in United States.
² Figures based on rate of \$20.67 a fine ounce in January 1934, and \$35 a fine ounce thereafter.
³ Includes gold in the Inactive Account amounting to 27 million dollars on Dec. 31, 1936, and 1,228 million on Dec. 31, 1937.
⁴ The net gold import figures for months subsequent to December 1941 have not been released for publication.
⁵ Gold held under earmark at Federal Reserve Banks for foreign account amounted to 2,872.3 million dollars on Mar. 31, 1943.
 NOTE.—For back figures through 1937, see Annual Report for 1937 (table 29).

POSTAL SAVINGS SYSTEM
[In millions of dollars]

End of month	Depositors' balances ¹	Assets					
		Total	Cash in depository banks	U. S. Government securities			Cash reserve funds etc. ²
				Total	Direct	Guaranteed	
1934—June	1,198	1,225	695	453	418	35	76
Dec.	1,207	1,237	540	597	467	130	100
1935—June	1,205	1,236	385	777	630	147	74
Dec.	1,201	1,237	287	853	706	147	98
1936—June	1,232	1,265	203	967	800	167	95
Dec.	1,260	1,296	145	1,058	892	167	93
1937—June	1,268	1,307	136	1,100	933	167	71
Dec.	1,270	1,308	130	1,097	931	167	80
1938—June	1,252	1,290	115	1,103	936	167	73
Dec.	1,252	1,291	86	1,132	965	166	73
1939—June	1,262	1,304	68	1,157	1,011	146	78
Dec.	1,279	1,319	53	1,192	1,046	146	74
1940—June	1,293	1,337	43	1,224	1,078	146	69
Dec.	1,304	1,348	36	1,224	1,078	146	88
1941—June	1,304	1,356	30	1,251	1,104	146	75
Dec.	1,314	1,396	26	1,274	1,128	146	95
1942—Mar.	1,305	1,463	25	1,272	1,126	146	166
Apr.	1,306	1,483	25	1,272	1,126	146	186
May	1,307	1,504	24	1,272	1,126	146	208
June	1,316	1,525	24	1,272	1,146	126	229
July	1,329	1,554	21	1,271	1,146	126	262
Aug.	1,344	1,575	20	1,271	1,146	126	283
Sept.	1,358	1,415	19	1,267	1,141	126	129
Oct.	1,377	1,429	18	1,266	1,140	126	146
Nov.	1,396	1,444	17	1,266	1,140	126	161
Dec.	1,417	1,464	16	1,266	1,220	126	102
1943—Jan.	¹⁴ 1,445						
Feb.	¹⁴ 1,469						
Mar.	¹⁴ 1,492						

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

BANK SUSPENSIONS¹

	Total, all banks	Member banks		Nonmember banks	
		National	State	Insured ²	Not insured
Number of banks suspended:					
1934	57	1		8	48
1935	34	4		22	8
1936	44	1		40	3
1937	59	4	2	47	6
1938	55	1	1	47	6
1939	42	4	3	25	10
1940	22	1		18	3
1941	8	4		3	1
1942	9			6	3
1943—Jan.-Mar.	2	1		1	
Deposits of suspended banks (in thousands of dollars): ³					
1934	36,937	40		1,912	34,985
1935	10,015	5,313		3,763	939
1936	11,306	507		10,207	592
1937	19,723	7,379	1,708	10,156	480
1938	13,012	36	211	11,721	1,044
1939	34,998	1,341	24,629	6,589	2,439
1940	5,943	256		5,341	346
1941	3,726	3,144		503	79
1942	1,702			1,375	327
1943—Jan.-Mar.	1,629	862		767	

¹ Represents banks which, during the periods shown, closed temporarily or permanently on account of financial difficulties; does not include banks whose deposit liabilities were assumed by other banks at the time of closing (in some instances with the aid of Federal Deposit Insurance Corporation loans).
² Federal deposit insurance became operative Jan. 1, 1934.
³ Deposits of member banks and insured nonmember banks suspended are as of dates of suspension, and deposits of noninsured nonmember banks are based on the latest data available at the time the suspensions were reported.
 Back figures.—See Annual Report for 1937 (table 76).

BANK DEBITS

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

Year and month	Total, all reporting centers	New York City	140 other centers ¹	133 other reporting centers ²
1929	982,531	603,089	331,938	47,504
1937	469,463	197,836	235,206	36,421
1938	405,929	168,778	204,745	32,406
1939	423,932	171,382	218,298	34,252
1940	445,863	171,582	236,952	37,329
1941	537,343	197,724	293,925	45,694
1942	607,071	210,961	342,430	53,679
1942—March	49,161	17,056	27,764	4,341
April	46,613	16,023	26,451	4,138
May	48,342	16,985	27,241	4,116
June	50,107	17,394	28,292	4,421
July	50,087	17,110	28,505	4,472
August	49,179	17,051	27,847	4,282
September	52,712	18,593	29,530	4,589
October	55,056	18,323	31,627	5,105
November	50,673	17,016	29,040	4,616
December	64,991	23,921	35,562	5,508
1943—January	54,779	19,877	30,263	4,639
February	¹ 51,875	19,635	28,005	⁴ 4,235
March	62,230	22,373	34,707	5,150

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

ALL BANKS IN THE UNITED STATES

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

NUMBER OF BANKS						DEPOSITS, EXCLUSIVE OF INTERBANK DEPOSITS ¹							
						[In millions of dollars]							
Call date	Total	Member banks ²			Nonmember banks		Call date	All banks	Member banks ²			Nonmember banks	
		Total	National	State	Mutual savings banks	Other non-member banks			Total	National	State	Mutual savings banks	Other non-member banks
1929—June 29.....	25,110	8,707	7,530	1,177	611	15,792	1929—June 29.....	53,852	32,284	19,411	12,873	8,983	12,584
Dec. 31.....	24,630	8,522	7,403	1,119	609	15,499	Dec. 31.....	55,289	33,865	20,290	13,575	8,916	12,508
1933—June 30.....	14,519	5,606	4,897	709	576	8,337	1933—June 30.....	37,998	23,338	14,772	8,566	9,713	4,946
Dec. 30.....	15,011	6,011	5,154	857	579	8,421	Dec. 30.....	38,505	23,771	15,386	8,385	9,708	5,026
1938—June 30.....	15,287	6,338	5,242	1,096	563	8,386	1938—June 30.....	52,195	34,745	22,553	12,193	10,296	7,153
Dec. 31.....	15,206	6,338	5,224	1,114	556	8,312	Dec. 31.....	54,054	36,211	23,497	12,714	10,365	7,478
1939—June 30.....	15,082	6,330	5,203	1,127	553	8,199	1939—June 30.....	55,992	38,027	24,534	13,493	10,521	7,444
Dec. 30.....	15,037	6,362	5,187	1,175	552	8,123	Dec. 30.....	58,344	39,930	25,661	14,269	10,613	7,801
1940—June 29.....	14,953	6,398	5,164	1,234	551	8,004	1940—June 29.....	60,582	42,039	26,931	15,108	10,631	8,912
Dec. 31.....	14,895	6,486	5,144	1,342	551	7,858	Dec. 31.....	65,021	46,007	29,214	16,793	10,658	8,356
1941—Apr. 4.....	14,871	6,528	5,138	1,390	550	7,793	1941—Apr. 4.....	65,211	46,179	29,467	16,712	10,684	8,347
June 30.....	14,855	6,556	5,130	1,426	547	7,752	June 30.....	67,172	48,076	30,684	17,392	10,641	8,456
Sept. 24.....	14,852	6,596	5,125	1,471	546	7,710	Sept. 24.....	68,449	49,160	31,500	17,660	10,643	8,646
Dec. 31.....	14,825	6,619	5,117	1,502	545	7,661	Dec. 31.....	70,792	51,192	32,672	18,520	10,525	9,075
1942—June 30 ⁵	14,773	6,647	5,101	1,546	544	7,582	1942—June 30 ⁵	72,382	53,434	34,036	19,397	10,387	8,562
Dec. 31 ^p	14,680	6,679	5,081	1,598	543	7,458	Dec. 31 ^p	88,437	67,277	43,069	24,208	10,656	10,504

For footnotes see table below.

For footnotes see table below.

LOANS AND INVESTMENTS

[In millions of dollars]

Call date	All banks			Member banks ²			Nonmember banks					
	Total	Loans	Investments	Total	Loans	Investments	Mutual savings banks			Other nonmember banks		
							Total	Loans	Investments	Total	Loans	Investments
1929—June 29.....	58,474	41,531	16,943	35,711	25,658	10,052	9,556	5,892	3,664	13,207	9,981	3,227
Dec. 31.....	58,417	41,918	16,499	35,934	26,150	9,784	9,463	5,945	3,518	13,020	9,823	3,197
1933—June 30.....	40,076	22,203	17,872	24,786	12,858	11,928	10,044	5,941	4,103	5,246	3,404	1,841
Dec. 30.....	40,319	21,977	18,342	25,220	12,833	12,386	9,985	5,906	4,079	5,115	3,238	1,877
1938—June 30.....	47,381	21,130	26,252	30,721	12,938	17,783	10,196	4,961	5,235	6,465	3,231	3,234
Dec. 31 ⁴	48,929	21,354	27,575	32,070	13,208	18,863	10,255	4,930	5,325	6,604	3,217	3,387
1939—June 30.....	49,616	21,318	28,299	32,603	13,141	19,462	10,342	4,931	5,411	6,671	3,245	3,425
Dec. 30.....	50,885	22,169	28,716	33,941	13,962	19,979	10,314	4,961	5,353	6,630	3,246	3,384
1940—June 29.....	51,335	22,341	28,995	34,451	13,969	20,482	10,188	4,926	5,262	6,696	3,445	3,251
Dec. 31.....	54,188	23,741	30,448	37,126	15,321	21,805	10,248	4,959	5,289	6,815	3,461	3,353
1941—Apr. 4.....	56,147	24,322	31,825	38,983	15,878	23,104	10,276	4,954	5,322	6,889	3,490	3,399
June 30.....	57,945	25,312	32,633	40,659	16,729	23,930	10,314	4,955	5,360	6,972	3,628	3,344
Sept. 24.....	59,296	26,187	33,109	41,943	17,546	24,397	10,348	4,949	5,399	7,005	3,692	3,313
Dec. 31.....	61,098	26,616	34,483	43,521	18,021	25,500	10,372	4,903	5,470	7,205	3,692	3,513
1942—June 30 ⁵	63,976	25,078	38,897	46,800	16,928	29,872	10,353	4,819	5,534	6,822	3,331	3,492
Dec. 31 ^p	78,138	23,863	54,275	59,263	16,088	43,175	10,740	4,695	6,045	8,135	3,080	5,055

^p Preliminary.

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

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

³ One bank (with deposits, excluding interbank deposits, of \$90,000,000 and total loans and investments of \$96,000,000 on Dec. 30, 1939) which, prior to March 1940, was classified as a mutual savings bank, is now included in figures in the "Other nonmember banks" column.

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

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

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

Back figures.—See Annual Report for 1937 (tables 48-49).

WEEKLY REPORTING MEMBER BANKS—BY FEDERAL RESERVE DISTRICTS
LOANS AND INVESTMENTS
(In millions of dollars)

Federal Reserve district and date (1943)	Total loans and investments	Loans							Investments										
		Total	Commer- cial, indus- trial, and agri- cultural	Open mar- ket paper	Loans for purchasing or carrying securities		Real estate loans	Loans to banks	Other loans	Total	U. S. Government obligations					Other securi- ties			
					To brok- ers and deal- ers	To others					Total	Bills	Certi- ficates of in- debt- ed- ness	Notes	Bonds		Guar- an- teed		
<i>Boston (6 cities)</i>																			
Mar. 24.....	2,232	630	348	63	12	12	72	6	117	1,602	1,498	192	305	193	740	68	104		
Mar. 31.....	2,235	621	342	62	15	12	71	1	118	1,614	1,509	193	306	191	750	69	105		
Apr. 7.....	2,275	650	339	63	16	12	71	30	119	1,625	1,520	200	307	191	753	69	105		
Apr. 14.....	2,360	666	338	62	23	16	71	39	117	1,694	1,588	257	304	189	769	69	106		
Apr. 21.....	2,448	663	334	61	36	12	71	29	120	1,785	1,678	308	325	191	784	70	107		
<i>New York (8 cities)*</i>																			
Mar. 24.....	17,685	3,785	2,463	48	476	180	184	40	394	13,900	12,667	1,971	2,096	1,997	5,562	1,041	1,233		
Mar. 31.....	17,539	3,775	2,431	48	501	182	183	39	391	13,764	12,529	1,717	2,140	2,015	5,612	1,045	1,235		
Apr. 7.....	17,577	3,775	2,392	48	540	182	182	41	390	13,802	12,580	1,727	2,083	2,044	5,677	1,049	1,222		
Apr. 14.....	17,729	3,893	2,388	50	676	184	182	26	387	13,836	12,616	1,588	2,187	2,030	5,760	1,051	1,220		
Apr. 21.....	18,928	4,585	2,378	48	1,271	266	182	49	391	14,343	13,136	1,923	2,291	2,010	5,845	1,067	1,207		
<i>Philadelphia (4 cities)</i>																			
Mar. 24.....	1,871	445	231	15	27	11	44		117	1,426	1,198	204	177	118	630	69	228		
Mar. 31.....	1,861	441	229	14	28	11	43		116	1,420	1,194	199	175	119	632	69	226		
Apr. 7.....	1,864	442	229	14	28	11	44		116	1,422	1,198	199	176	120	634	69	224		
Apr. 14.....	1,893	445	228	13	29	11	43	5	116	1,448	1,223	214	180	123	634	72	225		
Apr. 21.....	1,971	453	228	13	38	11	44	3	116	1,518	1,293	280	184	121	635	73	225		
<i>Cleveland (10 cities)</i>																			
Mar. 24.....	3,198	729	370	13	13	13	174		146	2,469	2,201	226	320	291	1,232	132	268		
Mar. 31.....	3,225	739	369	13	14	13	174	9	147	2,486	2,218	244	303	300	1,240	131	268		
Apr. 7.....	3,250	738	366	12	15	13	174	9	149	2,512	2,243	254	309	300	1,244	136	269		
Apr. 14.....	3,262	738	365	12	15	14	174	9	149	2,524	2,254	266	311	289	1,251	137	270		
Apr. 21.....	3,340	753	363	12	25	14	173	10	156	2,587	2,315	310	316	297	1,254	138	272		
<i>Richmond (12 cities)</i>																			
Mar. 24.....	1,328	257	123	6	3	11	50	1	63	1,071	1,005	148	131	131	540	55	66		
Mar. 31.....	1,324	256	122	6	3	11	50	1	63	1,068	1,002	142	131	130	544	55	66		
Apr. 7.....	1,324	254	122	6	3	11	51		61	1,070	1,004	138	131	130	551	54	66		
Apr. 14.....	1,338	254	121	6	3	11	52		61	1,084	1,018	152	129	133	552	52	66		
Apr. 21.....	1,360	268	120	6	10	18	52		62	1,092	1,026	157	132	133	552	52	66		
<i>Atlanta (8 cities)</i>																			
Mar. 24.....	1,243	311	186	8	4	7	26		80	932	819	116	183	145	326	49	113		
Mar. 31.....	1,234	306	184	7	4	7	25		79	928	816	110	184	141	333	48	112		
Apr. 7.....	1,236	303	182	7	5	7	25		77	933	821	113	183	132	343	50	112		
Apr. 14.....	1,237	305	183	6	4	9	25		78	932	821	111	184	130	346	50	111		
Apr. 21.....	1,256	315	180	5	7	11	26		86	941	830	114	189	130	347	50	111		
<i>Chicago (12 cities)*</i>																			
Mar. 24.....	6,287	1,196	840	30	29	44	137		116	5,091	4,519	722	913	572	2,077	235	572		
Mar. 31.....	5,876	1,200	843	30	29	45	136		117	4,676	4,100	343	871	572	2,079	235	576		
Apr. 7.....	6,005	1,179	823	30	35	43	136		112	4,826	4,249	423	939	573	2,079	235	577		
Apr. 14.....	6,297	1,180	818	28	43	45	136		110	5,117	4,540	683	961	571	2,084	241	577		
Apr. 21.....	6,491	1,253	838	27	72	62	136	8	110	5,238	4,658	727	1,004	585	2,094	248	580		
<i>St. Louis (5 cities)</i>																			
Mar. 24.....	1,346	357	212	8	4	9	66		58	989	869	139	177	110	401	42	120		
Mar. 31.....	1,309	352	207	8	4	9	66		58	957	837	106	177	114	398	42	120		
Apr. 7.....	1,331	350	205	8	4	9	66		58	981	862	132	177	115	396	42	119		
Apr. 14.....	1,353	350	204	8	4	9	66	1	58	1,003	883	151	176	113	401	42	120		
Apr. 21.....	1,371	353	204	8	4	9	66	2	60	1,018	898	160	178	114	403	43	120		
<i>Minneapolis (8 cities)</i>																			
Mar. 24.....	766	194	115	1	1	4	15	3	55	572	532	104	103	58	247	20	40		
Mar. 31.....	763	192	112	1	1	4	15	4	55	571	530	101	103	59	247	20	41		
Apr. 7.....	755	188	111	1	1	4	14	3	54	567	526	99	101	59	247	20	41		
Apr. 14.....	730	190	112	1	3	4	15	2	53	560	524	96	101	58	249	20	36		
Apr. 21.....	782	193	112	1	3	5	14	4	54	589	540	111	101	59	249	20	49		
<i>Kansas City (12 cities)</i>																			
Mar. 24.....	1,360	351	229	15	2	8	33		64	1,009	883	178	148	163	338	56	126		
Mar. 31.....	1,359	347	226	15	2	8	33		63	1,012	885	175	148	165	341	56	127		
Apr. 7.....	1,363	341	222	14	2	8	33		62	1,022	895	181	148	166	344	56	127		
Apr. 14.....	1,371	339	220	14	2	8	33		62	1,032	905	184	153	166	346	56	127		
Apr. 21.....	1,385	340	219	14	3	8	33		63	1,045	917	176	172	163	349	57	128		
<i>Dallas (9 cities)</i>																			
Mar. 24.....	1,046	286	208	1	2	14	19		42	760	702	111	127	106	310	48	58		
Mar. 31.....	1,047	286	208	1	2	14	19		42	761	702	109	128	106	310	49	59		
Apr. 7.....	1,046	284	205	1	1	15	19		43	762	703	109	129	106	310	49	59		
Apr. 14.....	1,047	285	206	1	2	15	19		42	762	704	107	131	106	311	49	58		
Apr. 21.....	1,061	289	206	1	2	17	19		44	772	713	107	133	106	318	49	59		
<i>San Francisco (7 cities)</i>																			
Mar. 24.....	3,642	952	429	13	15	29	349		117	2,690	2,396	341	327	285	1,323	120	294		
Mar. 31.....	3,619	941	422	12	14	28	347		118	2,678	2,384	316	327	285	1,335	121	294		
Apr. 7.....	3,620	931	414	11	15	28	345		118	2,689	2,397	336	324	284	1,335	118	292		
Apr. 14.....	3,613	919	411	11	10	28	344		115										

WEEKLY REPORTING MEMBER BANKS—BY FEDERAL RESERVE DISTRICTS
RESERVES AND LIABILITIES
(In millions of dollars)

Federal Reserve district and date (1943)	Reserves with Federal Reserve Banks	Cash in vault	Balances with domestic banks	Demand deposits adjusted ¹	Demand deposits, except interbank				Time deposits, except interbank			Interbank deposits			Borrowings	Capital accounts	Bank debits ²
					Individuals, partnerships, and corporations	States and political subdivisions	Certified and officers' checks etc.	U. S. Government	Individuals, partnerships, and corporations	States and political subdivisions	U. S. Government and postal savings	Domestic banks		Foreign banks			
												Demand	Time				
<i>Boston (6 cities)</i>																	
Mar. 24	497	62	133	1,960	1,931	105	29	136	240	2	342	28	3	258	664		
Mar. 31	469	60	122	1,946	1,924	113	30	107	241	2	350	29	1	257	643		
Apr. 7	477	59	120	2,009	1,979	110	30	65	242	2	374	27	1	258	649		
Apr. 14	544	59	164	2,028	2,072	108	35	196	242	1	417	27	2	258	945		
Apr. 21	445	59	150	1,843	1,848	92	38	445	243	2	328	28	2	258	1,016		
<i>New York (8 cities)*</i>																	
Mar. 24	3,874	109	142	13,640	13,747	395	328	1,558	1,059	21	7	3,153	75	665	23	1,707	5,217
Mar. 31	3,861	105	175	14,002	14,284	427	317	1,228	1,063	22	7	2,967	5	667	50	1,708	5,307
Apr. 7	3,803	108	124	14,205	14,280	403	416	734	1,071	22	7	3,173	5	646	78	1,710	5,365
Apr. 14	3,589	115	122	14,147	14,495	395	417	654	1,061	22	7	3,294	5	647	56	1,710	5,882
Apr. 21	3,235	109	121	12,465	12,646	368	431	3,311	1,042	23	7	3,111	5	645	104	1,710	8,293
<i>Philadelphia (4 cities)</i>																	
Mar. 24	437	28	102	1,602	1,568	120	14	107	164	2	387	1	6	220	519		
Mar. 31	415	26	109	1,607	1,586	127	17	85	164	2	378	7	6	221	534		
Apr. 7	443	26	122	1,679	1,617	146	13	51	164	2	385	6	6	221	562		
Apr. 14	458	27	111	1,646	1,623	155	34	98	161	2	407	1	6	221	567		
Apr. 21	446	29	129	1,583	1,538	160	12	290	161	2	364	1	6	221	670		
<i>Cleveland (10 cities)</i>																	
Mar. 24	839	69	319	2,663	2,671	119	36	98	737	21	533	16	2	414	774		
Mar. 31	826	65	306	2,675	2,693	121	37	77	738	21	538	15	2	415	793		
Apr. 7	826	63	295	2,708	2,703	125	32	47	746	28	534	15	2	416	714		
Apr. 14	830	66	309	2,640	2,709	120	42	114	746	30	563	14	2	416	887		
Apr. 21	827	66	316	2,536	2,575	105	48	304	746	49	539	14	2	416	1,059		
<i>Richmond (12 cities)</i>																	
Mar. 24	299	35	185	1,013	983	93	19	63	209	2	429	5	1	107	357		
Mar. 31	284	33	173	1,007	973	100	17	51	210	2	407	5	1	107	345		
Apr. 7	302	33	178	1,027	986	103	15	34	211	2	429	5	1	107	310		
Apr. 14	323	35	194	1,054	1,029	104	23	53	211	2	430	5	1	107	359		
Apr. 21	292	35	176	970	938	102	17	156	210	2	397	7	1	108	444		
<i>Atlanta (8 cities)</i>																	
Mar. 24	292	24	196	886	843	119	10	74	206	2	501	2	4	104	334		
Mar. 31	285	21	170	872	836	121	10	58	207	2	489	2	3	104	334		
Apr. 7	296	23	177	893	852	117	9	39	208	2	505	2	4	104	319		
Apr. 14	303	24	192	901	878	120	11	38	208	2	521	2	3	104	322		
Apr. 21	292	24	201	869	832	122	10	100	209	2	508	1	3	104	391		
<i>Chicago (12 cities)*</i>																	
Mar. 24	1,424	90	391	4,715	4,572	392	66	420	1,027	3	8	1,584	6	13	457	1,868	
Mar. 31	1,301	88	340	4,070	3,922	409	73	334	1,028	3	8	1,676	6	14	459	2,385	
Apr. 7	1,579	81	393	4,751	4,670	400	62	213	1,032	3	8	1,618	6	12	460	1,723	
Apr. 14	1,361	94	457	4,847	4,810	371	66	272	1,035	3	8	1,610	6	13	460	2,110	
Apr. 21	1,351	91	461	4,581	4,498	361	51	750	1,036	3	8	1,573	6	15	460	2,376	
<i>St. Louis (5 cities)</i>																	
Mar. 24	293	18	132	904	927	67	9	57	196	1	541	1	1	104	327		
Mar. 31	294	18	161	894	910	66	10	68	196	1	533	1	1	104	340		
Apr. 7	285	17	152	901	924	62	9	45	197	1	549	1	1	105	302		
Apr. 14	288	19	128	894	934	61	14	45	197	1	555	1	1	104	336		
Apr. 21	269	19	131	830	852	60	13	127	197	1	544	1	1	105	438		
<i>Minneapolis (8 cities)</i>																	
Mar. 24	164	10	83	550	512	80	8	41	113	1	253	3	1	69	187		
Mar. 31	164	9	91	557	524	79	7	37	113	1	255	3	1	68	189		
Apr. 7	170	9	96	563	525	80	8	24	114	1	263	3	1	69	196		
Apr. 14	173	10	97	574	536	74	22	18	113	1	260	3	1	69	262		
Apr. 21	147	10	101	507	479	72	7	104	113	1	250	2	2	69	274		
<i>Kansas City (12 cities)</i>																	
Mar. 24	353	20	309	991	981	124	16	65	147	1	730	5	1	118	395		
Mar. 31	357	19	301	1,017	986	125	19	56	148	1	706	5	1	118	376		
Apr. 7	362	18	304	1,010	991	123	17	40	149	1	739	5	1	118	393		
Apr. 14	376	20	313	1,022	1,018	119	18	47	149	1	753	5	1	118	403		
Apr. 21	336	19	321	956	961	121	16	110	149	1	736	5	1	118	482		
<i>Dallas (9 cities)</i>																	
Mar. 24	293	20	290	934	920	75	15	65	130	7	440	2	2	95	291		
Mar. 31	283	18	257	926	900	80	17	51	130	7	418	2	2	95	272		
Apr. 7	297	18	261	940	915	80	14	35	131	7	437	2	2	95	250		
Apr. 14	300	19	287	946	950	74	17	40	131	7	456	2	2	96	300		
Apr. 21	282	18	291	913	906	73	17	78	131	7	451	2	1	96	340		
<i>San Francisco (7 cities)</i>																	
Mar. 24	707	38	279	2,270	2,299	142	47	133	1,124	28	449	15	22	404	838		
Mar. 31	685	38	283	2,275	2,277	145	60	114	1,123	28	422	15	23	403	832		
Apr. 7	704	35	260	2,269	2,283	150	45	81	1,131	28	433	15	24	403	770		
Apr. 14	740	38	244	2,297	2,373	149	50	64	1,130	28	442	14	23	404	841		
Apr. 21	720	37	260	2,260	2,297	146	55	220	1,130	27	447	14	24	404	980		
<i>City of Chicago*</i>																	
Mar. 24	872	35	122	2,812	2,798	170	24	298	463	2	1,143	11	11	298	1,105		
Mar. 31	768	35	65	2,181	2,138	179	45	234	463	2	1,245	11	51	300	1,766		
Apr. 7	1,042	29	146	2,891	2,892	174	38	139	462	2	1,173	11	11	300	1,023		
Apr. 14	842	41	189	2,971	3,013	175	28	159	463	2	1,168	11	11	300	1,225		
Apr. 21	843	40	190	2,806	2,809	160	25	507	463	2	1,149	13	13	300	1,543		

* Revised.

* See note on preceding page.

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

² Debits to demand deposit accounts except interbank and U. S. Government accounts.

COMMERCIAL PAPER AND BANKERS' ACCEPTANCES OUTSTANDING

[In millions of dollars]

End of month	Commer- cial paper out- standing ¹	Dollar acceptances outstanding									
		Total out- standing	Held by				Based on				
			Accepting banks			Others ²	Imports into United States	Exports from United States	Dollar exchange	Goods stored in or shipped between points in	
			Total	Own bills	Bills bought					United States	Foreign countries
1941—December.....	375	194	146	92	54	49	116	15	4	48	11
1942—January.....	381	197	154	103	52	43	116	17	3	51	11
February.....	388	190	144	92	53	46	112	18	2	44	13
March.....	384	183	146	89	57	37	103	17	2	45	16
April.....	373	177	139	86	53	38	97	17	1	48	14
May.....	354	174	133	82	51	41	101	16	1	43	13
June.....	315	163	122	78	44	41	94	13	(³)	52	4
July.....	305	156	119	77	42	38	92	8	(³)	45	11
August.....	297	139	108	71	37	31	78	8	(³)	41	11
September.....	282	123	97	64	33	26	66	6	(³)	41	10
October.....	271	119	94	63	31	25	60	6	(³)	40	12
November.....	261	116	90	61	29	26	57	6	(³)	39	12
December.....	230	118	93	60	34	25	57	9	(³)	38	14
1943—January.....	220	120	95	60	35	24	57	12	(³)	38	12
February.....	209	127	102	64	38	25	60	14	(³)	41	12
March.....	201	130	101	62	39	29	69	12	(³)	39	10

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

² None held by Federal Reserve Banks.

³ Less than \$500,000.

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

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

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

End of month	Debit balances				Credit balances					
	Customers' debit balances (net) ¹	Debit balances in partners' investment and trading accounts	Debit balances in firm investment and trading accounts	Cash on hand and in banks	Money borrowed ²	Customers' credit balances ¹		Other credit balances		
						Free	Other (net)	In partners' investment and trading accounts	In firm investment and trading accounts	In capital accounts (net)
1936—June.....	1,267	67	164	219	985	276	86	24	14	420
December.....	1,395	64	164	249	1,048	342	103	30	12	424
1937—June.....	1,489	55	161	214	1,217	266	92	25	13	397
December.....	985	34	108	232	688	278	85	26	10	355
1938—June.....	774	27	88	215	495	258	89	22	11	298
December.....	991	32	106	190	754	247	60	22	5	305
1939—June.....	834	25	73	178	570	230	70	21	6	280
December.....	906	16	78	207	637	266	69	23	7	277
1940—June.....	653	12	58	223	376	267	62	22	5	269
December.....	677	12	99	204	427	281	54	22	5	247
1941—June.....	616	11	89	186	395	255	65	17	7	222
December.....	600	8	86	211	368	289	63	17	5	213
1942—March.....	531	8	70	195	306	249	67	16	4	201
April.....	515	8	68	195	300	247	61	16	5	196
May.....	502	8	79	177	300	238	59	16	3	194
June.....	496	9	86	180	309	240	56	16	4	189
July.....	491	7	95	172	307	238	57	16	4	185
August.....	⁶ 490				⁶ 300	⁶ 240				
September.....	⁶ 500				⁶ 310	⁶ 240				
October.....	⁶ 510				⁶ 310	⁶ 250				
November.....	⁶ 520				⁶ 320	⁶ 250				
December.....	543	7	154	160	378	270	54	15	4	182
1943—January.....	⁶ 540				⁶ 290	⁶ 280				
February.....	⁶ 550				⁶ 320	⁶ 310				
March.....	⁶ 610				⁶ 350	⁶ 340				

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

¹ Excluding balances with reporting firms (1) of member firms of New York Stock Exchange and other national securities exchanges and (2) of firms' own partners.

