

FEDERAL RESERVE BULLETIN

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ELLIOTT THURSTON

E. A. GOLDENWEISER

CARL E. PARRY

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FEDERAL RESERVE BULLETIN

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FOREIGN TRADE, CAPITAL MOVEMENTS, AND INTERNATIONAL RESERVES

During the past fifteen years culminating in the World War the international position of the United States has undergone far-reaching changes. In the process of assisting our Allies the American economy is now supplying an outflow of goods, not including goods sent abroad to supply our own troops, nearly five times as large in value as in prewar years. Exports for foreign account are for the most part being financed by simple book entry through Lend-Lease. If exports are to continue after the war in a volume greatly exceeding that of the prewar period, new peacetime markets must be found and other methods of financing must be substituted for Lend-Lease. It is not to be expected that in the early postwar years exports of American goods in such volume can be matched by merchandise imports or foreign services. A major role will have to be played by American capital.

The nature of the capital movement before the war raises a question as to what measures will be necessary to prevent the perverse flows that characterized the 1930's. During that decade American investment abroad, which had been on a great scale in the 1920's, was reversed, and the flow of foreign capital to this country mounted. The United States ceased to function as an international lender, and, instead, drew

money from the rest of the world—most of it upon a relatively permanent basis. Foreign countries lost gold to the United States, which added 15 billion dollars to its reserves in the period 1934-1940. Nevertheless foreign reserves are today far higher in dollar purchasing power than they were before the great losses of the 1930's occurred. This is attributable to the growing volume of foreign gold production, dishoarding by the public, the 69 per cent increase in the dollar price of gold, and, more recently, the outpouring of American money abroad in connection with the war.

The wartime increase in foreign gold reserves has been supplemented by the rapid expansion of dollar reserves in the form of balances in this country. Gold and dollar reserves of foreign countries amounted to some 17 billion dollars at the end of September 1944, as compared with 7 or 8 billion dollars in 1928 before disintegration of the gold standard set in. This stronger reserve position abroad, together with the Bretton Woods plans, if consummated, promises more ample resources and more orderly financial relationships in the postwar world. If this promise is realized, the chances of maintaining a volume of foreign trade commensurate with the heightened productivity of the American economy in the postwar period will be greatly strengthened.

REVIEW OF THE MONTH

WARTIME EXPORTS OF THE UNITED STATES

Since the middle of 1943 American exports have been running at the level of about 14 billion dollars a year. Before the war the annual average was 3 billion dollars. The expansion is unprecedented. It is the product of a war that is being vigorously prosecuted in both the European and the Pacific theatres. As the accompanying table shows, exports to the United Kingdom, the U.S.S.R., and the Mediterranean and African regions, which before the war amounted to less than three-

equipment of war, the flow of exports has been substantially enlarged.

While this vast trade was building up under the urgent pressures of war and despite the submarine, important regions were placed temporarily beyond our reach. Most of the continent of Europe in the period covered by the table was either occupied by the enemy or blockaded. The same was true of the Malay States, the Netherlands East Indies, and other areas under Japanese control. The areas that were largely sealed off from American trade

UNITED STATES EXPORTS BY AREAS
(In millions of dollars)

Area	Year ending June 30, 1944					Annual average 1936-1938		
	Lend-Lease				Cash account	Total	Nonagri-cultural ¹	Agri-cultural
	Munitions	Industrial products	Agricultural products	Total				
United Kingdom.....	2,693	1,066	1,100	4,859	*	499	234	265
U.S.S.R.....	1,785	1,094	610	3,490	*	49	49	(²)
Africa, Middle East and Mediterranean Area ³	1,250	276	117	1,643	*	214	179	35
China and India.....	502	224	72	798	*	117	102	15
Australia and New Zealand.....	269	197	15	482	*	100	88	12
20 Latin American Republics.....	70	18	(²)	88	⁴ 798	485	439	46
Canada.....	.....	.....	.....	.....	⁵ 1,429	454	383	71
Unallocated.....	244	28	16	⁶ 288	⁶ 542	1,048	714	334
Total.....	6,813	2,903	1,930	11,646	2,769	2,967	2,189	778

* Not available for publication; included in "Unallocated" in this column.

¹ Includes small amount of agricultural re-exports.

² Less than half a million dollars.

³ Coverage of Lend-Lease data and coverage of prewar data under this heading are not identical.

⁴ Estimated on the basis of published data for nine months ending March 1944.

⁵ If indirect Lend-Lease through Canada was relatively the same in the year ending June 1944 as in the period March 1941-June 1944, about 192 million dollars of Lend-Lease exports should be transferred from "Unallocated" to the areas listed in the table, and the same amount should be transferred under Cash account from Canada to "Unallocated."

SOURCE.—Lend-Lease data from the President's sixteenth report to Congress; other data compiled from published statistical series of the Department of Commerce.

quarters of a billion dollars a year, have grown to nearly 10 billion dollars. Exports to China, India, Australia, and New Zealand have grown from about 200 million dollars a year to nearly 1,300 million dollars. Within the Western Hemisphere the expansion has been less striking. Nevertheless, there has been a tripling of exports to Canada, this nation's second largest customer in time of peace; and even to Latin America, which is predominantly agricultural and which has not been absorbed in producing the munitions and

had taken a billion dollars of our goods a year in the period before the war.

The table showing these broad developments is necessarily limited in detail for reasons of security. Most of the up-to-date information concerning American foreign trade now given to the public is that which is permitted to appear in the quarterly reports of the Lend-Lease Administration. While these reports are not detailed, it is possible on the basis of them to show the division of our Lend-Lease supplies among munitions and war equipment on the one

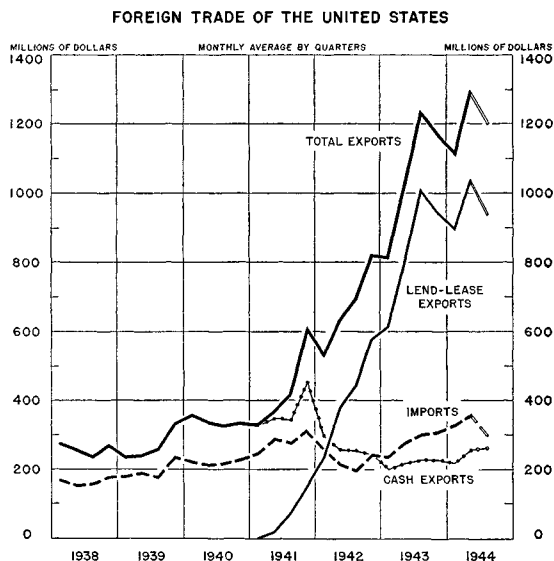
hand and industrial and agricultural products on the other. Foreign trade paid for in cash can not be similarly classified nor can the figures of shipments outside the Western Hemisphere be shown by countries. Indeed, for purposes of the table it has even been necessary to estimate exports to Canada and the twenty American Republics by projecting nine months figures. Nevertheless, it seems possible to say on the basis of the data that direct war equipment comprises less than one-half of the great flow of goods for foreign use that is currently leaving our shores. The remainder is divided between industrial products, the use of which has been sharply stimulated by the war, and agricultural products.

Agricultural exports represent a type of commodity that will be consumed in even larger volume in the postwar period; but there is little reason to believe that the world will continue to draw agricultural commodities from the United States on the present scale once the period of relief and reconstruction has passed. It is evident from the table that the United Kingdom is now taking under Lend-Lease alone agricultural products more than four times the value of our prewar shipments. The abnormalities are even more apparent in the case of the U.S.S.R., which in ordinary times can largely feed and clothe itself. Output of agricultural products for domestic consumption will revive abroad, and other agricultural exporting countries will regain their positions in world trade. As the postwar transition period passes it seems probable that the basic trend in the export trade of the United States from agricultural products, in which this country had the strongest competitive position in the nineteenth century, toward those manufactures in which we now dominate world markets will reassert itself, and that from this standpoint the

agricultural component of our wartime trade can not be regarded as carrying a promise of permanence.

WARTIME IMPORTS

Merchandise imports to this country have also been stimulated by the war; but more than half of the rise from the 2.5 billion dollar average of the prewar years to the current annual rate of 4 billion dollars appears to be due to an advance in prices.



Data derived from Department of Commerce. General imports and exports, including re-exports. Lend-Lease data from the President's sixteenth report to Congress, through June 1944; from Commerce releases thereafter. Final quarter estimated on basis of published data for July and August.

In the chart it is possible to trace three distinct stages of recent import history. From the middle of 1940 through 1941 imports rose under the impetus of inventory accumulation and Government stockpiling. Continental Europe was cut off as a source of supply but imports from other areas rose sharply. An extensive reduction in the flow of imports occurred with the start of the Japanese war, the cutting off of our Far Eastern sources of supply, and the intensification of submarine attacks.

As antisubmarine measures increased in effectiveness and the American rate of shipbuilding surpassed the rate of ship losses, imports again began to rise. New sources of supply were developed, largely in Latin America and in Africa, for products formerly acquired in the Far East. To date the history of our wartime imports has in considerable degree been that of displacement of important sources of supply by others at rising prices. While the heavy military demand for shipping since D-day has been accompanied by a drop in imports, a rise of a more general and permanent character may be expected as new areas are freed in Europe and Asia and more shipping becomes available.

How far the rise in imports carries and whether it can be sustained and increased in the postwar period will be one of the determining factors in the future of this country's export trade. The ability of foreigners to buy civilian goods from the United States in the postwar period will largely depend upon their ability to get command of dollars. At present the supply of goods available for export is a limiting factor. The crucial test will come after the shortage of civilian goods in our own markets begins to be relieved. Until then it may be necessary to continue the wartime controls in many types of goods that foreigners as well as our own citizens will want to buy. As reconversion is accomplished, however, it seems unquestionable that the vast productive powers of this country can be most effectively employed only if a much greater foreign trade is carried on with the world than before the war.

Other factors than merchandise imports will help to put into foreign hands the dollars that will be needed if the great postwar readjustments in our export trade

are to be accomplished without excessive shrinkage in the aggregate. American use of foreign shipping will help; but in view of the unequaled merchant marine which this country has created during the war, American use of foreign shipping is unlikely to be greater than before the war even with a greatly expanded trade. American travel in foreign countries will also help, and can be counted upon to do so on a far more extensive scale than before the war. More problematical is the question whether American capital will venture abroad again in generous amounts, if governmental assistance is not forthcoming.

PREWAR CAPITAL FLOW

The last great period of American investment in foreign countries, as the table shows, was in the 1920's. During that decade American capital flowed abroad in the form of security purchases, direct business investments, and short-term funds. Notwithstanding the backflow of amortization payments, nearly 3 billion dollars of American capital moved out of this country on balance in the two years 1927 and 1928. While Americans were buying foreign bonds, however, foreigners were being attracted into our stock market and foreign central banks were accumulating reserves here in the form of dollar balances. The movement of foreign funds to the United States was irregular, but at times during the decade it served as a substantial offset to the great outpouring of American capital.

In the second half of 1928 Americans began to lose their interest in foreign bonds as the domestic bond market tightened and the stock market drove ahead toward its climax in 1929. Foreign investors, however, put additional large amounts into American securities. The net outward

REVIEW OF THE MONTH

movement of capital on all accounts from this country, which had been 1,200 million dollars in 1928, fell to less than 300 million dollars in 1929. By the end of 1931 the world-wide depression with its accompanying financial crisis had come to overshadow every other consideration. The movement of American capital into securities and busi-

drawal of foreign short-term funds from the American market; but after that event the movement of foreign money turned heavily toward the United States and added its effects to those of the return flow of American funds. From 1934 through 1940, as the table shows, the inward movement of American capital from abroad was slightly

INTERNATIONAL MOVEMENT OF CAPITAL TO THE UNITED STATES
[In millions of dollars. Minus sign indicates net movement from U. S.]

Year	Net inflow or outflow	American capital						Foreign capital					
		Total	Foreign securities		Amortizations	Direct investments ¹	Change in short-term funds ²	Total	Net purchase or sale (-) of American securities	Amortizations	Short-term funds		Foreign purchase or sale (-) of U. S. currency
			New issues	Other							Official ³	Other ²	
1922.....	-815	-822	-666	-137	134	-153	*	7	27	-20	*	*	*
1923.....	-78	-465	-317	(4)	82	-148	-82	387	4358	-20	-14	2	61
1924.....	-581	-994	-823	(4)	120	-182	-109	413	4205	-20	38	202	-12
1925.....	-676	-917	-824	(4)	221	-268	-46	241	4321	-20	17	-61	-16
1926.....	-307	-857	-921	155	296	-351	-36	550	115	-20	27	419	9
1927.....	-452	-1,356	-1,114	193	285	-351	-349	884	-30	-20	128	824	-18
1928.....	-1,195	-1,541	-1,019	-94	361	-558	-231	346	483	-20	97	-205	-9
1929.....	-282	-836	-415	105	276	-602	-200	554	378	-20	223	-33	6
Total	-4,386	-7,768	-6,099	222	1,775	-2,613	-1,053	3,382	1,857	-160	516	1,148	21
1930.....	-777	-555	-775	405	300	-294	-191	-222	86	-20	-109	-184	5
1931.....	-443	756	-190	283	257	-222	628	-1,199	86	-20	-115	-1,157	7
1932.....	-221	478	-51	146	172	-16	227	-699	-6	-20	-270	-325	-78
1933.....	⁵ -342	-13	-83	-120	123	32	35	-289	180	-15	-52	-331	-71
Total	-1,783	666	-1,099	714	852	-500	699	-2,409	346	-75	-546	-1,997	-137
1934.....	⁶ 422	281	-17	105	114	-17	96	111	.....	-15	12	139	-25
1935.....	1,508	540	-53	-50	185	34	424	968	335	-15	10	639	-1
1936.....	1,208	232	-47	55	181	-12	55	976	615	-15	71	280	25
1937.....	877	321	-13	64	190	35	45	556	260	-15	163	151	-3
1938.....	441	67	-53	-10	87	16	27	374	72	-15	-5	307	15
1939.....	1,497	324	-53	64	93	9	211	1,173	-71	-15	304	824	131
1940.....	⁶ 1,503	266	.....	25	59	23	159	⁶ 1,237	-231	-10	658	56	35
Total	⁶ 7,456	2,031	-236	253	909	88	1,017	⁶ 5,395	980	-100	1,213	2,396	177

* Figures not available.

¹ Includes public offerings of American and semi-American corporations for foreign purposes (excluding discounts and refunding).

² Includes changes in banking and brokerage balances and some additional short-term funds.

³ Through Sept. 21, 1938, figures represent official funds at the New York Federal Reserve Bank only; thereafter they also include funds held with commercial banks in New York City.

⁴ Foreign and domestic security transactions not shown separately for these years. Foreign security transactions for these years are, therefore, included with "Net purchase or sale of American securities."

⁵ Includes a 40 million dollar outflow in 1933 and a 30 million dollar inflow in 1934 to cover security arbitrage operations which could not be divided between foreign and domestic security transactions for these years.

⁶ Includes capital assistance and advance payments by the British Government amounting to 729 million dollars in connection with procuring war supplies in this country before the advent of Lend-Lease.

SOURCE.—Data derived from *The United States in the World Economy*, Department of Commerce, 1943, and condition statements of Federal Reserve Banks.

ness investments abroad dwindled away to almost nothing and heavy withdrawals of short-term funds from foreign countries began. The net movement of American capital as a whole turned inward.

Until the devaluation of the dollar in January 1934 the return flow of American funds was more than offset by the with-

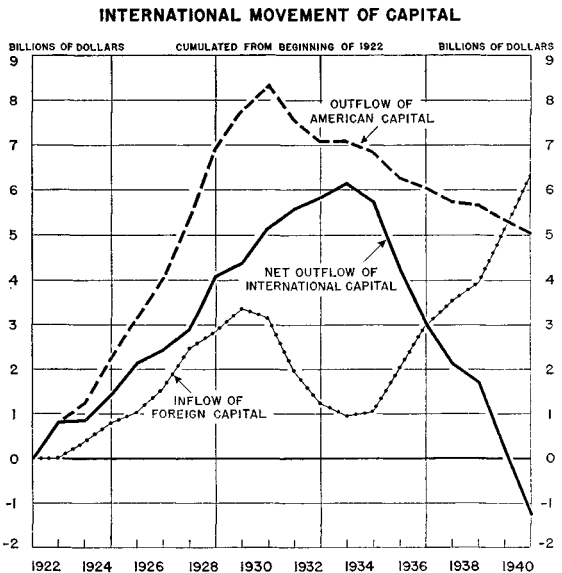
drawal of foreign short-term funds from the American market; but after that event the movement of foreign money turned heavily toward the United States and added its effects to those of the return flow of American funds. From 1934 through 1940, as the table shows, the inward movement of American capital from abroad was slightly

period, the subsequent stock market relapse brought no net liquidation. Liquidation occurred only after the outbreak of the World War forced the British Government to take over the dollar securities of its citizens and to convert many of them into cash for war purchases.

Another portion of the 5½ billion dollars represented the accumulation of dollar reserves by foreign central banks and governments. Holding dollars was often more convenient and, when Treasury bills were bought, more profitable than holding gold. Balances accumulated by foreign monetary authorities during the period amounted to 1,200 million dollars. Yet another portion, amounting to over 700 million dollars, represented capital assistance and advance payments of the British in connection with procuring war supplies in this country before the advent of Lend-Lease.

About 2½ billion dollars of the total recorded capital inflow of 7½ billion on both American and foreign account represented the movement to the United States by foreigners of private short-term funds. Most of this short-term money was of the sort that shifts easily from one financial center to another under the impact of political and economic uncertainties. Some part of it undoubtedly came here to restore working balances that had been reduced in the period when the dollar was depreciating on the exchanges before definitive devaluation had occurred, and the subsequent expansion of business activity must have created a need for additional working balances. But the fact that most of these foreign short-term funds accumulated either during the crisis which the so-called gold-bloc countries—France, the Netherlands, Switzerland, and Belgium—experienced after devaluation of the dollar or during the succession of war scares that characterized

the later 'thirties suggests that the bulk of the 2½ billion dollars was acquired for other than commercial reasons. What would have happened to them had the war not intervened with the vesting of private dollar assets by foreign monetary authorities and the freezing operations of the American authorities is difficult to determine. The fact that stands out is that the greater part of the recorded capital inflow of 7½ billion dollars in the period 1934 through 1940 was of a different and more permanent character. It represented American money that had come home to stay, or foreign investments and official funds that were accumulating in a world financial center of increasing scope.



Data derived from *The United States in the World Economy*, Department of Commerce, 1943.

It should be noted that during this period the "unexplained items" in our official balance of payments were unusually high. In the aggregate they amounted to 3½ billion dollars for the entire period 1934-1940. Capital movements that escaped the reporting system undoubtedly contributed to this figure, including funds of a

volatile type. The most concrete evidence, however, that we have as to the nature of a portion of the unexplained items is that refugees coming over here, or corporations establishing special agencies, shifted substantial sums in this country from foreign to domestic ownership. These sums transferred to the American community ceased to be part of the international capital account. To a considerable extent refugee transfers have either been spent or will remain in the American community. Corporation funds may have somewhat more tendency to return abroad again after the war.

LEND-LEASE AND OTHER DEVELOPMENTS

The introduction of Lend-Lease operations early in 1941 opened up a completely new phase of international finance. The rapidly mounting volume of war exports was handled by simple bookkeeping operations. Services such as ship-repair were supplied on the same basis as were certain construction operations. From the beginning of the program through June 1944, more than 28 billion dollars of Lend-Lease assistance has been granted to the countries that are helping us fight the war. Over 21 billion dollars of this is reflected in our merchandise export trade.