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

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

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

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

Year, month, or week	Prime commercial paper, 4- to 6-months ¹	Prime bankers' acceptances, 90 days ¹	Stock exchange call loan renewals ²	Yields on U. S. Government securities		
				3-month bills ³	9- to 12-month certificates of indebtedness	3- to 5-year taxable notes
1940 average.....	.56	.44	1.00	.014		
1941 average.....	.54	.44	1.00	.103		.76
1942 average.....	.66	.44	1.00	.326		1.13
1942—March.....	.63	.44	1.00	.212		.93
April.....	.63	.44	1.00	.299		.98
May.....	.63	.44	1.00	.364		1.03
June.....	.69	.44	1.00	.363		1.15
July.....	.69	.44	1.00	.368		1.20
August.....	.69	.44	1.00	.370	4.80	1.25
September.....	.69	.44	1.00	.370	.76	1.27
October.....	.69	.44	1.00	.372	.75	1.28
November.....	.69	.44	1.00	.371	.80	1.28
December.....	.69	.44	1.00	.363	.80	1.34
1943—January.....	.69	.44	1.00	.367	.76	1.29
February.....	.69	.44	1.00	.372	.73	1.24
March.....	.69	.44	1.00	.373	5.75	61.33
Week ending:						
Mar. 27.....	$\frac{5}{8}-\frac{3}{4}$	$\frac{7}{16}$	1.00	.374	.74	1.39
Apr. 3.....	$\frac{5}{8}-\frac{3}{4}$	$\frac{7}{16}$	1.00	.374	.75	1.39
Apr. 10.....	$\frac{5}{8}-\frac{3}{4}$	$\frac{7}{16}$	1.00	.373	.79	1.40
Apr. 17.....	$\frac{5}{8}-\frac{3}{4}$	$\frac{7}{16}$	1.00	.371	.79	1.39
Apr. 24.....	$\frac{5}{8}-\frac{3}{4}$	$\frac{7}{16}$	1.00	.372	.77	1.38

¹ Monthly figures are averages of weekly prevailing rates.
² The average rate on 90-day stock exchange time loans was 1.25 per cent during the entire period.
³ Rate on new issues offered within period. Tax-exempt bills prior to March 1941; taxable bills thereafter.
⁴ Average for Aug. 15 to 31.
⁵ Number of issues included decreased from 2 to 1 on Mar. 1.
⁶ Number of issues included decreased from 2 to 1 on Mar. 15.
Back figures.—See Annual Report for 1937 (tables 43 and 44). Figures on Treasury bills and Treasury notes available on request.

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

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

¹ Prior to March 1939 figures were reported monthly on a basis not strictly comparable with the current quarterly series.
Back figures.—See November 1939 BULLETIN, pp. 963-969 for description and for back figures.

BOND YIELDS ¹
[Per cent per annum]

Year, month, or week	U. S. Government ²		Municipal (high grade) ³	Corporate (high-grade) ⁴	Total	Corporate (Moody's) ⁵						
	Partially tax-exempt	Taxable				By ratings				By groups		
	2-6	2	15	5	120	Aaa	Aa	A	Baa	Industrial	Railroad	Public utility
Number of issues.....	2-6	2	15	5	120	30	30	30	30	40	40	40
1940 average.....	2.21		2.50	2.77	3.55	2.84	3.02	3.57	4.75	3.10	4.30	3.25
1941 average.....	1.95		2.10	2.67	3.34	2.77	2.94	3.30	4.33	2.95	3.95	3.11
1942 average.....	2.02	2.35	2.36	2.75	3.34	2.83	2.98	3.28	4.28	2.96	3.96	3.11
1942—March.....	2.00	2.35	2.58	2.80	3.37	2.86	3.00	3.32	4.30	3.00	3.94	3.17
April.....	1.98	2.34	2.44	2.77	3.34	2.83	2.98	3.30	4.26	2.96	3.95	3.13
May.....	1.97	2.35	2.45	2.76	3.36	2.85	3.00	3.31	4.27	2.97	3.97	3.13
June.....	1.97	2.33	2.38	2.75	3.37	2.85	3.01	3.31	4.33	2.97	4.03	3.12
July.....	2.00	2.34	2.32	2.74	3.35	2.83	2.99	3.28	4.30	2.94	4.02	3.09
August.....	2.02	2.34	2.28	2.73	3.34	2.81	2.99	3.27	4.28	2.94	3.98	3.09
September.....	2.03	2.34	2.25	2.73	3.33	2.80	2.98	3.26	4.26	2.95	3.95	3.08
October.....	2.05	2.33	2.22	2.72	3.31	2.80	2.95	3.24	4.24	2.94	3.92	3.07
November.....	2.06	2.34	2.20	2.71	3.31	2.79	2.94	3.24	4.25	2.93	3.93	3.06
December.....	2.09	2.36	2.26	2.72	3.32	2.81	2.96	3.23	4.28	2.94	3.96	3.07
1943—January.....	2.06	2.32	2.27	2.70	3.27	2.79	2.93	3.20	4.16	2.90	3.86	3.05
February.....	2.06	2.32	2.22	2.68	3.23	2.77	2.89	3.17	4.08	2.88	3.78	3.02
March.....	⁶ 2.08	2.33	2.21	2.70	3.20	2.76	2.88	3.14	4.01	2.87	3.73	3.00
Week ending:												
Mar. 27.....	2.09	2.33	2.21	2.69	3.20	2.76	2.88	3.14	4.01	2.87	3.72	3.00
Apr. 3.....	2.07	2.32	2.21	2.70	3.19	2.76	2.88	3.14	3.97	2.87	3.70	3.00
Apr. 10.....	2.05	2.32	2.21	2.69	3.18	2.76	2.88	3.14	3.95	2.86	3.68	3.00
Apr. 17.....	2.02	2.32	2.21	2.69	3.19	2.76	2.89	3.14	3.98	2.87	3.70	3.01
Apr. 24.....	1.99	2.31	2.19	2.68	3.19	2.76	2.88	3.14	3.97	2.86	3.69	3.01

¹ Monthly and weekly data are averages of daily figures, except for municipal bonds, which are based on Wednesday figures.
² Average of yields on all outstanding issues due or callable in more than 12 years.
³ Standard and Poor's Corporation.
⁴ U. S. Treasury Department.
⁵ Moody's Investors Service, week ending Friday. Because of limited number of suitable issues, the industrial Aaa and Aa groups have been reduced from 10 to 4 and 10 to 5 issues, respectively, and the railroad Aaa and Aa groups from 10 to 5 and 10 to 9 issues, respectively.
⁶ Number of issues included decreased from 4 to 3 on Mar. 15.
Back figures.—See Annual Report for 1937 (table 80) and for high-grade corporate bonds, *Bulletin of the Treasury Department* for July 1941, pp. 21-24. Figures for U. S. Government bonds available on request.

SECURITY MARKETS¹

Year, month, or week	Bond prices								Stock prices ⁵				Volume of trading ⁷ (in thousands of shares)	
	U. S. Government ²	Municipal (high grade) ³	Corporate ⁴					De-faulted	Pre-ferred ⁶	Common (index, 1935-39 = 100)				
			High-grade	Medium and lower-grade										
				Total	Industrial	Rail-road	Public utility			Total	Industrial	Rail-road		Public utility
Number of issues.....	2-6	15	15	50	10	20	20	15	15	402	354	20	28	
1940 average.....	107.2	123.6	115.9	94.8	97.3	83.8	103.5	14.0	169.2	88	88	71	96	767
1941 average.....	111.0	130.9	117.8	98.9	103.9	86.9	106.1	21.9	171.9	80	80	71	81	629
1942 average.....	109.9	126.2	118.3	100.1	109.1	86.6	104.8	27.2	162.4	69	71	66	61	466
1942—March.....	110.2	122.2	116.7	98.8	106.1	88.6	101.8	27.6	159.8	66	67	65	61	363
April.....	119.5	124.5	117.8	99.3	107.1	88.4	102.3	26.7	154.8	63	65	61	57	336
May.....	110.7	124.5	117.7	98.9	107.4	87.1	102.2	26.4	156.3	63	65	60	57	323
June.....	110.7	125.7	118.0	98.1	107.7	83.0	103.5	24.0	159.2	66	68	59	59	316
July.....	110.2	126.7	118.9	98.9	108.4	83.9	104.5	25.5	162.0	68	71	63	58	346
August.....	109.9	127.6	118.7	99.3	108.7	85.2	104.1	27.1	164.0	68	71	65	59	321
September.....	109.8	128.1	119.0	100.7	109.8	86.4	105.8	29.4	164.0	69	72	67	60	418
October.....	109.5	128.6	119.3	102.1	111.2	88.0	107.1	30.3	165.5	74	77	73	64	693
November.....	109.4	129.0	119.5	103.2	113.8	87.6	108.3	29.6	165.4	75	77	73	66	686
December.....	108.9	127.8	118.9	103.6	115.3	86.5	109.1	29.9	166.9	76	79	69	65	818
1943—January.....	109.4	127.7	119.5	105.4	115.7	89.9	110.5	31.7	168.0	80	82	74	69	820
February.....	109.4	128.6	120.0	106.4	115.9	92.0	111.4	33.5	170.8	85	88	78	73	1,247
March.....	109.1	128.7	119.8	108.0	116.7	95.3	112.1	39.9	171.5	88	91	86	76	1,504
Week ending:														
Mar. 27.....	108.9	128.8	119.7	108.4	117.0	96.1	112.2	42.8	171.6	88	91	85	76	1,531
Apr. 3.....	109.2	128.8	119.7	109.1	117.3	97.2	112.7	44.3	171.2	92	95	91	78	1,799
Apr. 10.....	109.5	128.8	119.8	109.3	116.9	97.9	113.2	44.5	170.7	93	96	95	79	2,333
Apr. 17.....	109.9	128.8	119.9	109.0	116.0	97.4	113.5	42.6	171.6	90	92	90	78	1,206
Apr. 24.....	110.4	129.2	120.0	109.1	115.7	97.9	113.6	44.9	171.6	91	94	93	80	1,062

^r Revised.

¹ Monthly and weekly data are averages of daily figures, except for municipal bonds and for stocks, which are based on Wednesday figures.

² Prices derived from average of yields on all outstanding partially tax-exempt U. S. Government bonds due or callable in more than 12 years on basis of a 2½ per cent, 16-year bond. Prices expressed in decimals.

³ Prices derived from average yields, as computed by Standard and Poor's Corporation, on basis of a 4 per cent 20-year bond.

⁴ Prices derived from averages of median yields, as computed by Standard and Poor's Corporation.

⁵ Standard and Poor's Corporation.

⁶ Prices derived from averages of median yields on noncallable high-grade stocks on basis of a \$7 annual dividend.

⁷ Average daily volume of trading in stocks on the New York Stock Exchange.

⁸ Number of issues included decreased from 4 to 3 on Mar. 15.

Back figures.—For United States Government bonds, see November 1940 BULLETIN; for municipal bonds, see Annual Report for 1937 (table 79).

NEW SECURITY ISSUES

[In millions of dollars]

Year or month	For new capital									For refunding							
	Total (new and re-fund-ing)	Total (dom-estic and fore-ign)	Domestic						For-ign ²	Total (dom-estic and fore-ign)	Domestic						For-ign ²
			Total	State and mu-ni-cipal	Fedral agen-cies ¹	Corporate					Total	State and mu-ni-cipal	Fedral agen-cies ¹	Corporate			
						Total	Bonds and notes	Stocks						Total	Bonds and notes	Stocks	
1935.....	1,063	720	708	483	64	161	40	120	12	343	283	37	26	219	187	32	60
1934.....	2,160	1,386	1,386	803	405	178	144	35		774	765	136	317	312	312		9
1935.....	4,699	1,457	1,409	855	150	404	334	69	48	3,242	3,216	365	987	1,864	1,782	81	26
1936.....	6,214	1,972	1,949	735	22	1,192	839	352	23	4,242	4,123	382	353	3,387	3,187	200	119
1937.....	3,937	2,138	2,094	712	157	1,225	817	408	44	1,799	1,680	191	281	1,209	856	352	119
1938.....	4,449	2,360	2,325	971	481	873	807	67	35	2,089	2,061	129	663	1,267	1,236	31	28
1939.....	5,842	2,289	2,239	931	924	383	287	97	50	3,553	3,465	195	1,537	1,735	1,596	137	88
1940.....	4,803	1,951	1,948	751	461	736	601	135	2	2,852	2,852	482	344	2,026	1,834	193	
1941.....	5,546	2,854	2,852	518	1,272	1,062	889	173	1	2,693	2,689	435	698	1,557	1,430	126	4
1942.....	2,109	1,069	1,069	342	108	618	500	118		1,040	1,040	181	440	418	410	8	
1942—March.....	197	110	110	22	9	79	62	18		88	88	27	21	39	39		
April.....	266	159	159	52	10	97	91	6		107	107	8	81	19	19		
May.....	182	130	130	23	3	104	94	10		52	52	8	39	6	6		
June.....	201	97	97	18	2	77	69	8		105	105	15	28	62	55	7	
July.....	142	41	41	11	3	28	27			102	102	37	32	33	33		
August.....	162	103	103	45		59	57	2		59	59	3	50	6	6		
September.....	100	45	45	17		28	18	10		55	55	7	18	30	30		
October.....	115	28	28	26		2		2		87	87	12	31	44	44		
November.....	98	29	29	7	17	5	5			69	69	10	46	14	13		
December.....	145	37	37	9	17	11	9	2		108	108	9	34	65	65		
1943—January.....	176	7	7	4		3	3			170	80	45	27	8	8		90
February.....	102	58	58	47		11	11			44	44	11	32	2	2		
March.....	200	90	87	33		55	47	7	2	110	110	17	55	38	32	7	

¹ Includes publicly-offered issues of Federal credit agencies, but excludes direct obligations of U. S. Treasury.

² Includes issues of noncontiguous U. S. Territories and Possessions.

Source.—For domestic issues, *Commercial and Financial Chronicle*; for foreign issues, U. S. Department of Commerce. Monthly figures subject to revision.

Back figures.—See Annual Report for 1937 (table 78).

NEW CORPORATE SECURITY ISSUES¹
PROPOSED USES OF PROCEEDS, ALL ISSUERS
 [In millions of dollars]

Year or month	Estimated gross proceeds ²	Estimated net proceeds ³	Proposed uses of net proceeds							
			New money			Retirement of securities			Repayment of other debt	Other purposes
			Total	Plant and equipment	Working capital	Total	Bonds and notes	Preferred stock		
1934.....	397	384	57	32	26	231	231	84	11	
1935.....	2,332	2,266	208	111	96	1,865	1,794	170	23	
1936.....	4,572	4,431	858	380	478	3,368	3,143	154	49	
1937.....	2,310	2,239	991	574	417	1,100	911	111	36	
1938.....	2,155	2,110	681	504	177	1,206	1,119	215	7	
1939.....	2,164	2,115	325	170	155	1,695	1,637	69	26	
1940.....	2,677	2,615	569	424	145	1,854	1,726	174	19	
1941.....	2,667	2,623	868	661	207	1,583	1,483	144	28	
1942.....	1,008	987	441	268	173	380	352	133	35	
1941—April.....	184	181	42	26	17	132	110	2	5	
May.....	269	262	67	54	13	189	188	6	6	
June.....	250	246	87	75	12	142	131	16	1	
July.....	122	119	51	35	16	56	54	12	1	
August.....	417	413	185	167	17	210	194	14	5	
September.....	182	180	27	17	10	150	148	3	3	
October.....	204	201	91	64	27	92	91	14	5	
November.....	155	152	92	61	31	37	37	22	1	
December.....	144	142	57	36	21	62	52	17	6	
1942—January.....	164	161	71	38	33	80	80	9	2	
February.....	78	76	40	34	5	23	12	11	11	
March.....	102	100	39	35	4	46	41	15	1	
April.....	121	118	70	15	55	12	12	36	1	
May.....	126	124	59	27	33	11	11	53	2	
June.....	142	139	72	57	15	60	55	5	8	
July.....	53	52	14	11	3	29	29	8	5	
August.....	89	88	39	33	6	34	34	3	12	
September.....	62	60	23	8	15	28	26	2	8	
October.....	18	17	2	2	1	15	15	1	1	
November.....	27	27	2	2	2	24	24	1	1	
December.....	26	26	8	7	1	17	13	4	1	
1943—January.....	9	8	1	1	1	6	6	2	1	
February.....	49	49	12	10	2	34	34	3	1	
March.....	98	96	39	6	32	48	42	7	8	

PROPOSED USES OF PROCEEDS, BY MAJOR GROUPS OF ISSUERS
 [In millions of dollars]

Year or month	Railroad				Public utility				Industrial				Other			
	Total net proceeds	New money	Retirement of securities	All other purposes ⁴	Total net proceeds	New money	Retirement of securities	All other purposes ⁴	Total net proceeds	New money	Retirement of securities	All other purposes ⁴	Total net proceeds	New money	Retirement of securities	All other purposes ⁴
1934.....	172	21	120	31	130	11	77	42	62	25	34	2	20	46	72	19
1935.....	120	57	54	10	1,250	30	1,190	30	774	74	550	150	122	218	152	4
1936.....	774	139	558	77	1,987	63	1,897	27	1,280	439	761	80	390	218	152	20
1937.....	338	228	110	1	751	89	611	50	1,079	616	373	90	71	57	7	7
1938.....	54	24	30	.....	1,208	180	943	86	831	469	226	136	16	8	7	1
1939.....	182	85	97	.....	1,246	43	1,157	47	584	188	353	43	102	9	88	5
1940.....	319	115	186	18	1,180	245	922	13	961	167	738	56	155	42	9	104
1941.....	361	253	108	.....	1,340	317	993	30	828	244	463	121	94	55	18	21
1942.....	47	32	15	.....	441	135	279	27	497	272	85	140	2	2	.....	.....
1941—April.....	2	.....	2	.....	82	18	64	1	88	16	66	7	8	8	.....	.....
May.....	45	45	.....	.....	141	6	134	1	76	16	54	6	.....	.....	.....	.....
June.....	58	51	7	.....	113	12	97	4	75	24	38	13	.....	.....	.....	.....
July.....	23	23	.....	.....	39	13	26	.....	48	9	29	10	10	6	1	2
August.....	24	24	.....	.....	307	138	169	.....	76	22	40	14	6	1	.....	5
September.....	42	7	35	.....	114	6	106	2	23	13	9	1	1	1	.....	.....
October.....	25	21	4	.....	79	11	63	5	75	49	13	14	22	10	12	.....
November.....	1	1	.....	.....	59	46	11	1	85	41	24	21	6	4	2	.....
December.....	28	28	.....	.....	62	3	46	12	46	25	15	6	6	.....	.....	5
1942—January.....	10	10	.....	.....	107	18	80	9	43	43	.....	.....	1	1	.....	.....
February.....	4	4	.....	.....	34	25	10	.....	38	11	14	13	.....	.....	.....	.....
March.....	6	6	.....	.....	48	8	40	.....	46	25	6	15	.....	.....	.....	.....
April.....	.....	.....	.....	.....	11	11	.....	.....	107	59	12	36	.....	.....	.....	.....
May.....	.....	.....	.....	.....	21	10	5	6	102	49	6	48	.....	.....	.....	.....
June.....	9	3	6	.....	69	17	49	3	61	51	6	4	1	1	.....	.....
July.....	2	2	.....	.....	3	2	1	.....	46	9	29	8	.....	.....	.....	.....
August.....	2	2	.....	.....	68	34	34	.....	18	4	.....	15	.....	.....	.....	.....
September.....	1	1	.....	.....	44	7	28	9	15	14	.....	1	.....	.....	.....	.....
October.....	9	.....	9	.....	3	.....	2	.....	5	2	3	.....	.....	.....	.....	.....
November.....	.....	.....	.....	.....	15	.....	14	.....	12	2	10	.....	.....	.....	.....	.....
December.....	4	4	.....	.....	19	3	17	.....	3	2	1	.....	.....	.....	.....	.....
1943—January.....	.....	.....	.....	.....	.....	.....	.....	.....	8	1	6	2	.....	.....	.....	.....
February.....	8	8	.....	.....	39	2	34	3	2	2	.....	.....	.....	.....	.....	.....
March.....	15	5	10	.....	22	1	20	1	59	33	18	8	.....	.....	.....	.....

^c Corrected.

¹ Estimates of new issues sold for cash in the United States. Current figures subject to revision.

² Gross proceeds are derived by multiplying principal amounts or number of units by offering price.

³ Estimated net proceeds are equal to estimated gross proceeds less cost of flotation, i.e., compensation to underwriters, agents, etc., and expenses.

⁴ Includes repayment of other debt and other purposes.

Source.—Data published by Securities and Exchange Commission. For a description of data, see pp. 217-19 of the March 1942 BULLETIN.

QUARTERLY EARNINGS AND DIVIDENDS OF LARGE CORPORATIONS
INDUSTRIAL CORPORATIONS
(In millions of dollars)

Year or quarter	Net profits, ¹ by industrial groups												Profits and dividends		
	Total	Iron and steel	Machinery	Automobiles	Other transportation equipment	Non-ferrous metals and products	Other durable goods	Foods, beverages, and tobacco	Oil prod. and refining	Industrial chemicals	Other non-durable goods	Miscellaneous services	Net profits ¹	Dividends	
														Preferred	Common
Number of companies . . .	629	47	69	15	68	77	75	49	45	30	80	74	152	152	152
1939	1,465	146	115	223	102	119	70	151	98	186	134	122	847	90	564
1940	1,818	278	158	242	173	133	88	148	112	194	160	132	1,028	90	669
1941	2,169	325	193	274	227	153	113	159	174	207	187	159	1,144	92	705
1942	1,806	224	160	208	203	138	91	149	150	161	140	177	885	88	554
Quarterly															
1939—1	284	13	20	64	23	25	8	31	14	36	28	24	173	21	114
2	311	14	25	61	21	22	16	36	21	40	29	27	185	22	119
3	320	35	26	12	20	30	23	44	26	45	32	29	167	21	125
4	550	85	44	86	39	42	23	41	37	66	45	42	321	26	207
1940—1	422	47	33	69	41	33	14	34	34	46	41	29	246	21	136
2	412	51	39	53	36	29	21	38	30	45	41	30	230	21	158
3	396	79	34	17	33	30	25	33	25	52	39	29	211	22	158
4	588	101	52	103	63	40	28	43	24	51	39	44	342	25	217
1941—1	510	86	44	79	53	39	23	36	29	49	44	29	286	22	150
2	549	84	48	73	56	36	28	43	42	53	48	36	297	23	165
3	560	81	46	60	56	38	30	44	56	52	49	46	284	23	170
4	550	72	55	61	62	40	32	37	46	52	46	48	276	24	221
1942—1	^r 419	52	38	46	^r 85	36	19	32	35	39	39	32	204	21	134
2	^r 364	52	35	25	^r 84	32	18	32	27	35	27	34	174	23	136
3	^r 458	51	36	46	^r 84	34	22	42	42	41	35	59	218	21	126
4	^r 564	70	51	91	85	36	31	43	47	49	39	53	289	23	158

PUBLIC UTILITY CORPORATIONS
(In millions of dollars)

Year or quarter	Railroad ²					Electric power				Telephone ³		
	Operating revenue	Income before income tax ⁴	Net income ¹		Dividends	Operating revenue	Income before income tax ⁴	Net income ¹	Dividends ⁵	Operating revenue	Net income ¹	Dividends
			All roads	Insolvent roads ⁶								
Number of companies . . .						28	28	28	28	32	32	32
1939	3,995	126	93	-102	126	692	159	137	116	1,067	191	175
1940	4,297	249	189	-73	159	735	177	142	118	1,129	194	178
1941	5,347	^r 674	^r 500	^r 23	186	799	202	133	115	1,235	178	172
1942	7,466	1,718	959	173	196	^r 847	228	120		1,365	^r 163	163
Quarterly												
1939—1	898	-38	-43	(7)	21	175	46	39	19	259	44	42
2	906	-43	-47	(7)	23	166	37	32	19	267	49	42
3	1,058	68	58	(7)	21	167	34	30	19	266	47	43
4	1,133	139	126	-4	61	184	43	36	22	274	51	48
1940—1	986	-3	-12	-29	25	187	48	41	19	274	49	44
2	1,010	15	3	-33	29	176	42	34	19	281	50	44
3	1,130	92	71	-14	29	177	41	31	19	281	45	44
4	1,171	145	127	3	78	194	47	37	20	294	50	46
1941—1	1,152	^r 96	69	^r -5	^r 28	201	59	43	18	295	43	44
2	1,272	^r 145	^r 103	^r 0	36	191	48	33	24	308	44	45
3	1,468	267	^r 189	^r 23	^r 34	196	46	25	18	311	45	44
4	1,454	^r 166	^r 138	^r 5	^r 87	211	50	34	19	321	46	40
1942—1	1,483	179	90	12	29	216	63	33	19	324	47	44
2	1,797	389	199	37	35	202	53	25	19	336	48	42
3	2,047	556	283	60	34	208	57	28	19	344	46	39
4	2,139	594	387	64	98	^r 221	56	35	19	360	^r 22	38

^r Revised.

¹ "Net profits" and "net income" refer to income after all charges and taxes, and before dividends.

² Class I line-haul railroads.

³ Series revised to reflect operations more accurately. The group now excludes American Telephone and Telegraph Company, the greater part of whose income consists of dividends received on stock-holdings in the 32 companies. Dividend payments shown here include amounts paid to parent companies, as well as to the public.

⁴ After all charges and taxes except Federal income and excess profits taxes.

⁵ Quarterly dividend data are not available for all companies in the group and, therefore, do not add to the yearly totals shown.

⁶ Includes roads in receivership or trusteeship at beginning of the year.

⁷ Not available.

⁸ Partly estimated.

⁹ Unlike other industrial groups in this table, net income of telephone companies in the first three quarters of 1942 included provision for Federal income and excess profits taxes at rates specified in the Revenue Act of 1941. Most of the increase in taxes for the year is therefore reflected in the fourth quarter figure.

Sources.—Interstate Commerce Commission for railroads; Federal Communications Commission for telephone companies; published reports for industrial and electric power companies. Figures for the current and preceding year subject to revision. For description of data and back figures, see pp. 214-217 of the March 1942 BULLETIN.

UNITED STATES GOVERNMENT DEBT—VOLUME AND KIND OF SECURITIES

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

End of month	Total gross direct debt	Total interest-bearing direct debt	Marketable public issues ¹					Nonmarketable public issues			Special issues	Non-interest-bearing debt	Fully guaranteed interest-bearing securities
			Total ²	Treasury bills	Certificates of indebtedness	Treasury notes	Treasury bonds	Total ²	U. S. savings bonds	Treasury tax notes			
1940—June.....	42,968	42,376	34,436	1,302	.....	6,383	26,555	3,166	2,905	.....	4,775	591	5,498
Dec.....	45,025	44,458	35,645	1,310	.....	6,178	27,960	3,444	3,195	.....	5,370	566	5,901
1941—June.....	48,961	48,387	37,713	1,603	.....	5,698	30,215	4,555	4,314	.....	6,120	574	6,360
Dec.....	57,938	57,451	41,562	2,002	.....	5,997	33,367	8,907	6,140	2,471	6,982	487	6,317
1942—Mar.....	62,419	61,940	43,329	1,652	.....	5,571	35,910	11,278	8,436	2,536	7,333	480	5,666
Apr.....	64,961	64,496	45,137	1,953	1,507	5,571	35,910	12,002	8,951	2,744	7,358	465	5,666
May.....	68,571	68,108	47,615	2,257	1,507	5,571	38,085	12,976	9,569	3,100	7,518	462	5,667
June.....	72,422	71,968	50,573	2,508	3,096	6,689	38,085	13,510	10,188	3,015	7,885	454	4,548
July.....	77,136	76,694	53,826	3,663	3,096	6,689	40,182	14,743	11,078	3,357	8,125	442	4,551
Aug.....	81,685	81,244	57,176	4,168	4,705	6,689	41,418	15,805	11,751	3,739	8,262	441	4,567
Sept.....	86,483	85,847	60,402	4,619	6,211	7,958	41,418	16,936	12,479	4,137	8,509	637	4,552
Oct.....	92,904	92,265	65,008	5,126	6,211	10,095	43,381	18,672	13,381	4,964	8,585	639	4,243
Nov.....	96,116	95,458	66,554	5,721	37,161	10,095	43,381	20,117	14,079	5,703	8,787	657	4,244
Dec.....	108,170	107,308	76,488	6,627	10,534	9,863	49,268	21,788	15,050	6,384	9,032	862	4,283
1943—Jan.....	111,069	110,024	77,496	7,423	310,741	9,863	49,273	23,356	16,246	6,749	9,172	1,045	4,277
Feb.....	114,024	112,851	78,726	8,232	11,161	9,863	49,273	24,560	17,067	7,125	9,565	1,173	4,275
Mar.....	115,507	114,287	79,662	9,234	11,161	9,797	49,273	24,622	17,891	6,346	10,004	1,219	4,350

¹ Including amounts held by Government agencies and trust funds, which aggregated \$2,826,000,000 on Feb. 28, and \$2,802,000,000 (preliminary) on Mar. 31, 1943.

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

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

UNITED STATES GOVERNMENT MARKETABLE PUBLIC SECURITIES OUTSTANDING, MARCH 31, 1943

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

Issue	Amount	Issue	Amount
Treasury bonds		Treasury notes—Continued	
June 15, 1943-47 ¹	454	Sept. 15, 1944.....	283
Oct. 15, 1943-45.....	1,401	Sept. 15, 1944.....	635
Apr. 15, 1944-46.....	1,519	Mar. 15, 1945.....	718
Dec. 15, 1944-54.....	1,037	Mar. 15, 1945.....	1,606
Sept. 15, 1945-47.....	1,214	Dec. 15, 1945.....	531
Dec. 15, 1945.....	541	Mar. 15, 1946.....	503
Mar. 15, 1946-56.....	489	Dec. 15, 1946.....	3,261
June 15, 1946-48.....	1,036	Cert. of indebtedness	
June 15, 1946-49.....	819	May 1, 1943.....	1,506
Oct. 15, 1947-52.....	759	Aug. 1, 1943.....	1,609
Dec. 15, 1947.....	701	Nov. 1, 1943.....	2,035
Mar. 15, 1948-50.....	1,115	Dec. 1, 1943.....	3,800
Mar. 15, 1948-51.....	1,223	Feb. 1, 1944.....	2,211
June 15, 1948.....	3,062	Treasury bills	
Sept. 15, 1948.....	451	Apr. 7, 1943.....	600
Dec. 15, 1948-50.....	571	Apr. 14, 1943.....	602
June 15, 1949-51.....	1,014	Apr. 21, 1943.....	702
Sept. 15, 1949-51.....	1,292	Apr. 28, 1943.....	702
Dec. 15, 1949-51.....	2,098	May 5, 1943.....	702
Dec. 15, 1949-52.....	491	May 12, 1943.....	708
Dec. 15, 1949-53.....	1,786	May 19, 1943.....	703
Mar. 15, 1950-52.....	1,963	May 26, 1943.....	701
Sept. 15, 1950-52.....	1,186	June 2, 1943.....	701
June 15, 1951-54.....	1,627	June 9, 1943.....	705
Sept. 15, 1951-55.....	755	June 16, 1943.....	802
Dec. 15, 1951-53.....	1,118	June 23, 1943.....	802
Dec. 15, 1951-55.....	510	June 30, 1943.....	805
Mar. 15, 1952-54.....	1,024	Total direct issues.....	79,662
June 15, 1952-55.....	1,501	Guaranteed securities	
June 15, 1953-55.....	725	Commodity Credit Corp.	
June 15, 1954-56.....	681	May 1, 1943.....	289
Mar. 15, 1955-60.....	2,611	Feb. 15, 1945.....	412
Mar. 15, 1956-58.....	1,449	Fed. Farm Mortgage Corp.	
Sept. 15, 1956-59.....	982	Mar. 15, 1944-64.....	95
June 15, 1958-63.....	919	May 15, 1944-49.....	835
Dec. 15, 1960-65.....	1,485	Fed. Public Housing	
June 15, 1962-67.....	2,118	Authority	
Dec. 15, 1963-68.....	2,831	Feb. 1, 1944.....	114
Sept. 15, 1967-72.....	2,716	Home Owners' Loan Corp.	
Postal Savings bonds.....	117	May 1, 1944-52.....	779
Conversion bonds.....	29	June 1, 1945-47.....	755
Panama Canal loan.....	50	Reconstruction Fin. Corp.	
Treasury notes		July 15, 1943.....	324
June 15, 1943.....	629	Apr. 15, 1944.....	571
Sept. 15, 1943.....	279	Jan. 1, 1945.....	75
Dec. 15, 1943.....	421	Federal Housing Admin.	
Mar. 15, 1944.....	515	Various.....	23
June 15, 1944.....	416	Total guaranteed issues.....	4,272

¹ Called for redemption on June 15, 1943.

UNITED STATES SAVINGS BONDS

[In millions of dollars]

Month	Amount outstanding at end of month ¹	Funds received from sales during month				Redemptions
		All series	Series E	Series F	Series G	
1941—May.....	4,008	370	101	38	211	14
June.....	4,314	315	103	29	183	15
July.....	4,649	342	145	27	170	18
Aug.....	4,908	266	118	20	128	13
Sept.....	5,132	232	105	18	109	14
Oct.....	5,394	271	123	23	125	14
Nov.....	5,620	234	110	19	105	13
Dec.....	6,140	529	341	33	154	16
1942—Jan.....	7,198	1,061	667	78	316	15
Feb.....	7,893	703	398	52	253	16
Mar.....	8,436	558	338	41	179	22
Apr.....	8,951	531	327	40	164	21
May.....	9,569	634	422	43	170	22
June.....	10,188	634	433	41	160	23
July.....	11,078	901	508	74	319	25
Aug.....	11,751	697	454	52	191	32
Sept.....	12,479	755	510	61	184	34
Oct.....	13,381	935	665	61	210	40
Nov.....	14,079	735	542	45	148	43
Dec.....	15,050	1,014	726	66	222	55
1943—Jan.....	16,246	1,240	815	77	348	63
Feb.....	17,067	887	634	48	205	76
Mar.....	17,891	944	720	44	180	131

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

SUMMARY OF TREASURY RECEIPTS, EXPENDITURES, AND RELATED ITEMS
(On basis of daily statements of United States Treasury. In millions of dollars)

Period	Income taxes ¹	Miscellaneous internal revenue ¹	Social security taxes	Other	Total receipts	Net receipts ²	Interest on debt	War activities	Transfers to trust accounts, etc.	Other	Total budget expenditures	Deficits	Trust accounts, etc. ³	Change in General Fund balance	Increase in gross debt
Fiscal year ending:															
June 1941	3,470	2,967	932	900	8,269	7,607	1,111	6,301	331	4,968	12,711	-5,103	-148	+742	5,994
June 1942	7,960	3,847	1,194	666	13,668	12,799	1,260	26,011	381	4,745	32,397	-19,598	-3,506	+358	23,461
1942—March	3,083	364	49	52	3,548	3,547	205	2,809	22	385	3,421	+126	-234	-69	39
April	335	305	43	49	732	695	77	3,238	48	390	3,753	-3,058	-126	-642	2,542
May	216	270	222	56	764	563	19	3,560	.....	375	3,953	-3,391	-257	-39	3,609
June	2,086	298	42	67	2,494	2,492	390	3,829	1	310	4,530	-2,037	-1,635	+179	3,852
July	273	416	53	52	794	747	35	4,498	249	378	5,160	-4,413	-4	+296	4,714
August	155	362	232	48	797	587	7	4,884	19	305	5,215	-4,628	-54	-134	4,549
September	2,126	309	43	49	2,528	2,527	224	5,384	5	317	5,931	-3,404	-245	+1,148	4,798
October	206	350	48	45	648	607	70	5,481	56	330	5,937	-5,331	-496	+594	6,420
November	199	337	248	45	830	601	28	6,042	3	291	6,363	-5,761	+736	-1,814	3,212
December	1,972	630	50	50	2,702	2,701	353	5,825	25	297	6,500	-3,799	-794	+7,461	12,054
1943—January	306	365	52	100	824	788	54	5,947	35	337	6,372	-5,584	-135	-2,819	2,899
February	380	352	343	115	1,190	955	35	5,770	2	312	6,119	-5,164	-122	-2,331	2,954
March	4,732	374	50	51	5,207	5,206	262	6,744	1	347	7,354	-2,147	-549	-1,213	1,483

Period	Details of trust accounts, etc.							General Fund of the Treasury (end of period)							
	Social Security accounts			Net expenditures in checking accounts of Government agencies	Other			Assets				Total liabilities	Balance in General Fund		
	Net receipts	Investments	Expenditures		Receipts	Investments	Expenditures	Total	Deposits in Federal Reserve Banks	Deposits in special depositories	Other assets		Total	Working balance	
Fiscal year ending:															
June 1941	1,958	1,200	741	218	680	138	490	2,812	1,024	661	1,127	179	2,633	1,885	
June 1942	2,327	1,705	614	3,625	863	221	533	3,443	603	1,679	1,162	452	2,991	2,229	
1942—March	31	139	67	75	84	9	59	3,857	525	2,231	1,101	365	3,493	2,732	
April	112	15	59	189	73	9	39	3,216	522	1,579	1,115	365	2,851	2,089	
May	422	196	54	430	53	13	40	3,198	382	1,666	1,150	386	2,812	2,050	
June	136	297	51	1,417	110	69	48	3,443	603	1,679	1,162	452	2,991	2,229	
July	212	117	53	78	192	124	36	3,782	553	2,014	1,215	494	3,288	2,525	
August	433	184	52	262	62	24	28	3,695	569	1,880	1,246	541	3,154	2,392	
September	30	214	45	25	83	37	37	4,688	1,021	2,411	1,256	386	4,302	3,540	
October	126	49	38	583	96	26	21	5,313	619	3,373	1,321	416	4,896	4,134	
November	471	170	34	-449	65	32	13	3,557	512	1,695	1,350	475	3,082	2,320	
December	75	350	33	548	99	37	.....	11,032	1,516	8,166	1,350	489	10,543	9,780
1943—January	110	43	35	186	74	47	8	8,200	465	6,367	1,368	477	7,724	6,961	
February	498	230	35	370	52	40	-3	5,895	623	3,892	1,381	503	5,392	4,630	
March	36	272	36	300	82	53	7	4,758	643	2,694	1,421	579	4,179	3,416	

¹ Details on collection basis given in table below.

² Total receipts less social security employment taxes, which are appropriated directly to the Federal old-age and survivors insurance trust fund.

³ Excess of receipts (+) or expenditures (-).

INTERNAL REVENUE COLLECTIONS

(On basis of reports of collections. In millions of dollars)

Period	Income taxes						Miscellaneous internal revenue							
	Total	Current individual	Current corporation	Back taxes	Excess profits taxes	Other profits taxes	Total	Capital stock tax	Estate and gift taxes	Alcoholic beverage taxes	To-bacco taxes	Stamp taxes	Manufacturers' and retailers' excise taxes	Miscellaneous taxes
Fiscal year ending:														
June 1941	3,471	1,314	1,649	306	164	37	2,955	167	407	820	698	39	617	207
June 1942	8,007	3,108	2,764	460	1,618	57	3,838	282	433	1,048	781	42	852	401
1942—March	3,073	1,457	832	56	717	11	355	.....	105	85	62	3	64	36
April	295	132	44	73	44	3	294	.....	43	81	63	3	70	33
May	205	12	84	33	68	7	277	.....	25	84	66	3	63	35
June	2,131	715	766	55	584	11	284	.....	25	86	71	3	56	42
July	222	53	83	29	53	2	459	.....	46	114	74	3	62	160
August	164	32	53	26	49	3	340	.....	30	123	74	3	60	51
September	2,123	662	781	23	641	17	315	1	28	111	77	3	56	39
October	220	19	109	27	58	7	348	.....	35	119	83	3	66	42
November	185	19	67	24	73	2	478	185	27	104	79	3	47	32
December	2,000	556	753	36	644	11	496	143	30	129	81	3	64	46
1943—January	296	48	37	69	136	5	379	.....	47	137	81	4	68	42
February	434	167	95	55	113	4	331	.....	29	128	68	4	51	50
March	4,868	1,952	1,026	79	1,791	21	379	.....	62	121	80	4	47	65

GOVERNMENT CORPORATIONS AND CREDIT AGENCIES

(Based on compilation by United States Treasury Department. In millions of dollars)

PRINCIPAL ASSETS AND LIABILITIES

End of month	Assets, other than interagency items										Liabilities, other than interagency items			U. S. Government interest	Privately owned interest
	Total	Loans	Preferred stock, etc.	Cash	Securities		Accounts and other receivables	Business property	Property held for sale	Other assets	Bonds, notes, and debentures		Other liabilities		
					U. S. Govt. direct and guaranteed	Other Govt. agencies ¹					Fully guaranteed by U. S.	Other ¹			
1941—June.....	13,277	8,106	698	376	925	18	598	636	1,497	423	6,370	1,443	1,604	3,436	424
December.....	14,660	8,487	680	496	999	46	574	714	1,891	773	6,324	1,392	2,049	4,464	431
1942—February....	15,224	8,396	663	582	1,058	53	600	782	2,017	1,073	5,697	1,396	2,325	5,372	434
March.....	15,750	8,407	658	621	1,060	54	632	792	2,262	1,264	5,690	1,433	2,497	5,694	435
April.....	16,656	8,567	650	645	1,076	54	621	815	2,717	1,511	5,688	1,431	2,656	6,444	436
May.....	17,343	8,356	649	732	1,088	55	733	833	3,067	1,830	5,687	1,440	2,950	6,828	437
June.....	17,962	8,379	648	403	1,097	57	774	859	3,512	2,233	4,568	1,442	3,265	8,249	438
July.....	18,482	8,307	642	407	1,113	58	773	879	3,808	2,495	4,581	1,443	3,457	8,562	438
August.....	19,401	8,233	626	609	1,144	57	853	924	4,177	2,778	4,592	1,445	3,691	9,234	439
September.....	19,974	8,190	623	625	1,197	56	1,065	952	4,287	2,979	4,574	1,434	4,154	9,373	439
October.....	20,534	8,159	622	581	1,219	60	1,088	976	4,710	3,119	4,265	1,413	4,185	10,230	442
November.....	20,992	8,158	621	563	1,222	52	1,069	1,001	4,701	3,605	4,264	1,404	4,601	10,281	443
December.....	21,715	8,127	620	553	1,272	33	1,085	1,020	5,187	3,818	4,301	1,414	4,630	10,931	439
1943—January.....	22,643	8,086	605	605	1,284	32	1,205	1,041	5,638	4,147	4,291	1,413	4,829	11,671	439
February.....	23,437	8,022	565	590	1,375	27	1,440	1,359	5,883	4,176	4,332	1,383	5,076	12,206	440

LOANS, OTHER THAN INTERAGENCY LOANS

End of month	Total loans ²	Reconstruction Finance Corp.	Home mortgage and housing agencies ³					Farm mortgage loans		Other farm credit loans					Rural Electrification Admin.	Export-Import Bank	Other
			Home Owners' Loan Corp.	Federal Home Loan banks	RFC Mortgage Company	Fed. National Mortgage Assoc.	Fed. Public Housing Auth.	Federal land banks	Fed. Farm Mortgage Corp.	Fed. intermediate credit banks	Banks for co-operatives	Commodity Credit Corp.	Farm Credit Admin.	Farm Security Admin.			
December.....	8,487	1,433	1,777	219	72	207	367	1,764	597	235	113	233	250	467	323	139	291
1942—February....	8,396	1,464	1,742	197	75	211	352	1,746	586	251	110	230	253	420	330	141	288
March.....	8,407	1,470	1,724	192	75	213	379	1,731	580	267	106	218	258	436	334	137	287
April.....	8,567	1,469	1,709	185	77	215	371	1,721	575	280	102	393	260	450	336	137	287
May.....	8,356	1,468	1,692	181	79	216	365	1,715	567	282	99	230	258	456	340	112	296
June.....	8,379	1,473	1,676	193	82	216	384	1,706	562	289	101	231	258	460	342	113	293
July.....	8,307	1,479	1,657	174	83	215	388	1,692	554	291	104	201	256	458	343	115	297
August.....	8,233	1,496	1,640	160	85	215	357	1,679	547	287	104	181	254	457	344	117	310
September.....	8,190	1,527	1,622	145	88	215	360	1,663	539	270	112	173	250	456	344	117	309
October.....	8,159	1,533	1,603	131	91	214	377	1,645	528	248	130	188	244	453	344	119	311
November.....	8,158	1,566	1,587	122	93	213	372	1,625	518	238	140	214	241	448	345	119	317
December.....	8,127	1,557	1,568	129	94	211	366	1,603	507	238	145	242	237	446	346	122	316
1943—January.....	8,086	1,554	1,548	113	96	210	379	1,579	496	237	132	258	237	446	345	122	334
February.....	8,022	1,527	1,532	96	96	209	378	1,564	490	248	121	270	240	454	345	121	331

SELECTED ASSET ITEMS, OTHER THAN INTERAGENCY ITEMS

End of month	Loans by Reconstruction Finance Corporation				Preferred stock held			Accounts and other receivables				Property held for sale			
	Total	Loans to financial institutions	Loans to railroads	Other	Reconstruction Finance Corp.	Home Owners' Loan Corporation	Other	Fed. land banks and Fed. Farm Mortgage Corp.	Commodity Credit Corporation	Reconstruction Finance Corp. and war corporations	Other	War corporations	Commodity Credit Corporation	Home Owners' Loan Corporation	Other
1941—June.....	1,082	193	480	409	429	183	86	219	79	68	232	257	753	319	168
December.....	1,433	165	473	795	401	175	104	219	34	80	241	703	749	288	151
1942—February....	1,464	151	473	840	393	167	103	220	55	74	251	934	654	284	145
March.....	1,470	149	475	846	388	167	103	216	80	82	254	1,224	612	280	146
April.....	1,469	149	477	843	381	167	102	221	40	90	270	1,460	843	276	138
May.....	1,468	146	473	849	379	167	103	222	83	121	307	1,690	972	270	135
June.....	1,473	144	472	857	378	167	103	225	96	151	302	2,041	1,068	262	141
July.....	1,479	143	472	864	377	162	103	226	107	144	296	2,285	1,126	258	139
August.....	1,496	144	472	880	372	153	101	231	35	238	349	2,561	1,226	252	138
September.....	1,527	153	473	901	369	152	102	226	61	484	294	2,619	1,286	244	138
October.....	1,533	153	472	908	368	152	102	225	80	490	293	2,921	1,415	238	136
November.....	1,566	169	471	926	367	152	102	213	65	497	294	3,221	1,109	231	140
December.....	1,557	167	460	930	366	152	102	207	57	531	290	3,469	1,363	227	128
1943—January.....	1,554	161	463	930	364	140	101	203	129	519	354	3,793	1,495	223	127
February.....	1,527	159	449	919	361	110	94	205	103	659	473	3,928	1,614	219	122

¹ Excluding Federal land bank bonds held by the Federal Farm Mortgage Corporation.

² Excluding investments in preferred stock, the amount of which is shown in the lower section of this table.

³ Excluding loans by Federal savings and loan associations, which are privately owned institutions under the supervision of the Federal Home Loan Bank Administration. Loans by these institutions amounted to \$1,839,000,000 on Feb. 28, 1943.

INDUSTRIAL PRODUCTION, BY INDUSTRIES
(Adjusted for Seasonal Variation)

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

Industry	1942											1943		
	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Industrial Production—Total ..	172	172	173	174	176	178	183	187	191	195	197	199	202	203
Manufactures—Total ..	179	180	182	183	184	188	193	197	203	207	210	212	215	215
Durable ..	225	230	234	239	244	249	258	265	275	279	285	291	295	298
Nondurable ¹ ..	142	139	139	138	136	138	140	142	144	148	149	149	150	148
Iron and Steel ..	194	200	199	200	198	196	197	199	207	203	200	204	208	210
Pig iron ..	189	192	192	192	194	192	190	194	199	199	197	197	201	202
Steel ..	211	218	219	219	216	216	218	219	229	224	221	226	231	233
Open hearth and Bessemer ..	178	182	181	182	178	175	177	179	186	182	179	182	185	188
Electric ..	448	477	487	488	489	506	507	503	536	527	523	542	560	559
Machinery ..	259	268	273	279	287	289	299	310	320	329	340	348	352	359
Government Arsenal and Quartermaster Depots ..	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Transportation Equipment ..	314	330	350	372	396	425	458	479	507	525	547	559	572	583
Aircraft ..	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Automobile bodies, parts, and assembly ..	105	105	104	107	112	116	124	129	135	141	146	151	155	158
Railroad cars ..	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Locomotives ..	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Shipbuilding ..	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Private yards ..	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Government yards ..	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Nonferrous Metals and Products ..	187	181	177	180	186	188	191	193	192	197	202	200	199	192
Nonferrous metal smelting ..	157	157	161	163	*	*	*	*	*	*	*	*	*	*
Copper smelting ..	141	147	155	161	*	*	*	*	*	*	*	*	*	*
Zinc smelting ..	189	184	185	184	*	*	*	*	*	*	*	*	*	*
Lead production ..	140	134	132	*	*	*	*	*	*	*	*	*	*	*
Copper deliveries ..	224	208	195	205	*	*	*	*	*	*	*	*	*	*
Lead shipments ..	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Zinc shipments ..	151	148	145	146	*	*	*	*	*	*	*	*	*	*
Tin consumption ..	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Lumber and Products ..	144	134	132	130	131	133	129	125	129	128	127	124	129	123
Lumber ..	143	128	127	124	127	130	125	119	123	122	119	116	121	112
Furniture ..	147	147	142	143	139	137	136	136	141	139	144	139	144	144
Stone, Clay, and Glass Products ..	158	158	154	155	147	140	145	152	152	153	148	163	155	143
Cement ..	162	161	167	172	171	169	177	182	184	180	165	169	156	132
Unglazed brick ..	152	133	119	104	92	90	87	*	*	*	*	*	*	*
Glass containers ..	178	187	176	178	163	145	153	163	162	169	171	208	199	197
Polished plate glass ..	47	43	43	35	37	32	30	38	37	39	39	38	40	39
Textiles and Products ..	156	153	157	156	152	154	154	156	156	158	156	157	160	158
Textile fabrics ..	147	143	148	146	143	145	144	146	147	148	145	147	150	150
Cotton consumption ..	174	169	177	175	169	166	169	172	172	171	163	171	171	166
Rayon deliveries ..	174	175	170	169	169	168	169	170	174	177	178	180	181	181
Silk deliveries ..	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Wool textiles ..	153	148	153	150	151	160	154	155	156	161	163	154	166	166
Carpet wool consumption ..	79	70	34	5	46	43	27	34	43	43	44	29	39	39
Apparel wool consumption ..	191	196	203	201	194	208	206	198	205	212	218	208	229	229
Woolen yarn ..	165	161	173	172	165	175	173	175	178	182	184	176	190	190
Worsted yarn ..	148	143	164	168	166	176	173	168	171	175	175	167	177	177
Woolen and worsted cloth ..	172	167	177	179	172	184	177	179	175	180	185	177	187	187
Leather and Products ..	125	124	130	126	121	116	113	111	117	117	117	122	117	113
Leather tanning ..	127	127	131	129	122	119	117	115	120	118	118	122	117	117
Cattle hide leathers ..	140	140	147	148	143	141	141	136	143	139	139	142	136	136
Calf and kip leathers ..	93	92	93	94	88	89	95	96	94	94	93	95	93	93
Goat and kid leathers ..	121	120	116	105	94	79	70	76	82	81	84	79	89	89
Shoes ..	124	122	130	124	120	115	110	108	115	116	116	122	117	110
Manufactured Food Products ..	139	136	136	134	138	143	143	148	146	152	158	157	155	152
Wheat flour ..	110	101	98	105	102	106	105	101	108	115	126	129	130	126
Cane sugar meltings ..	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Manufactured dairy products ..	146	145	150	142	138	143	143	140	139	136	140	141	142	142
Ice cream ..	150	147	160	145	145	154	153	*	*	*	*	*	*	*
Butter ..	107	108	110	111	105	108	108	102	100	98	103	107	110	110
Cheese ..	177	177	180	178	168	169	165	156	145	141	138	148	148	148
Canned and dried milk ..	198	198	187	178	168	164	172	167	168	156	169	166	166	168

^r Revised. ^p Preliminary. * Included in total and group indexes but not available for publication separately.

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

Industrial Production, by Industries (Adjusted for Seasonal Variation)—Continued

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

Industry	1942											1943		
	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Manufactured Food Products—Continued														
Meat packing	141	144	142	140	153	146	153	159	145	147	158	145	153	154
Pork and lard	151	161	156	163	177	168	174	187	157	167	193	170	180	189
Beef	139	132	134	121	137	130	136	129	133	122	119	126	134	127
Veal	96	98	96	94	103	103	113	127	129	128	107	76	76	73
Lamb and mutton	113	128	119	105	104	116	127	137	141	156	156	122	117	108
Other manufactured foods	142	138	137	136	140	147	146	[†] 153	152	159	165	[†] 165	161	[†] 156
Alcoholic Beverages	130	119	111	111	104	122	135	139	126	122	111	105	123	[†] 114
Malt liquor	124	120	117	116	104	118	133	147	134	146	131	122	146	133
Whiskey	74	62	63	55	63	96	82	49	14					
Other distilled spirits	75	44	53	80	61	83	71	35	62	62	37	42	63	
Rectified spirits	242	201	153	158	163	183	223	238	226	159	159	159	161	
Tobacco Products	130	125	127	120	122	126	130	133	141	136	160	140	131	131
Cigars	126	121	120	108	112	109	112	107	116	98	200	127	116	101
Cigarettes	144	137	140	137	136	146	152	159	166	167	166	162	153	139
Manufactured tobacco and snuff	93	94	97	89	94	89	88	91	102	98	94	94	86	87
Paper and Paper Products¹	151	152	148	143	134	125	131	132	135	135	132	133	135	
Paper and pulp	157	158	154	147	135	125	132	133	137	137	133	135	137	
Pulp	180	189	183	184	177	164	169	162	162	159	152	147	149	
Groundwood pulp	131	138	129	120	116	113	117	112	114	111	104	103	107	
Soda pulp	154	155	148	147	129	127	125	126	137	141	131	96	96	
Sulphate pulp	224	239	236	245	228	211	221	211	208	200	195	199	200	
Sulphite pulp	173	181	174	173	173	157	161	154	153	149	143	[†] 140	142	
Paper	154	154	149	142	129	119	126	128	134	134	130	[†] 133	135	
Paperboard	167	168	157	141	120	109	123	131	136	137	134	137	143	150
Fine paper	144	150	146	147	138	132	125	125	130	133	127	127	123	
Newsprint production	110	106	109	104	103	103	108	106	107	100	97	92	93	90
Printing paper	146	140	135	124	110	109	113	117	130	129	121	124	126	
Tissue and absorbent paper	168	164	169	175	178	148	161	166	163	174	175	[†] 177	169	
Wrapping paper	147	151	152	150	139	127	132	125	128	123	120	125	129	
Printing and Publishing²	125	121	117	112	104	106	111	109	116	118	114	113	113	[†] 112
Newsprint consumption	103	103	98	100	97	103	108	101	102	110	106	102	99	97
Petroleum and Coal Products	129	122	118	116	115	118	121	122	123	123	119	117	120	
Petroleum refining	124	116	111	109	108	111	114	116	117	117	112	109	113	
Gasoline	121	112	104	103	101	105	109	109	111	110	104	99	102	[†] 99
Fuel oil	129	122	123	122	123	127	130	137	137	138	137	137	143	
Lubricating oil	131	131	126	122	123	117	117	112	113	114	113	111	114	
Kerosene	123	112	106	100	103	105	106	107	112	110	99	104	117	
Coke	162	162	162	163	164	163	165	166	166	166	166	166	166	[†] 168
Byproduct coke	152	152	152	153	153	153	155	155	155	155	156	156	157	[†] 157
Beehive coke	510	504	514	508	539	502	505	523	524	500	498	485	543	[†] 537
Chemicals	161	161	165	167	172	174	173	[†] 179	[†] 187	[†] 197	[†] 205	[†] 210	213	[†] 211
Rubber Products	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Rubber consumption	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Tires and tubes	28	26	25	*	*	*	*	*	*	*	*	*	*	*
Pneumatic tires	28	26	25	*	*	*	*	*	*	*	*	*	*	*
Inner tubes	27	27	27	*	*	*	*	*	*	*	*	*	*	*
Minerals—Total	133	126	125	126	127	126	130	131	129	130	128	126	132	[†] 134
Fuels	130	122	121	121	121	121	126	129	127	130	126	124	131	[†] 133
Bituminous coal	141	140	150	147	144	141	140	150	145	154	143	145	157	[†] 161
Anthracite	121	116	122	115	117	122	118	129	117	124	105	102	129	[†] 128
Crude petroleum	127	115	109	111	113	112	121	120	121	121	121	118	121	[†] 123
Metals	149	153	152	157	159	155	152	145	139	133	137	138	140	[†] 140
Metals other than gold and silver	181	184	184	193	199	197	196	189	183	181	187	189	193	
Iron ore shipments	214	219	217	232	236	241	239	227	218	211	223	232	234	235
Copper	158	162	164	174	*	*	*	*	*	*	*	*	*	*
Lead	140	134	132	*	*	*	*	*	*	*	*	*	*	*
Zinc	146	*	*	*	*	*	*	*	*	*	*	*	*	*
Gold	107	*	*	*	*	*	*	*	*	*	*	*	*	*
Silver	101	106	109	106	104	98	99	88	82	74	73	73		

[†] Revised. [‡] Preliminary. * Included in total and group indexes but not available for publication separately.

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

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

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

INDUSTRIAL PRODUCTION, BY INDUSTRIES

(Without Seasonal Adjustment)

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

Industry	1942												1943		
	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	
Industrial Production—Total	167	168	172	175	177	180	187	^r 193	^r 195	195	^r 194	194	197	^p 200	
Manufactures—Total ..	175	177	181	183	185	189	196	^r 203	205	206	207	208	211	^p 213	
Durable	221	228	234	240	246	251	260	^r 267	^r 276	279	283	287	292	^p 297	
Nondurable¹	138	137	138	137	136	139	144	150	148	147	^r 146	143	145	^p 145	
Iron and Steel	194	200	199	200	198	196	197	199	207	203	200	^r 204	^r 208	210	
Pig iron	189	192	192	192	194	192	190	194	199	199	197	197	^r 201	202	
Steel	211	218	219	219	216	216	218	219	229	224	221	^r 226	^r 231	233	
Open hearth and Bessemer	178	182	181	182	178	175	177	179	186	182	179	^r 182	^r 185	188	
Electric	448	477	487	488	489	506	507	503	536	527	523	^r 542	^r 560	559	
Machinery	259	268	273	279	287	289	299	^r 310	^r 320	^r 329	^r 340	^r 348	352	^p 359	
Government Arsenals and Quartermaster Depots ..	*	*	*	*	*	*	*	*	*	*	*	*	*	*	
Transportation Equipment ..	314	330	350	372	396	425	458	^r 479	507	525	^r 547	^r 559	572	^p 583	
Aircraft	*	*	*	*	*	*	*	*	*	*	*	*	*	*	
Automobile bodies, parts, and assembly	105	105	104	107	112	116	124	129	135	141	146	^r 151	155	^p 158	
Railroad cars	*	*	*	*	*	*	*	*	*	*	*	*	*	*	
Locomotives	*	*	*	*	*	*	*	*	*	*	*	*	*	*	
Shipbuilding	*	*	*	*	*	*	*	*	*	*	*	*	*	*	
Private yards	*	*	*	*	*	*	*	*	*	*	*	*	*	*	
Government yards	*	*	*	*	*	*	*	*	*	*	*	*	*	*	
Nonferrous Metals and Products ..	187	181	177	180	186	188	191	193	192	197	202	200	199	^p 192	
Nonferrous metal smelting	157	156	162	164	*	*	*	*	*	*	*	*	*	*	
Copper smelting	141	147	155	161	*	*	*	*	*	*	*	*	*	*	
Zinc smelting	189	184	185	184	*	*	*	*	*	*	*	*	*	*	
Lead production	140	131	135	*	*	*	*	*	*	*	*	*	*	*	
Copper deliveries	224	208	195	205	*	*	*	*	*	*	*	*	*	*	
Lead shipments	*	*	*	*	*	*	*	*	*	*	*	*	*	*	
Zinc shipments	151	148	145	146	*	*	*	*	*	*	*	*	*	*	
Tin consumption	*	*	*	*	*	*	*	*	*	*	*	*	*	*	
Lumber and Products	128	129	132	135	138	140	138	135	135	125	116	^r 107	114	^p 118	
Lumber	118	120	127	131	138	141	139	134	131	118	101	91	99	^p 104	
Furniture	147	147	142	143	139	137	136	136	141	^r 139	144	^r 139	144	^p 144	
Stone, Clay, and Glass Products	132	140	151	163	158	151	160	163	163	157	139	138	132	^p 127	
Cement	132	141	161	178	183	186	195	200	202	186	156	139	126	112	
Unglazed brick	83	90	116	118	115	111	104	104	104	104	104	104	104	104	
Glass containers	164	176	176	190	171	151	167	166	167	171	159	187	184	185	
Polished plate glass	47	43	43	35	37	32	30	38	37	39	39	38	40	39	
Textiles and Products	156	153	157	156	152	154	154	156	156	158	156	157	160	^p 158	
Textile fabrics	147	143	148	146	143	145	144	146	147	148	145	147	150	.....
Cotton consumption	174	169	177	175	169	166	169	172	172	171	163	171	171	166	
Rayon deliveries	174	175	170	169	169	168	169	170	174	177	178	180	^r 181	181	
Silk deliveries	*	*	*	*	*	*	*	*	*	*	*	*	*	*	
Wool textiles	153	148	153	150	151	160	154	155	156	161	163	^r 154	166	.....
Carpet wool consumption	79	70	34	5	46	43	27	34	43	43	44	29	39	.....
Apparel wool consumption	191	196	203	201	194	208	206	198	205	212	218	^r 208	229	.....
Woolen yarn	165	161	173	172	165	175	173	175	178	182	184	^r 176	190	.....
Worsted yarn	148	143	164	168	166	176	173	168	171	175	175	^r 167	177	.....
Woolen and worsted cloth	172	167	177	179	172	184	177	179	175	180	185	^r 177	187	.....
Leather and Products	132	129	131	124	116	114	115	112	117	115	114	^r 120	122	^p 116	
Leather tanning	139	127	131	126	118	113	113	114	121	121	119	^r 122	128	.....
Cattle hide leathers	155	141	147	145	136	134	134	134	145	144	141	144	151	.....
Calf and kip leathers	98	91	90	90	90	88	100	94	96	97	91	93	98	.....
Goat and kid leathers	126	119	119	102	94	78	69	77	81	79	85	^r 89	93	.....
Shoes	127	130	131	123	114	115	117	112	115	111	110	^r 118	119	^p 115	
Manufactured Food Products	121	121	123	130	139	156	165	^p 181	^p 156	^p 151	^p 150	^p 140	^p 135	^p 134	
Wheat flour	109	98	92	96	95	105	106	116	118	119	121	130	129	123	
Cane sugar meltings	*	*	*	*	*	*	*	*	*	*	*	*	*	*	
Manufactured dairy products	109	124	152	193	210	207	192	^p 143	^p 109	^p 91	^p 88	^p 89	^p 102	^p 120	
Ice cream	88	113	154	197	232	259	248	248	248	248	248	248	248	248	
Butter	92	96	109	143	147	132	119	101	88	78	82	86	94	98	
Cheese	142	157	189	242	241	205	185	158	134	106	101	107	119	132	
Canned and dried milk	187	194	211	257	249	200	177	154	134	109	117	126	141	.....

^r Revised. ^p Preliminary.