As Lend-Lease operations taper off after the war, however, the question of the direction of the capital flow will again assume major importance. In one respect a change from the 1930's seems probable. Movements of foreign capital to the United States in disturbing amounts or for unproductive purposes are likely to be greatly curtailed. Foreign countries have had extensive experience with exchange controls during the war, and there is nothing in the plan for an International Monetary Fund devised at Bretton Woods that would prevent the continued application of these controls

to capital movements. Indeed the Fund might require controls to be applied by a member coming to it for assistance.

The greater problem will be to revive the flow of productive capital from the United States to the areas where it is needed. Direct investments to spread the range of American business enterprise will undoubtedly be in evidence immediately after the war. Countries with strong credit standing will also be able to borrow in the American market. The recent 100 million dollar credit to the Netherlands by a group of New York banks, while it is short-term and backed by gold, is an indication of possibilities in this direction. Nevertheless, the almost negligible amount of American lending abroad in the 1930's suggests the limitations that may be encountered in the uncertain postwar period unless American investors can be assisted at the outset by some measure of Government protection. The International Bank for Reconstruction and Development proposed at Bretton Woods was designed to provide such assurance. Most of the operations of the Bank would be in the field of guaranteeing loans which otherwise the private capital market would not be prepared to make on terms which the Bank regards as reasonable.

SHIFTS IN GOLD RESERVES

Foreign countries will enter the postwar period much better supplied with gold and dollar reserves than they were before the breakdown of the gold standard in the 1930's. As a group they will be able to meet larger deficits in their international transactions with the United States, should such deficits occur, without resorting to currency depreciation or exchange control or drastic measures of internal deflation. It is estimated that by the end of September 1944 foreign countries had gold and dollar reserves of some 17 billion dollars, as

compared with 7 or 8 billion dollars at the close of the 1920's. How it came about that

FOREIGN GOLD RESERVES BY COUNTRIES SINCE 1928
[In millions of dollars—round figures]

Country	Increase or decrease (—)					Amount at end of Sept. 1944
	Amount at end of 1928	Jan. 1929—Jan. 1934	Jan. 31, 1934 increment in dollar value	Feb. 1934—Dec. 1940	Jan. 1941—Sept. 1944	
All foreign countries.....	6,310	2,200	5,885	-5,600	15,590	14,385
United Kingdom.....	750	2680	990	-2,125	*	*
France.....	1,255	1,765	2,090	8-3,110	.....	42,000
Switzerland.....	105	285	270	-155	530	1,035
Netherlands.....	175	195	255	-10	-115	500
Belgium.....	125	265	270	85	.....	4750
Germany.....	650	-560	60	-125	*	*
Italy.....	265	105	260	-315	*	*
Spain.....	495	-60	305	5-695	60	4105
Japan.....	540	-330	145	-195	*	*
Australia.....	110	-105	2	-1	*	*
Latin America.....	920	-555	255	130	1,475	2,220
Argentina.....	605	-370	165	30	505	6040
Brazil.....	150	-150	.....	50	245	295
Mexico.....	5	2	5	35	175	220
Other.....	160	-45	80	20	(6)	(6)
South Africa.....	40	45	60	225	415	9780
Sweden.....	65	35	70	-10	295	455
Turkey.....	.....	10	10	70	130	220
Other countries ¹⁰	825	410	845	825	900	3,805
Those gaining.....	.....	530	845	940	950	.....
Those losing.....	.....	-115	.....	-115	-50	.....

* Not available.

¹ Aggregate foreign gold reserves Sept. 30, 1944, estimated by adding to Dec. 31, 1940 amount the amount of subsequent world gold output and the decline in U. S. gold reserves.

² Includes broad estimate of 500 million dollars for gold in Exchange Equalization Account. The Account financed its gold purchases largely by Treasury bills, and the estimate, which indicates only the possible order of magnitude, employs mostly Treasury bill data.

³ Omitting French Exchange Stabilization Fund holdings which on May 31, 1939, the last date published, amounted to 477 million dollars. Other evidence indicates that these holdings subsequently declined.

⁴ Figure for end of June.

⁵ Figure for 1940 not reported; based on reported figure at end of 1941 for Spain and April 1940 for Australia.

⁶ Figure for December 1943, the last date for which total gold holdings have been published. An estimate of Argentine gold reserves as of the end of September 1944, derived from published and unpublished data, is included in the figure for total Latin America.

⁷ Figure for end of July.

⁸ Data unpublished or not fully up to date, but estimates for these countries are included in the total for Latin America.

⁹ Figure for end of August.

¹⁰ Includes estimate for U.S.S.R. based on reported reserve of 839 million dollars in September 1935 adjusted for estimated gold production in U.S.S.R. and gold imports from U.S.S.R. reported by other countries; includes also, in addition to regular reports, estimates of some unreported gold holdings of other countries not separately classified.

NOTE.—For definition of gold reserves, figures for reserves of United States and world, and source of increase see table on p. 1046.

foreign reserves grew in such an extraordinary fashion notwithstanding the heavy and recurrent gold flows to the United

States in the 1930's is partially shown in the table on this page and that on page 1046.

The first period in the tables (January 1929-January 1934) covers the general disintegration of the gold standard. Most countries outside the gold bloc, composed of France, Switzerland, the Netherlands, and Belgium, were involved in exchange depreciation or exchange control before the period was finished. The pressures first became acute in the raw material countries toward the end of the 1920's. Prices for their exports had been slowly declining even before the 1929 crash; and in the latter half of 1928, as has been noted earlier in this review, American loans abroad began to contract. The pressures on the raw material countries are reflected in the accompanying table in the experiences of Australia, Japan, and the Latin American group—particularly Argentina and Brazil.

As the depression deepened major countries became involved in financial crisis. Germany, England, and the United States all held large amounts of short-term balances due to foreigners, and runs developed on each of these countries in succession. Germany was forced completely off the gold standard and adopted exchange control. Most of its gold was exhausted in this period. England stopped short of exchange control but allowed sterling to depreciate. With the readjustment of sterling, money began to flow back to England and that country ended the period with gold reserves substantially higher than before. The United States was in the strongest position of the three with a foreign trade surplus and ample gold reserves. But its gold acquisitions for the period as a whole would have been considerably greater had the heavy withdrawals of foreign funds not occurred.

The funds withdrawn from the United

States were mainly gold-bloc funds; and the gold bloc also participated in the withdrawals from England and Germany. Over 2½ billion dollars of gold was added to the holdings of this group during the period—the greater part of it going to France.

The international strength of the gold bloc, however, proved only temporary. After devaluation of the American dollar in January 1934 the gold bloc stood almost alone on the gold parities of the 1920's. As its position became increasingly insecure, a series of capital flights occurred which carried gold in large amounts to the United States. The movement was broadened to other countries and intensified by war developments. Italy became involved in war in 1935 and Spain in 1936, and by the close of the period 1934-1940 the war in Europe was in full course. In addition the American stock market and the growing export surplus on merchandise account drew gold to the United States. United States gold reserves rose by 15 billion dollars in the period February 1934-December 1940 while foreign reserves declined by over 5 billion dollars. As the table shows, the largest losses were experienced by France, the United Kingdom, Spain, and Italy. Much of the world was on an exchange control basis during this period and most countries allowed their currencies to fall in relation to the dollar—otherwise the gold losses would undoubtedly have been larger.

After Lend-Lease went into operation in March 1941, the foreign world as a whole ceased to lose gold. The mounting tide of American exports was handled by book entries. By the end of 1942 the balance of international trade outside Lend-Lease operations had turned adverse to this country. Goods stockpiled abroad and heavy imports from Canada, Latin America, Africa, India, and other areas of the world still open to

trade were paid for in cash. Cash exports outside Lend-Lease were insufficient to offset them. Finally, as American troops assembled abroad in great numbers, military pay and other expenditures not covered by reverse Lend-Lease began to pile up dollars in foreign hands.

From the beginning of 1941 through September 1944 foreigners acquired over 5 billion dollars of gold while United States stocks fell by more than 1 billion. Most of this shift has occurred in the last three years. In fact from their peak at the end of October 1941 just before the United States entered the war United States gold reserves have declined by 2 billion dollars to 21 billions. Foreign governments and central banks on the other hand have added not only to their gold stocks but to their official dollar balances as well. At the end of June 1944 such balances amounted to more than 3 billion dollars, 2 billion of which had been acquired since the start of 1940. Altogether foreign countries have added some 7 billion dollars to their gold and dollar reserves during this phase of the war. The increase has been shared by many countries that before the war were relatively weak in reserves.

FACTORS OF GROWTH: GOLD MINING AND REVALUATION

While it is clear that the great gold acquisitions of the United States have at times seriously threatened the reserve position of particular foreign countries, they have never had more than a partial effect upon the foreign reserve position as a whole. Powerful forces have been at work building up the world's gold stock. The two major forces are the mining output of gold and the revaluation upward of its monetary value per ounce. They are closely interrelated.

The table shows the immediate effect of the increased price of gold that accompanied devaluation of the dollar in 1934. Devaluation followed a few months in which this country was buying foreign gold at steadily rising prices. It might have been expected that the increase in the dollar value of gold, which occurred from November 1933 to January 1934, would be offset by a corresponding shrinkage in the value of the dollar in terms of foreign currencies or commodities. There is little, however, to substantiate this viewpoint, taking the period as a whole. Whether the value of the

terms of gold. As regards the purchasing power of the dollar in terms of world commodities, the same comment can be made. Notwithstanding devaluation, its purchasing power over most products was greater at the end of the 1930's than at the beginning and in terms of the general average it was substantially higher.

The effects of revaluation on the international gold position were far-reaching. They are evident both in the table and in the

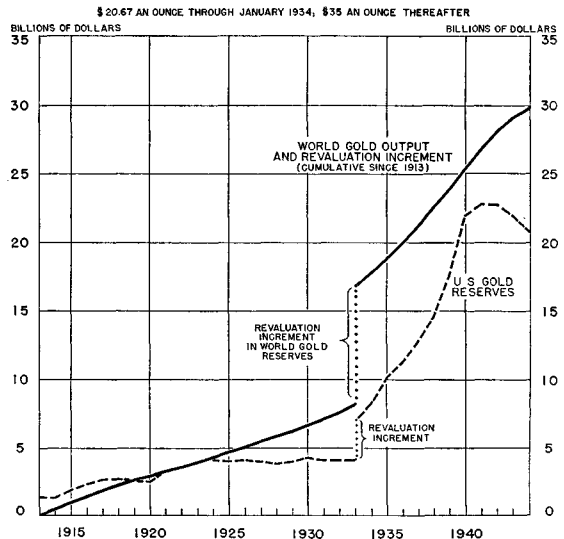
CENTRAL GOLD RESERVES AND SOURCES OF INCREASE
(In millions of dollars)

Period	Central gold reserves			Sources of increase	
	United States	Foreign	Total	Gold production	Other sources
Amount at end of 1928..	3,745	6,310	10,060	.....	.....
Increase Jan. 1929-Jan. 1934.....	470	2,200	2,670	2,360	310
Jan. 31, 1934 revaluation increment in dollar value.....	2,805	5,885	8,690	.....	8,690
Increase or decrease (-) Feb. 1934-Dec. 1940..	15,020	-5,600	9,415	8,485	930
Jan. 1941-Sept. 1944..	-1,215	5,590	4,375	4,375	.....
Amount at end of Sept. 1944.....	20,825	14,385	35,210	.....	.....

NOTE.—Before January 1934 gold is valued at \$20.67 a fine ounce; thereafter at \$35 a fine ounce. Central gold reserves are those of central banks and governments. Gold coin and bullion held by others is not included. For further details on foreign reserves see table on p. 1044. Gold production figures include estimates for U.S.S.R. and small producing areas for which up-to-date official reports are not available.

dollar is measured in terms of other currencies or in terms of its commodity purchasing power, it stood as high at the end of the turbulent decade of the 1930's as it did at the beginning. Despite devaluation, the exchange value of the dollar rose during the decade in terms of the great majority of foreign currencies. The only important currencies in terms of which it declined significantly were those of the Netherlands, Switzerland, and Belgium and even in these cases the exchange depreciation was far less than the devaluation of the dollar in

WORLD GOLD OUTPUT, REVALUATION INCREMENT, AND UNITED STATES GOLD RESERVES SINCE 1913



Figures for world gold output are from U. S. Mint reports for period 1914-40 and from Federal Reserve BULLETIN data or estimates thereafter. U. S. gold reserves, taken from U. S. Treasury circulation statement, are those of Treasury and Federal Reserve Banks only. Gold coin in circulation is not included. World gold reserves of central banks and governments at the end of 1913 were 4.9 billion dollars.

chart. The dollar purchasing power of foreign gold reserves was immediately increased by 5.9 billion dollars. This was a somewhat larger amount than foreign countries lost to the United States in the succeeding period of 1934-1940. Without it a number of the more important countries would have had to call a halt to the gold outflow much earlier. The United Kingdom, for instance, lost far more in the February 1934-December 1940 period than its

total gold stock on the old valuation. So did Italy and Spain; and France lost the equivalent of its entire stock. Without revaluation, shipments of gold in the same dollar magnitude from these countries would have been a physical impossibility.

The effects of revaluation were not limited, however, to the accumulations of the past. As the chart shows, the output of the mines has been a continuous source of growth in gold stocks of the world and of the United States. In 1929 world gold production was about 400 million dollars. It had fluctuated between 320 million and 470 million dollars a year during the preceding quarter of a century. The depression of the early 'thirties and the higher price of gold in terms of sterling and numerous other currencies was already stimulating mining output when the sharp increase in the dollar price from less than \$21 an ounce to \$35 stimulated it still further. Both physical output and the value of each ounce produced rose. The dollar value of annual gold production reached a peak of over 1,400 million dollars in 1940 and 1941 before war demands for men and equipment began to contract output. This was a full billion dollars a year in excess of the annual value produced in the 1920's. As year after year it flowed into monetary stocks it enabled great additions of gold to be made to this country's holdings without a corresponding effect on foreign gold reserves; and during the war, when the United States was losing gold, it fed foreign reserves in a steady stream all over the world.

OTHER FACTORS

The table shows that factors other than gold production and revaluation were at work, but that their net result was relatively limited. Precisely what these other

factors were and how much each accounted for it is not possible to say. The figures given for them in the table are residual items. They represent the difference between the changes shown in monetary reserves and the amount of world gold production. Any error in the figures for reserves or production would be reflected in the amounts attributed to "Other sources," and since there is a possibility of errors in several cases where scattered reporting dates or estimates are involved, too much reliance should not be placed on the exact figures.

The figures can largely be explained, however. While the use of gold in dentistry, the arts, or for industrial purposes would constitute a deduction from monetary stock, commercial consumption was low in the slack years of the 1930's. Meanwhile the amounts of gold turned in to the monetary authorities by the public in several countries were substantial. Under the stress of depression and with the inducement of the higher sterling price of gold the Indian public dishoarded 430 million dollars at the old dollar valuation in years 1931-1933 and about 750 million dollars in the following six years at the new valuation. Our own citizens were required by law to turn in their gold coins in 1933. In 1935 at the time of the Ethiopian war the Italian people turned in their wedding rings and other gold at great public rallies to assist the Government in meeting war needs. At the outbreak of the World War in 1939 private holdings of gold were mobilized in several countries. Throughout the decade, however, there had been new hoarding of gold from time to time by those who acquired it on the London market or elsewhere. The figure in the table, therefore, of 1,240 million dollars for total net receipts from sources other than gold production and revaluation in the

years 1929-1940 does not appear unreasonable.

No figure is given in the table for "Other sources" in the period January 1941-September 1944. During this period gold has been sold to the public in both the Near East and Asia to combat inflation and to obtain local currencies needed in the prosecution of the war. There has also been industrial consumption of the metal. It follows that additions to reserves of central banks and governments during the period have not been quite as great as the table indicates.

It can be estimated, however, that foreign gold reserves at the end of September 1944 were some 14 billion dollars which, together with official dollar balances of about 3 billion dollars, gives a total of 17 billion dollars of gold and dollar reserves. Also, these reserves were growing and were more widely distributed than the 7 or 8 billion dollars that foreign countries possessed on the eve of the financial crisis of the 1930's.

While the 1940's and the 1950's may be decades in which world trade will be subject to unpredictable stresses arising out of the great distortions of the war, one of the factors—namely, disturbing capital movements—that played so prominent a part in overturning the international balance in the 1930's will almost certainly not be permitted to play that role on the same scale again. The International Monetary

Fund proposed at Bretton Woods permits full use of the experience which most countries have now gained in the control of capital movements. The Fund would also provide a mobile reserve of currencies to which all members would contribute and which could be made available to any member for meeting trade deficits until corrective measures become effective. This mobile reserve could be massed at any danger point and would powerfully reinforce the position of any member whose independent reserves were proving inadequate to meet the drain.

With measures of capital control abroad, with foreign reserves more ample than they have ever been before and supplemented by the resources of the International Monetary Fund, if that institution comes into being, there will be grounds to hope for some degree of stability and freedom in international exchange relationships in the post-war period. How great a degree of stability and freedom—and in particular how great a volume of American export trade—will depend on the success that the United States achieves in moving toward a full production economy at home and in pursuing on the international front policies that encourage American imports of foreign goods and services, and that facilitate American investment in all parts of the world where it will prove productive.

GOODS AND DOLLARS IN WORLD TRADE*

by

ERNEST G. DRAPER, *Board of Governors*

WALTER R. GARDNER, *Chief, International Section*

During the war the United States has become the world's greatest exporter of goods. We are currently exporting about 14 billion dollars of American products a year. This is possible largely because of the war. The chief component is munitions—planes, tanks, trucks, guns, and ammunition that our allies must have to fight their battles and assist our armies to the full. But a surprisingly large portion of what we are exporting is of a more familiar character, products that are necessary to keep entire economies functioning abroad so that all may play their part in this total war. We are sending vast amounts of food, oil, metals, machinery, railroad supplies, and other products of the type that characterize peacetime trade. In the sixteenth Lend-Lease report which the President recently submitted to Congress occurs this statement:

“The war has introduced American products to other countries in a volume and variety never approached before. After the war these countries will want to continue to obtain many of these products by buying them. American industry will have a greatly expanded foreign market, provided that our international economic policies make it possible for these nations to pay for their purchases.”

Not only will the rest of the world be more familiar with our products than ever before but after this most destructive of all wars there will be a more urgent need than ever for our products throughout the world. As Lend-Lease disappears from the picture, the problem of how Europe and other foreign areas can obtain the means to continue their purchases of American products will arise in all its forms. If the problem can be solved in such a way that we can maintain a peacetime trade commensurate with our war achievements, we shall continue to meet the needs of the world, to diminish the

economic causes of war, and we shall also raise our own standard of living. The solution will not, however, come easily. It may be blocked by old prejudices or new fears unless the American people see clearly the path of their greatest advantage.

LEND-LEASE AND UNRRA

The movements of exports abroad under Lend-Lease will cease with the ending of the war unless some arrangement is made for its continuance. An arrangement for financing on a long-term basis those Lend-Lease goods which are already in process of manufacture and which could serve civilian needs abroad might keep up exports of this type for a limited period. In addition, there will be the supplies financed by the United Nations Relief and Rehabilitation Administration, to which the United States is contributing 1,350 million dollars. But all that UNRRA or Lend-Lease shipments of the sort described could make available will equal only a fraction of our wartime exports. And even this fraction would prove temporary. Other and more permanent means of buying goods in the United States must be found.