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

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

Industrial Production, by Industries (Without Seasonal Adjustment)—Continued

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

Industry	1942											1943		
	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Manufactured Food Products—Continued														
Meat packing.....	135	131	134	140	149	138	132	147	146	166	186	171	147	140
Pork and lard.....	151	145	148	163	172	151	131	150	147	200	249	221	180	171
Beef.....	125	120	125	121	134	131	137	144	144	128	119	126	121	115
Veal.....	84	93	95	98	104	102	114	140	142	131	101	73	67	69
Lamb and mutton.....	113	124	115	108	99	110	125	153	150	152	148	128	117	105
Other manufactured foods.....	124	121	121	123	133	157	173	^r 198	^r 170	^r 161	158	145	140	^p 138
Alcoholic Beverages...														
Malt liquor.....	109	112	124	136	134	148	152	149	121	111	105	100	128	123
Whiskey.....	96	77	69	54	50	53	45	39	13					
Other distilled spirits.....	45	29	32	48	36	39	34	48	164	130	46	27	38	
Rectified spirits.....	208	191	136	139	130	183	223	238	226	159	159	159	161	
Tobacco Products.....														
Cigars.....	109	111	114	107	120	113	115	123	140	117	154	103	101	93
Cigarettes.....	136	127	130	142	150	153	160	170	169	167	147	159	144	148
Manufactured tobacco and snuff.....	92	96	96	89	96	91	89	98	104	97	83	91	85	89
Paper and Paper Products¹.....														
Paper and pulp.....	160	161	157	149	134	121	130	132	138	137	131	^r 135	140	
Pulp.....	186	194	187	186	174	156	166	159	164	159	147	^r 149	154	
Groundwood pulp.....	137	148	144	133	118	100	100	98	106	114	108	107	111	
Soda pulp.....	158	160	152	147	127	119	125	127	137	141	127	96	99	
Sulphate pulp.....	230	243	236	245	226	207	221	211	212	200	185	201	206	
Sulphite pulp.....	179	185	178	173	169	150	161	154	156	151	139	^r 140	146	
Paper.....	156	156	152	143	128	115	125	128	134	133	129	^r 132	137	
Paperboard.....	167	168	157	141	120	109	123	131	136	137	134	137	143	150
Fine paper.....	155	160	159	151	135	120	118	118	130	129	124	128	132	
Newsprint production.....	108	106	109	105	104	101	105	106	107	103	98	92	92	90
Printing paper.....	151	145	140	127	108	102	110	116	131	127	120	124	130	
Tissue and absorbent paper.....	175	166	172	173	177	140	161	172	169	172	168	^r 172	176	
Wrapping paper.....	147	151	152	150	139	127	132	125	128	123	120	125	129	
Printing and Publishing².....														
Newsprint consumption.....	102	107	105	104	98	90	95	102	109	115	108	97	98	101
Petroleum and Coal Products.....														
Petroleum refining.....	124	116	111	110	108	110	114	116	117	117	112	109	113	
Gasoline.....	121	112	104	103	101	105	109	109	111	110	104	99	102	^p 99
Fuel oil.....	129	122	123	122	123	127	130	137	137	138	137	137	143	
Lubricating oil.....	129	130	131	127	123	115	116	112	113	114	112	108	113	
Kerosene.....	129	115	108	101	97	97	101	106	112	113	102	106	123	
Coke.....	162	162	162	163	164	163	165	166	166	166	166	166	169	^p 168
Byproduct coke.....	152	152	152	153	153	153	155	155	155	156	156	157	158	^p 157
Beehive coke.....	510	504	514	508	539	502	505	523	524	500	498	485	543	^p 537
Chemicals.....														
	161	166	168	166	166	167	170	^r 181	^r 192	^r 199	^r 206	^r 209	213	^p 216
Rubber Products.....														
Rubber consumption.....	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Tires and tubes.....	28	26	25	*	*	*	*	*	*	*	*	*	*	*
Pneumatic tires.....	28	26	25	*	*	*	*	*	*	*	*	*	*	*
Inner tubes.....	27	27	27	*	*	*	*	*	*	*	*	*	*	*
Minerals—Total.....														
	124	118	126	131	132	131	136	137	134	132	120	117	123	^p 125
Fuels.....														
Bituminous coal.....	141	140	150	147	144	141	140	150	145	154	143	145	137	^p 161
Anthracite.....	121	116	122	115	117	122	118	129	117	124	105	102	129	^p 128
Crude petroleum.....	127	115	109	111	113	112	121	120	121	121	121	118	121	^p 123
Metals.....														
Metals other than gold and silver.....	82	94	195	259	266	264	264	249	239	192	93	80	85	
Iron ore shipments.....		23	237	372	382	393	388	358	335	229	19			
Copper.....	160	165	169	174	*	*	*	*	*	*	*	*	*	*
Lead.....	140	131	135	*	*	*	*	*	*	*	*	*	*	*
Zinc.....	146	*	*	*	*	*	*	*	*	*	*	*	*	*
Gold.....	96	*	*	*	*	*	*	*	*	*	*	*	*	*
Silver.....	103	110	110	105	100	97	97	89	82	75	73	73		

^r Revised. ^p Preliminary.

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

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

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

NOTE.—For description and back figures, see BULLETIN for September 1941, pp. 878-881 and 933-937, and August 1940, pp. 753-771 and 825-832.

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

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

Industry and group	Factory employment							Factory pay rolls						
	1942				1943			1942					1943	
	Feb.	Mar.	Nov.	Dec.	Jan.	Feb.	Mar.	Jan.	Feb.	Mar.	Nov.	Dec.	Jan.	Feb.
Total	142.3	144.3	161.9	164.5	165.0	166.1	167.2	200.7	208.2	215.1	280.4	287.9	[*] 290.9	[*] 297.2
Durable goods	172.3	175.8	210.4	215.5	218.1	221.1	223.9	255.9	265.8	276.2	382.8	391.6	[*] 399.9	[*] 410.0
Nondurable goods	118.6	119.4	123.8	124.3	123.1	122.8	122.5	146.8	151.9	155.4	180.3	[*] 186.4	[*] 184.4	186.8
Iron and Steel and Products	155.0	156.9	165.7	169.1	170.7	172.1	173.4	211.0	219.8	226.6	270.1	278.7	283.5	288.9
Blast furnaces, steel works, etc.	140	140	133	[†] 135	134	135	.....	182	187	190	204	[†] 204	209	212
Steel castings	227	232	269	273	276	279	.....	326	344	355	446	453	464	476
Tin cans and other tin-ware	136	120	91	89	88	90	.....	179	163	149	128	134	130	135
Hardware	135	136	117	118	119	120	.....	196	203	210	211	215	215	223
Stoves and heating equipment	109	107	110	113	113	113	.....	123	136	139	170	179	181	184
Steam, hot-water heating apparatus	163	163	183	187	189	193	.....	254	255	264	319	327	313	336
Stamped and enameled ware	139	140	136	139	143	149	.....	192	196	201	231	247	256	263
Structural and ornamental metal work	155	159	190	192	190	193	.....	208	222	233	314	324	309	324
Forgings	211	215	247	252	255	259	.....	328	339	348	442	476	478	495
Screw machine products	241	243	286	287	288	293	.....	353	374	390	507	516	519	533
Electrical Machinery	194.0	197.2	243.0	250.3	255.1	260.8	266.2	279.2	288.0	296.3	402.8	415.5	427.4	441.6
Machinery, except Electrical	190.1	194.6	221.0	225.1	227.5	230.1	232.8	282.0	295.9	307.8	381.5	392.9	400.2	408.8
Machinery and machine shop products	189	193	226	230	232	234	.....	278	289	301	382	395	402	411
Tractors	140	141	151	156	154	155	.....	169	181	184	212	223	225	239
Agricultural excluding tractors	133	136	106	110	114	120	.....	173	178	190	172	181	196	215
Pumps	233	246	285	285	293	299	.....	389	417	453	556	583	581	602
Refrigerators	113	113	123	131	138	145	.....	138	149	154	[†] 190	[†] 202	[†] 220	237
Transportation Equipment, except Autos	667.8	721.4	1,202.8	1,259.2	1,302.2	1,343.1	1,375.2	1,042.4	1,144.6	1,237.0	2,275.9	2,348.0	2,406.0	2,486.5
Automobiles	108.1	104.7	147.1	152.5	156.7	159.5	162.7	188.0	167.1	167.4	261.4	255.1	277.9	282.2
Nonferrous Metals and Products	160.0	162.8	173.5	176.7	178.1	179.6	178.8	223.0	228.7	237.5	292.2	303.2	307.2	308.6
Primary smelting and refining	127	127	146	[†] 152	[†] 154	155	.....	166	167	170	228	[†] 234	[†] 239	245
Clocks and watches	129	131	128	127	127	130	.....	188	197	205	232	232	[†] 242	244
Lighting equipment	121	120	[†] 106	[†] 110	[†] 108	111	.....	174	166	165	[†] 183	189	[†] 184	187
Lumber and Timber Basic Products	129.4	129.7	125.1	122.5	116.3	113.8	112.9	154.5	163.5	165.6	188.7	181.9	[†] 160.9	177.3
Sawmills	106	106	101	98	[†] 92	90	.....	127	135	137	153	[†] 144	131	139
Planing and plywood mills	120	119	121	119	115	114	.....	141	145	145	174	177	167	180
Furniture and Lumber Products	121.2	121.1	110.5	111.4	110.2	111.0	111.3	151.9	159.9	161.7	165.0	170.6	165.9	171.8
Furniture	118	117	106	107	106	107	.....	151	158	157	158	164	160	166
Stone, Clay, and Glass Products	126.7	127.3	125.3	125.4	123.2	122.4	121.9	153.3	159.9	162.2	179.2	181.2	178.5	179.2
Glass	126	126	117	118	119	121	.....	155	160	159	161	166	168	174
Cement	114	116	123	121	115	109	.....	135	136	142	169	156	150	139
Brick, tile, and terra cotta	114	115	106	104	98	94	.....	138	142	146	152	150	138	138
Pottery and related products	138	137	138	137	135	135	.....	153	175	177	188	188	185	186
Textile-Mill and Fiber Products	113.3	113.5	111.7	112.5	112.7	111.3	110.7	151.2	153.7	155.1	175.4	180.8	181.8	180.7
Cotton goods except small wares	127	127	128	129	[†] 127	127	.....	181	186	187	213	218	[†] 216	216
Silk and rayon goods	85	86	83	83	82	82	.....	112	119	122	131	134	134	132
Woolen and worsted manufactures	120	120	118	119	118	117	.....	180	169	171	201	208	208	207
Hosiery	86	85	78	78	77	77	.....	96	99	97	105	107	106	108
Knitted underwear	115	118	116	117	116	116	.....	149	153	161	179	184	185	184
Dyeing and finishing textiles	108	109	107	109	108	108	.....	132	138	140	158	166	162	166
Carpets and rugs, wool	103	98	92	93	93	94	.....	127	131	125	139	145	145	148
Apparel and Other Finished Textiles	119.6	121.4	112.3	112.2	112.0	113.7	114.4	133.4	155.1	161.5	152.7	154.0	155.9	169.3
Men's clothing, n.e.c.	117	119	108	108	108	109	.....	139	150	158	145	146	149	159
Shirts, collars, and nightwear	102	102	93	92	90	90	.....	127	135	138	143	144	136	140
Women's clothing, n.e.c.	101	102	91	91	91	93	.....	107	134	137	123	124	125	140
Millinery	106	109	72	73	83	94	.....	81	120	131	76	76	103	136
Leather and Leather Products	110.7	112.9	104.7	104.9	103.1	102.4	101.0	142.3	151.3	156.7	153.4	159.5	156.1	154.2
Leather	113	113	104	106	105	104	.....	141	145	147	153	158	154	154
Boots and shoes	101	103	93	94	92	91	.....	134	143	149	137	145	141	139
Food and Kindred Products	106.4	104.2	121.5	119.1	112.9	109.5	107.3	130.0	126.3	125.3	160.5	165.4	155.6	150.7
Slaughtering and meatpacking	136	133	146	155	154	147	.....	170	152	149	181	214	203	186
Flour	101	100	105	108	111	113	.....	119	121	115	148	155	169	169
Baking	103	103	114	114	112	109	.....	118	119	119	144	149	144	142
Sugar, beet	38	37	253	219	82	48	.....	72	51	52	379	300	110	67
Confectionery	109	111	130	129	120	117	.....	131	129	135	182	184	164	163
Beverages, nonalcoholic	105	104	114	114	112	112	.....	114	112	114	128	128	124	126
Malt liquors	104	106	116	113	112	115	.....	111	114	122	137	136	[†] 134	144
Canning and preserving	74	64	101	[†] 85	71	66	.....	96	101	86	163	138	[†] 118	113
Tobacco Manufactures	101.4	101.3	106.8	106.3	102.4	100.2	99.4	123.6	122.7	119.4	157.4	159.6	147.0	138.5
Cigarettes	103	102	129	130	125	120	.....	133	125	111	179	182	170	144
Cigars	103	104	97	96	91	90	.....	120	125	129	146	148	133	136
Paper and Allied Products	123.3	123.2	114.7	116.4	116.6	117.8	117.8	155.6	156.0	156.9	163.5	168.5	167.6	171.3
Paper and pulp	120	120	109	110	110	109	.....	156	158	159	161	164	162	165
Paper goods, n.e.c.	122	124	124	127	129	132	.....	149	145	147	166	173	175	178
Paper boxes	118	117	111	114	[†] 114	117	.....	143	141	140	154	162	160	167

^{*} Revised.

NOTE.—Figures for March 1943 are preliminary. Indexes for major groups and totals have been revised for 1941 and 1942 and are adjusted to final Social Security data through 1941 and to preliminary data for 1942. Back data and data for industries not here shown are obtainable from the Bureau of Labor Statistics. Underlying figures are for pay roll period ending nearest middle of month and cover wage earners only.

Factory Employment and Pay Rolls—Continued

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

Industry and group	Factory employment							Factory pay rolls						
	1942				1943			1942					1943	
	Feb.	Mar.	Nov.	Dec.	Jan.	Feb.	Mar.	Jan.	Feb.	Mar.	Nov.	Dec.	Jan.	Feb.
<i>Printing and Publishing</i>	103.6	101.7	103.1	104.3	102.2	103.0	102.2	115.4	112.9	112.5	122.4	126.5	121.8	122.5
Newspapers and periodicals.....	100	99	99	100	96	95	.....	106	106	106	111	113	107	107
Book and job.....	105	101	105	106	105	107	.....	122	116	113	128	133	130	131
<i>Chemical and Allied Products</i>	181.4	191.1	240.3	243.7	248.0	250.3	252.7	231.7	245.4	263.4	365.3	383.4	391.2	399.2
Paints, varnishes, and colors.....	115	115	103	103	103	104	.....	136	140	142	135	139	137	140
Drugs, medicines, and insecticides.....	134	133	149	152	154	156	.....	148	153	157	190	197	203	212
Rayon and allied products.....	108	108	105	106	106	106	.....	141	140	141	141	149	149	151
Chemicals, n.e.c.....	154	157	160	160	163	165	.....	199	200	207	236	241	249	251
Cottonseed oil.....	113	103	151	143	138	128	.....	137	141	127	243	*234	*219	198
Fertilizers.....	145	157	104	109	115	138	.....	142	184	209	164	173	185	224
<i>Products of Petroleum and Coal</i>	116.2	117.5	117.8	117.4	116.0	115.2	114.8	138.4	144.3	145.4	165.4	165.1	*162.8	165.3
Petroleum refining.....	107	108	107	107	106	106	.....	127	132	133	151	152	*149	152
Coke and by-products.....	120	120	120	119	119	118	.....	150	154	153	163	161	168	169
<i>Rubber Products</i>	120.6	121.0	143.8	149.0	151.6	152.8	155.0	149.1	149.8	156.5	213.3	228.6	234.6	238.3
Rubber tires and inner tubes.....	106	107	142	147	150	151	.....	131	130	136	205	220	227	229
Rubber boots and shoes.....	129	128	140	145	148	150	.....	167	165	171	222	238	241	241
Rubber goods, other.....	126	124	131	135	*137	139	.....	163	166	172	196	209	213	220
<i>Miscellaneous Industries</i>	141.4	145.4	151.7	*156.7	*157.0	159.5	162.5	176.0	186.6	195.8	247.6	*261.3	*263.7	271.2
Photographic apparatus.....	131	131	148	151	152	157	.....	175	177	176	223	230	233	243
Games, toys, and dolls.....	116	123	80	79	75	79	.....	113	143	158	129	134	124	134

† Revised.

FACTORY EMPLOYMENT (Adjusted for Seasonal Variation)

[Index numbers of the Board of Governors, 1939 = 100]

Group and year	1942										1943			
	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Total.....	143.7	145.3	147.1	149.1	150.9	153.4	155.1	156.9	158.9	160.9	164.4	167.3	167.6	168.2
Durable.....	173.3	176.5	180.2	184.2	188.9	193.9	198.5	201.6	205.6	209.6	215.4	219.3	222.2	224.6
Non-durable.....	120.4	120.6	121.0	121.4	121.0	121.4	120.9	121.6	122.0	122.5	124.3	126.3	124.6	123.8

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

HOURS AND EARNINGS OF WAGE EARNERS IN MANUFACTURING INDUSTRIES

[Compiled by the Bureau of Labor Statistics]

Industry and group	Average hours worked per week						Average hourly earnings (cents per hour)								
	1942					1943		1942					1943		
	Jan.	Feb.	Oct.	Nov.	Dec.	Jan.	Feb.	Jan.	Feb.	Oct.	Nov.	Dec.	Jan.	Feb.	
<i>All Manufacturing</i>	41.7	42.4	43.6	44.0	44.4	44.2	44.5	80.1	80.3	89.3	90.5	90.7	*91.9	92.4	
<i>Durable Goods</i>	43.8	44.5	45.8	46.1	46.1	45.9	46.2	89.0	89.2	99.0	100.5	100.4	*101.7	102.1	
Iron and Steel and Products.....	42.1	43.0	44.3	44.8	*45.3	45.0	45.7	89.1	89.6	97.9	98.4	98.6	99.8	99.6	
Electrical Machinery.....	45.6	45.6	46.7	47.0	47.0	*47.0	46.9	86.8	87.3	93.6	94.2	*94.3	*95.1	95.3	
Machinery Except Electrical.....	48.5	49.2	49.5	49.5	*49.6	*49.6	49.6	90.7	91.4	99.7	100.3	101.1	*102.2	103.0	
Automobiles.....	43.0	43.1	45.2	45.5	45.5	45.7	46.2	115.8	115.4	117.2	120.2	119.8	122.2	120.5	
Transportation Equipment Except Automobiles.....	48.1	48.0	47.1	47.7	47.5	*46.9	46.7	104.4	104.0	113.2	116.3	114.2	*114.4	115.2	
Nonferrous Metals and Products.....	43.8	43.8	45.4	46.0	46.1	*45.9	45.8	85.1	85.8	95.6	95.9	97.6	*98.7	98.9	
Lumber and Timber Basic Products.....	38.4	40.0	42.5	41.7	*41.3	*39.8	41.7	58.9	59.7	69.4	68.5	*67.9	*68.1	70.2	
Furniture and Finished Lumber Products.....	39.9	40.9	42.8	42.8	43.7	42.7	43.6	62.3	62.9	*68.5	68.5	68.9	69.5	70.2	
Stone, Clay, and Glass Products.....	38.4	40.1	41.3	41.4	41.8	41.7	42.0	74.0	74.9	81.2	81.0	81.0	81.9	82.2	
<i>Non-durable Goods</i>	39.2	39.9	40.8	41.3	42.1	*41.7	42.0	68.8	68.9	75.1	75.6	76.2	76.8	77.4	
Textiles—Mill and Fiber Products.....	39.3	40.1	40.4	40.8	41.5	41.3	41.5	57.1	57.1	63.9	64.2	64.4	*65.0	65.2	
Apparel and other Finished Products.....	34.6	36.8	37.1	37.0	37.4	37.1	38.1	61.2	62.4	65.2	64.8	64.9	66.0	68.5	
Leather and Manufacturers.....	38.8	39.9	38.9	39.0	40.3	40.3	40.2	64.4	65.3	70.8	71.3	71.9	71.7	71.4	
Food and Kindred Products.....	40.8	40.5	41.6	42.4	43.9	43.2	43.0	70.2	70.2	74.4	75.1	76.1	76.8	77.2	
Tobacco Manufactures.....	37.9	37.0	40.4	40.6	41.2	39.4	38.6	55.5	55.0	60.2	61.1	61.3	61.1	60.2	
Paper and Allied Products.....	42.1	42.3	43.4	44.0	44.9	44.2	44.5	71.0	71.4	77.1	77.2	77.1	77.4	78.1	
Printing, Publishing, and Allied Industries.....	38.7	38.4	38.5	39.5	40.2	39.8	39.8	92.0	92.2	97.3	97.6	98.0	*97.1	97.0	
Chemicals and Allied Products.....	41.5	41.7	43.6	43.9	*44.7	44.5	45.0	80.2	79.9	86.6	86.7	87.8	88.5	88.7	
Products of Petroleum and Coal.....	37.9	39.2	40.5	41.8	*41.8	*41.1	42.3	102.3	102.3	108.1	109.3	109.2	*110.5	110.2	
Rubber Products.....	39.4	40.0	42.7	43.4	44.5	*44.5	44.6	87.8	87.4	94.7	95.5	96.6	97.2	97.8	
Miscellaneous Industries.....	42.6	42.9	44.8	45.3	*46.1	*45.7	46.0	71.4	72.5	81.1	82.9	*82.7	*83.8	84.7	

† Revised.

NOTE.—Revised data based on the classification of the 1939 Census of Manufactures. Back figures are available from the Bureau of Labor Statistics. (Table of "Estimated Employment in Nonagricultural Establishments by Industry Division" appears on p. 465.)

CONSTRUCTION CONTRACTS AWARDED, BY TYPES OF CONSTRUCTION

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

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

CONSTRUCTION CONTRACTS AWARDED, BY OWNERSHIP

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

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

CONSTRUCTION CONTRACTS AWARDED, BY DISTRICTS

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

Federal Reserve district	1943		1942
	March	February	March
Boston	8,756	39,962	39,795
New York	26,044	31,709	29,320
Philadelphia	24,756	25,217	30,783
Cleveland	28,373	16,401	48,519
Richmond	60,530	59,639	130,782
Atlanta	43,110	58,801	41,072
Chicago	58,086	26,836	140,677
St. Louis	21,543	14,846	65,351
Minneapolis	1,657	1,869	5,181
Kansas City	50,830	44,739	32,385
Dallas	16,013	73,498	46,934
Total (11 districts)	339,698	393,517	610,799

NOTE.—Data for most recent month preliminary.

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

Year or month	Total	Title I Loans		Mortgages on		
		Property improvement	Small home construction	1- to 4-family houses (Title II)	Rental and group housing (Title II)	War housing (Title VI)
1935	320	224		94	2	
1936	557	246		309	2	
1937	495	60		424	11	
1938	694	160	13	473	48	
1939	954	208	25	669	51	
1940	1,026	251	26	736	13	
1941	1,186	262	21	877	13	13
1942	1,137	141	15	691	6	284
1942—Mar.	93	10	2	68	1	12
Apr.	83	13	2	55	1	11
May	92	15	2	60	1	14
June	96	13	2	66	*	16
July	97	11	1	63	2	21
Aug.	89	10	1	52	*	25
Sept.	95	10	*	48		37
Oct.	99	11	1	44	*	42
Nov.	92	10	1	39		43
Dec.	97	9	1	39		49
1943—Jan.	80	7	*	31		42
Feb.	64	5	*	20	*	39
Mar.	73	6	1	19		47

* Less than \$500,000.

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

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

End of month	Total	Commercial banks	Mutual savings banks	Savings and loan associations	Insurance companies	Federal agencies ¹	Other ²
1936—Dec.	365	228	8	56	41	5	27
1937—Dec.	771	430	27	110	118	32	53
1938—Dec.	1,199	634	38	149	212	77	90
1939—June	1,478	759	50	167	271	137	94
Dec.	1,793	902	71	192	342	153	133
1940—Mar.	1,949	971	90	201	392	171	124
June	2,075	1,026	100	208	432	182	127
Sept.	2,232	1,093	111	216	480	190	141
Dec.	2,409	1,162	130	224	542	201	150
1941—Mar.	2,598	1,246	146	230	606	210	160
June	2,755	1,318	157	237	668	220	154
Sept.	2,942	1,400	171	246	722	225	178
Dec.	3,107	1,465	186	254	789	234	179
1942—Mar.	3,307	1,549	201	264	856	237	200
June	3,491	1,623	219	272	940	243	195
Dec.	3,620	1,669	236	276	1,032	245	163

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

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

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

MERCHANDISE EXPORTS AND IMPORTS

[In millions of dollars]

Month	Merchandise exports ¹					Merchandise imports ²					Excess of exports				
	1939	1940	1941	1942	1943	1939	1940	1941	1942	1943	1939	1940	1941	1942	1943
January	213	370	325	479	^p 698	178	242	229	254	^p 228	35	128	96	226	^p 470
February	219	347	303	478	^p 679	158	260	234	254	^p 234	61	147	69	225	^p 445
March	268	351	357	611		190	217	268	272		77	134	89	339	
April	231	323	387	695		186	212	287	234		45	111	100	461	
May	249	324	385	525		202	211	297	191		47	112	88	335	
June	236	350	330	618		179	211	280	215		57	138	50	403	
July	230	317	365	^p 627		169	232	278	^p 214		61	84	87	^p 412	
August	250	351	460	^p 694		176	221	282	^p 184		74	130	178	^p 510	
September	289	295	425	^p 718		182	195	262	^p 196		107	101	162	^p 522	
October	332	344	^p 666	^p 776		215	207	304	^p 199		117	137	3362	^p 577	
November	292	328	492	^p 750		235	224	281	^p 174		57	104	211	^p 576	
December	368	322	653	^p 853		247	253	344	^p 356		121	69	309	^p 497	
Jan.-Feb.	432	717	628	^p 958	^p 1,377	336	442	462	^p 507	^p 463	95	275	166	^p 451	^p 915

^p Preliminary.

¹ Including both domestic and foreign merchandise.

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

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

Source.—Department of Commerce.

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

FREIGHT CAR LOADINGS, BY CLASSES

[Index numbers; 1935-39 average=100]

	Total	Coal	Coke	Grain	Livestock	Forest products	Ore	Miscellaneous	Merchandise l.c.l.
Annual									
1939	101	98	102	107	96	100	110	101	97
1940	109	111	137	101	96	114	147	110	96
1941	130	123	168	112	91	139	183	136	100
1942	138	135	181	121	104	155	206	146	69
SEASONALLY ADJUSTED									
1942—January	140	119	154	140	99	156	186	152	97
February	139	116	150	131	95	159	187	151	100
March	^r 137	122	168	119	97	149	^r 292	143	92
April	143	160	200	117	101	159	289	141	80
May	143	164	197	115	98	155	289	142	62
June	141	160	199	113	103	159	183	144	60
July	142	155	205	95	90	172	180	149	57
August	143	154	208	106	106	165	176	152	57
September	136	135	188	126	102	154	174	146	55
October	133	121	180	130	110	149	221	144	56
November	134	125	176	126	114	140	221	144	58
December	134	116	177	143	117	137	210	146	59
1943—January	135	119	161	157	102	130	202	149	57
February	141	127	154	170	113	135	193	153	61
March	136	140	182	152	117	133	216	141	61
UNADJUSTED									
1942—January	129	136	184	123	95	141	46	134	93
February	129	132	184	110	76	153	47	135	96
March	129	125	175	102	77	149	^r 76	139	92
April	136	135	176	100	90	159	218	142	81
May	138	139	181	99	89	161	303	144	62
June	139	135	179	111	81	165	318	145	60
July	142	132	177	138	76	173	325	148	57
August	144	136	175	129	100	173	308	152	57
September	152	142	184	139	135	167	304	162	57
October	150	138	180	139	169	158	260	163	58
November	140	139	186	123	144	138	206	150	59
December	126	132	193	130	113	122	59	135	56
1943—January	124	135	193	138	98	117	50	132	55
February	130	145	189	142	90	129	48	137	58
March	130	144	189	131	92	133	56	138	62

^r Revised.

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

REVENUES, EXPENSES, AND INCOME OF CLASS I RAILROADS

[In millions of dollars]

	Total railway operating revenues	Total railway expenses	Net railway operating income	Net income
Annual				
1939	3,995	3,406	589	95
1940	4,298	3,615	683	186
1941	5,347	4,348	998	502
1942	7,466	5,981	1,486	964
SEASONALLY ADJUSTED				
1942—January	495	415	80	^r 38
February	519	^r 423	^r 96	58
March	542	446	96	52
April	584	471	113	70
May	618	487	131	88
June	627	500	128	84
July	643	519	124	79
August	669	539	130	85
September	663	535	128	82
October	661	533	128	81
November	722	563	159	120
December	708	554	155	109
1943—January	710	577	134	92
February	744	591	153	^p 111
March				
UNADJUSTED				
1942—January	481	414	67	^r 24
February	462	^r 398	^r 64	24
March	540	448	92	47
April	573	470	102	58
May	601	491	110	64
June	624	505	119	78
July	665	532	133	90
August	684	549	135	89
September	698	543	155	105
October	746	561	185	136
November	690	541	149	111
December	703	532	171	137
1943—January	671	566	105	63
February	664	557	106	^p 62
March				

^r Revised. ^p Preliminary.

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

DEPARTMENT STORE STATISTICS

Based on value figures

MONTHLY INDEXES OF SALES AND STOCKS

[Daily average sales; end-of-month stocks. 1923-25 average = 100]

	Seasonally adjusted				Unadjusted			
	1940	1941	1942	1943	1940	1941	1942	1943
	SALES							
January.....	92	101	138	143	71	79	108	111
February.....	90	103	126	107	71	82	99	132
March.....	89	103	124	136	86	93	118	121
April.....	89	104	117	.....	86	106	115	.....
May.....	89	105	108	.....	89	105	108	.....
June.....	91	104	104	.....	87	100	100	.....
July.....	92	115	121	.....	64	79	83	.....
August.....	98	134	130	.....	77	106	103	.....
September.....	97	116	123	.....	105	125	133	.....
October.....	94	105	128	.....	101	112	137	.....
November.....	100	116	138	.....	114	133	157	.....
December.....	101	111	125	.....	179	197	222	.....
Year.....					94	110	124	.....
STOCKS								
January.....	768	71	95	102	61	64	85	91
February.....	71	73	102	93	68	69	797	89
March.....	70	73	109	90	71	75	111	92
April.....	68	73	118	.....	71	76	122	.....
May.....	68	74	127	.....	70	75	130	.....
June.....	768	76	136	.....	64	73	129	.....
July.....	68	82	140	.....	61	74	126	.....
August.....	69	87	137	.....	66	84	131	.....
September.....	70	91	124	.....	73	95	129	.....
October.....	70	97	114	.....	79	108	127	.....
November.....	72	95	105	.....	83	110	121	.....
December.....	71	92	100	.....	66	87	94	.....
Year.....					69	82	117	.....

† Revised.

‡ Preliminary.

Back figures.—Sales, see BULLETIN for August 1936, p. 631, and subsequent issues. Stocks, see BULLETIN for March 1938, p. 232, and subsequent issues.

WEEKLY INDEX OF SALES

[Weeks ending on dates shown. 1935-39 average = 100]

Without seasonal adjustment				
	1939	1940	1941	1942
Oct. 7.....	123	125	169	173
14.....	112	115	130	159
21.....	116	123	131	152
28.....	114	121	130	153
Nov. 4.....	123	117	138	158
11.....	116	122	139	166
18.....	115	130	148	167
25.....	107	116	128	166
Dec. 2.....	139	147	169	166
9.....	188	197	215	236
16.....	235	232	236	274
23.....	242	258	277	303
30.....	79	124	174	199
1940				1941
Jan. 6.....	82	85	107	112
13.....	86	99	130	138
20.....	83	90	131	132
27.....	79	89	119	119
Feb. 3.....	86	94	121	121
10.....	80	95	114	121
17.....	82	97	116	136
24.....	82	88	110	146
Mar. 2.....	95	101	119	150
9.....	98	97	125	142
16.....	99	105	131	134
23.....	113	111	140	137
30.....	88	117	147	143
Apr. 6.....	112	131	160	149
13.....	97	136	120	153
20.....	99	117	135	154
27.....	98	114	129	154
May 4.....	108	124	134	.....
11.....	114	128	136	8
18.....	99	110	115	15
25.....	97	117	114	22

Back figures.—See BULLETIN for April 1941, p. 311, and subsequent issues.