INTERNATIONAL MONETARY RESERVES AND THE FUND

It is an element of strength in the situation that foreign countries will have much larger reserves available for international use than they had before the breakdown of the gold standard in the 1930's. It is estimated that their treasuries and central banks now have gold and dollar balances amounting to some 17 billion dollars, and the amount is growing. In 1929 they had only 7 or 8 billion. The difference is due in part to revaluation of the dollar and in part to accumulations during the intervening years. These international reserves may have to be used freely in the process of restocking and reconstructing countries that have been bled

* This is a personal statement and, in no sense, represents an official opinion of the Board of Governors.

white by the war. Such countries will have to draw on outside sources of supply until they have regained their power to meet their own needs more adequately and to export to the world to pay for the imports that they still require. During this period it is possible that substantial drafts will be made on the International Monetary Fund, if it is established. It will supply temporary resources to members which, under the exceptional circumstances of the time, find their international reserves inadequate. Even countries less seriously affected, like the Latin American group, may be ready to see their reserves used to enable their people to fill long-deferred wants for American consumer goods, such as automobiles and refrigerators, and to purchase equipment for industrialization.

But all of this is limited. International reserves and the Fund can not be drawn upon year after year to finance a country's import needs, just as few individuals can draw upon a bank account that is never replenished to meet their living expenses for the rest of their lives. Not only would the foreign resources give out, but the United States would have every reason to feel that it was getting a doubtful bargain. It does not need additional gold. Its 21 billion dollars of gold reserves are greater than those of all the rest of the world put together. Domestic circulation of gold is now prohibited. The law requires the Federal Reserve Banks to hold a certain ratio of gold certificate reserves against notes in circulation and deposits, but our Government can alter this ratio, if necessary, as other Governments have done, when it fails to keep in step with the developing economic situation. The only economic need of the country for gold today is for purposes of international settlement, and for this purpose we have a redundant supply. An international balance of payments which would force this country to take more gold would be contrary to our interest unless the gold came to us for a limited period only and we were presently able to turn it back for foreign goods that would raise our standard of living. This being so, a chronic one-way gold flow to the United States

or a one-way use of the Fund would be undesirable in the long run as a means of financing our exports to the world, even if such a flow would not inevitably reach its end in exhaustion of the world's free reserves and the Fund's resources.

INTERNATIONAL INVESTMENT

Longer-term financing can properly be supplied by means of dollar investments abroad. These would put money in the hands of foreigners for extended periods of time and enable them to purchase goods in the American market. In the 1920's such investments rose to more than one billion dollars a year, but the experience of the 1930's and the dislocations of war are likely to make American investors distrustful of foreign credit for some time to come. Countries like Canada will be able to borrow on advantageous terms; but the main channel of unassisted private investment abroad in the postwar period is likely to be in subsidiaries or controlled companies through which the business of the parent company can be extended and the management and technical skills necessary to make the investment a success can be supplied. This type of investment, which largely takes the form of equity interests, has a further advantage in that it adapts itself to the swings of the business cycle. During depression, earnings are low; dividends to the parent company decline and bear less heavily in the exchange market upon the hard-pressed currency of the debtor. Prosperity earnings, while large, are easy to transfer. In contrast to this flexibility, bond contracts call for the same payments through thick and thin and are therefore more likely to cause distress and end in default.

There is, however, little chance that private investment in any form will be on an adequate scale after this war unless it is assisted by official agencies. The International Bank for Reconstruction and Development proposed at Bretton Woods is designed to supply funds for basic construction. It would finance roads, railways, communications, power resources, and other fundamental projects in hopes that fac-

tories and business enterprises financed by private capital would follow. The Bank itself would employ private capital—partly by issuing its debentures to the market, partly by guaranteeing private loans. The Bank's obligations in turn would be guaranteed by all the member governments to the extent of their participation in the Bank; and in addition loans to each country would have the credit of the Government of that country or its central bank behind them. With such a setup public and private investment might be started on an adequate scale. Even before the International Bank could start operations—and Congress, of course, would first have to sanction its existence—the Export-Import Bank will undoubtedly be equipped to lend, in its own particular field, on a greater scale than in the past.

International lending, however, can not indefinitely and singlehandedly supply the dollars that foreigners will need for purchases of American goods on an expanded scale. Unless the loans increase progressively year by year, service on earlier loans will gradually overtake new issues, and in the course of time will actually reverse the accounts. This may not happen for a generation. In the meantime the lending will have played a highly significant role both in supplying dollars directly and, if it has been properly placed, in building up the exporting power of the borrowing countries. But this exporting power of the borrowing countries is the real source from which the dollars must be obtained to carry on current trade and repay the loans. In the end we are thrown back on trade itself as the one great recurrent factor that will enable foreigners to go on buying our goods on an increased scale after this war.

TRADE AND SERVICES

This ultimate reliance on trade is as it should be. It is only as we get goods for goods that we add to our standard of living. Loans give us future claims and in the process raise the productivity of the foreign market; but it is only as these loans come back to us in goods

that their full potential benefit to the American people can be realized.

With trade should be included services. Whether we are paid in goods consumed at home or goods consumed by our tourists abroad makes little economic difference. Transportation confers as real a benefit as merchandise. When the term "trade" is used in this discussion it should be understood generally to include both trade and services.

Whether the foreigner can get from trading with the United States the dollars needed to realize our postwar export possibilities, whether we can maximize our standard of living through foreign trade, is an unanswered question of the future. In the immediate postwar years it is clearly impossible. Lend-Lease, UNRRA, independent reserves, the Fund, and the official banks should all play their role in meeting that special situation. Looking to the longer future, however, it seems probable that an enormous American tourist trade will build up which will scatter dollars all over the world. Whether or not our commodity imports will supply the remaining dollars needed will depend on a number of factors.

One of these is the tariff. The steady progress of the trade agreement program is widening the field for foreign trade by modifying not only tariffs but quota restrictions, preferences, and other barriers to trade as well. The whole commercial policy program is fundamental. But because trade controls affect the profit position of individual commodities, it is necessary to exercise great caution. Adjustments can not be forced too fast without widespread unsettlement and loss of the very productivity which is the aim of the program.

Another factor will be the pattern of exchange rates which comes into operation after the war. Whether a country's competitive position is strong or weak in world markets depends on whether its costs converted into the currencies of the markets in which it sells are lower or higher than the costs of its competitors similarly converted. The exchange rate plays a vital role. Perhaps the best opportunity that we

have had for a generation to get the foreign world into the right market relationship with the United States will occur in the transition from war economies to peace. Old parities will have lost their force. It will be to the interest of the United States that the new foreign exchange rates be fixed at a level which will permit effective competition in the markets of the world. Only as this takes place can we hope to be paid in goods for the resources we export abroad; and unless our trade is ultimately of this character, it will neither add to our standard of living nor be able to sustain itself at a high level. It will merely add to our redundant gold stocks so long as foreign reserves hold out, and it will be restricted in the end by direct controls of trade and the formation of trading blocs which mark the beginning of economic warfare.

DOMESTIC EMPLOYMENT

The principle that the United States should take foreign goods rather than gold is much easier to accept in theory than in practice. The difficulties will begin when the abstract principle is applied concretely to farmers and businessmen; for application of it will mean that in a number of specific cases our exporters will find it harder to compete abroad and Americans producing for the home market will encounter more foreign competition. Furthermore, there has developed in recent years a viewpoint among some economists that is more subtle than the familiar arguments that cluster about the tariff and exchange rates.

This viewpoint is that until we attain reasonably full employment it is helpful to have a surplus of merchandise exports. Even though we have redundant gold reserves and the export surplus brings us more gold, the transactions are deemed to our advantage because they create employment. The familiar argument that exports are good in themselves because they make work, and imports are bad because they compete with the products of domestic labor, is adopted and fortified with all the refinements of modern economic theory. Indeed it is suggested that even with reasonably full employment any

strong tendency toward an import surplus, such as might accompany repayment of international loans, should be regarded with apprehension. It might create unemployment where previously none existed.

This viewpoint has great force when the country is dealing with an emergency such as that of the early 1930's. In such circumstances existing jobs must be maintained no matter what the long-range implications. But in planning for the longer future this position is hardly tenable. If exports are merely a work-creating project, then their purpose can be accomplished with greater advantage to this country by remission of taxes or by expenditures on well-conceived projects at home. If it is safe for the Government to stimulate employment by buying foreign gold and thus increasing foreign purchasing power, then it is equally safe for it to use the money to increase purchasing power in the hands of Americans. From the point of view of inflationary pressure there is no choice between the two methods. But the domestic program has the lasting advantage of keeping American products for the use of the American people rather than passing them out to others in exchange for unwanted additions to our gold stock.

What is stated here is not an argument for refusing to purchase foreign gold. That would rend the fabric of international exchange stability. It is an argument for the adoption of such policies on the international front as will balance our position and remove the need for sending foreign gold here. We should not be deterred from pursuing these policies by fear that the acceptance of foreign goods in sufficient amount to balance our international position would curtail domestic employment. On the contrary, to fail to do so will hurt the American standard of living.

While this can be said regardless of whether or not we have full employment, it is apparent that a domestic program which carried reasonable assurance that unemployment would not again be permitted to develop on a substantial scale in this country would be of inestimable

help in getting American farmers and businessmen to accept the sort of readjustments in our foreign trade that will be necessary if a sustained gold inflow is to be prevented. Once assured that the economic outlook is favorable, they might be ready to see our tariff duties steadily lowered and exchange rates placed at levels at which foreign enterprise could offer effective competition in the markets of the world. Moreover, a full production economy in the United States would directly swell our demand for foreign imports, since most of the commodities we import from the world are materials for further processing. From every point of view an adequate domestic program must remain the paramount need of the American people.

Domestic considerations should not, however, blind us to the fact that we are now inextricably bound up with the world politically and economically. Broadly speaking, productive international transactions nourish our own economy as well as those of other countries. Our aim should be to build the kind of international trade that can sustain itself without draining away reserves from the countries which need them to the countries which are surfeited. A trade dependent on this artificial type of sup-

port would not last long and even before its collapse would be harmful to all the countries concerned.

Monetary reserves and the International Monetary Fund can play a constructive role if they are properly used. Representing as they do resources that can be brought immediately into play to tide over temporary difficulties, they permit the maintenance of day-in day-out stability of currencies and create an atmosphere favorable to trade. But the main engines of an expanded world trade are bound to be the instrumentalities of international lending and liberal commercial policies—particularly a policy on the part of the United States which will permit other countries to pay their debts to us and pay for the goods they purchase in our markets by means of the proceeds of the goods and services that in their turn they sell here. From such a world trade, in which our participation would reflect more the mighty accomplishments of the war period than the years of international unsettlement that preceded it, the United States would emerge with major gains in terms of national well-being and better assurance of world peace.

LOANS FOR WAR PURPOSES

by

GERALD M. CONKLING

Division of Bank Operations

Loans for war purposes by all commercial banks in the United States amounted to an estimated 3.2 billion dollars at the end of June 1944, or to approximately 35 per cent of their aggregate commercial, industrial, and agricultural loans. The amount of war loans at the end of June was about 0.3 billion less than the corresponding figure in December 1943, marking the first decrease reported since the American Bankers Association began to collect data on such loans in December 1940.¹ The accompanying table shows the estimated amount of war loans outstanding, together with the amounts of loans guaranteed under Regulation V, semi-annually since December 31, 1941.

WAR LOANS OUTSTANDING AT ALL COMMERCIAL BANKS
[Amounts in millions of dollars]

Call date	Loans for war purposes outstanding at all commercial banks (estimated)	Regulation V guaranteed loans outstanding	Per cent of total war loans under Regulation V
1941—December 31.....	1,300	.....	.....
1942—June 30.....	2,250	81	4
December 31.....	2,950	804	27
1943—June 30.....	3,250	1,428	44
December 31.....	3,500	1,914	55
1944—June 30.....	3,150	2,064	66

NOTE.—Data relative to loans guaranteed under Regulation V are shown in detail in the table on p. 1089 of this BULLETIN. Included in those figures are loans held at financial institutions other than commercial banks, but the aggregate amount thereof probably has not exceeded 20 million dollars at any date; their exclusion would affect the above figures and percentages only slightly.

The table shows that war loans guaranteed by the War Department, Navy Department, and Maritime Commission through the Federal

¹ The estimate of total war loans by all commercial banks is based largely on statistics collected and released by the American Bankers Association. The banks reporting to the Association correspond roughly to the weekly reporting member banks and to central reserve and reserve city member banks. As a result of this similarity, and of the survey of commercial loans at member banks made by the Federal Reserve System in 1942 (pp. 768-773, August 1942 Federal Reserve BULLETIN), rough estimates can be made of loans for war purposes at all commercial banks. War loan statistics have been collected by the American Bankers Association on a quarterly or semiannual basis since December 1940; they indicate that defense loans and war loans did not exceed 1 billion dollars until late in 1941. The most recent release by the Association showed a total of 2.7 billion dollars of loans for war purposes outstanding on June 30, 1944 at 430 of the larger banks in the United States.

Reserve Banks have constituted an increasing proportion of total war loans.

During the period that war loans were increasing, loans in nearly all other principal categories were declining. On June 30, 1944, total loans at insured commercial banks were only 0.5 billion dollars less than at the end of 1941, but during the intervening period there had been wide fluctuations. From December 1941 to June 1943, total loans declined 3.9 billion dollars, but from June 1943 to June 1944 they increased 3.3 billion. During the earlier period decreases took place in all categories except war loans and loans for purchasing or carrying Government securities. The increase during the later period was almost entirely in loans for purchasing or carrying Government securities. These changes in loan holdings by insured commercial banks are shown in the accompanying table.

Commercial, industrial, and agricultural loans declined 2.5 billion between December 1941 and June 1943. This net decline was a result of an increase of 2.0 billion in war loans and a decrease of 4.5 billion in nonwar loans. During the last half of 1943, both war and nonwar loans increased. In the first half of 1944 war loans declined about 0.3 billion and the nonwar portion of commercial, industrial, and agricultural loans remained practically unchanged.

Loans for purchasing or carrying securities (United States Government and other securities) have increased throughout most of the period. This class of loans has fluctuated widely with war bond drives; weekly reports of member banks in leading cities show that the fluctuations reflect principally loans for purchasing or carrying United States Government securities. They have usually reached their peak around the end of a drive and have declined gradually to a low point shortly preceding the following drive. Since the timing of the war bond drives bears no relation to the call report dates, changes in

LOANS FOR WAR PURPOSES

the volume of such loans between call dates has a limited significance. On the basis of weekly reporting member bank figures it is estimated that there has been a decrease in these loans at all insured commercial banks of around 1.7

Loans on real estate have declined steadily throughout the entire period; the total decrease in the two and one-half year period was 409 million dollars or about 9 per cent of the amount outstanding at the end of 1941.

WAR LOANS AND OTHER LOANS HELD BY INSURED COMMERCIAL BANKS IN THE UNITED STATES
Semiannual call dates, 1941-1944
[In millions of dollars]

Call date	Total	Commercial, industrial, and agricultural loans			Loans for purchasing or carrying securities	Real-estate loans	Other loans, mainly consumer
		Total	War ¹ (Estimated)	Other			
1941—December 31.....	21,258	10,664	1,300	9,400	1,276	4,773	4,545
1942—June 30.....	19,920	10,027	2,250	7,802	1,189	4,770	3,928
December 31.....	18,903	9,399	2,950	6,450	1,547	4,646	3,311
1943—June 30.....	17,390	8,203	3,250	4,950	1,805	4,547	2,833
December 31.....	18,841	9,282	3,500	5,750	2,336	4,437	2,786
1944—June 30.....	20,729	8,880	3,150	5,750	4,517	4,364	2,968
Amount of change:							
December 1941 to June 1943.....	-3,868	-2,461	+1,950	-4,450	+529	-226	-1,712
June 1943 to June 1944.....	+3,339	+677	-100	+800	+2,712	-183	+135

¹ The estimated amounts of war loans (rounded to the nearest 50 million) shown in this table of insured commercial banks are the same as shown in the table of all commercial banks; it is probable that the war loans held at noninsured commercial banks have not exceeded 10 to 20 million at any date.

billion dollars to the middle of October from the high point reached early in July 1944. The cumulative tendency seems to be that the highs and lows of loans for purchasing or carrying securities have been higher at each succeeding drive.

“Other” loans, a large part of which are consumer loans, declined rapidly through 1942 and the first half of 1943, and showed an increase in the first half of 1944; this increase reflects very largely loans to Federal Land Banks and, to some extent, a reclassification of loans.

PATTERNS OF WARTIME BORROWING IN THE UNITED STATES, THE UNITED KINGDOM, AND CANADA

by

HAROLD L. SELIGMAN

Division of Research and Statistics

Public debt operations are bound to reach enormous proportions in wartime because of the impossibility of meeting anywhere near the entire money costs of large-scale warfare by taxation without disrupting the economy and interfering with the output and flow of war materials. Thus even Canada, which has a considerably higher tax-to-expenditure ratio over the war period than the United Kingdom or the United States, has been unable to cover more than about half of its expenditures by taxation. Unprecedentedly large public debts will be a feature of the postwar economies of all these countries. The ease with which it will be possible to meet the debt problem will depend not only upon the size of the debt relative to national income, but also upon the general debt pattern, including type of issues outstanding, maturities, interest rates, and groups of holders. In this article some of the relevant information is assembled and some comparisons are drawn.

SUMMARY

(1) Reflecting the heavy reliance on borrowing to finance war expenditures, the national debt of the United States was almost $4\frac{1}{2}$ times as large in 1944 as in 1939 while that of the United Kingdom was somewhat less than $2\frac{1}{2}$ times and that of Canada more than $2\frac{1}{2}$ times prewar levels. Despite the fact that the United States borrowed much more, in both proportional and absolute terms, than the other countries, its 1944 debt-to-national-income ratio was about equal to that of Canada and far below that of the United Kingdom.

(2) Each country has made use of a wide variety of securities with varying maturities, interest rates, and other features to appeal to every source of funds. Some new types of securities have appeared, and all three countries have been quick to make use of new borrowing ideas.

(3) Short-term borrowing has predominated in all three countries during the war period, and especially in the United Kingdom which previously had much the smallest percentage of short-term debt. By the end of the fiscal year 1944, about 54 per cent of the United States public marketable debt was due or callable within five years as against 45 per cent of the Dominion debt and 44 per cent of the United Kingdom debt.

(4) The computed annual interest rate on the national debt has dropped steadily in all three countries since 1939. Canada's average rate has shown the largest decline, but still remains above that for the United Kingdom and considerably above the average rate for the United States. In relation to national income, the annual interest payments on the United States debt for the fiscal year 1944 amounted to only 1.7 per cent as against 2.8 per cent for Canada and 4.8 per cent for the United Kingdom.

(5) Data on the distribution of ownership of Government securities are rather incomplete and no precise comparisons are possible. With regard to the increase in the debt from the end of the fiscal year 1939 to the end of the fiscal year 1944, the United Kingdom has relied least heavily upon bank borrowing but has liquidated large amounts of its foreign holdings and has borrowed abroad rather extensively. Canada has relied less heavily upon bank borrowing than the United States despite the fact that Canada has shifted a substantial amount of its debt from foreign to domestic holders.

Inherent in a comparison of wartime debt patterns are the difficulties common to all international comparisons, due to varying circumstances within each country. Thus, the fact that the United Kingdom and Canada were actively engaged in war for more than two years before Pearl Harbor meant an earlier increase in financial requirements for these countries

than for the United States, but also a longer period in which to evolve wartime taxation and borrowing policies. Also, the net changes in the national debts of Canada and the United Kingdom do not directly indicate the amount of domestic borrowing necessary in these two countries. Repatriation of a considerable amount of Canadian securities held in the United Kingdom and the United States added to the domestic borrowing requirements in Canada, while, for the United Kingdom, liquidation of foreign investments and loans from abroad eased the burden of domestic borrowing. After the war, the relative debt position of the United States and the United Kingdom might be affected further by the disposition of Lend-Lease. These points are dealt with more fully where they are most important, but it may prove helpful to keep them in mind in viewing the picture as a whole.