SALES BY FEDERAL RESERVE DISTRICTS AND BY CITIES

[Percentage change from corresponding period of preceding year]

	Mar. 1943	Feb. 1943	Three mos. 1943		Mar. 1943	Feb. 1943	Three mos. 1943		Mar. 1943	Feb. 1943	Three mos. 1943		Mar. 1943	Feb. 1943	Three mos. 1943			
United States.....	+7	+33	+12															
<i>Boston.....</i>	+7	+3	+5	<i>Cleveland (cont.)</i>	+2	+33	+10	<i>Chicago (cont.)</i>	-8	+13	-2	<i>Dallas.....</i>	+28	+74	+39			
<i>New Haven.....</i>	0	-21	-9		Youngstown.....	-1	+23		+5	Peoria.....	+11		+55	+22	Shreveport.....	+8	+29	+7
<i>Portland.....</i>	+52	+64	+44		Erie.....	+9	+30		+12	Fort Wayne.....	-2		+23	+4	Dallas.....	+27	+74	+39
<i>Boston.....</i>	+8	+25	+4	Pittsburgh.....	-7	+15	0	Indianapolis.....	+11	+55	+22	Fort Worth.....	+36	+80	+42			
<i>Springfield.....</i>	+1	+34	+10	Wheeling.....	-1	+31	+5	Des Moines.....	+17	+32	+14	Houston.....	+26	+73	+29			
<i>Providence.....</i>	+6	+11	+3	<i>Richmond.....</i>	+4	+38	+12	Sioux City.....	+21	+58	+29	San Antonio.....	+31	+92	+52			
<i>New York.....</i>	+1	+17	+2	Washington.....	-1	+23	+5	Detroit.....	+1	+31	+9	<i>San Francisco.....</i>	+19	+44	+24			
<i>Bridgeport.....</i>	-10	+10	-8	Baltimore.....	+4	+51	+14	Flint.....	+5	+57	+26	Phoenix.....	+20	+49	+29			
<i>Newark.....</i>	-10	+6	-6	Winston-Salem.....	0	+27	+10	Grand Rapids.....	+4	+21	+6	Tucson.....	+48	+74	+50			
<i>Albany.....</i>	-23	-12	-21	Charleston, S. C.....	+25	+44	+29	Lansing.....	-5	+26	+3	Bakersfield.....	+38	+65	+39			
<i>Binghamton.....</i>	-6	+31	+8	Lynchburg.....	+2	+45	+16	Milwaukee.....	-1	+28	0	Fresno.....	+15	+35	+16			
<i>Buffalo.....</i>	+3	+30	+9	Norfolk.....	+10	+40	+15	<i>St. Louis.....</i>	+3	+39	+12	Long Beach.....	+18	+46	+30			
<i>Elmira.....</i>	-11	+17	-2	Richmond.....	+11	+51	+22	Fort Smith.....	+13	+75	+34	Los Angeles.....	+9	+36	+16			
<i>Niagara Falls.....</i>	+18	+47	+28	Charleston, W. Va.....	-6	+21	-1	Little Rock.....	+22	+98	+46	Oakland and Berkeley.....	+16	+46	+24			
<i>New York City.....</i>	+4	+20	+4	Clarksburg.....	-10	+27	-1	Quincy.....	-4	+26	+6	Sacramento.....	+18	+38	+21			
<i>Poughkeepsie.....</i>	+1	+13	0	Huntington.....	-5	+37	+8	Evansville.....	+38	+82	+48	San Diego.....	+19	+42	+22			
<i>Rochester.....</i>	+12	+16	+6	<i>Atlanta.....</i>	+14	+50	+25	Louisville.....	+5	+35	+15	San Francisco.....	+16	+52	+28			
<i>Schenectady.....</i>	-5	+17	0	Birmingham.....	-2	+29	+9	St. Louis.....	-6	+27	+2	San Jose.....	+18	+29	+20			
<i>Syracuse.....</i>	+4	+22	+6	Montgomery.....	+19	+56	+31	Springfield.....	+15	+32	+18	Santa Rosa.....	+18	+45	+23			
<i>Philadelphia.....</i>	0	+18	+3	Jacksonville.....	+38	+68	+45	Memphis.....	+19	+55	+25	Stockton.....	+44	+84	+54			
<i>Trenton.....</i>	+8	+36	+15	Miami.....	+14	+30	+16	<i>Minneapolis.....</i>	+9	+44	+14	Vallejo and Napa Boise and Nampa.....	+28	+103	+47			
<i>Lancaster.....</i>	-12	+34	0	Tampa.....	+30	+56	+35	<i>Kansas City.....</i>	+22	+59	+33	Nampa.....	+19	+39	+32			
<i>Philadelphia.....</i>	+3	+19	+5	Atlanta.....	+17	+74	+33	Denver.....	+30	+59	+36	Portland.....	+33	+46	+29			
<i>Reading.....</i>	+2	+21	+4	Macon.....	+32	+88	+48	Hutchinson.....	+31	+69	+38	Salt Lake City.....	+40	+60	+45			
<i>Wilkes-Barre.....</i>	-5	+27	+4	Baton Rouge.....	+18	+100	+46	Topeka.....	+29	+61	+37	Bellingham.....	+5	+28	+11			
<i>York.....</i>	+4	+23	+7	New Orleans.....	+10	+39	+21	Wichita.....	+28	+66	+43	Everett.....	+11	+23	+14			
<i>Cleveland.....</i>	0	+29	+7	Jackson.....	+11	+56	+20	Joplin.....	-8	+35	+5	Seattle.....	+26	+43	+22			
<i>Akron.....</i>	+16	+40	+22	Chattanooga.....	+5	+42	+15	Kansas City.....	+11	+56	+28	Spokane.....	+36	+59	+41			
<i>Cincinnati.....</i>	+1	+34	+9	Knoxville.....	-2	+49	+15	St. Joseph.....	+16	+46	+22	Tacoma.....	+23	+38	+24			
<i>Cleveland.....</i>	-2	+29	+4	Nashville.....	+24	+57	+32	Omaha.....	+26	+65	+27	Walla Walla.....	+53	+59	+50			
<i>Columbus.....</i>	+17	+56	+28	<i>Chicago.....</i>	+3	+30	+8	Oklahoma City.....	+38	+86	+54	Yakima.....	+21	+45	+22			
<i>Toledo.....</i>	+5	+40	+12	Chicago.....	+3	+31	+6	Tulsa.....	+8	+42	+22							

† Revised.

Department Store Statistics—Continued
SALES AND STOCKS, BY MAJOR DEPARTMENTS

Department	Number of stores reporting	Sales during month (value)			Stocks at end of month (value)			Ratio of stocks to sales	
		Percentage change			Percentage change			Feb.	
		Feb. 1943 from Feb. 1942	Feb. 1943 from Jan. 1943	Feb. 1942 from Jan. 1942	Feb. 1943 from Feb. 1942	Feb. 1943 from Jan. 1943	Feb. 1942 from Jan. 1942	1943	1942
GRAND TOTAL—entire store	343	+38	+16	-16	-10	-3	+16	2.6	4.0
MAIN STORE—total	343	+38	+17	-15	-10	-4	+15	2.7	4.1
Women's apparel and accessories	341	+70	+28	-15	-10	-4	+20	1.7	3.1
Women's and misses' coats and suits.....	320	+104	+50	-19	-11	-24	+30	0.7	1.6
Women's and misses' dresses.....	326	+87	+43	-10	-14	-6	+21	0.9	2.0
Blouses, skirts, sportswear, sweaters, knit apparel.....	303	+88	+34	-10	0	-4	+18	1.4	2.6
Juniors' and girls' wear.....	286	+102	+59	+2	-7	-4	+31	1.2	2.7
Infants' wear.....	292	+61	+11	-9	-17	+1	+21	2.1	4.1
Aprons, housedresses, uniforms.....	272	+70	+22	-19	-13	-8	+23	1.3	2.5
Women's underwear, slips, negligees.....	313	+67	+27	-22	-19	-6	+16	1.9	3.9
Corsets, brassieres.....	324	+21	+11	-43	+6	-7	+26	2.7	3.0
Hosiery (women's and children's).....	333	+26	+22	+3	-14	-1	+22	2.5	3.7
Gloves (women's and children's).....	312	+55	+13	-14	-19	+5	+19	3.6	6.9
Shoes (women's and children's).....	229	+50	+16	-10	-8	+3	+17	3.5	5.8
Furs.....	253	+80	-9	-39	0	-12	-5	1.5	2.7
Men's and boys' wear	311	+33	+14	-26	-5	-4	+18	4.0	5.5
Men's clothing.....	220	+25	+9	-37	+3	-10	+17	3.8	4.6
Men's furnishings, hats, caps.....	292	+35	+13	-17	-7	-2	+15	4.0	5.8
Boys' clothing and furnishings.....	264	+56	+36	-7	-16	+4	+33	3.6	6.8
Men's and boys' shoes and slippers.....	158	+8	-6	-19	-9	-1	+8	6.0	7.1
Home furnishings	306	0	-3	-20	-13	-4	+12	4.4	5.0
Furniture, beds, mattresses, springs.....	226	-3	+33	+24	-13	-9	+1	3.5	3.9
Domestic floor coverings.....	233	+5	+13	-6	-3	-2	+19	5.6	6.1
Draperies, curtains, upholstery.....	284	+22	+16	-2	-3	+4	+16	4.9	6.2
Major appliances (refrigerators, washers, stoves, etc.).....	195	-72	+3	+8	-63	-11	+10	4.7	3.4
Domestics, blankets, linens, etc.....	284	+34	-40	-65	-7	-6	+18	3.6	5.1
China and glassware.....	207	+4	+9	-2	-6	-2	+2	6.1	6.7
Housewares.....	215	-1	+1	-9	-15	-3	+17	4.7	5.4
Piece goods (dress and coat yard goods, all materials)	277	+95	+66	-3	-14	-13	+19	1.8	4.1
Cotton wash goods.....	114	+116	+59	-8	-16	-15	+18	1.8	4.6
Small wares	321	+19	+6	-9	-8	+1	+13	3.2	4.2
Notions.....	210	+42	+2	-22	-3	0	+21	3.2	4.1
Toilet articles, drug sundries, prescriptions.....	308	+13	+3	-16	-7	-1	+13	3.0	3.6
Jewelry and silverware.....	277	+32	+17	+6	-8	+6	+11	3.9	5.6
Miscellaneous	282	+29	+11	-6	-17	+1	+13	3.3	5.1
BASEMENT STORE—total	220	+37	+12	-17	-6	-2	+25	2.3	3.4
Women's apparel and accessories.....	198	+51	+25	-12	-3	-4	+27	1.6	2.4
Men's and boys' clothing and furnishings.....	156	+29	+13	-20	-9	-1	+26	3.6	5.1
Home furnishings.....	123	+18	-7	-26	-6	-4	+20	3.4	4.3
Piece goods.....	52	+69	+35	-11	-6	-6	+30	2.1	3.9
Shoes.....	124	-3	-12	-13	-10	+9	+28	4.5	4.9

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

SALES, BY TYPE OF TRANSACTION

Year and month	Index numbers without seasonal adjustment January 1941 = 100								Percentage of total sales					
	Total		Cash		Instalment		Other credit		Cash		Instalment		Other credit	
	1942	1943	1942	1943	1942	1943	1942	1943	1942	1943	1942	1943	1942	1943
January.....	138	138	141	169	119	88	137	113	50	59	7	5	43	36
February.....	117	161	120	194	118	98	114	137	49	58	9	5	42	37
March.....	151	.....	155	.....	148	.....	148	.....	50	.....	8	.....	42	.....
April.....	149	.....	154	.....	131	.....	147	.....	50	.....	7	.....	43	.....
May.....	134	.....	149	.....	92	.....	126	.....	53	.....	6	.....	41	.....
June.....	131	.....	153	.....	76	.....	117	.....	56	.....	5	.....	39	.....
July.....	110	.....	133	.....	70	.....	91	.....	59	.....	5	.....	36	.....
August.....	135	.....	161	.....	101	.....	112	.....	58	.....	6	.....	36	.....
September.....	165	.....	193	.....	107	.....	145	.....	56	.....	6	.....	38	.....
October.....	184	.....	220	.....	123	.....	156	.....	57	.....	6	.....	37	.....
November.....	186	.....	223	.....	124	.....	157	.....	58	.....	6	.....	36	.....
December.....	287	.....	362	.....	156	.....	229	.....	61	.....	5	.....	34	.....

* Revised.

NOTE.—These data are based on reports from a smaller group of department stores than that included in the monthly index of sales shown on the preceding page. Also, the indexes shown here are based on total monthly sales whereas those on the preceding page are based on daily average sales.

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

End of month or year	Total consumer credit	Instalment credit					Single-payment loans ²	Charge accounts	Service credit
		Total instalment credit	Sale credit			Loans ¹			
			Total	Automotive	Other				
1929	7,089	3,167	2,515	1,318	1,197	652	1,577	1,749	396
1930	6,341	2,706	2,032	928	1,104	674	1,451	1,611	573
1931	5,177	2,214	1,595	637	958	619	1,051	1,381	531
1932	3,846	1,515	999	322	677	516	726	1,114	491
1933	3,717	1,581	1,122	459	663	459	588	1,081	467
1934	4,159	1,846	1,317	576	741	529	659	1,203	451
1935	5,148	2,599	1,805	940	865	794	785	1,292	472
1936	6,396	3,466	2,436	1,289	1,147	1,030	991	1,419	520
1937	7,054	3,919	2,752	1,384	1,368	1,167	1,119	1,459	557
1938	6,618	3,539	2,313	970	1,343	1,226	1,069	1,487	523
1939	7,518	4,351	2,792	1,267	1,525	1,559	1,089	1,544	534
1940	8,767	5,434	3,450	1,729	1,721	1,984	1,123	1,650	560
1941	9,499	5,921	3,747	1,942	1,805	2,174	1,204	1,764	610
1942	6,156	2,923	1,495	482	1,013	1,428	1,072	1,513	648
1942									
Feb.	8,770	5,335	3,299	1,668	1,631	2,036	1,193	1,623	619
Mar.	8,594	5,108	3,103	1,513	1,590	2,005	1,186	1,677	623
Apr.	8,364	4,886	2,919	1,369	1,550	1,967	1,171	1,682	625
May	7,952	4,611	2,705	1,239	1,466	1,906	1,151	1,561	629
June	7,513	4,327	2,474	1,120	1,354	1,853	1,125	1,430	631
July	7,007	4,036	2,247	1,004	1,243	1,789	1,112	1,225	634
Aug.	6,719	3,748	2,032	874	1,158	1,716	1,102	1,232	637
Sept.	6,557	3,504	1,862	769	1,093	1,642	1,095	1,320	638
Oct.	6,403	3,255	1,704	664	1,040	1,551	1,088	1,419	641
Nov.	6,169	3,054	1,571	573	998	1,483	1,085	1,386	644
Dec.	6,156	2,923	1,495	482	1,013	1,428	1,072	1,513	648
1943									
Jan.	5,705	2,663	1,317	404	913	1,346	1,058	1,333	651
Feb.	^p 5,493	^p 2,468	^p 1,193	^p 351	^p 842	^p 1,275	^p 1,038	^p 1,333	^p 654
Mar.	^p 5,352	^p 2,325	^p 1,073	^p 287	^p 786	^p 1,252	^p 1,022	^p 1,348	^p 657

^p Preliminary.

¹ Includes repair and modernization loans.

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

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

CONSUMER INSTALMENT SALE CREDIT, EXCLUDING AUTOMOTIVE

[Estimated amounts outstanding. In millions of dollars]

End of month or year	Total excluding automotive	Department stores and mail-order houses	Furniture stores	Household appliance stores	Jewelry stores	All other retail stores
1929	1,197	160	583	265	56	133
1930	1,104	155	539	222	47	141
1931	958	138	454	185	45	136
1932	677	103	313	121	30	110
1933	663	119	299	119	29	97
1934	741	146	314	131	35	115
1935	865	186	336	171	40	132
1936	1,147	256	406	255	56	174
1937	1,368	314	469	307	68	210
1938	1,343	302	485	266	70	220
1939	1,525	377	536	273	93	246
1940	1,721	439	599	302	110	271
1941	1,805	469	619	313	120	284
1942	1,013	254	391	130	78	160
1942						
Feb.	1,631	416	573	285	100	257
Mar.	1,590	406	567	272	95	250
Apr.	1,550	396	561	258	91	244
May	1,466	367	543	240	85	231
June	1,354	332	512	218	79	213
July	1,243	300	475	201	71	196
Aug.	1,158	277	449	183	67	182
Sept.	1,093	261	428	169	63	172
Oct.	1,040	253	408	154	61	164
Nov.	998	247	392	141	61	157
Dec.	1,013	254	391	130	78	160
1943						
Jan.	913	228	359	116	66	144
Feb.	^p 842	^p 210	^p 338	^p 103	^p 58	^p 133

^p Preliminary.

CONSUMER INSTALMENT LOANS

[Estimated amounts outstanding. In millions of dollars]

End of month or year	Total	Commercial banks ¹	Small loan companies	Industrial banking companies	Credit unions	Miscellaneous lenders	Repair and modernization loans
1929	652	43	263	219	32	95	.....
1930	674	45	287	218	31	93	.....
1931	619	39	289	184	29	78	.....
1932	516	31	257	143	27	58	.....
1933	459	29	232	121	27	50	.....
1934	529	39	246	125	32	60	27
1935	794	71	267	156	44	79	177
1936	1,030	130	301	191	66	102	240
1937	1,167	215	350	221	93	125	163
1938	1,226	248	346	230	113	117	172
1939	1,559	380	435	257	147	96	244
1940	1,984	586	505	288	189	99	317
1941	2,174	687	535	298	217	102	335
1942	1,428	370	424	202	141	91	200
1942							
Feb.	2,036	618	521	285	198	101	313
Mar.	2,005	601	521	282	196	101	304
Apr.	1,967	586	517	277	190	100	297
May	1,906	564	504	268	184	99	287
June	1,853	546	493	261	179	98	276
July	1,789	521	481	253	173	97	264
Aug.	1,716	491	466	246	166	95	252
Sept.	1,642	460	452	236	160	94	240
Oct.	1,551	421	437	222	152	92	227
Nov.	1,483	393	428	211	145	91	215
Dec.	1,428	370	424	202	141	91	200
1943							
Jan.	1,346	345	403	193	132	89	184
Feb.	^p 1,275	^p 319	^p 387	^p 185	^p 126	^p 88	^p 170

^p Preliminary.

¹ These figures for amounts outstanding include only personal instalment cash loans and retail automotive direct loans, which are shown on the following page and a small amount of other retail direct loans (14 million dollars at the end of February 1943), which are not shown separately.

Consumer Credit Statistics—Continued

CONSUMER INSTALMENT CREDITS OF COMMERCIAL BANKS, BY TYPE OF CREDIT

[Estimates. In millions of dollars]

Month or year	Total	Automotive retail		Other retail, purchased and direct	Repair and modernization loans	Personal instalment cash loans
		Purchased	Direct loans			
Outstanding at end of period:						
1939	1,020	210	160	150	220	280
1940	1,340	300	230	210	260	340
1941	1,588	396	303	279	246	364
1942	787	136	122	143	154	232
1942—						
February	1,434	338	258	268	225	345
March	1,403	331	245	267	221	339
April	1,338	308	235	254	207	334
May	1,273	283	224	243	201	322
June	1,211	265	211	223	196	316
July	1,139	242	196	208	187	306
August	1,072	227	182	189	182	292
September	998	203	167	175	176	277
October	922	190	148	159	168	257
November	860	166	136	151	165	242
December	787	136	122	143	154	232
1943—						
January	726	116	111	136	144	219
February	662	101	100	121	135	205
Volume extended during month:						
1942—						
February	115	23	19	21	7	45
March	138	27	22	23	9	57
April	125	19	20	28	10	48
May	110	17	18	25	9	41
June	102	15	16	16	9	46
July	95	16	16	13	9	41
August	93	23	14	11	9	36
September	82	14	13	12	8	35
October	77	11	11	14	9	32
November	64	7	9	14	7	27
December	69	6	10	15	6	32
1943—						
January	59	6	9	14	4	26
February	52	6	9	8	4	25

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

CONSUMER INSTALMENT LOANS MADE BY PRINCIPAL LENDING INSTITUTIONS

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

Month or year	Commercial banks ¹	Small loan companies	Industrial banking companies	Credit unions
1930		503	380	41
1931		498	340	38
1932		376	250	34
1933		304	202	33
1934		384	234	42
1935		423	288	67
1936		563	354	105
1937		619	409	148
1938		604	417	179
1939		763	489	257
1940		927	536	320
1941		983	558	343
1942		798	408	215
1941				
September		69	38	24
October		76	43	25
November		82	41	23
December		104	45	25
1942				
January	80	66	40	18
February	66	65	35	19
March	80	86	42	25
April	71	72	37	19
May	61	58	34	18
June	64	68	36	20
July	58	63	34	18
August	52	60	33	16
September	49	60	31	16
October	44	59	30	14
November	37	59	25	14
December	43	82	31	18
1943				
January	36	45	25	11
February	35	50	26	13

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

FURNITURE STORE STATISTICS

Item	Percentage change from preceding month		Percentage change from corresponding month of preceding year	
	February 1943	January 1943	February 1943	January 1943
	Net sales:			
Total	+8	-45	-4	-8
Cash sales	+5	-54	+53	+35
Credit sales:				
Instalment	+11	-46	-14	-15
Charge account	+8	-42	+4	-11
Accounts receivable, at end of month:				
Total	-6	-9	-39	-37
Instalment	-6	-8	-39	-37
Collections during month:				
Total	-10	-6	-5	-5
Instalment	-8	-9	-7	-6
Inventories, end of month, at retail value	-1	-2	-3	+4

RATIO OF COLLECTIONS TO ACCOUNTS RECEIVABLE¹

Month	Instalment accounts				Charge accounts
	Department stores	Furniture stores	Household appliance stores	Jewelry stores	
1941					
December	20	11	12	23	46
1942					
January	20	12	12	19	50
February	19	11	12	18	45
March	22	13	13	19	46
April	21	13	13	19	47
May	22	13	13	20	50
June	22	14	13	22	56
July	23	14	13	22	60
August	24	16	13	25	59
September	25	16	14	26	60
October	29	18	15	30	65
November	29	17	15	31	63
December	31	18	15	45	65
1943					
January	28	17	15	30	61
February	28	17	16	29	61

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

WHOLESALE PRICES, BY GROUPS OF COMMODITIES

[Index numbers of the Bureau of Labor Statistics. 1926 = 100]

Year, month, or week	All commodities	Farm products	Foods	Other commodities								
				Total	Hides and leather products	Textile products	Fuel and lighting materials	Metals and metal products	Building materials	Chemicals and allied products	House-furnishing goods	Miscellaneous
1929	95.3	104.9	99.9	91.6	109.1	90.4	83.0	100.5	95.4	94.0	94.3	82.6
1930	86.4	88.3	90.5	85.2	100.0	80.3	78.5	92.1	89.9	88.7	92.7	77.7
1931	73.0	64.8	74.6	75.0	86.1	66.3	67.5	84.5	79.2	79.3	84.9	69.8
1932	64.8	48.2	61.0	70.2	72.9	54.9	70.3	80.2	71.4	73.9	75.1	64.4
1933	65.9	51.4	60.5	71.2	80.9	64.8	66.3	79.8	77.0	72.1	75.8	62.5
1934	74.9	65.3	70.5	78.4	86.6	72.9	73.3	86.9	86.2	75.3	81.5	69.7
1935	80.0	78.8	83.7	77.9	89.6	70.9	73.5	86.4	85.3	79.0	80.6	68.3
1936	80.8	80.9	82.1	79.6	95.4	71.5	76.2	87.0	86.7	78.7	81.7	70.5
1937	86.3	86.4	85.5	85.3	104.6	76.3	77.6	95.7	95.2	82.6	89.7	77.8
1938	78.6	68.5	73.6	81.7	92.8	66.7	76.5	95.7	90.3	77.0	86.8	73.3
1939	77.1	65.3	70.4	81.3	95.6	69.7	73.1	94.4	90.5	76.0	86.3	74.8
1940	78.6	67.7	71.3	83.0	100.8	73.8	71.7	95.8	94.8	77.0	88.5	77.3
1941	87.3	82.4	82.7	89.0	108.3	84.8	76.2	99.4	103.2	84.6	94.3	82.0
1942	98.8	105.9	99.6	95.5	117.7	96.9	78.5	103.8	110.2	97.1	102.4	89.7
1942—January	96.0	100.8	93.7	94.6	114.9	93.6	78.2	103.5	109.3	96.0	102.4	89.3
February	96.7	101.3	94.6	94.9	115.3	95.2	78.0	103.6	110.1	97.0	102.5	89.3
March	97.6	102.8	96.1	95.2	116.7	96.6	77.7	103.8	110.5	97.1	102.6	89.7
April	98.7	104.5	98.7	95.6	119.2	97.7	77.7	103.8	110.2	97.1	102.8	90.3
May	98.8	104.4	98.9	95.7	118.8	98.0	78.0	103.9	110.1	97.3	102.9	90.5
June	98.6	104.4	99.3	95.6	118.2	97.6	78.4	103.9	110.1	97.2	102.9	90.2
July	98.7	105.3	99.2	95.7	118.2	97.1	79.0	103.8	110.3	96.7	102.8	89.8
August	99.2	106.1	100.8	95.6	118.2	97.3	79.0	103.8	110.3	96.2	102.7	88.9
September	99.6	107.8	102.4	95.5	118.1	97.1	79.0	103.8	110.4	96.2	102.5	88.8
October	100.0	109.0	103.4	95.5	117.8	97.1	79.0	103.8	110.4	96.2	102.5	88.6
November	100.3	110.5	103.5	95.8	117.8	97.1	79.1	103.8	110.1	99.5	102.5	90.1
December	101.0	113.8	104.3	95.9	117.8	97.2	79.2	103.8	110.0	99.5	102.5	90.5
1943—January	101.9	117.0	105.2	96.0	117.8	97.3	79.3	103.8	109.8	100.2	102.5	90.7
February	102.5	119.0	105.8	96.2	117.8	97.3	79.8	103.8	110.2	100.3	102.6	90.9
March	103.4	122.8	107.4	96.5	117.8	97.3	80.3	103.8	110.4	100.0	102.6	91.4
Week ending												
1943—January 2	101.2	115.4	104.2	96.2	118.4	96.7	79.9	103.9	110.0	99.5	104.1	90.4
January 9	101.4	116.1	104.4	96.2	118.4	96.7	80.0	103.9	110.0	99.5	104.1	90.4
January 16	101.6	116.6	104.8	96.3	118.4	96.7	80.1	103.9	110.0	99.5	104.1	90.5
January 23	101.7	117.2	104.7	96.3	118.4	96.8	80.1	103.9	110.0	99.5	104.1	90.5
January 30	101.8	117.7	105.0	96.3	118.4	96.8	80.1	103.9	110.1	99.5	104.1	90.5
February 6	102.0	118.2	105.1	96.4	118.4	96.8	80.4	103.9	110.1	99.5	104.1	90.5
February 13	102.1	118.6	105.5	96.4	118.4	96.8	80.4	103.9	110.1	100.0	104.1	90.6
February 20	102.4	120.0	105.7	96.4	118.4	96.8	80.5	103.9	110.0	100.3	104.1	90.7
February 27	102.7	121.2	106.0	96.5	118.4	96.8	80.7	103.9	110.0	100.3	104.1	90.9
March 6	102.9	122.0	106.4	96.6	118.4	96.8	80.9	103.9	110.1	99.9	104.1	91.0
March 13	103.2	123.5	107.0	96.6	118.4	96.8	80.7	103.9	110.4	100.0	104.2	91.2
March 20	103.0	122.4	107.1	96.6	118.4	96.8	80.8	103.9	110.4	100.0	104.2	91.2
March 27	103.3	124.2	107.6	96.6	118.4	96.8	80.8	103.9	110.4	100.0	104.2	91.2
April 3	103.4	124.7	107.8	96.7	118.4	96.8	80.8	103.9	110.4	100.1	104.2	91.2
April 10	103.5	124.3	107.9	96.7	118.4	96.9	81.1	103.9	110.3	100.1	104.2	91.3
April 17	103.5	124.4	108.3	96.8	118.4	96.9	81.1	103.9	110.3	100.1	104.2	91.4
April 24	103.4	123.9	108.5	96.8	118.4	96.9	81.1	103.9	110.2	100.1	104.2	91.4

Subgroups	1942		1943		Subgroups	1942		1943								
	Mar.	Dec.	Jan.	Feb.		Mar.	Mar.	Dec.	Jan.	Feb.	Mar.					
<i>Farm Products:</i>																
Grains	93.8	100.7	107.3	108.6	112.2	<i>Metals and Metal Products:</i>										
Livestock and poultry	113.8	123.9	129.2	132.8	135.7	Agricultural implements	96.9	96.9	96.9	96.9	96.9					
Other farm products	97.9	110.4	111.5	112.6	117.1	Farm machinery	98.0	98.0	98.0	98.0	98.0					
<i>Foods:</i>						Iron and steel	97.1	97.2	97.2	97.2	97.2					
Dairy products	94.3	111.8	113.4	113.3	113.2	Motor vehicles	112.7	112.8	112.8	112.8	112.8					
Cereal products	90.6	89.3	90.6	92.2	93.5	Nonferrous metals	85.6	86.0	86.0	86.0	86.0					
Fruits and vegetables	87.7	104.3	102.6	108.5	115.6	Plumbing and heating	98.2	90.4	90.4	90.4	90.4					
Meats	109.2	113.6	115.5	115.5	115.5	<i>Building Materials:</i>										
Other foods	89.1	95.9	96.2	94.5	96.3	Brick and tile	97.1	98.7	98.7	98.6	98.7					
<i>Hides and Leather Products:</i>						Cement	93.6	94.2	94.2	94.2	94.2					
Shoes	124.3	126.4	126.4	126.4	126.4	Lumber	133.1	133.3	133.3	134.6	134.6					
Hides and skins	116.6	116.0	116.0	116.0	116.0	Paint and paint materials	100.8	100.3	100.6	101.2	102.2					
Leather	101.5	101.3	101.3	101.3	101.3	Plumbing and heating	98.2	90.4	90.4	90.4	90.4					
Other leather products	113.6	115.2	115.2	115.2	115.2	Structural steel	107.3	107.3	107.3	107.3	107.3					
<i>Textile Products:</i>						Other building materials	103.8	103.0	102.2	102.2	102.0					
Clothing	106.6	107.0	107.0	107.0	107.0	<i>Chemicals and Allied Products:</i>										
Cotton goods	112.6	112.4	112.5	112.6	112.6	Chemicals	96.4	96.1	96.9	96.9	96.4					
Hosiery and underwear	69.8	70.5	70.5	70.5	70.5	Drugs and pharmaceuticals	126.5	165.4	165.4	165.5	165.0					
Silk	30.3	30.3	30.3	30.3	30.3	Fertilizer materials	79.5	79.0	79.0	79.0	79.0					
Rayon	30.3	30.3	30.3	30.3	30.3	Mixed fertilizers	82.8	82.8	85.3	85.8	85.8					
Woolen and worsted goods	108.7	112.1	112.4	112.4	112.4	Oils and fats	108.8	101.5	101.5	101.5	101.5					
Other textile products	98.2	97.7	97.7	97.7	97.5	<i>Housefurnishing Goods:</i>										
<i>Fuel and Lighting Materials:</i>						Furnishings	107.7	107.3	107.3	107.3	107.3					
Anthracite	85.2	86.2	88.5	89.7	89.8	Furniture	97.4	97.4	97.4	97.7	97.7					
Bituminous coal	108.4	112.4	112.5	113.9	115.2	<i>Miscellaneous:</i>										
Coke	122.1	122.1	122.1	122.3	122.4	Auto tires and tubes	71.0	73.0	73.0	73.0	73.0					
Electricity	65.3	77.1	76.1	73.2	75.8	Cattle feed	137.7	142.1	142.8	142.1	148.2					
Gas	77.1	76.1	73.2	75.8	75.8	Paper and pulp	102.9	99.0	100.1	101.1	102.7					
Petroleum products	58.3	60.7	60.8	61.2	61.5	Rubber, crude	46.3	46.3	46.3	46.3	46.3					
						Other miscellaneous	93.3	94.9	94.9	94.9	94.9					

Back figures.—Bureau of Labor Statistics, Department of Labor.