GROWTH OF THE DEBT

The United States has resorted much more heavily to borrowing than either the United Kingdom or Canada, as is shown in Table I and

TABLE I
NET RECEIPTS FROM BORROWING AND TAXATION¹
[In millions of currency units indicated]

Revenue source	Fiscal year ²					Total
	1940	1941	1942	1943	1944	
United States:						
Borrowing.....	\$2,606	\$6,836	\$21,659	\$63,805	\$61,830	\$156,736
Taxation.....	5,114	7,093	12,513	21,365	40,857	86,942
United Kingdom:						
Borrowing.....	£768	£2,466	£2,673	£2,780	£2,736	£11,423
Taxation.....	1,017	1,359	1,962	2,483	2,948	9,769
Canada:						
Borrowing.....	\$308	\$678	\$1,414	\$1,963	\$2,779	\$7,142
Taxation.....	468	778	1,361	2,137	2,592	7,336

¹ All money figures in this study are expressed in the currency of the country to which reference is made since, for comparative purposes, relationships rather than absolute amounts are important. Figures for taxation are net and exclude miscellaneous receipts.

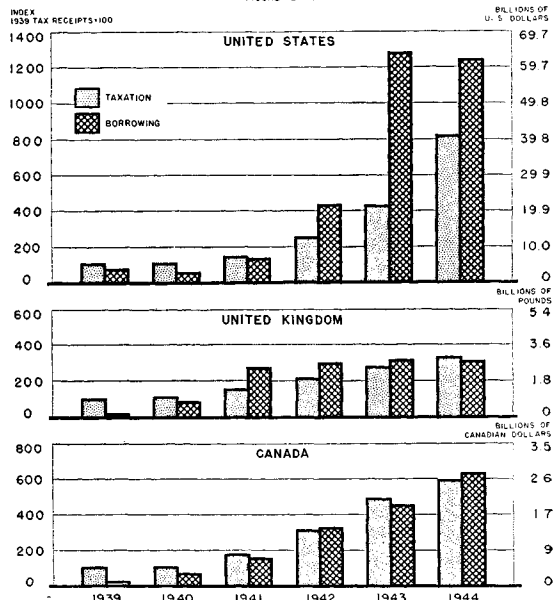
² Fiscal years for the United Kingdom and Canada run from Apr. 1 through Mar. 31; for the United States from July 1 through June 30. Reference to a fiscal year is made according to the calendar year in which the fiscal year ends.

SOURCES.—Figures for 1940 through 1943 from U. S. Treasury Bulletin, Finance Accounts of the United Kingdom, Public Accounts of the Dominion of Canada. Preliminary figures for 1944 from Daily Statement of the U. S. Treasury, Financial Statement (1944-1945) of the United Kingdom, Appendix to the Budget (1944-45) of the Dominion of Canada.

Chart I. During the five fiscal years ending in 1944, Canada raised slightly over half of its

cash requirements by taxation and the United Kingdom was approaching the same ratio, while for the same period, the United States raised only slightly more than one-third of its cash requirements from taxation and almost two-thirds from borrowing. To some extent, the lower proportion covered by taxation in the United States is due to the time lag mentioned above. Tax yields have been rapidly increasing in the United States, however, so that for the fiscal year 1944, taxation accounted for 40 per cent of the total cash needs.¹

CHART I
NET RECEIPTS FROM BORROWING AND TAXATION
FISCAL YEARS



As a result of such extensive borrowing, the gross debt of the United Kingdom increased by 138 per cent and that of Canada by 168 per cent from March 31, 1939 to March 31, 1944, while during the comparable fiscal years, the gross debt of the United States increased by 342 per

¹ It should be noted that the total receipts for any one year from borrowing and taxation do not equal expenditures for that year, since borrowing requirements are not determined solely by the difference between expenditures and tax receipts. Cash balances must be increased to meet wartime needs, and this represents a temporary cost of war to be met by borrowing even though it does not appear in expenditures. In addition, there are a number of other items not included in the budget such as operations of Government corporations, trust fund transactions, and inter-Government loans which affect the total requirements. On balance, such items as these have added to the cash requirements of all three countries.

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cent. The immensity of these increases is emphasized by the fact that the prewar debt in all three countries stood at all-time peaks.

TABLE II
WARTIME LEVELS AND GROWTH OF NATIONAL DEBT¹
[In millions of currency units indicated]

End of fiscal year	United States	United Kingdom	Canada
1944	\$202,626	£19,702	\$11,399
1943	140,796	16,966	8,620
1942	76,991	14,186	6,657
1941	55,332	11,513	5,244
1940	48,496	9,047	4,566
1939	45,890	8,280	4,258
Increase, 1939-1944	156,736	11,422	7,141

¹ For the United States and Canada, obligations guaranteed both as to principal and interest are included. Loans guaranteed by the United Kingdom are not in connection with central Government operations and have not been included.

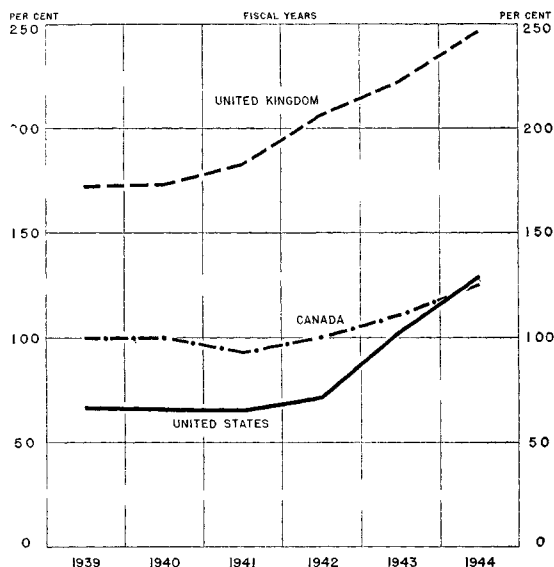
SOURCES.—Figures for 1939 through 1943 from U. S. Treasury Bulletin, Finance Accounts of the United Kingdom, Public Accounts of the Dominion of Canada. Preliminary figures for 1944 from Daily Statement of the U. S. Treasury, Financial Statement (1944-45) of the United Kingdom, Appendix to the Budget (1944-45) of the Dominion of Canada.

In terms of per capita debt, the increase from 1939 to 1944 for the United States was from \$309 to \$1,471, for the United Kingdom, from about £173 to £406, and for Canada, from \$380 to \$965. Neither the aggregate nor the per capita debt figures are very significant, however. More useful is the relation of the debt to national income, illustrated in Chart II. Generally speaking, with a given interest rate, the higher the national income the larger may be the national debt without imposing an additional burden. Comparing the debt at the end of the fiscal year 1939 with the national income produced during that fiscal year, we find that in the United States, the national debt was equal to less than 70 per cent of national income; in Canada, debt and national income were about equal; while in the United Kingdom the debt was about 170 per cent of national income. By the end of the fiscal year 1944, the United States debt was 29 per cent larger than United States national income, Canada's debt was about 25 per cent larger than its national income, and in the United Kingdom, debt as a percentage of national income had jumped to 246 per cent.² Thus, although the

² National income estimated for fiscal years according to U. S. Department of Commerce definition. Estimates for the United Kingdom

United States borrowed most, in terms of war budgets, its debt in relation to the national income is about as low as that of Canada and well below that of the United Kingdom.

CHART II
RELATION OF NATIONAL DEBT TO NATIONAL INCOME



Since 1939, all three countries have experienced sharp increases in national income due both to the expansion to full employment and maximum production and to fairly substantial price rises. Further increases in national income may be expected to be relatively small in the short run since full employment has been reached and stabilization programs have become fairly effective in holding prices and wages. Increases in the debt will continue on a large scale, however, as the war goes on, so that the percentages of debt to national income will doubtless rise in all three countries for the duration of the war and probably for some time afterward. Should the war continue for a year or two longer, a debt-to-national-income ratio of about 2 to 1 or more does not seem at all

based on data in 1944 Budget White Paper (Cmd. 6520) and The Economist, London, Apr. 24, 1943, p. 519. Estimates for Canada based on data in the Dominion Bureau of Statistics' Monthly Review of Business Statistics, Ottawa, March 1944, p. 15. Independent estimates of Canadian national income are somewhat lower than the D.B.S. figures (cf. "The Wartime Tax Effort in the United States, the United Kingdom, and Canada," Federal Reserve BULLETIN, January 1944).

unlikely for the United States and Canada, and the ratio for the United Kingdom would be correspondingly higher.³ More important, however, is the relationship of interest payments to national income. This will be considered in the section on interest rates.

TYPES OF SECURITIES

All three countries entered World War II with a public debt which was largely a heritage from World War I and the unbalanced budgets of the 1930's. Practically all of the original World War I debt had been reconverted into securities bearing lower rates of interest and, indeed, the United States and Canada had retired sizeable portions during the prosperous 1920's. The United Kingdom did little in the way of debt redemption during the 1920's, but the subsequent increases in the debt during the 1930's in that country were much smaller than in the United States and Canada.

To carry out a volume of financing on the scale made necessary by the size of the present conflict, and so as to fit it into an anti-inflation program, it was important that the instruments of borrowing—the various types of securities issued by the Government—should be adequate and effective in attracting sufficient funds from the right sources. For the most part, these instruments were fairly well established by 1939, but subsequently, there was some reissuance of securities which had not been used for a considerable length of time, some new types of securities were introduced, and there was rather free adoption by the various countries of types of securities in use in any of the other countries.

In order to fit the borrowing program into a stabilization policy and to minimize undesirable shifts in income during the postwar period, borrowing from individuals, in particular from people with medium or moderate incomes, is

³ Previously, the highest debt-to-income ratios for all three countries were experienced in the early 1930's when the United States debt was a little over 50 per cent of its national income, that of the United Kingdom was about 230 per cent of its national income, and that of Canada—the only country whose 1944 ratio is actually less than that of the depression years—was approximately 135 per cent of its national income.

the most desirable form of wartime borrowing. For this purpose, primary reliance (in the United States and the United Kingdom at least) has been placed on nonmarketable, redeemable-on-demand securities called savings bonds, savings certificates, or defense bonds. In the United States, Series E and F savings bonds are sold at a discount and yield 2.9 and 2.53 per cent respectively if held to maturity. Series G savings bonds are sold at par and bear interest at the rate of 2.5 per cent. Series E bonds are available to individuals only and may be purchased up to \$3,750 issue price in any one calendar year. Series F and G are less restricted and may be purchased in combination to the extent of \$100,000 issue price per annum. Interest on these United States savings bonds is fully taxable under the income tax.

In the United Kingdom, savings certificates are sold at a discount in smaller denominations than in the United States and yield about 3.17 per cent if held to maturity, and the accumulated value is tax free. Since these terms are very generous, purchases are limited to a total of £375 issue price per person. Also redeemable and nonmarketable are the 3 per cent defense bonds of the United Kingdom. These bonds are issued at par and are redeemable at a 1 per cent premium if held to maturity, thus yielding about 3.13 per cent, which interest is subject to the income tax. Holdings of defense bonds are limited to £1,000 per person.

Canada's only nonmarketable security is the savings certificate sold in denominations of \$5 and up. These certificates are sold at a discount and mature in 7½ years, interest accruing at 3 per cent compounded semiannually if held to maturity and subject to income tax. Limitations on the amount which may be purchased by any one subscriber are strict, \$400 issue price for any one year.

In the United States and the United Kingdom, the public response to appeals to purchase savings bonds and certificates under pay roll savings plans and in savings groups has been very great. Of the 1939 to 1944 increase in the United States debt, about 21 per cent was

composed of savings bonds, while about 14 per cent of the increase in the internal United Kingdom debt was composed of savings certificates and defense bonds. In Canada, however, despite intensive publicity, the sales of savings certificates have been relatively small and redemptions have been relatively heavy. The strict limitations on purchases, the very sharp increase in personal taxes, and a high level of compulsory savings are probably the main limiting factors to the sales of savings certificates in Canada, but in addition, the emphasis during the special drives has been on marketable securities available in small denominations for which the Canadian people have shown preference.⁴

Institutional purchasers of securities, such as insurance companies and savings banks, show a preference for the higher yield long-term securities. Because of the great increase of private savings in such institutions and because wartime restrictions on private investment have given to Government securities the uncontested dominance of the capital market, all three countries have been able to float successfully long-term bond issues which have comparatively low interest rates. For example, in the United States, the usual long-term security is a 2½ per cent bond callable in 21 years and maturing in 26 years. In Canada, whereas in October 1940 a 3 per cent 9–12-year bond was sold at a 1.25 per cent discount, by November 1942 a 3 per cent 12–15-year bond was sold at par, indicating the growing firmness in the Government bond market. The United Kingdom, too, has been able to float successive issues at better terms although the so-called "gilt-edged" market was in a poor condition at the outbreak of war.⁵

Corporations have had available to them both the long-term securities most popular with institutional investors and the short-term securities designed primarily for corporations and banks. Data on sales of securities

to corporations in the various war loans in the United States and Canada show a decided preference for short- and medium-term securities over the longer-term bonds. Tax notes, or saving notes as they are now called, which were introduced in the United States in August 1941, have proved very popular with corporations, which held them to the extent of more than 9 billion dollars by June 30, 1944. These notes accrue interest on a graduated scale, yielding 1.07 per cent if held three years to maturity, and they may be used to pay Federal taxes at any time after two months from the issue date or cashed six months after the issue date. The United Kingdom adopted a similar security some five months after its introduction in the United States, but made it more attractive, both to high-income individuals and to corporations subject to the excess profits tax, by exempting the interest from taxation. By the end of the fiscal year 1944, United Kingdom tax reserve certificates were outstanding to the amount of 562 million pounds. Canada has as yet made no use of the tax note.

Bank borrowing has taken place mainly in the form of short-term securities. In the United States and Canada, the customary prewar short-term instruments were the Treasury bill, with a usual maturity of three months, and the Treasury note, the maturity of which ranges from one to five years. The United Kingdom also used Treasury bills, but in place of notes used bonds with short maturities. In July 1941, in order to lend more flexibility to its short-term borrowing, the United Kingdom reintroduced a World War I practice of borrowing the "spare" balances of the commercial banks, giving in return Treasury Deposit Receipts with maturities of six months and bearing interest at about 1⅓ per cent.⁶ This step had a number of advantages over the alternative of a great expansion in Treasury bills. First, it provided the Treasury with a much more elastic instrument and gave it considerably more control over the banks, since it could determine the amount to be

⁴ Of the 813 million dollar yield from the individual income tax in Canada for the fiscal year ending Mar. 31, 1944, the refundable portion, or compulsory savings, is estimated at 140 million. The compulsory savings plan was discontinued in April 1944 and this may provide a stimulus to the sale of savings certificates, but is more apt to be reflected in increased purchases of the marketable Victory bonds.

⁵ A difference in marketing methods may be noted here. In the United Kingdom, bonds are on continuous sale or on "tap," with periodic changes in maturities and interest rates, while the United States and Canada have relied upon special bond drives.

⁶ "Spare" balances correspond roughly to excess reserves in the United States. British banks have no reserve requirements but tend to keep a cash reserve equal to about 11 per cent of deposits.

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raised in advance and fix quotas for the banks. Secondly, it provided the banks with a convenient security, since Treasury Deposit Receipts may be exchanged at any time for longer-term Government securities for a bank's own account or for the account of its depositors, or they may be cashed in cases of emergency, although at a penalty rate. Finally, though not so important, the British bill market is somewhat restricted by the resources of the discount houses which are traditionally the initial purchasers of Treasury bills issued by tender, or competitive bidding. The rate of interest on Treasury Deposit Receipts was set slightly higher than that of Treasury bills to correspond with the longer maturity. As of March 31, 1944, some 1,390 million pounds in Treasury Deposit Receipts were outstanding.

Canada, which had relied more heavily upon one- and two-year notes than upon Treasury bills for its bank borrowings in the first few years of the war, adopted the British practice of borrowing "spare" bank balances in July 1942, though at a slightly lower interest rate ($\frac{3}{4}$ per cent) corresponding more closely to the lower Canadian bill rate. By the end of the fiscal year 1944, Canada had 790 million dollars outstanding of this type of security. To supplement its stock of short-term securities, the United States in 1942 began once more to issue Certificates of Indebtedness, after a lapse of eight years. This security with a maturity usually of one year has proved very popular with the banks as well as with corporations, and by the end of the fiscal year 1944, there was outstanding about 28.8 billion dollars as against 14.7 billion in Treasury bills and 17.4 billion in Treasury notes. A considerable portion of the portfolios of commercial banks is composed of medium-term securities, and to meet this demand, all three countries have issued bonds with varying maturities and interest rates.

Some mention should be made of the securities issued to extra-budgetary funds in return for their cash. In the United States, the receipts of the various trust funds are turned over to the Treasury in return largely for special issues. In the United Kingdom, borrowing from such

funds takes place in the form of Ways and Means Advances and Treasury bills issued directly, or from the "tap," and in the form of periodic additional issues of outstanding securities to the Post Office and Trustee Savings Banks. In Canada, where the new but rapidly growing unemployment insurance fund provides the main source of extra-budgetary funds, the instruments of borrowing are the regular securities of the Dominion, although in some cases, such as that of the Post Office Savings Bank deposits, liabilities are set up in the Dominion accounts without issuing securities.

MATURITY DISTRIBUTION

The prewar maturity distributions of the public marketable debts of the United States and Canada were markedly similar. At the close

TABLE III
MATURITY DISTRIBUTION OF THE PUBLIC MARKETABLE NATIONAL DEBT¹

Amounts, in millions of currency units indicated

Due or callable	United States June 30		United Kingdom ² March 31		Canada ² March 31	
	1939	1944	1939	1944	1939	1944
Within 1 year.....	\$5,094	\$51,422	£992	£5,309	\$673	\$2,546
1 to 5 years.....	13,394	25,061	353	1,239	1,108	2,445
5 to 10 years.....	9,032	33,889	832	1,686	1,086	3,438
10 to 15 years.....	5,845	9,783	101	1,537	898	2,606
15 to 20 years.....	4,512	10,246	281	1,502	354	39
20 years and over.....	1,535	11,343	487	.....	81	.....
Perpetual debt.....	.....	.....	3,365	3,364	55	55
Other.....	3	24	410	389	.....	.....
Total.....	\$39,415	\$141,768	£6,821	£15,026	\$4,255	\$11,129
Percentage of total						
Within 1 year.....	12.9	36.3	14.5	35.3	15.8	22.9
1 to 5 years.....	34.0	17.7	5.2	8.2	26.0	22.0
5 to 10 years.....	22.9	23.9	12.2	11.2	25.5	30.9
10 to 15 years.....	14.8	6.9	1.5	10.2	21.1	23.4
15 to 20 years.....	11.4	7.2	4.1	10.0	8.3	.4
20 years and over.....	3.9	8.0	7.1	.....	1.9	.....
Perpetual debt.....	.....	.....	49.3	22.4	1.3	.5
Other.....	(3)	(3)	6.0	2.6	.....	.....
Total.....	100.0	100.0	100.0	100.0	100.0	100.0

¹ The public marketable debt differs from the gross debt shown in Table II due to the exclusion of nonmarketable issues, special issues, matured debt, and debt bearing no interest.

² Although nonmarketable, Treasury Deposit Receipts are included for the United Kingdom and Treasury Deposit Certificates for Canada because of their similarity to Treasury bills.

³ Less than .05 per cent.