ESTIMATED EMPLOYMENT IN NONAGRICULTURAL ESTABLISHMENTS BY INDUSTRY DIVISION

[Thousands of persons]

Year and month	Total	Manufacturing	Mining	Construction*	Transportation and public utilities	Trade	Finance, service, and miscellaneous	Federal, State, and local government
SEASONALLY ADJUSTED								
1942—March	36,002	13,939	936	1,886	3,366	6,812	4,260	4,803
April	36,063	14,081	938	1,826	3,408	6,690	4,237	4,863
May	36,274	14,220	933	1,791	3,435	6,695	4,237	4,943
June	36,461	14,382	929	1,768	3,446	6,610	4,266	5,060
July	37,051	14,640	929	1,851	3,471	6,609	4,296	5,255
August	37,433	14,819	918	1,916	3,490	6,607	4,317	5,366
September	37,645	15,006	900	1,959	3,482	6,523	4,313	5,462
October	37,962	15,162	888	1,902	3,466	6,619	4,324	5,601
November	38,325	15,349	883	1,889	3,508	6,673	4,333	5,690
December	38,842	15,687	884	2,004	3,535	6,635	4,331	5,766
1943—January	38,792	15,933	870	1,843	3,549	6,513	4,350	5,734
February	38,823	15,975	873	1,748	3,545	6,458	4,357	5,867
March	38,871	16,039	863	1,534	3,542	6,530	4,351	6,012
UNADJUSTED								
1942—March	35,411	13,859	933	1,625	3,295	6,711	4,194	4,794
April	35,908	14,019	929	1,771	3,389	6,679	4,265	4,856
May	36,346	14,133	928	1,909	3,442	6,667	4,309	4,958
June	36,666	14,302	921	1,991	3,485	6,606	4,324	5,037
July	37,234	14,641	923	2,108	3,519	6,504	4,355	5,184
August	37,802	14,980	918	2,181	3,533	6,496	4,371	5,323
September	38,348	15,233	910	2,185	3,542	6,561	4,397	5,520
October	38,478	15,313	902	2,028	3,539	6,697	4,327	5,672
November	38,533	15,434	894	1,896	3,520	6,771	4,295	5,723
December	38,942	15,684	885	1,674	3,502	7,107	4,279	5,811
1943—January	37,862	15,743	867	1,470	3,463	6,371	4,259	5,689
February	37,960	15,851	867	1,386	3,456	6,291	4,270	5,839
March	38,232	15,957	859	1,331	3,467	6,332	4,283	6,003

* Includes contract construction and Federal force account construction.

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

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

Chart book page	1943					Chart book page	1943		
	Mar. 24	Mar. 31	Apr. 7	Apr. 14	Apr. 21		Jan.	Feb.	Mar.
WEEKLY FIGURES¹									
	<i>In billions of dollars</i>						<i>In billions of dollars</i>		
RESERVES AND CURRENCY									
RESERVE BANK CREDIT:									
U. S. Govt. securities, total.....	2, 4	5.95	5.92	6.55	6.70	6.33	6.32	6.09	6.49
Bonds.....	4	2.08	2.01	2.05	2.06	2.04	22.71	22.65	22.62
Notes.....	4	.99	.97	.98	.98	.98	15.40	15.84	16.15
Certificates.....	4	.82	.85	.98	1.00	1.00	2.19	2.21	2.22
Bills.....	4	1.56	2.09	2.53	2.66	2.30	.31	.21	.01
Special certificates.....	4	.51					13.34	12.93	13.26
Bills discounted.....	2	.01	.01	.01	.01	.01	11.21	11.22	11.37
Gold stock.....	2	22.60	22.58	22.54	22.50	22.48	2.13	1.71	1.88
Money in circulation.....	2	16.07	16.25	16.35	16.42	16.50	.34	.10	.10
Nonmember deposits.....	2	1.18	1.17	1.18	1.38	1.37	.02	.01	.03
Treasury deposits.....	2	.01	.06	.21	.13	.47	.91	.78	.85
Member bank reserves.....	3	13.08	12.76	13.11	13.14	12.32	.86	.82	.90
Excess reserves ²	3	1.63	1.52	1.98	2.16	2.34	15.59	16.09	16.25
Excess reserves (weekly average), total ³	3	1.81	[¶] 1.56	[¶] 1.67	[¶] 2.35		3.93	4.03	4.13
New York City.....	3	.11	.06	.04	.05		8.29	8.63	8.67
Chicago.....	3	.02	.03	.04	.02		3.38	3.44	3.45
Reserve city banks.....	3	.79	.67	.76	.93				
Country banks ⁴	3	.89	[¶] .80	[¶] .84	[¶] 1.34				
MEMBER BANKS IN LEADING CITIES									
Loans and investments.....	14	42.00	41.39	41.65	42.25	44.13			
Demand deposits adjusted.....	14	32.13	31.85	32.96	33.00	30.32			
U. S. Govt. obligations.....	14	29.29	28.71	29.00	29.48	30.49			
Total loans.....	14	9.49	9.46	9.44	9.56	10.41			
Commercial loans, total.....	15	5.75	5.70	5.61	5.59	5.60			
New York City.....	15	2.33	2.29	2.26	2.25	2.24			
100 cities outside New York.....	15	3.43	3.40	3.36	3.34	3.36			
Brokers' loans—New York City.....	15	.47	.50	.54	.67	.26			
U. S. Govt. obligations:									
New York City, total.....	15	11.76	11.59	11.63	11.67	12.17			
Bonds.....	17	5.06	5.10	5.17	5.25	5.33			
Notes and guar. securities.....	17	2.87	2.89	2.92	2.91	2.90			
Certificates.....	17	1.96	2.00	1.95	2.05	2.15			
Bills.....	17	1.88	1.60	1.60	1.46	1.79			
100 cities outside New York, total.....	15	17.53	17.11	17.37	17.81	18.32			
Bonds.....	17	8.67	8.72	8.75	8.79	8.85			
Notes and guar. securities.....	17	3.24	3.25	3.25	3.24	3.28			
Certificates.....	17	3.05	2.99	3.06	3.09	3.20			
Bills.....	17	2.58	2.15	2.31	2.69	2.99			
MONEY RATES, ETC.									
<i>Per cent per annum</i>									
Treasury bills (new issues).....	25	.374	.374	.373	.371	.372			
Treasury notes (taxable).....	25	1.39	1.39	1.40	1.39	1.38			
U. S. Govt. bonds:									
Partially tax exempt.....	25, 33	2.09	2.07	2.05	2.02	1.99			
Taxable.....	25, 33	2.33	2.32	2.32	2.32	2.31			
Corporate Aaa bonds.....	33	2.76	2.76	2.76	2.76	2.76			
Corporate Baa bonds.....	33	4.01	3.97	3.95	3.98	3.97			
Stock prices (1935-39 = 100):									
<i>In unit indicated</i>									
Total.....	35	87.8	91.9	92.8	90.0	91.3			
Industrial.....	35	90.5	94.9	95.5	92.4	93.5			
Railroad.....	35	85.1	91.0	95.2	90.0	93.2			
Public utility.....	35	75.5	77.5	79.0	77.9	79.8			
Volume of trading (mill. shares).....	35	1.53	1.80	2.33	1.21	1.06			
BUSINESS CONDITIONS									
Steel production (per cent of capacity).....	50	99.1	99.5	99.6	98.8	99.1			
Electric power prod. (mill. kw. hrs.).....	50	3,928	3,890	3,882	3,917				
Freight car loadings (thous. cars):									
Total.....	51	787.4	772.1	789.0	780.9	794.2			
Miscellaneous.....	51	373.8	383.1	381.4	376.9	377.2			
Department store sales (1935-39 = 100).....	52	143	149	153	154	166			
F.H.A. home mortgages, new construction (thous.) ²	52								
Wholesale prices (1926 = 100):									
Total.....	63	103.3	103.4	103.5	103.5	103.4			
Farm products.....	63	124.2	124.7	124.3	124.4	123.9			
Other than farm and food.....	63	96.6	96.7	96.7	96.8	96.8			
MONTHLY FIGURES									
RESERVES AND CURRENCY									
Reserve bank credit.....	5	6.32	6.09	6.49					
Gold stock.....	5	22.71	22.65	22.62					
Money in circulation.....	5	15.40	15.84	16.15					
Treasury cash.....	5	2.19	2.21	2.22					
Treasury deposits.....	5	.31	.21	.01					
Reserve balances.....	5, 8	13.34	12.93	13.26					
Required reserves.....	8	11.21	11.22	11.37					
Excess reserves, total.....	8, 9	2.13	1.71	1.88					
New York City.....	9	.34	.10	.10					
Chicago.....	9	.02	.01	.03					
Reserve city banks.....	9	.91	.78	.85					
Country banks.....	9	.86	.82	.90					
Money in circulation, total.....	10	15.59	16.09	16.25					
Bills of \$50 and over.....	10	3.93	4.03	4.13					
\$10 and \$20 bills.....	10	8.29	8.63	8.67					
Coins, \$1, \$2, and \$5 bills.....	10	3.38	3.44	3.45					
CONSUMER CREDIT									
Consumer credit, total.....	18	5.71	[¶] 5.49	[¶] 5.35					
Single-payment loans.....	18	1.06	[¶] 1.04	[¶] 1.02					
Charge accounts.....	18	1.33	[¶] 1.33	[¶] 1.35					
Service credit.....	18	.65	[¶] .65	[¶] .66					
Instalment credit, total.....	18, 19	2.66	[¶] 2.47	[¶] 2.33					
Instalment loans.....	19	1.35	[¶] 1.28	[¶] 1.25					
Instalment sale credit, total.....	19	1.32	[¶] 1.19	[¶] 1.07					
Automotive.....	19	.40	[¶] .35	[¶] .29					
Other.....	19	.91	[¶] .84	[¶] .79					
TREASURY FINANCE									
U. S. Govt. obligations outstanding, total interest-bearing.....	20	114.30	117.13	118.64					
Bonds (marketable Treasury).....	20	49.27	49.27	49.27					
Notes, cert., and bills, total.....	20	28.03	29.26	30.19					
Notes.....	21	9.86	9.86	9.80					
Certificates.....	21	10.74	11.16	11.16					
Bills.....	21	7.42	8.23	9.23					
Savings bonds, tax notes, etc.....	20	23.36	24.56	24.62					
Savings bonds.....	21	16.25	17.07	17.89					
Tax notes.....	21	6.75	7.12	6.35					
Special issues.....	20	9.17	9.57	10.00					
Holdings of U. S. Govt. obligations:									
Fed. agencies and trust funds.....	22	12.37	[¶] 12.69	[¶] 13.06					
Federal Reserve Banks.....	22	5.97	5.87	5.92					
Commercial banks.....	22	[¶] 42.92	[¶] 43.39						
Private holders other than commercial banks, total.....	22	[¶] 53.05	[¶] 55.17						
Mutual savings banks.....	23	[¶] 4.64	[¶] 4.71						
Insurance companies.....	23	11.10	11.20						
Other investors, total.....	23	[¶] 37.30	[¶] 39.30						
Marketable issues.....	23	[¶] 14.70	[¶] 15.50						
MONEY RATES, ETC.									
<i>Per cent per annum</i>									
F. R. Bank discount rate, N. Y.....	27	.50	.50	.50					
Treasury bills (new issues).....	27	.367	.372	.373					
Treasury notes (taxable).....	27	1.29	1.24	1.33					
Commercial paper.....	29	.69	.69	.69					
U. S. Govt. bonds:									
Partially tax exempt.....	33	2.06	2.06	[¶] 2.08					
Taxable.....	33	2.32	2.32	2.33					
Corporate Aaa bonds.....	29, 33	2.79	2.77	2.76					
Corporate Baa bonds.....	33	4.16	4.08	4.01					
Stock prices (1935-39 = 100):									
<i>In unit indicated</i>									
Total.....	35	79.7	84.8	88.2					
Industrial.....	35	82.3	87.7	90.8					
Railroad.....	35	73.7	77.5	86.4					
Public utility.....	35	69.3	73.3	76.2					
Volume of trading (mill. shares).....	35	.82	1.25	1.50					
Brokers' balances (mill. dollars):									
Credit extended customers.....	37	[¶] 540	[¶] 550	[¶] 610					
Money borrowed.....	37	[¶] 290	[¶] 320	[¶] 350					
Customers' free credit balances.....	37	[¶] 280	[¶] 310	[¶] 340					

¹ Estimated. ² Preliminary. ³ Revised.

⁴ Figures for other than Wednesday dates are shown under the Wednesday included in the weekly period.

⁵ Publication discontinued.

⁶ Number of issues included decreased on Mar. 15.

* Copies of the revised edition of the Chart Book may be obtained at a price of 50 cents each.

Current Statistics for Federal Reserve Chart Book—Continued
Revised Edition of Chart Book

	Chart book page	1943				Chart book page	1943			
		Jan.	Feb.	Mar.			Jan.	Feb.	Mar.	
MONTHLY FIGURES (cont.)				<i>In unit indicated</i>			MONTHLY FIGURES (cont.)			
BUSINESS CONDITIONS							BUSINESS CONDITIONS (cont.)			
Income payments (mill. dollars), total ¹	38	10,983	^p 11,241		Exports and imports (mill. dollars):					
Salaries and wages.....	38	7,734	^p 7,894		Exports.....	61	^p 698.2	^p 678.9		
Other.....	38	3,249	^p 3,347		Imports.....	61	^p 228.4	^p 234.3		
Cash farm income (mill. dollars), total.....	39	1,361	1,205	^p 1,395	Excess of exports.....	61	^p 469.9	^p 444.6		
Livestock and products.....	39	782	756	^p 893	Excluding Lend-Lease exports.....	61	^p -33.6	^p -35.4		
Crops.....	39	479	370	^p 410	Wholesale prices, total (1926 = 100).....	63	101.9	102.5	103.4	
Govt. payments.....	39	100	79	^p 92	Farm products.....	63	117.0	119.0	122.8	
Industrial production: ¹					Other than farm and food.....	63	96.0	96.2	96.5	
Total (1935-39 = 100).....	41, 42	199	202	^p 203	Cost of living, all items (1935-39 = 100)	65	120.6	120.9	(³)	
Groups (points in total index)					Food.....	65	133.0	133.6	(³)	
Durable manufactures.....	41	110.3	111.9	^p 112.8	Clothing.....	65	125.9	125.9	(³)	
Machinery, etc.....	42	72.0	73.2	^p 74.6	Rent.....	65	(³)	(³)	(³)	
Iron and steel.....	42	22.4	22.8	23.1						
Other durable.....	42	15.9	15.9	^p 15.1						
Nondurable manufactures.....	41	69.7	70.4	^p 69.3						
Textiles and leather.....	42	20.4	20.7	^p 20.3						
Paper and printing.....	42	^p 11.5	^p 11.5	^p 11.5						
Foods, liquor, and tobacco.....	42	20.8	20.8	^p 20.3						
Other nondurable.....	42	17.1	17.4	^p 17.3						
Minerals.....	41, 42	19.2	20.1	^p 20.4						
Primary products (1935-39 = 100):										
Steel.....	43	^r 226	^r 231	233						
Cement.....	43	169	156	132						
Lumber.....	43	116	121	^p 112						
Coal.....	43	136	151	^p 154						
Crude petroleum.....	43	118	121	^p 123						
Cotton consumption.....	43	171	171	166						
Wool yarn.....	43	^r 172	184							
Paper.....	43	^r 133	135							
Leather.....	43	122	117							
Meats and dairy products.....	43	143	147	148						
Other manufactured foods.....	43	^r 165	161	^p 156						
Labor force and employment (mill. persons):										
Labor force.....	44	52.4	52.3	52.0						
Employment, total.....	44	51.0	50.9	51.0						
Nonagricultural.....	44	42.3	42.1	42.0						
Agricultural.....	44	8.7	8.8	9.0						
Male.....	44	36.3	35.9	35.8						
Female.....	44	14.7	15.0	15.2						
Nonagricultural employment (mill. persons), total ¹	45	38.8	38.8	^p 38.9						
Manufacturing and mining.....	45	16.8	16.8	^p 16.9						
Trade.....	45	6.5	6.5	^p 6.5						
Government.....	45	5.7	5.9	^p 6.0						
Transportation and utilities.....	45	3.5	3.5	^p 3.5						
Construction.....	45	1.8	1.7	^p 1.5						
Factory employment and pay rolls (1939 = 100):										
Pay rolls.....	47	^r 290.9	297.2							
Employment.....	47	165.0	166.1	^p 167.2						
Hours and earnings at factories:										
Weekly earnings (dollars).....	48	^r 40.62	41.12							
Hourly earnings (cents).....	48	^r 91.9	92.4							
Hours worked (per week).....	48	44.2	44.5							
New orders, shipments, and inventories (1939 = 100):										
New orders, total.....	49	217	^p 246							
Durable.....	49	204	^p 239							
Nondurable.....	49	161	^p 179							
Shipments, total.....	49	226	^p 256							
Durable.....	49	208	^p 237							
Nondurable.....	49	169	^p 193							
Inventories, total.....	49	178	^p 176							
Durable.....	49	211	^p 210							
Nondurable.....	49	149	^p 146							
Residential contracts (mill. dollars): ¹										
Total.....	53	118	100	68						
Public.....	53	89	72	43						
Private, total.....	53	29	28	24						
1- and 2-family dwellings.....	53	22	22	18						
Other.....	53	7	5	6						
Construction contracts (3-mo. moving av., mill. dollars): ¹										
Total.....	55	594	420	^p 351						
Residential.....	55	146	103	^p 73						
Other.....	55	448	317	^p 278						
Freight car loadings: ¹										
Total (1935-39 = 100).....	57	135	141	136						
Groups (points in total index)										
Miscellaneous.....	57	81.4	83.8	77.4						
Coal.....	57	25.2	27.1	29.7						
All other.....	57	28.5	29.6	29.4						
Department stores (1923-25 = 100): ¹										
Sales.....	59	143	167	136						
Stocks.....	59	102	93	90						

^c Estimated. ^p Preliminary. ^r Revised. ^c Corrected.
¹ Adjusted for seasonal variation. ² Figures available for June and December dates only.
³ Indexes for March not yet available; rents have not been surveyed since December 1942.

INTERNATIONAL FINANCIAL STATISTICS

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Tables on the following pages include the principal available statistics of current significance relating to gold, international capital transactions of the United States, and financial developments abroad. The data are compiled for the most part from regularly published sources such as central and commercial bank statements and official statistical bulletins; some data are reported to the Board directly. Figures on international capital transactions of the United States are collected by the Federal Reserve Banks from banks, bankers, brokers, and dealers in the United States in accordance with the Treasury Regulation of November 12, 1934. Back figures may in most cases be obtained from earlier BULLETINS and from Annual Reports of the Board of Governors for 1937 and earlier years.

GOLD RESERVES OF CENTRAL BANKS AND GOVERNMENTS

[In millions of dollars]

End of month	United States	Argentina	Belgium	Brazil	British India	Bulgaria	Canada	Chile	Colombia	Czechoslovakia	Denmark	Egypt	France	Germany	Greece
1936—Dec.	11,258	501	632	25	275	20	188	29	19	91	54	55	2,995	27	26
1937—Dec.	12,760	469	597	32	274	24	184	30	16	92	53	55	2,564	28	24
1938—Dec.	14,512	431	581	32	274	24	192	30	24	83	53	55	2,430	29	27
1939—Dec.	17,644	466	609	40	274	24	214	30	21	56	53	55	2,709	29	28
1940—Dec.	21,995	¹ 353	² 734	51	274	24	³ 7	30	17	58	52	52	2,000	29	28
1941—Dec.	22,737	354	734	70	274	24	5	30	16	61	44	52	2,000	29	⁴ 28
1942—Apr.	22,691	355	734	74	274	24	6	30	16	61	44	52	2,000		
May	22,714	355	734	76	274	24	7	30	16	61	44	52	2,000		
June	22,737	355	735	78	274	24	5	31	16	61	44	52	2,000		
July	22,744	354	735	79	274		8	31	18	61	44	52	2,000		
Aug.	22,756	354	735	81	274		9	31	19	61	44	52	2,000		
Sept.	22,754	354	735	82	274		8	36	21	61	44	52	2,000		
Oct.	22,740	354	735	113	274		5	36	23	61	44	52	2,000		
Nov.	22,743	354	735	114	274		6	36	24	61	44	52	2,000		
Dec.	22,726	354	735	115	274		6	36	25	61	44	52	2,000		
1943—Jan.	22,683	354	734	120	274		7	38	27	61	44	52	2,000		
Feb.	22,644	354		121			6		28						
Mar.	22,576						6		30						

End of month	Hungary	Iran (Persia)	Italy	Japan	Java	Mexico	Netherlands	New Zealand	Norway	Peru	Poland	Portugal	Rumania	South Africa	Spain
1936—Dec.	25	25	208	463	60	46	491	23	98	20	75	68	114	203	⁵ 718
1937—Dec.	25	25	210	261	79	24	933	23	82	21	83	69	120	189	⁵ 525
1938—Dec.	37	26	193	164	80	29	998	23	94	20	85	69	133	220	
1939—Dec.	24	26	144	164	90	32	692	23	94	20	⁴ 84	69	152	249	
1940—Dec.	24	26	120	164	140	47	617	23	⁴ 84	20		59	158	367	
1941—Dec.	24	26		⁶ 164	235	47	575	23		21		59	182	366	42
1942—Apr.	24	26			⁴ 216	31	537	23		21		59	203	429	
May	24	26				30	533	23		21		59	205	447	
June	24					32	528	23		21		59	210	468	
July	24					33	526	23		21		59	215	502	
Aug.	24					34	522	23		24		59	219	527	
Sept.	24					34	518	23		24		59	225	551	
Oct.	24					36	514	23		24		59	234	582	
Nov.	24					37	510	23		25		59	239	610	
Dec.	24					39	506	23		25			241	634	42
1943—Jan.	24					70	501	23		25			241	572	
Feb.						90				25				523	
Mar.						110				25					

End of month	Sweden	Switzerland	Turkey	United Kingdom	Uruguay	Venezuela	Yugoslavia	B.I.S.	Other countries ⁷
1936—Dec.	240	657	26	2,584	77	59	48	11	183
1937—Dec.	244	650	29	2,689	74	52	51	5	185
1938—Dec.	321	701	29	2,690	69	52	57	14	142
1939—Dec.	308	549	29	81	68	52	59	7	153
1940—Dec.	160	502	88	1	90	⁹ 29	82	12	145
1941—Dec.	223	665	92	1	100	41	⁸ 83	12	142
1942—Apr.	280	796	107	1	97	56		15	143
May	308	795	111	1	97	56		15	143
June	309	795	110	1	97	56		19	145
July	311	800	111	1	97	56		21	146
Aug.	316	800	111	1	97	56		19	146
Sept.	321	801	111	1	95	60		20	146
Oct.	326	805	116	1	94	64		¹⁰ 21	147
Nov.	331	¹¹ 813	116	1	92	64			147
Dec.	335	¹¹ 824	114	1		68			149
1943—Jan.	340	¹¹ 832	124	1		68			149
Feb.	342	¹¹ 842		1		70			¹⁰ 171
Mar.	344	¹¹ 851		1		72			171

Government gold reserves ¹ not included in previous figures				
End of month	United States	United Kingdom	France ²	Belgium
1936—Dec.				93
1937—June	169	³ 934		115
Dec.		⁴ 1,395		81
1938—Mar.		1,489		
June	44			62
Dec.	80	4,759	331	44
1939—Mar.	154	1,732	559	
May			477	
June	85			17
Sept.	164			
Dec.	156			17
1940—Mar.	145			
June	86			17
Sept.	105			
Dec.	48	292		17
1941—Mar.	88			
June	89			
Sept.	24	⁵ 151		
Dec.	25			17
1942—Mar.	12			
June	8			
Sept.	7			
Dec.	12			

^p Preliminary. ^r Revised.

¹ Beginning April 1940, reports on certain Argentine gold reserves no longer available.

² Change from previous December due largely to inclusion of gold formerly not reported.

³ On May 1, 1940, gold belonging to Bank of Canada transferred to Foreign Exchange Control Board. Gold reported since that time is gold held by Minister of Finance.

⁴ Figures relate to last official report dates for the respective countries, as follows: Greece—Mar. 31, 1941; Java—Jan. 31, 1942; Norway—Mar. 30, 1940; Poland—July 31, 1939; Yugoslavia—Feb. 28, 1941.

⁵ Figures for December 1936 and December 1937 are those officially reported on Aug. 1, 1936, and Apr. 30, 1938, respectively.

⁶ Figure for February 1941; beginning Mar. 29, 1941, gold reserves no longer reported separately.

⁷ These countries are: Albania, Algeria, Australia, Austria through Mar. 7, 1938, Belgian Congo, Bolivia, China, Danzig through Aug. 31, 1939, Ecuador, El Salvador, Estonia, Finland, Guatemala, Iceland, Ireland beginning February 1943, Latvia, Lithuania, Morocco, and Thailand (Siam). Figures for certain of these countries have been carried forward from last previous official report.

⁸ Gold holdings of Bank of England reduced to nominal amount by gold transfers to British Exchange Equalization Account during 1939.

⁹ Beginning December 1940, figures refer to gold reserves of new Central Bank only.

¹⁰ Beginning February 1943, figure also includes gold reserves of new Central Bank of Ireland.

NOTE.—For description of table and back figures see BULLETIN for September 1940, pp. 925-934 and pp. 1000-1007; details regarding special internal gold transfers affecting the reported figures through April 1940 appear on p. 926 in that issue.

¹ Reported at infrequent intervals or on delayed basis: U. S.—Exchange Stabilization Fund (Special A/c No. 1); U. K.—Exchange Equalization Account; France—Exchange Stabilization Fund and Rentes Fund; Belgium—Treasury.

² For complete monthly series from October 1938—May 1939, see BULLETIN for February 1941, p. 170.

³ Figure for end of March 1937, first date reported.

⁴ Figure for end of September.

⁵ Figure for Sept. 1.

NOTE.—For details regarding special gold transfers in 1939-40 between the British E. E. A. and the Bank of England, and between the French E. S. F. and the Bank of France, see BULLETIN for September 1940, p. 926.

GOLD PRODUCTION OUTSIDE U. S. S. R. [In thousands of dollars]

Year or month	Estimated world production outside U.S.S.R. ¹	Production reported monthly												
		Total	Africa				North and South America					Other		
			South Africa	Rhodesia	West Africa ²	Belgian Congo ³	United States ⁴	Canada ⁵	Mexico ⁶	Colombia	Chile	Nicaragua ⁷	Australia ⁸	British India ⁹
<i>\$1 = 15½ grains of gold $\frac{1}{10}$ fine; i.e., an ounce of fine gold = \$35</i>														
1934.....	823,003	708,453	366,795	24,264	12,153	6,549	108,191	104,023	23,135	12,045	8,350	1,166	30,559	11,223
1935.....	882,533	752,847	377,090	25,477	13,625	7,159	126,325	114,971	23,858	11,515	9,251	868	31,240	11,468
1936.....	971,514	833,895	396,768	28,053	16,295	7,386	152,509	131,181	26,465	13,632	9,018	807	40,118	11,663
1937.....	1,041,376	893,384	410,710	28,296	20,784	8,018	168,159	143,367	29,591	15,478	9,544	848	46,982	11,607
1938.....	1,136,360	958,770	425,649	28,532	24,670	8,470	178,143	165,379	32,306	18,225	10,290	1,557	54,264	11,284
1939.....	1,208,705	1,020,297	448,753	28,009	28,564	8,759	196,391	178,303	29,426	19,951	11,376	3,506	56,182	11,078
1940.....	1,297,349	1,094,264	491,628	29,155	32,163	8,862	210,109	185,890	30,878	22,117	11,999	5,429	55,878	10,157
1941.....	1,288,945	¹ 1,089,395	504,268	27,765	32,414	.....	209,175	⁷ 187,081	27,969	22,961	9,259	7,525	51,039	9,940
1942.....	.....	¹ 944,266	494,439	² 26,565	² 29,225	.....	130,933	168,008	⁶ 7,809	20,882	⁶ 6,296	⁸ 8,623	42,525	8,960
1942—Feb.....	90,335	⁷ 76,019	39,651	2,186	2,625	.....	10,391	13,147	563	1,573	537	⁶ 656	3,430	1,260
Mar.....	100,485	⁷ 85,346	42,618	2,275	2,625	.....	11,316	15,372	3,457	1,916	596	⁶ 621	3,675	875
Apr.....	(1)	⁷ 80,263	41,491	2,320	2,555	.....	11,415	14,728	(9)	1,865	540	⁶ 624	3,815	910
May.....	.....	⁷ 80,943	42,539	2,288	2,520	.....	11,164	14,881	.....	1,719	570	⁶ 677	3,745	840
June.....	.....	⁷ 79,106	42,005	2,210	2,450	.....	10,504	14,852	.....	1,579	611	⁶ 605	3,325	665
July.....	.....	⁷ 78,202	42,784	2,226	2,450	.....	12,754	14,864	.....	2,006	647	⁶ 616	3,990	665
Aug.....	.....	⁷ 77,255	41,454	2,253	2,345	.....	10,163	14,100	.....	1,730	531	⁶ 622	3,360	595
Sept.....	.....	⁷ 76,692	40,559	2,175	2,310	.....	11,837	13,212	.....	1,710	441	⁶ 634	3,185	630
Oct.....	.....	⁷ 78,150	41,023	2,161	2,275	.....	12,013	13,365	.....	1,659	401	⁶ 669	4,165	420
Nov.....	.....	⁷ 70,269	39,144	2,089	2,240	.....	7,828	12,693	.....	1,614	432	⁶ 659	3,045	525
Dec.....	.....	⁶ 68,103	38,616	² 1,100	2,135	.....	6,209	12,597	.....	1,433	432	⁶ 606	2,940	735
1943—Jan.....	.....	⁶ 64,986	37,687	² 1,100	2,135	.....	5,179	11,708	.....	¹ 1,433	432	⁶ 672	2,940	700
Feb.....	.....	⁶ 62,156	35,489	² 1,100	2,135	.....	4,820	11,459	.....	¹ 1,433	432	647	2,940	700

Gold production in U. S. S. R.: No regular Government statistics on gold production in U. S. S. R. are available, but data of percentage changes irregularly given out by officials of the gold mining industry, together with certain direct figures for past years, afford a basis for estimating annual production as follows: 1934, 135 million dollars; 1935, 158 million; 1936, 187 million; 1937, 185 million; 1938, 180 million.

¹ Preliminary. ² Revised. ³ Corrected.

⁴ Figure carried forward.

¹ Annual figures through 1940 are estimates of U. S. Mint. Annual figure for 1941 and monthly figures are based on estimates of American Bureau of Metal Statistics given in thousands of fine ounces; this series discontinued by A.B.M.S. with estimate for March 1942.

² Beginning April 1941, figures are those reported by American Bureau of Metal Statistics.

³ Beginning May 1940, monthly figures no longer reported. Annual figure for 1940 estimated at three times production for first four months of the year.

⁴ Includes Philippine Islands production received in United States. Annual figures are estimates of United States Mint. Monthly figures represent estimates of the American Bureau of Metal Statistics, those for 1942 having been revised by adding to each monthly figure \$357,131 so that aggregate for 1942 is equal to preliminary estimate for the year compiled by Bureau of Mint in cooperation with Bureau of Mines.

⁵ Figures for Canada beginning 1942 are subject to official revision.

⁶ Figure for 1942 represents three months production only; beginning April 1942, figures no longer reported.

⁷ Gold exports, reported by the Banco Nacional de Nicaragua, which states that they represent approximately 90 per cent of total production.

⁸ Beginning December 1941, figures are those reported by American Bureau of Metal Statistics for total Australia.

⁹ Beginning May 1940, figures are those reported by American Bureau of Metal Statistics.

NOTE.—For explanation of table and sources see BULLETIN for February 1939, p. 151; July 1938, p. 621; June 1938, p. 540; and April 1933, pp. 233-235. For annual figures of world production back to 1873 (including Russia-U.S.S.R.), see Annual Report of Director of Mint for 1941, pp. 103-104, and 1936, pp. 108-109.