SOURCES.—Figures for 1939 from *Annual Report of the Secretary of the Treasury, Finance Accounts of the United Kingdom, Public Accounts of the Dominion of Canada*. Preliminary figures for 1944 from *Daily Statement of the U.S. Treasury, Financial Statement (1944-45)* of the United Kingdom, *Appendix to the Budget (1944-45)* of the Dominion of Canada.

of the fiscal year 1939, about 42 per cent of Canada's marketable debt consisted of securities

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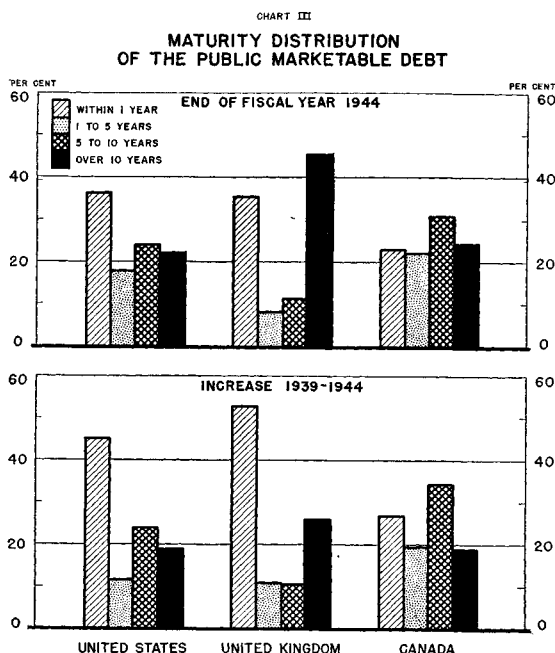
maturing or callable within five years as against 47 per cent for the United States with a slightly larger percentage maturing or callable within one year for Canada than for the United States. Medium-term debt, maturing or callable in from 5 to 10 years, amounted to 23 per cent for the United States and 25.5 per cent for Canada. Thus, the remaining, or long-term debt, maturing in over 10 years was also very similar as a percentage of the total outstanding; 30 per cent for the United States and 33 per cent for Canada, with the United States securities in this class having a somewhat longer average life.

terms through 1944, but has dropped sharply as a proportion of the total since present requirements are being met by the issuance of securities with definite redemption and call dates.

Turning now to the distribution at the close of the fiscal years ending in 1944, we find a pronounced shift in the direction of short-term debt, especially in the United States and the United Kingdom where the proportion of the total consisting of issues maturing within one year jumped 23 and 21 percentage points respectively, while in Canada the proportion rose by only 7 percentage points. The increase for the United States is offset considerably by a sharp decline in the proportion maturing in from one to five years, while the United Kingdom and Canada show little change in this class. For all three countries, the heavy accumulation of very short-term debt has resulted in a lower cost of borrowing. On the other hand, of course, is the constant refinancing which is necessitated by short-term debt and which depends for its efficacy on the maintenance of low short-term interest rates.

The proportion of the marketable debt composed of medium-term securities in 1944 was about the same as in 1939 for the United States and the United Kingdom, but has increased substantially for Canada. The proportion of debt maturing in over 10 years has shown a large decrease for all countries.

The following table gives a breakdown of the 1939 to 1944 increase in the marketable debt



The prewar debt of the United Kingdom was similar in maturity distribution to that of the other two countries only in the very short-term issues maturing or callable within one year. The remaining distribution, however, was very heavily weighted by the large proportion (almost 50 per cent) of the total composed of the funded or perpetual debt of the United Kingdom. This funded debt, amounting to some 3.4 billion pounds, is composed of securities bearing interest but carrying no redemption obligations. It has remained stable in absolute

TABLE IV
INCREASE IN PUBLIC MARKETABLE SECURITIES, BY MATURITY CLASSES, 1939-1943
[Amounts in millions of currency units indicated]

Due or callable	United States		United Kingdom		Canada	
	Amount	Per cent	Amount	Per cent	Amount	Per cent
Within 1 year.....	\$46,328	45.3	£4,317	52.6	\$1,873	27.2
1 to 5 years.....	11,667	11.4	886	10.8	1,337	19.5
5 to 10 years.....	24,857	24.3	854	10.4	2,352	34.2
10 years and over.....	19,480	19.0	2,148	26.2	1,312	19.1
Total.....	\$102,332	100.0	£8,205	100.0	\$6,874	100.0

according to the increases in the various maturity classes. As in Table III from which they

are derived, the figures are affected by shifts from long-term to medium-term and from medium-term to short-term debt as issues approach maturity, as well as by new issues of varying maturities.

Again the figures indicate the extensive reliance on short-term borrowing. In the United Kingdom, over 63 per cent of the total increase in marketable issues falls in the class due or callable within five years, while the percentage for the United States is not far behind. Canada shows a more balanced picture largely because of the sale of medium-term marketable securities in place of the nonmarketable savings bonds and certificates relied upon so heavily in the United States and the United Kingdom and which are not reflected in the maturity tables. During the last two years, Canada has been able to float successfully larger amounts of longer-term securities. In the United Kingdom considerable emphasis has been placed on securities maturing in over ten years and relatively little on securities maturing in from five to ten years. In the United States, the division between medium-term and long-term securities has been more even.

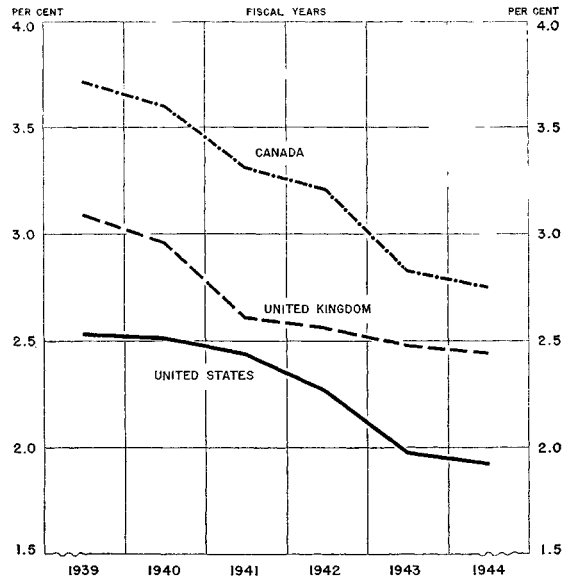
INTEREST ON THE DEBT

The burden of the debt is in large measure dependent upon the average interest rate. It is dependent also upon the size and distribution of the debt, the size and distribution of national income, and the structure of the tax system which must yield enough revenue, in the long run, to cover the interest charges on the debt. With the present record levels of national debt, however, a slight change in the average interest rate makes a considerable difference in the total interest charges.

Each country has succeeded in lowering the average rate of interest on the debt to a considerable extent since 1939, continuing the trend of the 1930's. As shown in Table V and Chart IV, Canada has enjoyed the sharpest decrease in its average interest rate, almost one per cent, but the reductions for the United States and the United Kingdom have also been significant

because their average rates were well below that of Canada at the start of the hostilities. There remains a fairly wide disparity in the average rates for the various countries, with the United States having the lowest rate, less than 2 per cent, and Canada having the highest, about 2.8 per cent. If the average rate for the United States were as high as that of Canada, the computed annual interest charge would amount to 5,531 million dollars as against the actual

CHART IV
COMPUTED INTEREST RATE ON INTEREST-BEARING DEBT



3,868 million. Conversely, if Canada enjoyed an average interest rate as low as that of the United States, its computed annual interest burden would amount to only 219 million dollars as against its actual computed interest charge of 313 million.

There have been two principal factors contributing to the steady decline in the average rate of interest in all three countries during the war—the shift to short-term debt and a general trend toward lower interest rates, resulting from developments in capital markets and from monetary policies in all three countries. As pointed out above, there has been a sharp increase in the proportion of the various national debts composed of short-term issues. Generally

speaking, short-term interest rates are considerably below long-term rates, and the short-term securities issued during the war period have borne very low interest rates so that the shift in maturity distribution has been most significant in reducing the over-all or average rate of interest. The lower rate of interest on short-term securities has not been the only consideration in the choice of new issues, however. All three countries have aimed at a policy of obtaining as much funds as possible from individuals and other nonbanking sources, and these investors are mainly interested in the higher yields of the longer-term securities.

TABLE V
COMPUTED INTEREST RATE ON INTEREST-BEARING NATIONAL DEBT, DIRECT AND GUARANTEED
[Amounts in millions of currency units indicated]

End of fiscal year	Interest-bearing debt	Computed annual interest charge ¹	Computed rate of interest (per cent)
United States:			
1939.....	\$45,336	\$1,149	2.534
1940.....	47,874	1,203	2.514
1941.....	54,747	1,335	2.438
1942.....	76,517	1,729	2.260
1943.....	139,472	2,759	1.978
1944.....	201,059	3,868	1.924
United Kingdom:			
1939.....	£7,247	£224	3.092
1940.....	8,014	237	2.963
1941.....	10,449	273	2.612
1942.....	13,117	336	2.562
1943.....	15,737	391	2.486
1944.....	18,469	451	2.441
Canada:			
1939.....	\$4,255	\$158	3.714
1940.....	4,563	164	3.602
1941.....	5,230	173	3.310
1942.....	6,638	213	3.206
1943.....	8,585	243	2.832
1944.....	11,363	313	2.751

¹ The figures for the United Kingdom are approximate since data are not available for the exact interest rates on a few issues. The figures for Canada include the annual amortization of bond discounts and commissions, Canada being the only one of the three countries which during the war period has issued securities below par and has paid commissions to various sales outlets. These charges are, in fact, in the nature of interest payments.

SOURCES.—Figures for 1939 through 1943 from U. S. Treasury *Bulletin, Finance Accounts* of the United Kingdom, *Public Accounts* of the Dominion of Canada. Preliminary figures for 1944 from *Daily Statement* of the U. S. Treasury, *Financial Statement (1944-45)* of the United Kingdom, *Appendix to the Budget (1944-45)* of the Dominion of Canada.

After a sharp break in the securities market at the outbreak of war in the fall of 1939, there was a rather rapid recovery in all three countries. In the United Kingdom, Government securities rose in price slowly but steadily through the end of the fiscal year 1943 and then leveled off, while

in the United States, where 1939 yields were much lower than in the United Kingdom, prices and yields have been fairly stable since the beginning of 1941, and in Canada since the end of 1941. Thus, notwithstanding the vast increase in the demand for funds, all three countries have succeeded in stabilizing interest rates substantially below prewar levels. In large measure, this has been accomplished through appropriate central bank and treasury policies. The task has been greatly lightened, however, because the increase in incomes and the disappearance from the market of many types of consumer goods, together with price and rationing controls, have made available for investment a large volume of individual and business savings. Because of governmental restrictions on private investment and because of patriotic appeals, these savings have found their chief outlet in Government securities, either directly or through such institutions as insurance companies and savings banks.

During the war years, there has been in each of the three countries a considerable amount of refunding of maturing securities into new issues. Many of the maturing securities were issued in the 1920's when interest rates were much higher than at the present time. The replacement of these high interest-bearing bonds with present "low-cost" securities has further contributed to the lowering of the average rate of interest.

TABLE VI
RELATION OF ANNUAL INTEREST PAYMENTS TO NATIONAL INCOME
[Amounts in millions of currency units indicated]

Fiscal year	National income	Annual interest payments	Interest payments as percentage of national income
United States:			
1939.....	\$67,000	\$941	1.4
1944.....	157,000	2,609	1.7
United Kingdom:			
1939.....	£4,800	£218	4.5
1944.....	8,000	382	4.8
Canada			
1939.....	\$4,300	\$133	3.1
1944.....	9,100	252	2.8

Despite the large absolute increases in the public debts, the decline in the average rates of

interest on the debts and the growth of national incomes have kept interest payments as a percentage of national income from rising to any significant extent in the United States and the United Kingdom. In Canada, annual interest charges as a percentage of national income have actually fallen due to the sharpest decline in the average interest rate, a rapidly rising national income, and the smaller proportion of borrowing necessary because of a higher tax-to-expenditure ratio.

As indicated in Table VI, for the United States and Canada, at least, there does not seem to be any immediate danger of interest charges on the debt absorbing such a large proportion of the national income as to disturb the economy seriously. Even if the war continues for a year or two, it would appear that the postwar interest-to-national income ratio for the United States will be considerably lower than the prewar ratios for the United Kingdom and Canada, and that Canada's postwar ratio may be smaller than its prewar ratio. The maintenance of these relationships will, of course, depend upon the continuation of high levels of national income—the primary postwar problem—and the continuation of low interest rates. In the United Kingdom and Canada the continuation of low interest rates has been declared to be the aim of the official policy and its desirability in the United States has also been expressed by responsible officials.⁷

For the United Kingdom, the postwar outlook does not appear so favorable as far as interest on the debt is concerned. For the fiscal year 1944, interest payments accounted for 4.8 per cent of the national income of the United Kingdom. At just what point the danger line appears is very difficult to judge, but the fact that interest payments are so large combined with other factors, such as the loss of taxable income due to the liquidation of large amounts of British investment abroad, suggests that the United

Kingdom will have to maintain a high level of postwar taxation for purposes of debt service alone. One offsetting factor which applies to all three countries is that the interest on the debt is itself, for the most part, subject to taxation.

DISTRIBUTION OF OWNERSHIP

A most important aspect of the national debt is its distribution among various types of holders, for it is this distribution which largely determines the effects of the debt on the economy. This is well recognized with respect to the distinction between external and internal holdings, but it is equally important so far as different types of domestic holders are concerned. Much attention is currently being given to the significance of the holdings of liquid assets for the level of postwar expenditures. The distribution of the national debt by types of holders is an important element in this picture. Also, the distribution of the internal debt will have an important bearing on fiscal policy, and on tax policy in particular, for while the shift of income from taxpayers to bondholders does not in itself affect the level of national income, it may change the relationship between savings and consumption which will, in turn, definitely affect the level of national income.⁸ It is unfortunate, therefore, that the available data on distribution of the debt should be so meager and inexact.

For the United States, statistics are relatively complete regarding the distribution of the debt among institutional investors, but there is little or no information on individual holdings by income groups, nor are there any estimates of the indirect share of individuals by income groups in the main portion of the Government debt which is held by institutional investors such as banks, insurance companies, corporations, etc. For the United Kingdom and Canada the statistics are much more unsatis-

⁷ See address by Secretary Morgenthau presented in Los Angeles, Oct. 14, 1944, and *Financing the War and Postwar Adjustment* (address by Under Secretary of the Treasury, Daniel Bell, before the Worcester Economic Club, Worcester, Mass., Dec. 16, 1943). Cf., also *Annual Report of the Board of Governors of the Federal Reserve System, 1943*, p. 19. For British and Canadian statements see *British Budget Speech, 1943-44* and *Annual Report of Bank of Canada, 1943*, p. 5.

⁸ While interest payments will undoubtedly constitute a larger portion of the budget expenditures in postwar years than formerly, it appears that for the United States they will not amount to more than 25 per cent of the total expenditures. Thus, the shifts in income due to interest payments will be only a part of our postwar fiscal problems.

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factory, and all that appears possible from the available data is to obtain a fairly rough picture of the distribution of the increase in the debt from the end of the fiscal year 1939 through the end of the fiscal year 1944. Table VII shows the increase in holdings of commercial banks, the central bank, Government agencies and trust funds, and all other investors, but the figures must be interpreted in the light of special considerations for each country which are such as not to allow for precise comparisons.

TABLE VII
INCREASE IN INTEREST-BEARING NATIONAL DEBT, DIRECT AND FULLY GUARANTEED, BY TYPE OF HOLDER
[In millions of currency units indicated]

Type of holder	Fiscal year					Total	
	1940	1941	1942	1943	1944	Amount	Per cent
United States:							
Commercial banks.....	\$853	\$3,545	\$6,315	\$26,048	\$16,042	\$52,803	33.9
Federal Reserve Banks..	-85	-282	461	4,557	7,699	12,350	7.9
Government agencies.....	1,184	1,412	2,129	3,700	4,765	13,190	8.5
Other investors	586	2,198	12,865	28,650	33,071	77,370	49.7
Total.....	\$2,538	\$6,873	\$21,770	\$62,955	\$61,577	\$155,713	100.0
United Kingdom:							
Commercial banks.....	£150	£550	£300	£600	£400	£2,000	17.8
Bank of England.....	311	40	186	183	215	935	8.3
Government agencies.....	250	500	120	10	-50	830	7.4
Other investors	56	1,345	2,062	1,827	2,167	7,457	66.4
Total.....	£767	£2,435	£2,668	£2,620	£2,732	£11,222	100.0
Canada:							
Commercial banks.....	\$111	\$217	\$117	\$728	\$434	\$1,607	22.6
Bank of Canada	38	328	70	433	317	1,186	16.7
Other investors ¹	238	303	1,578	858	2,030	5,007	70.4
Repatriation ² ...	-79	-181	-357	-72	-3	-692	-9.7
Total.....	\$308	\$667	\$1,408	\$1,947	\$2,778	\$7,108	100.0

¹ Holdings of Government agencies in Canada are not available and have been included in "other investors."

² Securities repatriated from the United Kingdom are shown as a negative figure to give a better picture of the share in the increase taken by "other investors" in Canada.

SOURCES.—Federal Reserve BULLETIN, 1944 *British Budget White Paper, Annual Reports of London Clearing Banks, Statistical Summary of Bank of Canada.*

In the United States, increases in bank holdings accounted for almost 42 per cent of the total increase in the interest-bearing debt from June 30, 1939, to June 30, 1943, while borrowing from Government agencies amounted to 8.5 per cent, leaving about 50 per cent for all other investors. It should be noted, however, that for the fiscal year 1944 there was a marked

increase in sales to other investors, with the additions to their holdings for that year amounting to 54 per cent of the total increase as compared with 45 per cent for the previous year. As a result the banks took only 36.5 per cent of the 1944 debt increase as compared with 48.6 per cent of that of 1943.

Of the 77.4 billion dollar increase for all other investors through the end of the fiscal year 1944, Treasury estimates distribute slightly less than 16 billion to insurance companies and mutual savings banks, some 23 billion to other corporations and associations, about 35 billion to individuals and unincorporated business, and 3 billion to State and local governments.⁹ The figure for corporations and associations includes the portion taken by brokers and dealers, savings and loan associations, foundations, endowments, and probably most of the amount taken by foreign investors. All told, these groups probably accounted for 5 billion of the 22.5 billion, leaving about 17 or 18 billion accounted for by nonfinancial corporations. The 35 billion dollar increase in the holdings of individuals, consisting very largely of savings bonds, includes the amounts taken by partnerships, personal trust accounts, and unincorporated business. The proportion of savings bonds sold in small denominations seems to indicate that the direct share in the public debt of individuals in the lower income groups is still fairly small.¹⁰

Table VII shows that the United Kingdom has borrowed least from the banks. Only 2.6 per cent of the increase in the interest-bearing debt in the first five fiscal war years went to commercial banks and the Bank of England. Government agencies accounted for over 7 per cent of the total increase, and somewhat more than 66 per cent was taken by all other investors. One reason why the United Kingdom has

⁹ Treasury Bulletin, October 1944, p. 46.

¹⁰ Of the total sales of Series E savings bonds through June 30, 1943, amounting to 12 billion dollars, sales of \$25 and \$50 denomination bonds accounted for less than 5.1 billion or 42 per cent. By the end of June 1944, cumulated sales of these denominations had risen to 10.8 billion dollars, or 45.5 per cent of the total cumulated sales figures of 23.8 billion. Redemptions have been highest in the smallest denominations, amounting to over 2 billion dollars for the \$25 and \$50 denominations by the end of June 1944. Series F and G savings bonds are taken almost entirely by wealthier investors, and the sales of larger denomination Series E bonds to the low income groups are probably more than counterbalanced by sales of smaller denomination bonds to higher income groups.

relied so lightly upon bank borrowing is that it has financed a large part of its war expenditures by overseas disinvestment through the requisition and sale by the Government of privately owned foreign securities. British owners of these foreign securities were given the option of exchanging them for United Kingdom securities or converting them to cash, but the lack of opportunities for investment save in Government securities probably limited the latter course considerably. In addition, the dominions and colonies have invested substantial amounts in the securities of the United Kingdom. Together these two sources accounted for about 3 billion pounds for the fiscal years 1940 through 1944, thus lightening considerably the need for domestic (bank and nonbank) borrowing during the war years.

Although there are available no estimates of the distribution of nonbank borrowing in the United Kingdom at all comparable to the Treasury estimates for the United States, the types of securities outstanding give some slight clues as to the ownership of the United Kingdom debt. Because of the strict limitations on the absolute amount of savings certificates and defense bonds which may be held by any one subscriber, a large part of the 1,560 million pound increase in the amount of these issues outstanding from the end of the fiscal year 1939 to the end of the fiscal year 1944 was probably taken by those in the lower income groups—the so-called “small savers.” The increase in the national debt representing the 1 billion pounds of Post Office and Trustee Savings Banks deposits would probably find its closest parallel in the United States in the increased holdings of mutual savings banks. The 562 million pounds of tax certificates outstanding March 31, 1944, were probably held largely by business concerns both corporate and noncorporate, with, however, a greater portion held by individuals than in the United States due to the tax exempt feature of the British tax notes.

The distribution of ownership picture for Canada is somewhat obscured because of the fact that the Bank of Canada and the chartered

banks do not show their holdings of Dominion securities separate from their holdings of Provincial securities. The usual assumption is that any increase in bank holdings since the war has been solely in Dominion securities.¹¹ On this basis the banks have taken 39 per cent of the 1939-1944 increase in interest-bearing debt outstanding and other investors (including Government agencies) have taken 61 per cent.

These figures are modified somewhat if we consider the increase in the debt floated in Canada rather than the net increase in the debt, for in Canada the internal-external shift in the debt has been quite the reverse of that in the United Kingdom. From September 1939 through March 31, 1944, the Dominion of Canada repatriated about 700 million dollars of its direct and guaranteed securities which had been held in the United Kingdom. The Dominion bought these securities in advance of maturity dates from the British Government, which had requisitioned them from its citizens in order to obtain funds to meet British expenditures in Canada. In addition, Canada reduced its direct debt payable in New York by 130 million dollars. This meant a corresponding increase in the amount of new borrowing which had to be done in Canada. Thus, of the increase in debt floated in Canada, the banks took only about 36 per cent. Moreover, this includes the counterpart of the holdings of mutual savings banks in the United States and of the Post Office and Trustee Savings Banks in the United Kingdom (included in “other investors”) since the chartered banks in Canada handle a larger proportion of time deposits in that country than do the commercial banks in the United States and the United Kingdom.

Government agencies and trust funds have not been important sources of funds in Canada, but the growing unemployment insurance fund,

¹¹ As of Mar. 31, 1944, the chartered banks held 2,806 million dollars in Dominion and Provincial securities of which only 298 million consisted of Provincial securities (House of Commons, Standing Committee on Banking and Commerce, *Minutes of Proceedings and Evidence*, May 26, 1944, p. 288). Bank holdings of Provincial securities have probably declined somewhat as the total outstanding has been reduced during the war. Cf., Benjamin H. Higgins, *Canada's Financial System in War*, and A. F. W. Plumtre, *Canadian War Finance*.

which held 105 million dollars in Dominion bonds as of March 31, 1943, promises to increase the share taken by this group in the future. Information on the holding of "other investors" is quite sketchy. Canadian life insurance companies increased their holdings of Dominion securities by almost 260 million dollars through the end of the calendar year 1942. The amount

taken by corporations and individuals is unavailable both because there was no breakdown of subscriptions to the First and Second War Loans and also because there are no data on the amount corporations and individuals have retained from their subscriptions to the various Victory loans for which there are breakdowns by types of subscribers.

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In the period since the outbreak of the European war there has been an unprecedented growth in the liquid asset holdings of individuals and business. Demand deposits of individuals, partnerships, and corporations, which in September of 1939 amounted to less than 30 billion dollars, increased approximately 100 per cent to 60 billion by July 31, 1944; time deposits, including mutual savings accounts, increased by about 9 billion dollars to 36 billion; currency in circulation increased from 6 to 21 billion; and the volume of Government securities held by individuals and business, exclusive of commercial banks and insurance companies, rose from about 10 to nearly 80 billion dollars.

Uses that may be made of these large accumulations of liquid assets will have an important bearing upon economic developments in the war and postwar periods, and these uses will in part depend on their ownership, i.e., upon the extent to which they are held by individuals, by industrial concerns, by wholesalers and retailers, by financial agencies, and by others.¹ Little information is available as to the distribution of these assets among different types of owners. Estimates are made periodically by the Treasury and by the Securities and Exchange Commission of the amount of Government securities owned by corporations. The Federal Reserve System has made a series of sample surveys to determine the distribution of demand deposits of individuals, partnerships, and corporations among different broad groups of owners, and from the results estimates have been made of the ownership of such deposits at all commercial banks. Practically no current information is available as to the ownership of time deposits and of currency in circulation, but it is believed on the basis of scattered information obtained in the past that individuals hold most of these assets

¹ Discussion of the significance of the growth and distribution of liquid assets was covered in the Review of the Month in the October 1944 BULLETIN.

and that business holdings of them are relatively small.

Four surveys of ownership of demand deposits have been made by the Federal Reserve System—as of March 31, 1943, July 31, 1943, February 29, 1944, and July 31, 1944. The results of the earlier surveys have been published in the Federal Reserve BULLETIN.² The results of the most recent survey are presented in this article.

This fourth survey of the ownership of demand deposits covered about 2,500 banks, a larger number than previous surveys, with better representation of small banks. Thus, estimates based on it are more accurate than those made previously. The latest survey also provided information as to balances of corporate and noncorporate business, as well as those of individuals and business in various fields (manufacturing, trade, insurance, etc.) included in earlier compilations. Separate consideration of these two broad groups, corporate and noncorporate, is important in analyzing monetary and banking problems because the motives which determine their financial decisions and behavior differ in many respects. This further subdivision of business groups into corporate and noncorporate will also make possible the integration of information relating to their demand deposits, with other pertinent economic data, which show figures for corporations separately from other categories.

DEPOSIT OWNERSHIP ON JULY 31, 1944

Total demand deposits of individuals, partnerships, and corporations in all commercial banks of the United States amounted to an estimated 59.6 billion dollars on July 31, 1944, as shown in Table I. Nearly 63 per cent of this belonged to domestic business; 31 per cent to individuals; and about 6 per cent to nonprofit institutions,

² August 1943, October 1943, and May 1944. Estimates published in these previous articles have been revised subsequently on the basis of additional information obtained and some of the revised figures are given in this article.

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trust funds of banks, and foreign individuals and business. Manufacturing and mining concerns held nearly half and concerns engaged in wholesale and retail trade held nearly a fourth of the total deposits of domestic business. Finan-

TABLE I
ESTIMATED OWNERSHIP OF DEMAND DEPOSITS OF INDIVIDUALS,
PARTNERSHIPS, AND CORPORATIONS AT ALL BANKS
(In billions of dollars)

	July 1944	Feb. 1944	July 1943	Change		
				July- July	Feb.- July	July- Feb.
Total domestic business.....	37.4	35.6	36.1	+1.3	+1.8	-0.5
Nonfinancial business—total.....	32.7	31.2	31.4	+1.3	+1.5	-0.2
Manufacturing and mining.....	17.3	16.4	16.6	+0.7	+0.9	-0.2
Public utilities.....	3.7	3.7	3.8	-0.1	0	-0.1
Trade.....	8.6	7.9	7.8	+0.8	+0.7	+0.1
Other nonfinancial.....	3.1	3.2	3.2	-0.1	-0.1	0
Financial business—total.....	4.7	4.4	4.7	0	+0.3	-0.3
Insurance companies.....	1.7	1.7	1.9	-0.2	0	-0.2
Other financial.....	3.0	2.7	2.8	+0.2	+0.3	-0.1
Personal.....	18.6	17.9	16.0	+2.6	+0.7	+1.9
Farmers.....	4.0	4.2	3.3	+0.7	-0.2	+0.9
Others.....	14.6	13.7	12.7	+1.9	+0.9	+1.0
Trust funds.....	1.3	1.3	1.2	+0.1	0	+0.1
Nonprofit associations.....	1.6	1.5	1.4	+0.2	+0.1	+0.1
Foreigners—business and individuals.....	0.7	0.8	0.9	-0.2	-0.1	-0.1
Total.....	59.6	57.1	55.6	+4.0	+2.5	+1.5

NOTE.—Estimates for July 1943 and February 1944 have been revised slightly on the basis of additional information secured through a substantially increased coverage for the July 1944 survey.

cial business enterprises, which include insurance companies, security dealers and brokers, and the many investment, credit and loan companies had deposits of less than 5 billion dollars. Farmers' demand deposits are estimated to be 4 billion dollars.³

CHANGES DURING THE PAST YEAR

During the twelve months ended July 31, 1944, a period which encompassed three war loan drives, demand deposits of individuals, partnerships, and corporations in all commercial banks

³ The figures on deposit ownership presented in this article are estimates of the ownership as recorded by the books of all banks, and differ from figures that might be compiled from the books of the depositors. They include amounts covered by checks which have been drawn by the depositors and deducted from their books but which have not yet been received by the payees, as well as checks which have been credited to the accounts of payees but which are en route between banks and have not yet been charged off the accounts of the payors. On July 31, 1944, the interbank float amounted to approximately 4 billion dollars; no information is available as to the amounts that may be en route between depositors.

in the United States increased approximately 4 billion dollars or slightly more than 7 per cent. It is estimated that over 60 per cent of this increase, about 2.6 billion dollars, accrued to deposits of individuals. Business deposits increased an estimated 1.3 billion; trust funds of banks, and deposits of nonprofit organizations increased slightly; and accounts of foreign individuals and business decreased by an estimated 200 million dollars.

The estimated changes in the ownership of demand deposits for the two periods July 1943 to February 1944 and February 1944 to July 1944 are shown in Table I. Because of the impact of war loan drives on the structure of demand deposits, the changes registered during these two periods must be interpreted with reference to the timing of the several war loan drives which occurred immediately preceding and during the periods under review.

Since a very large part of all Government securities purchased are paid for by check, during each drive billions of dollars are transferred from the deposits of individuals, partnerships, and corporations to the account of the Government at the Federal Reserve Banks or to war loan accounts at other banks. As the Government in turn spends these funds during the succeeding weeks, the balances are once again transferred to the deposits of individuals and business. Furthermore, to the extent that the banking system buys Government securities or extends credit, new deposits are created. Since the amounts involved in these sudden shifts run into billions of dollars, the date of a war loan drive relative to the date of a deposit survey has an important effect on the pattern of ownership shown by the figures.

In comparing the estimated ownership of deposits presented in the table, it should be remembered that July 31, 1943 was three months after the conclusion of the Second War Loan Drive, which ended officially on May 1, while the February deposit survey was two weeks after the official close of the Fourth War Loan Drive, and the July 31, 1944 survey was three weeks after the Fifth Drive. On the earliest of these

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dates, deposits of individuals, partnerships, and corporations were almost at their interdrive peak; while on the two later dates, they had been sharply reduced by the war loan drives which had just been completed.

The fact that a war loan drive affects the various types of deposits (business, personal, etc.) differently, makes difficult the interpretation of the changes which occurred during the two periods covered. Business deposits, for example, declined by an estimated 500 million dollars during the seven-month period ended February 29, 1944, but increased an estimated 1.8 billion during the succeeding five months. Deposits of insurance companies declined during the first period and showed no change during the second. Personal deposits, on the other hand, increased very markedly during the first period, but increased to a much lesser extent during the second. These differences reflect the fact that individuals spread their bond purchases more evenly over the entire twelve months through pay roll deductions while businesses bought their Government securities in large blocks during the war loan drives.

Had the 1943 survey been made nearer the close of a war loan drive, the deposit holdings of all groups would have been substantially lower than those shown in Table I for July 31, 1943. This means that the changes recorded for the first seven months, and hence for the entire twelve-month period, are somewhat distorted. The changes for the five months ended July 31 are, however, not seriously biased by war loan drives, since the drives in question preceded the two surveys by roughly the same interval. If one could abstract the influences of the war loan drives, it is possible that the changes recorded for many groups during the first period would be more nearly similar to those recorded during the period from February to July 1944. Thus it appears that most business groups, with the possible exception of public utilities, insurance companies, and other non-financial business, have added substantially to their deposit holdings during the past year. Trade and manufacturing concerns have in-

creased their bank balances by perhaps as much as 2 billion dollars each; and other financial businesses have increased their holdings by something like 0.5 billion.

Personal deposits increased by 0.7 billion dollars during the five-month period from February to July 1944 compared with an increase of 1.9 billion during the previous seven months. The difference is largely attributable to the seasonal variations in farmers' deposits. The latter increased an estimated 900 million dollars during the fall and winter of 1943, as crops were harvested and sold, but declined slightly from February to July 1944. Deposits of individuals other than farmers increased by approximately 1 billion dollars during each of the two periods.

CHANGES SINCE 1941

Growth of demand deposits since the middle of 1943, even after allowance for the influence of war loan drives, has been at a much slower rate than during 1942 and the first half of 1943. Of the total increase of 22 billion dollars in demand deposits of individuals, partnerships, and corporations at all commercial banks from December 1941 to July 1944, about 18 billion had occurred by July 1943. Table II shows the estimated demand deposits of businesses, individuals, and all others for December 31, 1941, July 31, 1944, and the changes recorded between these two dates.

TABLE II
CHANGES IN OWNERSHIP OF DEMAND DEPOSITS, 1941 TO 1944
[Dollar figures in billions]

	July 1944	Dec. 1941	Increase	
			Dollar amount	Percentage
Domestic business.....	37.4	25.0	12.4	50
Personal.....	18.6	10.0	8.6	86
All others ¹	3.6	2.6	1.0	38
	59.6	37.6	22.0	59

¹ Includes nonprofit organizations, trust funds of banks, and deposits of foreigners.

The estimates for December 1941 shown in the table are based upon reports received in the first survey of demand deposit ownership

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as of March 31, 1943, which, for a number of banks, included ownership data for the earlier date. Since then, additional reports for December 1941 have been received. Although these reports are not sufficiently comprehensive to permit any detailed classification of deposit ownership, they do provide reasonably accurate estimates of the three broad groups indicated.

Of the estimated total increase of 22 billion dollars during this period over half was added to the bank balances of business, and about two-fifths to personal accounts. The relative gain for individuals, however, was greater than for business. The estimated increase of 8.6 billion dollars in personal demand deposits is a growth of 86 per cent since December 1941, while business balances increased by an estimated 50 per cent. Besides this very substantial increase in demand deposits, individuals undoubtedly hold a large share of the 12 billion dollar increase in currency in circulation and of the 8 billion increase in time deposits which occurred during this period. The reduced growth in demand deposits during the past year has been accompanied by an accelerated increase in time deposits, amounting to 5.5 billion dollars in the 12 months ended July 31, and a continued growth of nearly 5 billion in currency in circulation.

DEPOSIT OWNERSHIP BY CORPORATE STATUS

On the basis of reports obtained in the latest deposit survey, it is estimated that corporate business enterprises held about 29 billion dollars, or nearly four-fifths of total demand deposits of all businesses on July 31, 1944. Unincorporated business balances amounted to about 8.3 billion dollars. These figures are shown in Table III, and the differences between this estimate of corporate cash and other published estimates are explained in the note to that table.

Firms engaged in manufacturing and mining held over half of all corporate balances, and corporations held nine-tenths of demand deposits held by all businesses in this field. Corpora-

tions also held the bulk of the deposits of public utilities and insurance companies. In wholesale or retail trade and in other nonfinancial businesses, which include services, unincorporated firms held nearly half of the deposits. Retail and wholesale trade establishments accounted for about half of all demand deposits of noncorporate business, other nonfinancial business for nearly a fifth, and financial business for about an eighth.

TABLE III

ESTIMATED DEMAND DEPOSITS OF DOMESTIC BUSINESS, JULY 1944
[Dollar figures in billions]

	Total	Corpo- rate	Non- corpo- rate	Per- centage corpo- rate
Total domestic business.....	37.4	29.1	8.3	77.7
Nonfinancial business—total....	32.7	25.5	7.2	77.9
Manufacturing and mining....	17.3	15.8	1.5	91.2
Public utilities.....	3.7	3.6	0.1	96.7
Trade.....	8.6	4.4	4.1	51.9
Other nonfinancial.....	3.1	1.7	1.5	53.4
Financial business—total.....	4.7	3.6	1.1	76.6
Insurance.....	1.7	1.6	0.1	95.6
Other financial.....	3.0	2.0	1.0	66.1

NOTE.—Securities and Exchange Commission estimates of corporate cash include currency, time deposits and other cash items as well as demand deposits, and are theoretically the summation of all balances as recorded by the books of corporations. The Federal Reserve estimates include only demand deposits as recorded on the books of banks. When adjusted to establish comparability, the two estimates agree very closely.

GEOGRAPHICAL SHIFTS

Differences in growth of demand deposits among the several groups of depositors are reflected in the many pronounced geographic shifts that have occurred in our economy, including the distribution of bank deposits. States and regions which before the war were predominantly industrial have shown smaller gains in bank deposits than have areas which were more largely agricultural or were dominated by smaller businesses or branches of large industrial enterprises. Demand deposits in states like Kansas, North and South Dakota, Idaho, Arizona, and New Mexico have increased about 150 per cent since December 31, 1941; and the four Federal Reserve Districts of Atlanta, Kansas City, Dallas, and San Francisco have shown gains of more than 100 per cent in demand

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TABLE IV

DEMAND DEPOSITS OF INDIVIDUALS, PARTNERSHIPS, AND CORPORATIONS AT ALL COMMERCIAL BANKS IN THE UNITED STATES, BY DISTRICTS

[Dollar figures in millions]

	July 31, 1944 ¹	Dec. 31, 1943	Dec. 31, 1941	Increase Dec. 1941-July 1944	
				Dollar amount	Percentage
Boston.....	3,204	3,337	2,257	947	42.0
New York.....	17,470	17,788	14,016	3,454	24.6
Philadelphia.....	3,129	3,136	2,177	952	43.7
Cleveland.....	4,610	4,582	2,855	1,755	61.5
Richmond.....	2,915	2,846	1,687	1,228	72.8
Atlanta.....	2,891	2,742	1,372	1,519	110.7
Chicago.....	9,121	9,004	5,321	3,800	71.4
St. Louis.....	2,637	2,589	1,513	1,124	74.3
Minneapolis.....	1,525	1,550	793	732	92.3
Kansas City.....	2,960	2,727	1,360	1,600	117.6
Dallas.....	2,790	2,591	1,318	1,472	111.7
San Francisco.....	6,352	6,184	2,926	3,426	117.1
U. S. total.....	59,604	59,078	37,595	22,009	58.5

¹ Estimate.

deposits. These large percentage increases reflected not alone the growth in agricultural deposits but also new and expanding industrial development and the establishment of military centers in those areas. The diversified middle western districts and the Richmond District showed rates of growth above the average for the country. The Boston, New York, and Philadelphia Federal Reserve Districts, estab-

lished industrial areas on the eastern seaboard, showed increases of less than 50 per cent.