GOLD MOVEMENTS UNITED STATES

[In thousands of dollars at approximately \$35 a fine ounce]

Year or month	Total net imports	Net imports from or net exports (—) to:														
		United Kingdom	France	Belgium	Netherlands	Sweden	Switzerland	Canada	Mexico	Colombia	Philippine Islands	Australia	South Africa	Japan	British India	All other countries
1934 ¹	1,131,994	499,870	260,223	8,902	94,348	.....	12,402	86,829	30,270	16,944	12,038	1,029	12	4	76,820	32,304
1935.....	1,739,019	315,727	934,243	3	227,185	.....	968	95,171	13,667	10,899	15,335	3,498	65	.....	75,268	46,989
1936.....	1,116,584	174,093	573,671	3,351	71,006	2	7,511	72,648	39,966	11,911	21,513	23,280	8	.....	77,892	39,735
1937.....	1,585,503	891,531	—13,710	90,859	6,461	6	54,452	111,480	38,482	18,397	25,427	34,713	181	246,464	50,762	29,998
1938.....	1,973,569	1,208,728	81,135	15,488	163,049	60,146	1,363	76,315	36,472	10,557	27,880	39,162	401	168,740	16,159	267,975
1939.....	3,574,151	1,826,403	3,798	165,122	341,618	28,715	86,987	612,949	33,610	23,239	35,636	74,250	22,862	165,605	50,956	3102,404
1940.....	4,744,472	633,083	241,778	977	63,260	161,489	90,320	2,622,330	29,880	23,999	38,627	103,777	184,756	111,739	49,989	4388,468
1941.....	982,378	3,779	1	1	.....	1,747	899	412,056	16,791	24,448	42,678	67,492	292,893	9,444	9,665	6100,485
1941																
Jan.....	234,242	37	1	.....	.....	1,746	563	46,876	1,147	3,168	3,185	11,136	149,735	6,085	4,501	6,062
Feb.....	108,609	1,218	.....	.....	.....	.....	337	81,529	814	11	2,772	6,738	96	.....	.....	615,093
Mar.....	118,567	817	.....	.....	.....	.....	.....	95,619	866	2,232	3,984	6,262	2,788	3,046	.....	2,951
Apr.....	171,992	21	.....	.....	.....	.....	.....	20,216	1,147	2,934	3,587	4,720	132,261	313	.....	6,793
May.....	34,830	2	.....	.....	.....	.....	.....	16,306	969	2,794	3,384	4,194	3,594	.....	.....	3,589
June.....	30,712	474	.....	.....	.....	1	.....	17,514	800	7	2,114	4,593	69	.....	131	5,009
July.....	37,041	542	.....	.....	.....	.....	.....	19,224	1,080	2,128	4,970	5,199	88	.....	.....	3,811
Aug.....	36,973	79	.....	.....	.....	.....	.....	10,842	843	2,230	5,098	6,742	137	.....	1,995	69,008
Sept.....	65,702	250	.....	.....	.....	.....	.....	42,562	495	2,488	3,107	2,064	3,694	.....	.....	611,041
Oct.....	40,440	55	.....	.....	.....	.....	.....	16,072	1,020	2,107	3,141	6,151	200	.....	2,327	69,365
Nov.....	50,374	121	.....	.....	.....	.....	.....	24,917	6,336	2,110	1,830	5,980	40	.....	.....	69,039
Dec.....	52,896	163	.....	.....	.....	.....	.....	20,377	1,273	2,238	5,506	3,713	190	.....	711	618,726

¹ Differs from official customhouse figures in which imports and exports for January 1934 are valued at approximately \$20.67 a fine ounce.

² Includes \$31,830,000 from Argentina.

³ Includes \$28,097,000 from China and Hong Kong, \$15,719,000 from Italy, \$10,953,000 from Norway, \$10,077,000 from Chile, and \$37,555,000 from other countries.

⁴ Includes \$75,087,000 from Portugal, \$59,072,000 from Argentina, \$43,935,000 from Italy, \$33,405,000 from Norway, \$30,851,000 from U. S. S. R., \$26,178,000 from Hong Kong, \$20,583,000 from Netherlands Indies, \$16,310,000 from Yugoslavia, \$11,873,000 from Hungary, \$10,802,000 from Chile, \$10,775,000 from Brazil, \$10,416,000 from Spain, \$10,247,000 from Peru, and \$28,935,000 from other countries.

⁵ Includes \$44,920,000 from U.S.S.R., \$10,963,000 from Central America, and \$44,603,000 from other countries.

⁶ Includes imports from U. S. S. R. as follows: February—\$11,236,000, August—\$3,407,000, September—\$5,652,000, October—\$5,550,000, November—\$5,615,000, December—\$13,460,000.

NOTE.—Figures for months subsequent to December 1941 have not been released for publication.

NET CAPITAL MOVEMENT TO UNITED STATES SINCE JANUARY 2, 1935

[In millions of dollars]

From Jan. 2, 1935, through—	Total	Increase in foreign banking funds in U. S.			Decrease in U. S. banking funds abroad	Foreign securities: Return of U. S. funds	Domestic securities: Inflow of foreign funds	Inflow in brokerage balances
		Total	Official ¹	Other				
1935—Dec. (Jan. 1, 1936)	1,412.5	603.3	9.8	593.5	361.4	125.2	316.7	6.0
1936—Dec. 30	2,608.4	930.5	81.1	849.4	431.5	316.2	917.4	12.9
1937—Dec. 29	3,410.3	1,168.5	243.9	924.6	449.1	583.2	1,162.0	47.5
1938—Mar. 30	3,207.2	949.8	149.9	799.9	434.4	618.5	1,150.4	54.2
June 29	3,045.8	786.2	125.9	660.4	403.3	643.1	1,155.3	57.8
Sept. 28	3,472.0	1,180.2	187.0	993.2	477.2	625.0	1,125.4	64.1
Dec. (Jan. 4, 1939)	3,844.5	1,425.4	238.5	1,186.9	510.1	641.8	1,219.7	47.6
1939—Mar. 29	4,197.6	1,747.6	311.4	1,436.2	550.5	646.7	1,188.9	63.9
June 28	4,659.2	2,111.8	425.3	1,686.5	607.5	664.5	1,201.4	74.0
Sept. 27	5,035.3	2,479.5	552.1	1,927.3	618.4	676.9	1,177.3	83.1
Dec. (Jan. 3, 1940)	5,021.2	2,430.8	542.5	1,888.3	650.4	725.7	1,133.7	80.6
1940—Mar. (Apr. 3)	5,115.9	2,539.0	539.1	1,999.9	631.6	761.6	1,095.0	88.7
June (July 3)	5,440.7	2,830.1	922.3	1,907.8	684.1	785.6	1,042.1	98.9
Sept. (Oct. 2)	5,748.1	3,092.8	1,112.3	1,980.5	773.6	793.1	987.0	101.6
Dec. (Jan. 1, 1941)	5,727.6	3,159.0	1,200.8	1,958.3	775.1	803.8	888.7	100.9
1941—Mar. (Apr. 2)	5,526.5	3,148.8	1,307.7	1,841.0	767.4	812.7	701.8	95.9
June (July 2)	5,575.4	3,193.3	1,375.1	1,818.2	818.6	834.1	631.2	98.2
Sept. (Oct. 1)	5,510.3	3,139.5	1,321.7	1,817.7	805.3	841.1	623.5	100.9
Dec. 31	5,230.7	2,856.2	1,053.7	1,802.6	791.3	855.5	626.7	100.9
1942—Jan. 7	5,225.3	2,841.7	1,052.6	1,789.1	798.5	856.2	627.6	101.4
Jan. 14	5,199.1	2,816.9	1,012.3	1,804.6	796.5	856.7	627.0	102.0
Jan. 21	5,178.5	2,787.7	980.3	1,807.4	803.0	857.8	627.9	102.0
Jan. 28	5,163.7	2,771.6	977.6	1,793.9	801.6	857.5	631.0	102.0
Feb. 4	5,098.2	2,703.5	936.7	1,766.8	803.5	858.8	630.2	102.1
Feb. 11	5,081.6	2,687.5	926.4	1,761.1	802.9	859.1	630.0	102.2
Feb. 18	5,035.7	2,646.2	866.1	1,780.2	806.8	855.9	624.5	102.4
Feb. 25	5,069.0	2,675.5	879.4	1,796.0	809.2	856.2	626.2	102.0
Mar. 4	5,105.8	2,706.1	941.0	1,765.1	814.6	855.4	627.0	102.6
Mar. 11	5,112.1	2,714.6	955.6	1,759.0	815.8	852.7	626.6	102.4
Mar. 18	5,070.3	2,672.5	917.8	1,754.7	817.5	851.6	625.6	103.1
Mar. 25	5,051.7	2,654.4	908.1	1,746.3	817.2	851.4	625.0	103.7
Apr. 1	5,082.4	2,684.0	932.0	1,752.0	819.7	849.6	624.9	104.3
Apr. 8	5,079.5	2,675.1	918.2	1,756.9	827.3	847.2	625.2	104.7
Apr. 15	5,300.8	2,893.6	1,132.1	1,761.6	830.1	845.3	627.1	104.6
Apr. 22	5,317.1	2,912.9	1,129.7	1,783.2	829.1	844.4	626.6	104.1
Apr. 29	5,309.6	2,906.1	1,106.7	1,799.4	829.8	843.2	626.6	103.9
May 6	5,375.2	2,971.0	1,160.1	1,811.0	831.2	841.9	627.2	104.0
May 13	5,358.6	2,951.4	1,140.1	1,811.3	834.3	841.4	626.5	105.0
May 20	5,358.4	2,948.5	1,153.3	1,795.2	836.4	841.7	626.9	104.8
May 27	5,384.8	2,974.7	1,153.5	1,821.2	836.5	840.9	627.3	105.4
June 3	5,413.4	2,996.8	1,144.0	1,852.8	839.8	843.2	629.0	104.6
June 10	5,456.4	3,039.1	1,193.0	1,846.0	841.7	840.9	630.0	104.8
June 17	5,497.8	3,077.9	1,210.3	1,867.6	842.8	840.7	631.1	105.2
June 24	5,515.3	3,095.9	1,220.0	1,875.9	843.7	839.1	631.6	105.0
June 30 ²	5,495.3	3,075.9	1,211.7	1,864.2	842.3	838.8	632.0	106.2
July 31	5,542.6	3,121.4	1,242.7	1,878.7	854.9	829.3	633.3	103.7
Aug. 31	5,599.9	3,184.8	1,293.1	1,891.7	839.9	828.6	642.7	103.9
Sept. 30	5,654.9	3,212.6	1,339.1	1,873.5	858.2	830.5	646.1	107.5
Oct. 31	5,694.7	3,204.2	1,341.1	1,863.2	890.0	842.1	654.3	104.1
Nov. 30	5,761.6	3,250.2	1,366.1	1,884.1	901.6	844.8	661.0	104.1
Dec. 31	5,835.0	3,320.3	1,412.0	1,908.3	888.8	848.2	673.3	104.4
1943—Jan. 30	5,906.0	³ 3,470.4	³ 1,536.1	³ 1,934.3	³ 889.8	761.3	677.5	³ 107.0

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

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

³ Amounts outstanding on Jan. 30, in millions of dollars: total foreign banking funds in United States, 4,137.6, including official funds, 2,150.6, and other funds, 1,987.0; United States banking funds abroad, 245.7; and brokerage balances (net due "foreigners") 30.2.

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

CENTRAL BANKS

Bank of England (Figures in millions of pounds sterling)	Assets of issue department		Assets of banking department				Note circulation ³	Liabilities of banking department			
	Gold ¹	Other assets ²	Cash reserves		Dis-counts and advances	Securi-ties		Deposits			Other liabilities
			Coin	Notes				Bankers ⁷	Public	Other	
1929—Dec. 25.	145.8	260.0	.2	26.3	22.3	84.9	379.6	71.0	8.8	35.8	17.9
1930—Dec. 31.	147.6	260.0	.6	38.8	49.0	104.7	368.8	132.4	6.6	36.2	18.0
1931—Dec. 30.	120.7	275.0	.6	31.6	27.3	133.0	364.2	126.4	7.7	40.3	18.0
1932—Dec. 28.	119.8	275.0	.8	23.6	18.5	120.1	371.2	102.4	8.9	33.8	18.0
1933—Dec. 27.	190.7	260.0	1.0	58.7	16.8	101.4	392.0	101.2	22.2	36.5	18.0
1934—Dec. 26.	192.3	260.0	.5	47.1	7.6	98.2	405.2	89.1	9.9	36.4	18.0
1935—Dec. 25.	200.1	260.0	.6	35.5	8.5	94.7	424.5	72.1	12.1	37.1	18.0
1936—Dec. 30.	313.7	200.0	.6	46.3	17.5	155.6	467.4	150.6	12.1	39.2	18.0
1937—Dec. 29.	326.4	220.0	.8	41.1	9.2	135.5	505.3	120.6	11.4	36.6	18.0
1938—Dec. 28.	326.4	230.0	.8	51.7	28.5	90.7	504.7	101.0	15.9	36.8	18.0
1939—Dec. 27.	.2	580.0	1.0	25.6	4.3	176.1	554.6	117.3	29.7	42.0	17.9
1940—Dec. 25.	.2	630.0	.9	13.3	4.0	199.1	616.9	135.7	12.5	51.2	17.9
1941—Dec. 31.	.2	780.0	.3	28.5	6.4	267.8	751.7	219.9	11.2	54.1	17.9
1942—Apr. 29.	.2	830.0	.7	59.1	7.5	138.4	771.2	122.6	14.0	51.4	17.7
May 27.	.2	830.0	1.2	41.6	6.6	170.5	788.6	146.6	7.6	47.8	17.8
June 24.	.2	830.0	1.3	34.2	5.5	165.8	796.0	133.6	8.0	47.3	17.8
July 29.	.2	880.0	1.2	56.1	7.1	146.9	824.1	136.9	8.7	47.8	17.9
Aug. 26.	.2	880.0	1.2	51.7	6.7	158.4	828.6	146.0	7.3	46.8	18.0
Sept. 30.	.2	880.0	1.4	42.2	2.4	169.6	838.0	135.7	10.3	51.5	18.1
Oct. 28.	.2	880.0	1.4	29.1	2.5	178.6	851.2	141.1	3.8	48.9	17.7
Nov. 25.	.2	880.0	1.1	10.2	2.7	206.6	870.0	148.8	7.7	46.3	17.8
Dec. 30.	.2	950.0	.9	26.8	3.5	267.9	923.4	223.4	9.0	48.8	17.9
1943—Jan. 27.	.2	950.0	.5	42.2	4.4	208.0	908.1	175.9	4.7	56.6	17.9
Feb. 24.	.2	950.0	.8	32.8	5.1	218.5	917.4	178.2	7.1	53.9	18.0
Mar. 31.	.2	950.0	1.2	15.7	9.9	198.4	934.5	144.3	5.9	56.8	18.1

Bank of Canada (Figures in millions of Canadian dollars)	Assets					Liabilities				
	Gold	Sterling and United States dollars	Dominion and provincial government securities		Other assets	Note circulation ⁷	Deposits			Other liabilities
			Short-term ⁶	Other			Chartered banks	Dominion government	Other	
1935—Dec. 31.	180.5	4.2	30.9	83.4	8.6	99.7	181.6	17.9	.8	7.7
1936—Dec. 31.	179.4	9.1	61.3	99.0	8.2	135.7	187.0	18.8	2.1	13.4
1937—Dec. 31.	179.8	14.9	82.3	91.6	21.7	165.3	196.0	11.1	3.5	14.4
1938—Dec. 31.	185.9	28.4	144.6	40.9	5.2	175.3	200.6	16.7	3.1	9.3
1939—Dec. 30.	225.7	64.3	181.9	49.9	5.5	232.8	217.0	46.3	17.9	13.3
1940—Dec. 31.	(8)	38.4	448.4	127.3	12.4	359.9	217.7	10.9	9.5	28.5
1941—Dec. 31.		200.9	391.8	216.7	33.5	496.0	232.0	73.8	6.0	35.1
1942—Apr. 30.		209.5	413.1	223.5	19.1	516.7	214.7	104.5	7.3	22.0
May 30.		187.4	430.8	223.8	12.9	528.6	186.0	96.7	23.4	20.1
June 30.		.9	493.7	322.1	26.2	541.2	221.3	31.3	26.7	22.4
July 31.		33.7	501.0	338.8	36.7	563.8	271.6	26.0	15.7	33.0
Aug. 31.		1.0	518.7	351.3	14.7	592.6	225.4	15.5	28.1	24.1
Sept. 30.		.8	628.7	284.7	22.1	625.4	246.0	18.5	24.7	21.6
Oct. 31.		.5	797.5	199.3	21.7	657.6	304.6	19.3	12.2	25.3
Nov. 30.		.5	780.6	204.2	17.8	666.3	273.2	24.6	13.8	25.2
Dec. 31.		.5	807.2	209.2	31.3	693.6	259.9	51.6	19.1	24.0
1943—Jan. 30.		.3	768.0	231.8	17.6	677.6	237.7	14.8	61.3	26.3
Feb. 27.		.3	722.2	263.8	18.5	691.7	258.5	21.5	15.3	17.9
Mar. 31.		.3	732.5	276.4	16.2	719.1	261.0	21.2	24.7	19.4

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

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

³ Notes issued less amounts held in banking department.

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

⁶ Fiduciary issue increased by 50 million pounds on June 12, 1940, Apr. 30, Aug. 30, and Dec. 3, 1941, and Apr. 22 and July 28, 1942; further by 70 million pounds on Dec. 2, 1942.

⁷ Securities maturing in two years or less.

⁸ Includes notes held by the chartered banks, which constitute an important part of their reserves.

⁹ On May 1, 1940, gold transferred to Foreign Exchange Control Board in return for short-term government securities (see BULLETIN for July 1940, pp. 677-678).

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

Central Banks—Continued

Bank of France (Figures in millions of francs)	Assets							Liabilities					
	Gold ¹	Foreign exchange	Domestic bills			Advances to Government		Other assets	Note circulation	Deposits			Other liabilities
			Open market ²	Special ³	Other	For occupation costs ³	Other ²			Government	C.A.R. ⁴	Other	
1929—Dec. 27	41,668	25,942	5,612		8,624			8,124	68,571	11,737		7,850	1,812
1930—Dec. 26	53,578	26,179	5,304		8,429			9,510	76,436	12,624		11,698	2,241
1931—Dec. 30	68,863	21,111	7,157		7,389			11,275	85,725	5,898		22,183	1,989
1932—Dec. 30	83,017	4,484	6,802		3,438			11,712	85,028	2,311		20,072	2,041
1933—Dec. 29	77,098	1,158	6,122		4,739			11,173	82,613	2,322		13,414	1,940
1934—Dec. 28	82,124	963	5,837		3,971			11,500	83,412	3,718		15,359	1,907
1935—Dec. 27	66,296	1,328	5,800		9,712			11,705	81,150	2,862		8,716	2,113
1936—Dec. 30	60,359	1,460	5,640	1,379	8,465		17,698	12,642	89,342	2,089		13,655	2,557
1937—Dec. 30	58,933	911	5,580	652	10,066		31,909	11,733	93,837	3,461		19,326	3,160
1938—Dec. 29	87,265	821	7,422	1,797	7,868		20,627	18,498	110,935	5,061		25,595	2,718
1939—Dec. 28	⁵ 97,267	112	11,273	2,345	5,149		34,673	20,094	151,322	1,914		14,751	2,925
1940—Dec. 26	⁶ 84,616	42	43,194	661	3,646		72,317	63,900	23,179	984	41,400	27,202	3,586
1941—Sept. 25	84,598	37	41,014		6,896	123,578	64,700	20,846	248,993	1,279	59,715	27,208	4,402
Oct. 30	84,598	37	41,138	1	7,849	129,518	60,500	23,555	255,684	1,272	60,932	25,999	3,309
Nov. 27	84,598	38	41,654	5	5,348	129,568	68,900	21,016	260,772	1,371	61,073	24,431	3,479
Dec. 31	84,598	38	42,115	12	4,517	142,507	69,500	22,121	270,144	1,517	64,580	25,272	3,894
1942—Jan. 29	84,598	38	42,071	16	4,855	149,562	64,700	20,138	273,281	1,350	59,649	27,797	3,900
Feb. 26	84,598	38	42,043	18	5,588	149,754	67,400	20,086	278,392	1,173	59,203	27,287	3,469
Mar. 26	84,598	38	42,314	16	4,433	156,386	67,000	20,056	282,848	852	56,396	30,251	4,493
Apr. 30	84,598	38	42,651	13	4,581	162,898	68,300	21,365	291,654	775	59,668	28,955	3,391
May 28	84,598	38	42,604	11	4,176	168,930	66,250	19,953	296,903	755	54,410	30,653	4,040
June 25	84,598	38	42,699	9	4,000	174,938	62,950	19,486	304,379	768	48,093	30,724	4,753
July 30	84,598	38	43,743	9	4,744	180,678	57,650	20,740	315,617	726	39,908	31,963	3,985
Aug. 27	84,598	37	43,427		4,525	180,999	63,850	19,607	323,494	768	35,371	33,298	4,111
Sept. 24	84,598	37	43,869	4	4,038	183,758	67,500	19,818	334,370	717	31,100	32,142	5,293

Reichsbank (Figures in millions of reichsmarks)	Assets						Liabilities			
	Reserves of gold and foreign exchange		Bills (and checks), including Treasury bills	Security loans	Securities		Other assets	Note circulation	Deposits	Other liabilities
	Total reserves	Gold			Eligible as note cover	Other				
1929—Dec. 31	2,687	2,283	2,848	251		92	656	5,044	755	736
1930—Dec. 31	2,685	2,216	2,572	256		102	638	4,778	652	822
1931—Dec. 31	1,156	984	4,242	245		161	1,065	4,776	755	1,338
1932—Dec. 31	920	806	2,806	176		398	1,114	3,560	540	1,313
1933—Dec. 30	396	386	3,226	183	259	322	735	3,645	640	836
1934—Dec. 31	84	79	4,066	146	445	319	827	3,901	984	1,001
1935—Dec. 31	88	82	4,552	84	349	315	853	4,285	1,032	923
1936—Dec. 31	72	66	5,510	74	221	303	765	4,980	1,012	953
1937—Dec. 31	76	71	6,131	60	106	286	861	5,493	1,059	970
1938—Dec. 31	76	71	8,244	45	557	298	1,621	8,223	1,527	1,091
1939—Dec. 30	78	^(b)	11,392	30	804	393	2,498	11,798	2,018	1,378
1940—Dec. 31	78		15,419	38	32	357	2,066	14,033	2,561	1,396
1941—Aug. 30	77		17,306	25	16	384	2,343	16,502	2,326	1,323
Sept. 30	77		18,016	25	24	383	2,260	16,918	2,511	1,357
Oct. 31	77		18,456	26	20	335	2,364	17,432	2,470	1,377
Nov. 29	77		18,899	24	58	283	2,395	17,793	2,493	1,450
Dec. 31	77		21,656	32	107	283	2,311	19,325	3,649	1,493
1942—Jan. 31	77		20,884	28	151	288	1,406	18,987	2,417	1,431
Feb. 28	77		21,458	23	144	288	1,343	19,443	2,426	1,464
Mar. 31	77		21,673	23	72	227	1,751	19,774	2,762	1,287
Apr. 30	77		21,529	19	17	202	2,212	20,047	2,701	1,308
May 30	77		22,093	19	16	204	2,344	20,548	2,840	1,366
June 30	77		22,848	21	18	202	2,180	20,954	2,990	1,402
July 31	77		23,114	17	21	205	2,162	21,344	2,804	1,448
Aug. 31	77		23,611	14	34	204	2,262	21,808	2,864	1,530

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

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

³ By a series of Conventions between the Bank of France and the Treasury, dated from Aug. 25, 1940 through Sept. 17, 1942, advances of 196,000 million francs were authorized to meet the costs of the German army of occupation.

⁴ Central Administration of the Reichskreditkassen.

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

⁶ Gold not shown separately on Reichsbank statement after June 15, 1939.

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

Central Banks—Continued

Central Bank (Figures as of last report date of month)	1943			1942	Central Bank (Figures as of last report date of month)	1943			1942
	Mar.	Feb.	Jan.	Mar.		Mar.	Feb.	Jan.	Mar.
Central Bank of the Argentine Republic (millions of pesos):					Bank of the Republic of Colombia—Cont.				
Gold reported separately		1,077	1,076	1,075	Deposits	92,503	88,105	82,254	50,660
Other gold and foreign exchange		1,090	1,036	517	Other liabilities	44,162	46,882	47,554	44,163
Negotiable Government bonds		365	366	373	National Bank of Denmark (millions of kroner):			(Sept. 1942) ²	
Rediscounted paper					Gold			98	98
Other assets		246	245	217	Foreign exchange			16	26
Note circulation		1,609	1,594	1,440	Clearing accounts (net)			51,040	904
Deposits—Member bank		799	815	580	Loans and discounts			50	43
Government		237	185	57	Securities			80	53
Other		31	30	17	Govt. compensation account ⁶			125	125
Foreign exchange sold forward		2	2	3	Other assets			(³)	961
Other liabilities		100	99	86	Note circulation			847	815
Commonwealth Bank of Australia (thousands of pounds):					Deposits—Government			469	156
Issue department:					Other			1,033	1,019
Gold and English sterling		32,641	31,391	24,954	Other liabilities			(³)	220
Securities		103,796	102,056	75,684	Central Bank of Ecuador (thousands of sucres):			(Oct. 1942) ²	
Banking department:					Gold			98,154	74,563
Coin, bullion, and cash		5,164	6,128	4,116	Foreign exchange (net)			85,897	57,838
London balances		45,357	45,894	26,217	Loans and discounts			88,005	88,263
Loans and discounts		26,814	21,916	35,269	Other assets			43,063	24,418
Securities		191,139	164,859	100,613	Note circulation			158,714	125,925
Deposits		172,834	155,317	120,891	Demand deposits			123,819	85,382
Note circulation		127,106	124,106	92,364	Other liabilities			32,586	33,776
National Bank of Belgium and Bank of Issue of Brussels (millions of belga): ¹			(Oct. 1942) ²		National Bank of Egypt ⁷ (thousands of pounds):			(Nov. 1942) ²	
Gold			4,337	4,332	Gold			6,251	6,251
Foreign exchange			4,538	2,198	Foreign exchange			6,271	4,273
Credits to State and public bodies			4,590	4,063	Loans and discounts			4,929	2,268
Credits to private economy			86	164	British, Egyptian, and other Government securities			136,314	107,357
Reichskreditkasse			749	744	Other assets			5,650	6,557
Other assets			(³)	554	Note circulation			73,713	52,035
Note circulation			12,441	10,389	Deposits—Government			24,485	18,604
Demand deposits			876	694	Other			48,858	43,678
Postal Checking Office			789	760	Other liabilities			12,359	12,388
Other liabilities			(³)	211	Central Reserve Bank of El Salvador (thousands of colones):				
National Bank of Bohemia and Moravia (millions of koruny):			(Sept. 1942) ²		Gold ⁸	24,206	24,204	13,254	
Gold			1,515	1,514	Foreign exchange	20,460	15,274	12,891	
Foreign exchange			753	777	Loans and discounts	928	1,428	753	
Discounts			917	840	Government debt and securities	6,765	6,926	7,027	
Loans			(³)	13,231	Other assets	678	500	2,238	
Other assets			11,404	9,735	Note circulation	32,312	30,219	23,119	
Note circulation			2,015	2,943	Deposits	15,047	12,346	8,472	
Demand deposits			(³)	3,664	Other liabilities	5,678	5,767	4,571	
Other liabilities			(Dec. 1942) ²		Bank of Finland ⁴				
Central Bank of Bolivia (thousands of bolivianos):			378,522		Bank of Greece ⁵			(Sept. 1942) ²	
Gold at home and abroad			497,407	350,244	Gold			100	100
Foreign exchange			438,353	228,856	Foreign exchange reserve			1	18
Loans and discounts			230,625	469,817	Discounts			1,732	1,117
Securities—Government			536,565	11,175	Loans—To Treasury			761	760
Other			40,623	51,312	To foreign countries			339	267
Other assets			58,537	658,703	Other			(³)	33
Note circulation			818,299	660,735	Other assets			2,470	1,999
Deposits			797,779	170,488	Note circulation			(³)	380
Other liabilities			186,032		Demand deposits			(³)	23
National Bank of Bulgaria ⁴					Consolidated foreign credits of 1931			(³)	351
Central Bank of Chile (millions of pesos):					Other liabilities				
Gold			187	148	Reserve Bank of India (millions of rupees):			(Dec. 1942) ²	
Discounts for member banks			276	324	Issue department:			444	444
Loans to Government			725	733	Gold at home and abroad			4,048	2,129
Other loans and discounts			959	802	Sterling securities			1,224	1,363
Other assets			406	71	Indian Govt. securities			142	275
Note circulation			1,874	1,555	Rupee coin			5,704	4,101
Deposits—Bank			279	188	Banking department:				
Other			141	128	Notes of issue department			154	110
Other liabilities			259	207	Balances abroad			716	353
Bank of the Republic of Colombia (thousands of pesos):					Treasury bills discounted			4	4
Gold	52,653	49,757	47,339	26,611	Loans to Government			6	175
Foreign exchange	78,701	77,377	71,208	20,506	Other assets			87	174
Loans and discounts	11,331	15,462	16,813	35,017	Deposits			795	637
Government loans and securities	56,223	55,213	55,448	55,953	Other liabilities			166	179
Other assets	36,280	36,153	36,959	32,418					
Note circulation	98,524	98,977	97,959	75,682					

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

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

³ Figure not available.

⁴ For last available reports from the central banks of Bulgaria (May 1941), Finland (May 1941), and Greece (March 1941), see BULLETIN for March 1942, pp. 280-281.

⁵ Represents gross claims on clearing account.

⁶ Represents Bank's claim on the Government for the Bank's foreign exchange losses resulting from the revaluation of the krone on Jan. 23, 1942.

⁷ Items for issue and banking departments consolidated.

⁸ Gold revalued June 30, 1942, at 0.3555 gram fine gold per colon, a 20 per cent reduction in the gold value of the colon.