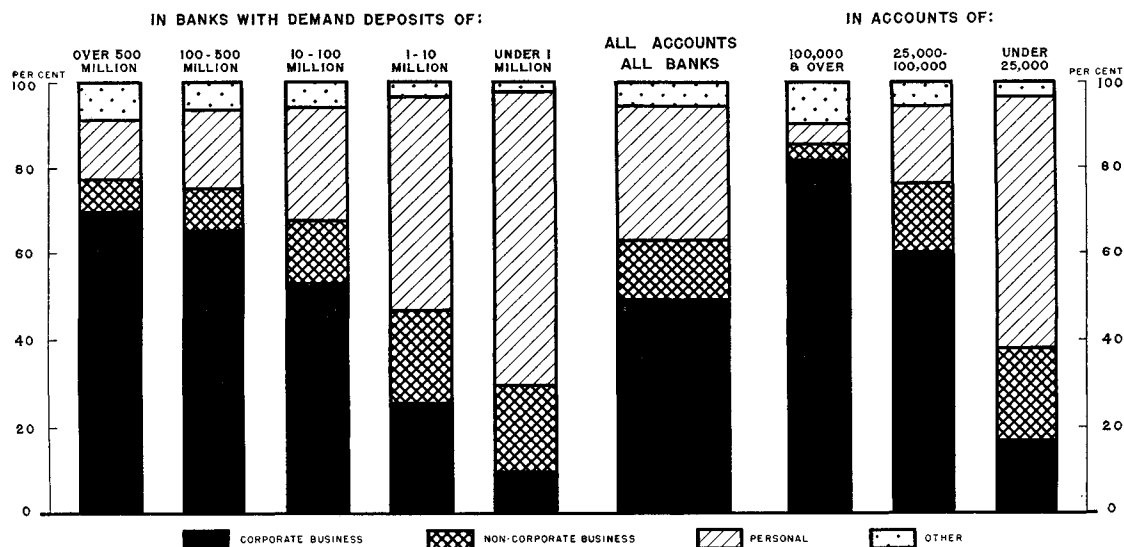
DEPOSITS BY SIZE OF BANK AND SIZE OF ACCOUNT

For purposes of analysis, as well as to facilitate the sampling and estimating procedure, banks and deposits have been divided into size groups. The estimated distributions by size of bank and by size of account are shown in the accompanying chart and table. Over a fourth of all demand deposits of individuals, partnerships, and corporations is in the 16 banks which have a total of such deposits of over 500 million dollars each, while about a twelfth is in banks which have less than a million dollars of such deposits, but which include nearly two-thirds of all banks in number. About two-fifths of the dollar volume of total deposits are in accounts of \$100,000 and over, and a slightly larger aggregate amount in accounts of less than \$25,000 each.

The larger accounts and the deposits in the larger banks are usually held by corporate business, while the smaller accounts and deposits in the smaller banks belong mostly to individuals and unincorporated business. About three-fifths of all corporate deposits are held in banks

ESTIMATED OWNERSHIP OF DEMAND DEPOSITS

PERCENTAGE OF TOTAL
JULY 31, 1944



OWNERSHIP OF DEMAND DEPOSITS

whose total deposits are over 100 million dollars and nearly two-thirds of all corporate deposits are in accounts of \$100,000 or more. On the other hand, nearly three-fifths of all personal deposits are in banks whose total deposits are 10 million dollars or less, and over 85 per cent are found in accounts of \$25,000 or less. Seventy per cent of unincorporated business deposits are in accounts of \$25,000 or less and about half of them are in banks in the two smallest size groups. The bulk of the deposits of public utilities, manufacturing and mining concerns, and insurance companies is in balances of \$100,000 or more while only about 5 per cent of personal deposits are found in accounts of this size.

In the very large banks, as shown on the chart, more than three-fourths of total demand deposits are owned by business, mostly by corporations, and less than 14 per cent by individuals. In the smallest banks corporations have less than 10 per cent of the total deposits, noncorporate business 20 per cent, and individuals almost all of the other 70 per cent. Of the total of all deposits of \$100,000 or more,

about 86 per cent are owned by domestic business firms, 82 per cent by corporations, and less than 5 per cent by individuals. Of the total of approximately 27 billion dollars in deposit accounts of \$25,000 or less, about 17 per cent belongs to corporations, and 21 per cent to unincorporated business, while nearly 60 per cent is in personal accounts.

STATISTICS ON SAMPLE

The estimates of deposit ownership for July 31, 1944 are based on reports from about 2,500 banks representing every State and all sizes of banks. This is an addition of more than 500 banks over the previous survey, confined largely to those areas and sizes of banks which were not adequately represented heretofore. These banks held 65 per cent of the total demand deposits of individuals and business in all commercial banks on July 31, 1944. The reports were collected by the Federal Reserve Banks; the reported data for the country as a whole were assembled and estimates of the distribution of national totals were made by the

TABLE V
ESTIMATED OWNERSHIP OF DEMAND DEPOSITS, JULY 31, 1944
[In billions of dollars]

	In banks with demand deposits of:					Total deposits	In accounts of:		
	500 million dollars or more	100-500 million dollars	10-100 million dollars	1-10 million dollars	Less than 1 million dollars		\$100,000 and over	\$25-100,000	Less than \$25,000
Total domestic business	12.4	6.7	9.9	7.0	1.4	37.4	19.5	7.5	10.4
Corporate.....	11.2	5.8	7.7	3.9	.4	29.1	18.7	5.9	4.5
Noncorporate.....	1.2	.9	2.2	3.2	.9	8.3	.9	1.6	5.8
Nonfinancial business—total.....	10.7	5.9	8.5	6.3	1.3	32.7	17.3	6.3	9.0
Manufacturing and mining.....	7.1	3.7	4.0	2.1	.3	17.3	11.9	3.2	2.1
Public utilities	1.5	.8	1.0	.4	.1	3.7	2.8	.5	.4
Trade.....	1.4	1.0	2.6	2.9	.8	8.6	1.8	1.8	4.9
Other nonfinancial.....	.6	.4	.9	1.0	.2	3.1	.8	.8	1.6
Financial business—total.....	1.7	.8	1.4	.7	.1	4.7	2.2	1.2	1.3
Insurance companies.....	.7	.3	.5	.1	(¹)	1.7	1.2	.3	.2
Other financial.....	1.0	.5	.9	.6	.1	3.0	1.0	.9	1.1
Personal.....	2.2	1.7	3.9	7.6	3.2	18.6	1.0	1.8	15.9
Trust funds .....	.4	.3	.4	.1	(¹)	1.3	1.1	.1	.1
Nonprofit associations.....	.3	.2	.5	.4	.1	1.6	.4	.3	.8
Foreigners.....	.7	(¹)	(¹)	0	0	.7	.7	.1	(¹)
Total.....	16.1	8.9	14.7	15.2	4.7	59.6	22.8	9.8	27.0

¹ Less than 50 million dollars.

NOTE.—Figures rounded to 100 million dollars so detail may not add to total.

OWNERSHIP OF DEMAND DEPOSITS

Division of Research and Statistics of the Board of Governors.⁴

In previous surveys, all banks were divided into four subgroups according to their volume of demand deposits of individuals, partnerships, and corporations as follows: Group I, deposits over 500 million dollars; Group II, deposits from 100 to 500 million; Group III, deposits from 5 to 100 million; and Group IV, deposits

unrepresentative of the group average is greater than when the limits are narrowed. The introduction of a fifth stratum has thus eliminated a bias toward larger banks which was found in earlier surveys and which presented a difficult problem of adjustment to compensate for the bias.

In the July 1944 survey, the size limits for reporting purposes were lowered so as to provide

TABLE VI
NATURE OF SAMPLE OF BANKS REPORTING DEPOSIT OWNERSHIP, JULY 31, 1944
[Dollar figures in millions]

District	Total		Size groups, by volume of deposits ¹																	
			Group I banks (Over 500 million dollars)			Group II banks (100 to 500 million dollars)			Group III banks (10 to 100 million dollars)			Group IV banks (1 to 10 million dollars)			Group V banks (Less than 1 million dollars)					
	Sample		All banks	Sample		All banks	Sample		All banks	Sample		All banks	Sample		All banks	Sample		All banks		
	Number of banks	Deposits	Deposits	Number of banks	Deposits	Deposits	Number of banks	Deposits	Deposits	Number of banks	Deposits	Deposits	Number of banks	Deposits	Deposits	Number of banks	Deposits	Deposits		
Boston.....	104	2,000	3,204	1	714	714	3	386	386	21	698	1,205	55	189	797	24	13	102		
New York.....	124	13,248	17,470	11	11,856	12,671	4	562	1,363	21	617	1,874	62	196	1,308	26	17	254		
Philadelphia.....	288	2,406	3,129				7	1,229	1,229	25	605	726	146	509	874	110	63	300		
Cleveland.....	129	2,936	4,610				9	1,808	1,808	24	841	1,242	64	262	1,187	32	25	373		
Richmond.....	153	1,581	2,915				2	277	277	36	1,021	1,318	75	253	969	40	30	351		
Atlanta.....	115	1,407	2,891				2	260	260	26	907	1,154	68	226	1,125	19	14	352		
Chicago.....	454	6,621	9,121	3	2,684	2,684	7	1,651	1,781	58	1,305	1,626	258	890	2,244	128	91	786		
St. Louis.....	130	1,009	2,637				2	299	397	17	436	608	92	260	1,137	19	14	495		
Minneapolis.....	49	551	1,525				3	377	377	4	78	145	26	87	570	16	9	433		
Kansas City.....	375	1,650	2,960				1	120	120	24	847	920	201	573	1,237	149	110	683		
Dallas.....	117	1,216	2,790				1	131	131	24	901	1,264	58	162	1,132	34	22	263		
San Francisco.....	453	4,011	6,352				6	817	817	66	2,056	2,623	322	1,094	2,632	59	44	280		
U. S. Total....	2,491	38,636	59,604	15	15,254	16,069	47	7,917	8,946	346	10,312	14,705	1,427	4,701	15,212	656	452	4,672		
Percentage of total deposits included in sample.....			64.8			95.0					88.5				70.1			30.9		9.7

¹ Deposit figures are those of demand deposits of individuals, partnerships, and corporations.

of less than 5 million dollars. In the most recent survey, banks have been divided into five size groups. Groups I and II are the same as before but banks with deposits of less than 100 million dollars have been divided into: Group III, deposits of 10 to 100 million; Group IV, deposits of 1 to 10 million; and Group V, deposits of less than 1 million.

When the limits of any size group are widely separated, the possibility of getting a sample

more information about the smaller accounts, and the size categories for the classified accounts were made more uniform. Group I banks classified all accounts over \$100,000; Group II and III banks, all accounts over \$10,000 in three parts—accounts \$10,000 to \$25,000, accounts \$25,000 to \$100,000, and accounts over \$100,000; Group IV banks classified all accounts over \$3,000 in three parts—accounts \$3,000 to \$10,000, accounts \$10,000 to \$25,000, and those over \$25,000; and Group V banks classified all accounts over \$1,000 in three parts—accounts \$1,000 to \$3,000, accounts \$3,000 to \$10,000,

⁴ Wesley Haraldson of the Board's Division of Research and Statistics is primarily responsible for compilation of national figures and for the preparation of this article.

OWNERSHIP OF DEMAND DEPOSITS

and accounts over \$10,000. Because of the expanded coverage and the uniformity in reporting, it is felt that the results of this last survey are substantially more accurate than those of earlier ones; and it is on the basis of this more reliable sample that the published estimates resulting from the previous surveys have been revised.

Table VI indicates how the sample was divided by Federal Reserve district and by size of

bank. In all districts but one, more than 100 banks were included in the sample; and in the several size groups, the sample appears to be adequate. Of all banks in the United States with deposits of over 100 million dollars, all but seven reported—one Group I bank, and six Group II banks. Among the smaller banks the sample coverage was relatively lower than this, but the numbers involved and the geographical distribution were such as to insure representativeness.

CURRENT EVENTS

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 September 16, 1944, to October 15, 1944, inclusive:

Arkansas

Marianna—Farmers and Merchants Bank

Kentucky

Louisville—Citizens Fidelity Bank and Trust Company

Montana

Miles City—Miles City Bank, Miles City, Montana

New Jersey

Asbury Park—Asbury Park and Ocean Grove Bank

Oregon

Sherwood—The Citizens Bank of Sherwood

Wisconsin

Bloomer—Peoples State Bank of Bloomer

MEMBER BANK EARNINGS, FIRST HALF OF 1944

Member bank earnings, expenses, and profits increased substantially in the first half of 1944 as compared with the first half of 1943. Cash dividends also increased somewhat over recent comparable periods.

Interest and dividends on securities continued to increase and the amount of 453 million dollars for the first half of 1944 was larger than, or nearly as large as, the income from this source in any full year prior to 1942.¹ The annual rate of return on securities was unchanged at 1.5 per cent from the first half of 1943 and slightly higher than for the full year of 1943. This rate had been declining without interruption for several years.

The amount of earnings on loans showed only a slight decrease after a sizeable decrease in the first half of 1943 as compared with the first half of 1942. The annual rate of return, however, continued to decline. It was 3.3 per cent in the first half of 1944 as compared with 3.6 per cent a year earlier.

Salaries and wages increased by 19 million dollars to 253 million. Taxes, principally taxes

on income, increased by 38 million to 130 million. Interest payments on deposits showed an increase for the first time in several years and were up 7 million dollars to 68 million in the first half of 1944; the increase was due to a growth in time deposits, as the average rate paid declined further. Other expenses, including Federal Deposit Insurance Corporation insurance assessments, increased by 17 million.

The excess of recoveries and profits over losses and charge-offs in the first half of 1944 was 49 million dollars, as compared with 18 million in the first half of 1943 and with net losses in most previous years.

Net profits increased by 68 million dollars to 314 million, as compared with an increase of 76 million in the first half of 1943 over the first half of 1942. On an annual basis, net profits in the first half of 1944 were 9.5 per cent and net current earnings 8.0 per cent of total capital accounts as compared with 8.0 per cent and 7.4 per cent, respectively, in the corresponding period of 1943.

For detailed figures of earnings, expenses, etc., in the first half of 1943 and 1944, see page 1130 of this BULLETIN.

¹ Because of accessions to and withdrawals from membership and absorptions of member and nonmember banks, current figures are not, of course, fully comparable with back figures.

MEMBER BANK EARNINGS

[Amounts in millions of dollars]

Item	Year					First half					
	1939	1940	1941	1942	1943	1939	1940	1941	1942	1943	1944
Earnings—Total	1,296	1,323	1,417	1,487	1,650	633	649	681	726	783	901
Interest and dividends on securities.....	444	431	445	540	766	223	214	215	248	352	453
Earnings on loans ¹	560	595	665	*649	*563	272	290	318	329	*280	276
Service charges on deposit accounts.....	54	59	65	68	76	27	29	32	34	36	43
All other earnings ¹	237	238	242	*230	*245	111	116	116	115	*115	129
Expenses—Total ²	895	921	988	1,069	1,154	446	455	475	520	*555	636
Salaries and wages.....	388	400	426	461	487	190	195	204	223	234	253
Interest on time deposits.....	159	147	140	128	124	82	75	71	65	61	68
Taxes.....	85	100	129	149	200	43	49	57	78	92	130
All other expenses ³	262	273	293	331	344	131	136	143	154	*168	185
Net current earnings ²	401	402	429	418	496	187	194	206	206	*228	265
Recoveries, profits on securities sold, etc.....	327	303	278	188	312	191	143	129	86	129	164
Losses and charge-offs ²	380	356	318	223	251	187	175	137	122	*111	115
Net profits	347	349	390	383	557	191	162	198	170	246	314
Cash dividends declared ³	207	210	211	203	208	104	100	101	101	102	108
Number of banks at end of period.....	6,362	6,486	6,619	6,679	6,738	6,330	6,398	6,556	6,647	6,703	6,773

² Revised; see footnotes 1 and 2.

¹ Service charges and fees on loans (shown separately on p. 1130) are included in earnings on loans in the annual figures for 1942 and 1943, in the figures for the first half of 1943 and 1944, and in all other earnings in prior periods.

² Recurring depreciation on banking house, furniture and fixtures (shown separately on p. 1130) is included in expenses in the annual figures for 1942 and 1943, in the figures for the first half of 1943 and 1944, and in losses and charge-offs in prior periods.

³ Includes interest on capital notes and debentures.

NATIONAL SUMMARY OF BUSINESS CONDITIONS

Compiled October 24, and released for publication October 27. Figures shown on charts may differ from preliminary figures used in text.

Output at factories and mines in September and the early part of October was maintained close to the August level. Value of department store sales continued to show increases above last year. There were mixed movements in commodity prices with a sharp decline in the price of steel scrap.

INDUSTRIAL PRODUCTION

Industrial production in September was 231 per cent of the 1935-39 average, according to the Board's seasonally adjusted index, as compared with 232 in August and 230 in July.

Activity in most industries manufacturing durable goods showed slight decreases in September and there were further large declines in production of aluminum and magnesium. Steel output averaged 93.4 per cent of capacity, somewhat below the August rate, but showed an increase during the first 3 weeks of October. Easing of military demand for steel led to some increase in allocations for civilian production during the fourth quarter. Aircraft production and output in the automobile industry were maintained during September at the level of the preceding month.

Output of textile and leather products continued to increase in September from the reduced July level. Shoe production advanced to the

highest rate reached since the spring of 1942. Output of manufactured food products, as a group, was maintained at the level of the preceding month after allowance for seasonal change. Butter production continued about 15 per cent below last year. Hog slaughter declined further in September, while cattle slaughter continued to increase more than is usual at this season and reached a record rate for the wartime period—about 50 per cent above the 1935-39 average. Beverage distilleries resumed production of alcohol for industrial purposes in September after turning out an exceptionally large amount of whiskey and other distilled spirits during August.

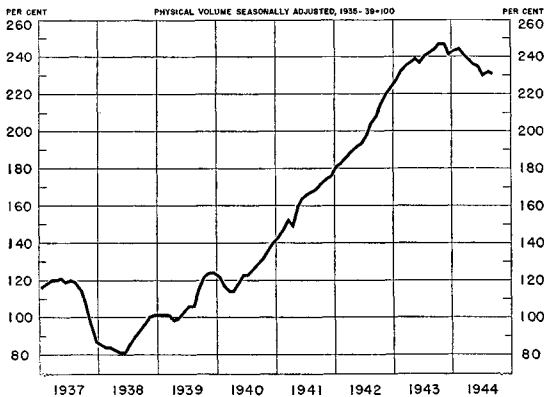
Crude petroleum production continued to rise in September, while output of coal and other minerals showed little change.

DISTRIBUTION

Department store sales in September showed about the usual large seasonal increase and were 14 per cent larger than a year ago. In the first half of October sales rose sharply and were 16 per cent above the high level that prevailed in the corresponding period last year, reflecting in part the greater volume of Christmas shopping prior to the overseas mailing deadline.

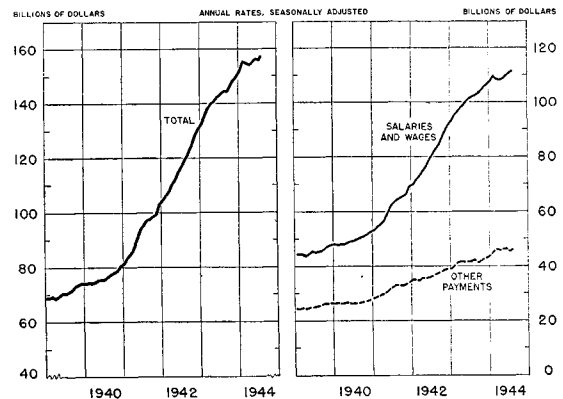
Carloadings of railway freight during Septem-

INDUSTRIAL PRODUCTION



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

INCOME PAYMENTS TO INDIVIDUALS



Based on Department of Commerce estimates. Wages and salaries include military pay. Monthly figures raised to annual rates, latest shown are for August.

NATIONAL SUMMARY OF BUSINESS CONDITIONS

ber and the first half of October were slightly lower than a year ago owing to decreases in shipments of raw materials, offset in part by increased loadings of war products and other finished goods.

COMMODITY PRICES

Prices of grains and some other farm products were higher in the third week of October than in the early part of September and there were scattered increases during this period in wholesale prices of industrial products. Prices of steel scrap and nonferrous metal scrap, however, declined; steel scrap was reduced from ceiling levels by \$3.40 per ton, or 18 per cent, to the lowest prices offered since August 1939.