Central Banks—Continued

Central Bank (Figures as of last report date of month)	1943			1942	Central Bank (Figures as of last report date of month)	1943			1942
	Mar.	Feb.	Jan.	Mar.		Mar.	Feb.	Jan.	Mar.
Central Bank of Ireland (thousands of pounds): ¹					South African Reserve Bank—Cont.				
Gold		2,646			Deposits		106,448	110,971	71,040
Sterling funds		20,143			Other liabilities		5,560	5,020	11,009
Note circulation		22,789			Bank of Sweden (millions of kronor):				
Bank of Japan ²					Gold	757	753	750	610
Bank of Java ²					Foreign assets (net)	567	554	535	632
Bank of Mexico (thousands of pesos):					Swedish Govt. securities and advances to National Debt Office ⁷	1,176	1,132	1,149	}918
Metallic reserve ³	336,687	311,776	294,803	199,291	Other domestic bills and advances	128	119	104	
"Authorized" holdings of securities, etc.	938,697	866,594	832,808	532,420	Other assets	808	802	836	955
Bills and discounts	130,644	130,548	126,467	114,080	Note circulation	1,931	1,916	1,913	1,649
Other assets	71,389	65,163	66,068	50,793	Demand deposits—Government	653	653	514	406
Note circulation	823,552	789,693	758,947	554,458	Other	244	211	392	637
Demand liabilities	523,196	457,412	420,374	242,708	Other liabilities	608	579	556	423
Other liabilities	130,668	126,976	140,825	99,417	Swiss National Bank (millions of francs):				
Netherlands Bank (millions of guilders):					Gold	3,682	3,642	3,599	3,394
Gold					Foreign exchange	56	47	63	183
Silver (including subsidiary coin)					Loans and discounts	111	345	325	146
Foreign bills			1,360	1,128	Other assets	(^b)	(^b)	(^b)	266
Discounts			250	1	Note circulation	2,579	2,532	2,515	2,238
Loans			158	194	Other sight liabilities	1,308	1,522	1,492	1,467
Other assets			(^b)	215	Other liabilities	(^b)	(^b)	(^b)	284
Note circulation			2,680	2,217	Central Bank of the Republic of Turkey (thousands of pounds):			(Aug. 1942) ⁴	
Deposits—Government				126	Gold			138,639	124,934
Other				180	Foreign clearing accounts			54,415	73,301
Other liabilities				(^b)	Loans and discounts			603,097	513,972
Reserve Bank of New Zealand (thousands of pounds):					Securities			189,961	192,140
Gold	2,802	2,802	2,802	2,802	Other assets			21,063	17,385
Sterling exchange reserve	22,231	31,262	28,752	18,344	Note circulation			615,527	566,521
Advances to State or State undertakings	32,444	34,217	31,236	30,642	Deposits—Gold			79,358	79,358
Investments	10,458	4,458	4,458	4,133	Other			144,840	116,701
Other assets	2,350	2,393	1,846	1,627	Other liabilities			167,449	159,152
Note circulation	30,348	30,033	29,992	24,132	Bank of the Republic of Uruguay (thousands of pesos):			(Nov. 1942) ⁴	
Demand deposits	36,757	41,967	36,026	30,106	Issue department:				
Other liabilities	3,180	3,131	3,075	2,770	Gold and silver			85,583	86,235
Bank of Norway ²					Note circulation			109,973	119,858
Central Reserve Bank of Peru (thousands of soles):					Banking department:				
Gold and foreign exchange					Gold			58,458	66,839
Discounts					Notes and coin			40,609	32,488
Government loans					Advances to State and to government bodies			42,743	31,661
Other assets					Other loans and discounts			100,492	103,992
Note circulation					Other assets			109,698	120,103
Deposits					Deposits			127,598	128,929
Other liabilities					Other liabilities			224,402	229,154
Bank of Portugal (millions of escudos):					Central Bank of Venezuela (thousands of bolivares):				
Gold ^b					Gold	220,784	214,604	208,424	158,317
Other reserves (net)					Foreign exchange (net)	32,091	24,534	26,571	23,621
Nonreserve exchange					Credits to national banks	31,230	31,230	31,230	35,230
Loans and discounts					Other assets	6,492	7,785	10,690	15,590
Government debt					Note circulation—Central Bank	201,339	191,648	167,991	138,924
Other assets					National banks	34,616	35,497	36,958	51,978
Note circulation					Deposits	48,139	44,869	65,824	32,875
Other sight liabilities					Other liabilities	6,503	6,139	6,142	8,982
Other liabilities					National Bank of the Kingdom of Yugoslavia ²				
National Bank of Rumania (millions of lei):					Bank for International Settlements (thousands of Swiss gold francs ⁵):				
Gold					Gold in bars			61,916	42,082
Special exchange accounts					Cash on hand and on current account with banks			39,692	32,962
Loans and discounts					Sight funds at interest			15,644	16,341
Special loans (in liquidation)					Rediscountable bills and acceptances (at cost)			141,486	144,045
Government debt					Time funds at interest			20,936	21,069
Other assets					Sundry bills and investments			200,434	219,963
Note circulation					Other assets			39	184
Demand deposits					Demand deposits (gold)			33,832	29,045
Other liabilities					Short-term deposits (various currencies):				
South African Reserve Bank (thousands of pounds):					Central banks for own account			15,464	17,323
Gold					Other			6,938	5,833
Foreign bills					Long-term deposits: Special accounts			229,001	228,909
Other bills and loans					Other liabilities			194,912	195,536
Other assets									
Note circulation									

^c Corrected.

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

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

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

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

⁵ Figure not available.

⁶ Valued at average cost beginning October 1941.

⁷ Includes small amount of non-Government bonds.

⁸ See BULLETIN for December 1936, p. 1025.

MONEY RATES IN FOREIGN COUNTRIES
DISCOUNT RATES OF CENTRAL BANKS
 [Per cent per annum]

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

NOTE.—Changes since Mar. 31: Portugal—Apr. 8, down from 3½ to 3 per cent.

OPEN MARKET RATES
 [Per cent per annum]

Month	United Kingdom				Germany		Netherlands		Sweden	Switzerland
	Bankers' acceptances 3 months	Treasury bills 3 months	Day-to-day money	Bankers' allowance on deposits	Private discount rate	Day-to-day money	Private discount rate	Money for 1 month	Loans up to 3 months	Private discount rate
1929—Feb.	5.05	4.96	4.33	2½-3½	5.80	6.33	4.39	4.78	4½-6½	3.31
1930—Feb.	3.82	3.72	3.76	3-2½	5.53	6.01	2.80	2.94	4½-6	2.71
1931—Feb.	2.56	2.37	2.29	1	4.88	5.49	1.12	1.05	3-3	1.00
1932—Feb.	4.63	4.08	3.84	4-3	6.67	7.81	1.87	1.69	5½-7½	1.52
1933—Feb.	.83	.78	.73	½	3.88	4.86	.37	1.00	3½-5½	1.50
1934—Feb.	.95	.86	.88	½	3.88	4.78	.78	1.00	2½-5	1.50
1935—Feb.	.38	.28	.63	½	3.41	3.83	.58	1.00	2½-4½	1.50
1936—Feb.	.55	.53	.75	½	3.00	2.77	1.19	1.63	2½-5	2.37
1937—Feb.	.55	.53	.75	½	3.00	2.77	.28	1.00	2½-5	1.18
1938—Feb.	.53	.50	.75	½	2.88	2.73	.13	.50	2½-5	1.00
1939—Feb.	.53	.51	.75	½	2.88	2.53	.13	.50	2½-5	1.00
1940—Feb.	1.04	1.02	1.00	½	2.50	2.08	1.58	2.50	3-5	1.25
1941—Feb.	1.03	1.02	1.00	½	2.25	1.68	2.25	2.75	3½-5½	1.25
1942—Feb.	1.03	1.00	1.04	½	2.13	1.75				1.25
1942—Mar.	1.03	1.00	1.03	½	2.13	1.95				1.25
Apr.	1.03	1.01	1.00	½	2.13	1.96				1.25
May	1.03	1.00	1.03	½	2.13	1.71				1.25
June	1.03	1.00	1.00	½	2.13	1.90				1.25
July	1.03	1.00	1.00	½	2.13	1.75				1.25
Aug.	1.03	1.00	1.00	½	2.13	1.68				1.25
Sept.	1.03	1.00	1.05	½	2.13	1.83				1.25
Oct.	1.03	1.00	1.04	½	2.13	1.80				1.25
Nov.	1.03	1.00	1.00	½	2.13	1.75				1.25
Dec.	1.03	1.01	1.00	½	2.13					1.25
1943—Jan.	1.03	1.01	1.08	½	2.13					1.25
Feb.	1.03	1.00	1.10	½						1.25

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

COMMERCIAL BANKS

United Kingdom ¹ (11 London clearing banks. Figures in millions of pounds sterling)	Assets						Liabilities				
	Cash reserves	Money at call and short notice	Bills discounted	Treasury deposit receipts ²	Securities	Loans to customers	Other assets	Deposits			Other liabilities
								Total	Demand ³	Time ³	
1936—December	244	195	322		660	890	249	2,315	1,288	1,012	245
1937—December	244	163	300		635	984	256	2,330	1,284	1,026	252
1938—December	243	160	250		635	971	263	2,254	1,256	997	269
1939—December	274	174	334		609	1,015	290	2,441	1,398	1,043	256
1940—December	324	159	265	314	771	924	293	2,800	1,770	1,030	250
1941—December	366	141	171	758	999	823	324	3,329	2,168	1,161	253
1942—April	319	136	258	450	1,048	832	278	3,082	2,001	1,081	240
May	326	133	291	471	1,049	822	277	3,131	2,036	1,095	238
June	355	147	292	543	1,058	814	289	3,263	2,141	1,122	234
July	342	132	273	607	1,075	807	261	3,264	2,138	1,126	232
August	351	133	283	634	1,082	795	257	3,305	2,161	1,143	231
September	349	127	277	693	1,097	785	263	3,358	2,218	1,140	233
October	350	136	271	744	1,108	785	263	3,424	2,261	1,163	232
November	367	135	241	804	1,117	774	269	3,472	2,287	1,185	234
December	390	142	198	896	1,120	794	325	3,629	2,429	1,200	236
1943—January	379	146	197	935	1,112	773	271	3,577	2,369	1,207	237
February	373	154	148	933	1,109	775	272	3,525			237

Canada (10 chartered banks. End of month figures in millions of Canadian dollars)	Assets						Liabilities				
	Entirely in Canada			Security loans abroad and net due from foreign banks	Securities	Other assets	Note circulation	Deposits payable in Canada excluding interbank deposits			Other liabilities
	Cash reserves	Security loans	Other loans and discounts					Total	Demand	Time	
1936—December	240	114	791	161	1,384	554	103	2,303	735	1,548	837
1937—December	255	76	862	102	1,411	575	96	2,335	752	1,583	850
1938—December	263	65	940	166	1,463	535	88	2,500	840	1,660	843
1939—December	292	53	1,088	132	1,646	612	85	2,774	1,033	1,741	963
1940—December	323	40	1,108	159	1,531	570	80	2,805	1,163	1,641	846
1941—December	356	32	1,169	168	1,759	653	71	3,105	1,436	1,669	962
1942—April	322	32	1,252	178	1,899	637	72	3,262	1,725	1,537	986
May	285	29	1,215	175	1,878	601	71	3,118	1,562	1,556	993
June	327	28	1,137	181	1,883	639	72	3,121	1,523	1,598	1,002
July	369	26	1,096	182	1,958	614	73	3,174	1,521	1,654	999
August	333	24	1,064	183	2,192	595	71	3,311	1,612	1,700	1,008
September	366	27	1,050	185	2,340	594	69	3,486	1,738	1,748	1,006
October	413	25	1,078	194	2,379	602	68	3,604	1,895	1,709	1,018
November	395	29	1,236	194	2,304	618	64	3,680	2,050	1,630	1,032
December	387	31	1,168	231	2,293	657	60	3,657	1,984	1,673	1,049
1943—January	347	29	1,100	242	2,302	582	58	3,494	1,772	1,723	1,050
February	357	29	1,044	239	2,380	589	57	3,533	1,738	1,796	1,048

France (End of month figures in millions of francs)	Assets					Liabilities				
	Cash reserves	Due from banks	Bills discounted	Loans	Other assets	Deposits			Own acceptances	Other liabilities
						Total	Demand	Time		
4 large banks										
1936—December	3,100	2,975	17,582	7,631	1,957	28,484	27,955	529	473	4,289
1937—December	3,403	4,116	18,249	7,624	2,134	30,348	29,748	600	661	4,517
1938—December	3,756	4,060	21,435	7,592	1,940	33,578	33,042	537	721	4,484
1939—December ⁴	4,599	3,765	29,546	7,546	2,440	42,443	41,872	571	844	4,609
3 large banks										
1939—December	4,499	3,520	27,512	7,155	2,170	39,647	39,271	375	786	4,423
1940—December	6,258	3,546	44,243	7,984	1,999	58,890	58,413	477	535	4,604
1941—May	5,549	3,279	52,961	7,720	1,351	66,229	65,712	516	454	4,176
June	5,641	3,359	54,826	8,035	1,371	68,376	67,867	509	474	4,383
July	5,837	3,239	53,951	7,511	1,526	67,148	66,640	508	460	4,456
August	5,436	3,272	56,141	7,306	1,431	68,600	68,094	506	418	4,568
September	5,790	3,241	56,788	7,640	1,464	69,763	69,269	495	388	4,772
October	6,034	3,270	55,716	8,807	1,571	70,229	69,754	475	398	4,771
November	5,840	3,287	56,837	7,719	1,693	70,070	69,619	451	432	4,873
December	6,424	3,260	57,707	7,860	1,744	71,736	71,304	433	393	4,865
1942—May ⁵	5,737	3,024	62,885	9,057	1,127	76,792	76,431	361	331	4,707
June	5,901	2,976	64,313	9,592	1,249	78,876	78,514	362	334	4,821

¹ Through August 1939, averages of weekly figures; beginning September 1939, end-of-month figures, representing aggregates of figures reported by individual banks for days, varying from bank to bank, toward the end of the month.

² Represent six-month loans to the Treasury at 1½ per cent, callable by the banks in emergency at a discount equal to the Bank of England rate.

³ Through December 1937, excludes deposits in offices outside England and Wales which are included in total.

⁴ For figures for four banks for months January–March 1940, see BULLETIN for August 1942, p. 861.

⁵ No figures available January through April 1942.

Note.—For other back figures and explanation of tables, and for figures for German commercial banks, see BULLETIN for June 1941, p. 596; August 1939, p. 699; June 1935, pp. 388–390; and October 1933, pp. 641–646.

FOREIGN EXCHANGE RATES

[Averages of certified noon buying rates in New York for cable transfers. In cents per unit of foreign currency]

Year or month	Argentina (peso)		Australia (pound)		Belgium (belga)	Brazil (cruzeiro ¹)		British India (rupee)	Bulgaria (lev)	Canada (dollar)		Chile (peso)		China (yuan Shanghai)	
	Official	Special Export	Official	Free		Official	Free			Official	Free	Official	Export		
1934	33.579			400.95	23.287	8.4268		37.879	1.2852		101.006	10.1452		34.094	
1935	32.659			388.86	18.424	8.2947		36.964	1.2951		99.493	5.0833		36.571	
1936	33.137			395.94	16.917	8.5681	²⁵ 8.788	37.523	1.2958		99.913	5.1240		29.751	
1937	32.959			393.94	16.876	8.6437	6.1983	37.326	1.2846		100.004	5.1697	²⁴ 4.0000	29.606	
1938	32.597			389.55	16.894	5.8438		36.592	1.2424		99.419	5.1716	4.0000	21.360	
1939	30.850			353.38	16.852	6.0027	5.1248	33.279	²¹ 2.1111		96.018	5.1727	4.0000	11.879	
1940	29.773			² 322.80	305.16	²¹ 6.880	6.0562	30.155			²⁹ 0.909	85.141	5.1668	4.0000	6.000
1941	29.773	²³ 3.704		322.80	321.27		6.0575	30.137			90.909	87.345	²⁵ 16.64	²⁴ 4.0000	²⁵ 3.13
1942	29.773	23.704		322.80	321.50		6.0584	30.122			90.909	88.379			
1942—Apr	29.773	23.704		322.80	321.50		6.0580	30.122			90.909	87.173			
May	29.773	23.704		322.80	321.50		6.0580	30.122			90.909	88.557			
June	29.773	23.704		322.80	321.50		6.0580	30.122			90.909	89.958			
July	29.773	23.704		322.80	321.50		6.0580	30.122			90.909	89.943			
Aug	29.773	23.704		322.80	321.50		6.0580	30.122			90.909	89.523			
Sept	29.773	23.704		322.80	321.50		6.0580	30.122			90.909	87.820			
Oct	29.773	23.704		322.80	321.50		6.0592	30.122			90.909	87.631			
Nov	29.773	23.704		322.80	321.50		6.0600	30.122			90.909	88.087			
Dec	29.773	23.704		322.80	321.50		6.0593	30.122			90.909	87.883			
1943—Jan	29.773	23.704		322.80	321.50		6.0586	30.122			90.909	89.640			
Feb	29.773	23.704		322.80	321.50		6.0586	30.122			90.909	90.037			
Mar	29.773	23.704		322.80	321.50		6.0586	30.122			90.909	89.923			

Year or month	Colombia (peso)	Czechoslovakia (koruna)	Denmark (krone)	Finland (markka)	France (franc)	Germany (reichsmark)	Greece (drachma)	Hong Kong (dollar)	Hungary (pengo)	Italy (lira)	Japan (yen)	Mexico (peso)	Netherlands (guilder)	New Zealand (pound)
1935	56.011	4.1642	21.883	2.1627	6.6013	40.258	.9386	48.217	29.602	8.2471	28.707	27.778	67.715	391.26
1936	57.083	4.0078	22.189	2.1903	6.1141	40.297	.9289	31.711	29.558	7.2916	29.022	27.760	64.481	398.92
1937	56.726	3.4930	22.069	2.1811	4.0460	40.204	.9055	30.694	19.779	5.2607	28.791	27.750	55.045	396.91
1938	55.953	3.4674	21.825	2.1567	2.8781	40.164	.8958	30.457	19.727	5.2605	28.451	22.122	55.009	392.35
1939	57.061	³ 4.252	20.346	1.9948	2.5103	40.061	8153	27.454	19.238	5.1959	25.963	19.303	53.335	354.82
1940	57.085		¹ 9.308	1.8710	² 2.0827	40.021	² 6.715	²² 2.958	18.475	5.0407	23.436	18.546	²³ 5.128	306.38
1941	57.004			² 2.0101		³ 9.968		²⁴ 4.592	²¹ 9.770	²⁵ 0.703	²³ 3.439	20.538		322.54
1942	57.052											20.569		322.78
1942—Apr	57.049											20.574		322.79
May	57.005											20.567		322.78
June	57.037											20.568		322.78
July	57.059											20.567		322.78
Aug	57.186											20.568		322.78
Sept	57.064											20.573		322.78
Oct	57.023											20.573		322.78
Nov	57.030											20.573		322.78
Dec	57.177											20.573		322.78
1943—Jan	57.222											20.573		322.78
Feb	57.220											20.573		323.30
Mar	57.233											20.573		324.42

Year or month	Norway (krone)	Poland (zloty)	Portugal (escudo)	Rumania (leu)	South Africa (pound)	Spain (peseta)	Straits Settlements (dollar)	Sweden (krona)	Switzerland (franc)	United Kingdom (pound)		Uruguay (peso)		Yugoslavia (dinar)	
										Official	Free	Controlled	Non-controlled		
1934	25.316	18.846	4.6089	1.0006	498.29	13.615	59.005	25.982	32.366		503.93	79.956		2.2719	
1935	24.627	18.882	4.4575	.9277	484.66	13.678	57.173	25.271	32.497		490.18	80.251		2.2837	
1936	24.974	18.875	4.5130	.7382	491.65	12.314	58.258	25.626	30.189		497.09	79.874		2.2965	
1937	24.840	18.923	4.4792	.7294	489.62	6.053	57.973	25.487	22.938		494.40	79.072		2.3060	
1938	24.566	18.860	4.4267	.7325	484.16	5.600	56.917	25.197	22.871		488.94	64.370		2.3115	
1939	23.226	²¹ 8.835	4.0375	.7111	440.17	10.630	51.736	23.991	22.525		443.54	62.011	²³ 6.789	2.2716	
1940	²² 2.709		3.7110	² 6.896	397.99	9.322	46.979	23.802	22.676		²⁴ 03.50	383.00	65.830	37.601	2.2463
1941			²⁴ 0.023		398.00	²⁹ 1.130	47.133	²² 3.829	²³ 2.210		403.50	403.18	65.830	43.380	²² 2.2397
1942					398.00		²⁴ 6.919				403.50	403.50	65.830	52.723	
1942—Apr					398.00						403.50	403.50	65.830	52.735	
May					398.00						403.50	403.50	65.830	52.740	
June					398.00						403.50	403.50	65.830	52.744	
July					398.00						403.50	403.50	65.830	52.740	
Aug					398.00						403.50	403.50	65.830	52.744	
Sept					398.00						403.50	403.50	65.830	52.722	
Oct					398.00						403.50	403.50	65.830	52.720	
Nov					398.00						403.50	403.50	65.830	52.733	
Dec					398.00						403.50	403.50	65.830	52.734	
1943—Jan					398.00						403.50	403.50	65.830	52.754	
Feb					398.00						403.50	403.50	65.830	52.803	
Mar					398.00						403.50	403.50	65.830	52.805	

¹ Prior to Nov. 1, 1942, the official designation of the Brazilian currency unit was the "milreis."

² Average of daily rates for that part of the year during which quotations were available.

Note.—Developments affecting averages during 1943:

Certified rates discontinued: Australia and United Kingdom, free rates, after Feb. 1.

Changes in nominal status (noted only if affecting quotations for at least five days a month): none.

For further information concerning the bases and nominal status of exchange quotations, and concerning suspensions of quotations prior to 1943, see BULLETIN for February 1943, p. 201; March 1942, p. 285; February 1941, p. 183; February 1940, p. 178; September 1939, p. 831; March 1939, p. 236; and March 1938, p. 244.

PRICE MOVEMENTS IN PRINCIPAL COUNTRIES
WHOLESALE PRICES—ALL COMMODITIES

[Index numbers]

Year or month	United States	Canada	United Kingdom	France	Germany	Italy	Japan	Netherlands	Sweden	Switzerland
	(1926=100)	(1926=100)	(1930=100)	(1913=100)	(1913=100)	(1928=100)	(October 1900=100)	(1926-30=100)	(1935=100)	(July 1914=100)
1926.....	100	100	¹ 124	695	134		237	106	¹ 126	144
1930.....	86	87	100	554	125		181	90	¹ 103	126
1931.....	73	72	88	500	111	85	153	76	¹ 94	110
1932.....	65	67	86	427	97	70	161	65	¹ 92	96
1933.....	66	67	86	398	93	63	180	63	¹ 90	91
1934.....	75	72	88	376	98	62	178	63	¹ 96	90
1935.....	80	72	89	338	102	68	186	62	100	90
1936.....	81	75	94	411	104	76	198	64	102	96
1937.....	86	85	109	581	106	89	238	76	114	111
1938.....	79	79	101	653	106	95	251	72	111	107
1939.....	77	75	103	² 681	107	99	278	74	115	111
1940.....	79	83	137		110	116	311	³ 88	146	143
1941.....	87	90	153		112	132	329		172	184
1942.....	99	96	[†] 159		114				189	
1942—March.....	98	95	159		114				184	207
April.....	99	95	160		114				186	208
May.....	99	95	161		114				187	209
June.....	99	96	160		114				188	210
July.....	99	96	160		115		[‡] 355		193	212
August.....	99	96	159		115		[‡] 357		192	211
September.....	100	96	159		115		[‡] 358		192	212
October.....	100	97	160		115				193	[‡] 212
November.....	100	97	161		115				195	
December.....	101	97	[†] 161		115				195	
1943—January.....	102	97	162		116				196	
February.....	103	98	162		116				[‡] 197	
March.....	103	99	[‡] 162							

[‡] Preliminary. [†] Revised.

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

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

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

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

WHOLESALE PRICES—GROUPS OF COMMODITIES

[Indexes for groups included in total index above]

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

[†] Revised.

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

Price Movements—Continued

RETAIL FOOD PRICES							COST OF LIVING						
[Index numbers]							[Index numbers]						
Year or month	United States (1935-39 =100)	Canada (1935-39 =100)	United Kingdom (July 1914 =100)	Germany (1913-14 =100)	Netherlands (1911-13 =100)	Switzerland (June 1914 =100)	Year or month	United States (1935-39 =100)	Canada (1935-39 =100)	United Kingdom (July 1914 =100)	Germany (1913-14 =100)	Netherlands (1911-13 =100)	Switzerland (June 1914 =100)
1932	87	86	126	116	119	125	1932	98	99	144	121	141	138
1933	84	85	120	113	120	117	1933	92	94	140	118	139	131
1934	94	93	122	118	124	115	1934	96	96	141	121	140	129
1935	100	95	125	120	118	114	1935	98	96	143	123	136	128
1936	101	98	130	122	120	120	1936	99	98	147	125	132	130
1937	105	103	139	122	127	130	1937	103	101	154	125	137	137
1938	98	104	141	122	130	130	1938	101	102	156	126	139	137
1939	95	101	141	123	130	132	1939	99	102	158	126	140	138
1940	97	106	164	128	140	146	1940	100	106	184	130	148	151
1941	106	116	168	129		175	1941	105	112	199	133		174
1942	124	127	161	132			1942	117	117	200	137		
1942—March	119	124	162	131		195	1942—March	114	116	200	136		189
April	120	124	160	132		197	April	115	116	199	137		191
May	122	124	160	134		199	May	116	116	200	138		192
June	123	126	159	136		199	June	116	117	199	139		193
July	125	130	160	139		203	July	117	118	200	140		196
August	126	130	160	136		202	August	118	118	201	139		195
September	127	129	160	129		203	September	118	117	200	135		195
October	130	130	162	128			October	119	118	200	135		^P 197
November	131	132	163	129			November	120	119	200	135		^P 199
December	133	133	164	129			December	120	119	200	136		
1943—January	133	127	164	131		^P 209	1943—January	121	117	199	137		^P 201
February	134	127	164	132			February	121	117	199	137		
March		128					March		117	^P 199			

^P Preliminary.

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

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

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

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

SECURITY PRICES

[Index numbers except as otherwise specified]

Year or month	Bonds					Common stocks				
	United States (derived price) ¹	United Kingdom (December 1921=100)	France (1913=100)	Germany (average price) ²	Netherlands ³	United States (1935-39 =100)	(1926=100)			Netherlands (1930=100)
							United Kingdom	France	Germany	
Number of issues	15	87	36	² 139	8	402	278	300	(4)	100
1926	90.1	110.0	57.4			105.6	100.0	100.0	100.0	
1932	84.4	113.2	88.6	⁵ 67.1	94.8	51.2	67.9	105.2	⁵ 50.3	46
1933	91.2	119.7	81.3	82.5	105.3	67.0	78.6	99.6	61.7	52
1934	98.2	127.5	82.1	90.7	113.4	76.6	85.7	83.3	71.1	55
1935	105.5	129.9	83.5	⁶ 95.1	107.8	82.9	86.3	79.7	82.9	55
1936	109.5	131.2	76.3	95.8	109.1	117.5	97.0	77.2	91.6	66
1937	¹ 110.2	124.6	75.1	98.7	³ 101.8	117.5	96.3	97.4	102.6	104.2
1938	111.1	121.3	77.3	99.9	105.9	88.2	80.8	89.7	100.1	95.8
1939	113.8	112.3	83.9	99.0	90.9	94.2	75.9	98.3	94.1	89.7
1940	115.9	118.3	⁷ 84.7	100.7	⁸ 77.9	88.1	70.8	⁷ 120.6	114.6	⁹ 95.0
1941	117.8	123.8	⁹ 87.7	¹⁰ ^P 103.0		80.0	72.5	¹¹ 289.7	¹⁰ ^P 136.8	
1942	118.3	127.3				69.4	75.3	^P 476		
1942—March	116.7	127.1	99.8	103.3		66.0	72.6	438	141.1	
April	117.8	127.5	99.5	103.5		63.3	72.5	454	142.5	
May	117.7	126.8	100.2	103.5		63.2	73.0	466	142.7	
June	118.0	126.7				66.1	73.7	^P 455	143.2	
July	118.9	127.7				68.2	73.8	^P 455	142.2	
August	118.7	127.5				68.3	74.4	^P 518	142.4	
September	119.0	127.8				69.4	75.7	^P 511		
October	119.3	128.1				74.2	78.4	^P 507		
November	119.5	127.5				75.2	80.4	^P 529		
December	118.9	127.3				75.9	80.1	^P 583		
1943—January	119.5	129.0				79.7	82.4			
February	120.0	128.9				84.8	82.2			
March	119.8					88.2				

^P Preliminary.

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

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

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

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

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

⁶ Average based on figures for 5 months; no data available June-Dec.

⁷ Average based on figures for 9 months; no data available May-July.

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

⁹ Average based on figures for 10 months; no data available Jan.-Feb.

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

Sources.—See BULLETIN for November 1937, p. 1172; July 1937, p. 698; April 1937, p. 373; June 1935, p. 394; and February 1932, p. 121.

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¹ Cashier.

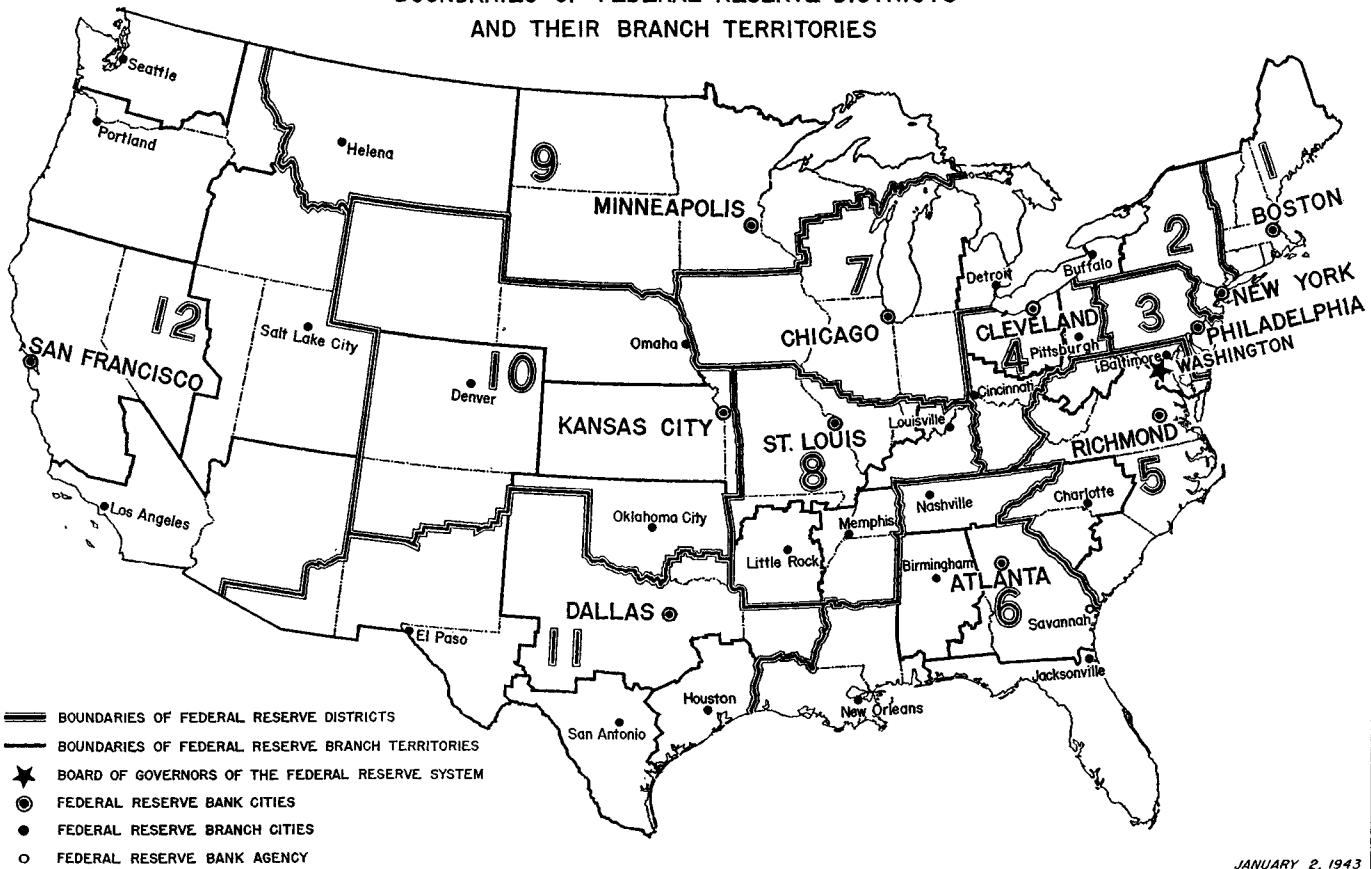
² Also Cashier.

³ Vice President.

⁴ Manager.

FEDERAL RESERVE SYSTEM

BOUNDARIES OF FEDERAL RESERVE DISTRICTS AND THEIR BRANCH TERRITORIES



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- BOUNDARIES OF FEDERAL RESERVE BRANCH TERRITORIES
- ★ BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
- FEDERAL RESERVE BANK CITIES
- FEDERAL RESERVE BRANCH CITIES
- FEDERAL RESERVE BANK AGENCY

JANUARY 2, 1943
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