AGRICULTURE

Crop production in 1944 will rank with 1942 when the largest production in history was harvested. Corn production is estimated at 3.2 billion bushels; this, together with other feed grains, wheat, and good pastures, will go far to prevent too rapid marketings of livestock. Commercial truck crops for the fresh market will not only exceed 1943 production but appear likely to exceed the 1942 record by about 11 per cent; deciduous fruit production is about 20 per cent above 1943, and citrus fruit production may equal or possibly exceed that of last year in spite of recent storm damage.

BANK CREDIT

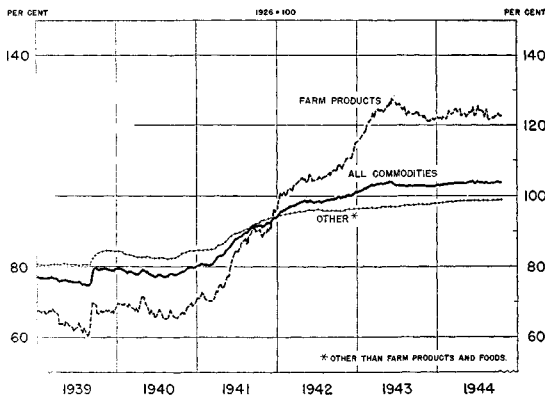
Expenditure by the Treasury of funds received during the Fifth War Loan Drive continued in large volume during the latter half of September and the first half of October, and United States

Government deposits at banks declined. Time deposits at weekly reporting banks in 101 leading cities rose by about 300 million dollars in the five weeks ended October 18, and demand deposits of business and individuals, which decreased somewhat in the latter part of September partly as a result of tax payments, increased again in October. Currency in circulation increased by 660 million dollars in the five weeks ended October 18. This unusually large outflow of currency may have been associated with purchases of overseas Christmas gifts during the period.

Reporting banks in 101 cities reduced their Government security holdings during the five weeks ended October 18 by about 900 million dollars. Treasury bill holdings declined by 370 million dollars and certificate holdings by 530 million. These sales were largely made to meet the currency drain and increased reserve requirements. During the same period the Reserve Banks purchased 680 million dollars in Government securities. Excess reserves continued to fluctuate during this period at a level of close to a billion dollars.

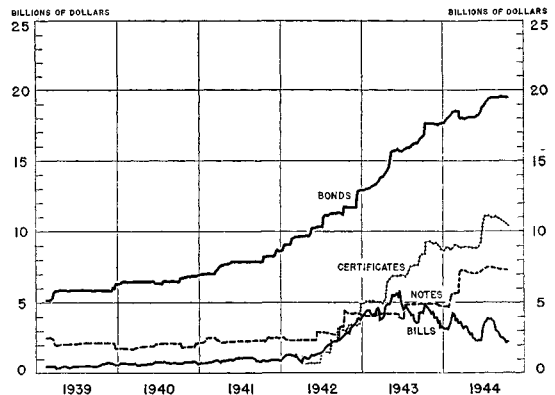
Commercial loans at weekly reporting banks increased steadily during September and early October. Loans to brokers and dealers in securities increased somewhat, reflecting in part large flotations of new corporate issues during the period. Loans to others for purchasing and carrying Government securities, although declining steadily, were in mid-October still about 280 million dollars above their predrive level in June.

WHOLESALE PRICES



Bureau of Labor Statistics' indexes. Weekly figures, latest shown are for week ending Oct. 21.

GOVERNMENT SECURITY HOLDINGS OF BANKS IN LEADING CITIES



Excludes guaranteed securities. Data not available prior to Feb. 8, 1939; certificates first reported on Apr. 15, 1942. Wednesday figures, latest shown are for Oct. 18.

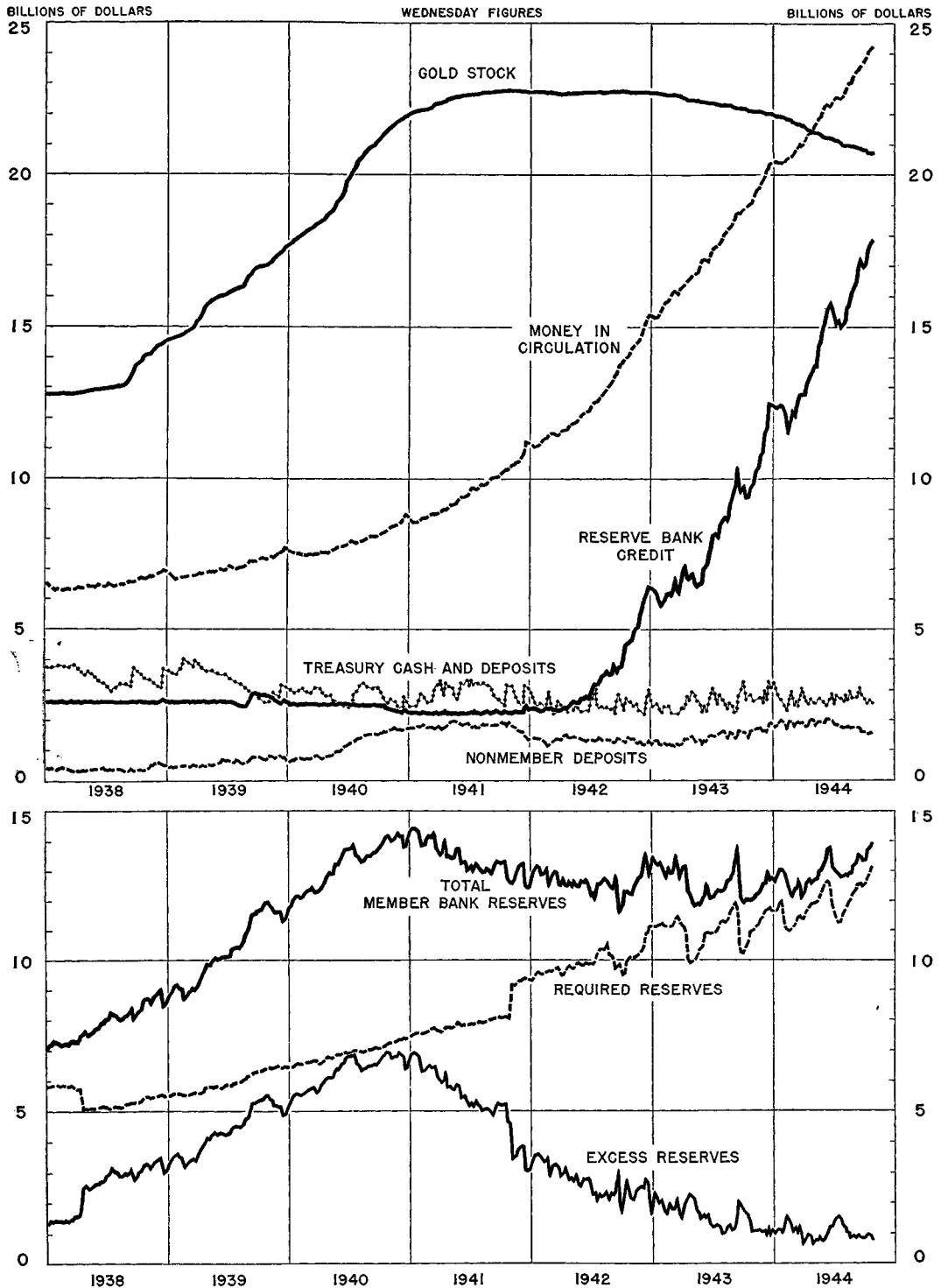
FINANCIAL, INDUSTRIAL, AND COMMERCIAL STATISTICS

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 for banking and monetary tables, together with descriptive text, may be obtained from the Board's publication, *Banking and Monetary Statistics*; back figures for most other tables may be obtained from earlier BULLETINS.

MEMBER BANK RESERVES AND RELATED ITEMS



Wednesday figures, latest shown are for Oct. 25. See p. 1083.

FEDERAL RESERVE BANK DISCOUNT RATES

[In effect October 31. Per cent per annum]

Federal Reserve Bank	Discounts for and advances to member banks						Advances to individuals, partnerships, or corporations other than member banks secured by direct obligations of the U. S. (last par. Sec. 13)			
	Advances secured by Government obligations maturing or callable in one year or less (Sec. 13)		Advances secured by Government obligations maturing or callable beyond one year and discounts of and advances secured by eligible paper (Secs. 13 and 13a) ¹		Other secured advances [Sec. 10(b)]		To nonmember banks		To others	
	Rate	Effective	Rate	Effective	Rate	Effective	Rate	Effective	Rate	Effective
Boston	1/2	Oct. 27, 1942	1	Sept. 1, 1939	1 1/2	Oct. 27, 1942	1	Sept. 1, 1939	2	Oct. 27, 1942
New York	1/2	Oct. 30, 1942	1	Aug. 25, 1939	1 1/2	Oct. 30, 1942	1	Aug. 25, 1939	2 1/2	Oct. 30, 1942
Philadelphia	1/2	Oct. 17, 1942	1	Mar. 21, 1942	1 1/2	Oct. 17, 1942	1	Mar. 21, 1942	2	Oct. 17, 1942
Cleveland	1/2	Oct. 27, 1942	1	Apr. 11, 1942	1 1/2	Sept. 12, 1942	1	Apr. 11, 1942	2	Oct. 27, 1942
Richmond	1/2	Oct. 28, 1942	1	Mar. 14, 1942	1 1/2	Oct. 28, 1942	1	Mar. 14, 1942	2 1/2	Oct. 28, 1942
Atlanta	1/2	Oct. 15, 1942	1	Mar. 21, 1942	1 1/2	Oct. 15, 1942	1	Sept. 16, 1939	2	Oct. 15, 1942
Chicago	1/2	Oct. 17, 1942	1	Feb. 28, 1942	1 1/2	Aug. 29, 1942	1	Sept. 1, 1939	2	Oct. 17, 1942
St. Louis	1/2	Oct. 27, 1942	1	Mar. 14, 1942	1 1/2	Mar. 14, 1942	1	Sept. 16, 1939	2	Oct. 27, 1942
Minneapolis	1/2	Oct. 30, 1942	1	Mar. 28, 1942	1 1/2	Oct. 30, 1942	1	Mar. 28, 1942	2 1/2	Oct. 30, 1942
Kansas City	1/2	Oct. 27, 1942	1	Apr. 11, 1942	1 1/2	Oct. 27, 1942	1	Sept. 16, 1939	2	Oct. 27, 1942
Dallas	1/2	Oct. 17, 1942	1	Mar. 21, 1942	1 1/2	Oct. 17, 1942	1	Sept. 16, 1939	2	Oct. 17, 1942
San Francisco	1/2	Oct. 28, 1942	1	Apr. 4, 1942	1 1/2	Oct. 28, 1942	1	Apr. 4, 1942	2 1/2	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. Back figures.—See *Banking and Monetary Statistics*, Tables 115-116, pp. 439-443.

FEDERAL RESERVE BANK BUYING RATES ON BILLS

[Per cent per annum]

Maturity	Rate on Oct. 31	In effect beginning—	Previous rate
Treasury bills ¹	3/8	Apr. 30, 1942	—
Bankers' acceptances: ²			
1-90 days	1/2	Oct. 20, 1933	1
91-120 days	3/4	Oct. 20, 1933	1
121-180 days	1	Oct. 20, 1933	1 1/4

¹ Established rate at which Federal Reserve Banks stand ready to buy all Treasury bills offered. Effective Aug. 3, 1942, purchases of such bills, if desired by the seller, were made on condition that the Reserve Bank, upon request before maturity, would sell back bills of like amount and maturity at the same rate of discount. Since May 15, 1943, all purchases have been made subject to repurchase option.

² Minimum buying rates on prime bankers' acceptances.

Back figures.—See *Banking and Monetary Statistics*, Table 117, pp. 443-445.

GUARANTEE FEES AND MAXIMUM INTEREST AND COMMITMENT RATES CHARGEABLE UNDER REGULATION V ON LOANS GUARANTEED BY WAR DEPARTMENT, NAVY DEPARTMENT, AND MARITIME COMMISSION UNDER EXECUTIVE ORDER NO. 9112 AND CONTRACT SETTLEMENT ACT OF 1944

[Rates in effect October 31]

FEES PAYABLE TO GUARANTOR BY FINANCING INSTITUTIONS

Percentage of loan guaranteed	Guarantee fee (In terms of percentage of amount of interest payable by borrower) ¹
80 or less	10
85	15
90	20
95	30
Over 95	50

MAXIMUM RATES THAT MAY BE CHARGED BORROWERS BY FINANCING INSTITUTIONS

[Per cent per annum]

Maximum rate of interest	4 1/2
Maximum commitment rate	2 1/4

¹ Guarantee fee is charged only on guaranteed portion of loan.

² Based on average daily unused balance of the maximum principal amount of the loan. The financing institution may, in the alternative, charge a flat fee of not to exceed \$50, without regard to the amount or maturity of the commitment.

FEDERAL RESERVE BANK RATES ON INDUSTRIAL LOANS AND COMMITMENTS UNDER SECTION 13b OF THE FEDERAL RESERVE ACT¹

Maturities not exceeding five years

[In effect October 31. Per cent per annum]

Federal Reserve Bank	To industrial or commercial businesses		To financing institutions		
	On loans ²	On commitments	On discounts or purchases		On commitments
			Portion for which institution is obligated	Re-maining portion	
Boston	2 1/2-5	1 1/2-1	(3)	(4)	1 1/2-1
New York	2 1/2-5	1 1/2-1 1/4	(3)	(4)	1 1/2-1 1/4
Philadelphia	2 1/2-5	1 1/2-1 1/4	(3)	(4)	1 1/2-1 1/4
Cleveland	2 1/2-5	1 1/2-1 1/4	(3)	(4)	6 1/2-1 1/4
Richmond	2 1/2-5	1 1/2-1 1/4	(3)	(4)	1 1/2-1 1/4
Atlanta	2 1/2-5	1 1/2-1 1/4	(3)	(4)	6 1/2-1 1/4
Chicago	2 1/2-5	1 1/2-1 1/4	2 1/2-5	2 1/2-5	1 1/2-1 1/4
St. Louis	2 1/2-5	1 1/2-1 1/4	1-1 1/2	(4)	1 1/2-1 1/4
Minneapolis	2 1/2-5	1 1/2-1 1/4	(3)	(4)	1 1/2-1 1/4
Kansas City	2 1/2-5	1 1/2-1 1/4	(3)	(4)	1 1/2-1 1/4
Dallas	2 1/2-5	1 1/2-1 1/4	(3)	(4)	6 1/2-1 1/4
San Francisco	2 1/2-5	1 1/2-1 1/4	(3)	(4)	6 1/2-1 1/4

¹ See table on maximum interest and commitment rates chargeable under Regulation V for rates on guaranteed Section 13b loans.

² Including loans made in participation with financing institutions.

³ Rate charged borrower less commitment rate.

⁴ Rate charged borrower.

⁵ May charge rate charged borrower by financing institution, if lower.

⁶ Charge of 1/4 per cent is made on undischursed portion of loan.

Back figures.—See *Banking and Monetary Statistics*, Table 118, pp. 446-447.

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	2 1/2	2 1/2
Postal savings deposits	3	2 1/2	2 1/2
Other deposits payable:			
In 6 months or more	3	2 1/2	2 1/2
In 90 days to 6 months	3	2 1/2	2
In less than 90 days	3	2 1/2	1

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

MEMBER BANK RESERVE REQUIREMENTS
[Per cent of deposits]

Period in effect	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	12½	5½
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
Oct. 3, 1942 and after	20	20	14	6

¹ Demand deposits subject to reserve requirements; i.e., demand deposits other than war loan deposits, minus cash items in process of collection and demand balances due from domestic banks.

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.

PRINCIPAL ASSETS AND LIABILITIES OF ALL FEDERAL RESERVE BANKS
[In thousands of dollars]

Item	Wednesday figures								End of month		
	1944								1944	1943	
	Oct. 25	Oct. 18	Oct. 11	Oct. 4	Sept. 27	Sept. 20	Sept. 13	Sept. 6	September	August	September
Assets											
Gold certificates on hand and due from U. S. Treasury	18,021,065	18,029,565	18,038,565	18,141,565	18,170,565	18,234,365	18,245,865	18,284,865	18,168,566	18,304,367	19,879,714
Redemption fund—F.R. notes	537,828	530,422	521,815	505,859	478,668	476,548	470,466	452,938	478,925	454,551	131,290
Other cash	261,547	254,216	241,776	260,311	264,510	264,495	264,279	261,292	267,054	269,408	333,061
Total reserves	18,820,440	18,814,203	18,802,156	18,907,735	18,913,743	18,975,408	18,980,610	18,999,095	18,914,545	19,028,326	20,344,065
Discounts and advances:											
For member banks	322,189	185,505	148,195	32,860	87,535	170,942	114,920	103,655	49,260	94,374	11,760
For nonmember banks, etc.	90	90			845	925	975	975	95	975	50
Total discounts and advances	322,279	185,595	148,195	32,860	88,380	171,867	115,895	104,630	49,355	95,349	11,810
Industrial loans	8,457	8,506	9,012	8,991	8,908	10,030	9,920	10,056	9,027	10,205	11,902
U. S. Government securities:											
Direct:											
Bills:											
Under repurchase option	4,788,647	4,878,713	5,090,887	4,830,773	4,832,077	5,085,163	5,096,582	4,814,485	4,828,734	4,582,622	4,247,874
Other	6,391,655	6,215,225	6,005,105	5,954,245	5,815,895	5,665,720	5,549,540	5,491,480	5,954,245	5,491,480	1,102,834
Certificates:											
Special:											
Other	3,741,490	3,673,990	3,602,990	3,564,490	3,542,490	3,468,990	3,418,990	3,381,990	3,559,490	3,381,990	1,347,250
Notes	1,093,371	1,072,871	1,070,871	1,064,871	1,069,371	1,069,371	1,073,371	1,073,371	1,064,871	1,077,871	687,400
Bonds	1,243,426	1,243,426	1,243,426	1,243,426	1,243,426	1,248,426	1,266,426	1,266,426	1,243,426	1,269,426	1,500,432
Guaranteed	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	33,116
Total U. S. Government securities, including guaranteed securities	17,261,089	17,086,725	17,015,779	16,660,305	16,501,259	16,540,170	16,407,409	16,030,252	16,653,266	15,805,889	8,918,906
Other Reserve Bank credit outstanding	307,154	514,367	329,757	396,731	343,977	514,439	382,322	363,565	401,469	289,402	441,407
Total Reserve Bank credit outstanding	17,898,979	17,795,193	17,502,743	17,098,887	16,942,524	17,236,506	16,915,546	16,508,503	17,113,117	16,200,845	9,384,025
Liabilities											
Federal Reserve notes	20,634,100	20,563,988	20,498,874	20,297,090	20,086,984	20,001,393	19,942,678	19,864,779	20,215,364	19,735,001	15,266,277
Deposits:											
Member bank—reserve account	13,940,041	13,814,484	13,707,851	13,432,723	13,354,988	13,444,623	13,526,087	13,221,142	13,548,132	13,071,563	11,864,260
U. S. Treasurer—general account	228,772	315,382	210,510	346,645	483,410	699,234	369,864	354,012	348,667	381,464	705,933
Foreign	1,244,554	1,238,113	1,221,160	1,245,236	1,262,346	1,405,487	1,406,259	1,404,088	1,254,479	1,401,168	1,220,733
Other deposits	361,555	359,795	347,089	367,012	364,616	352,923	358,940	364,238	357,076	351,825	414,969
Total deposits	15,774,922	15,727,774	15,486,610	15,391,616	15,465,360	15,902,267	15,661,150	15,343,480	15,508,354	15,206,020	14,205,895
Ratio of total reserves to deposit and F.R. note liabilities combined (per cent)	51.7	51.8	52.2	53.0	53.2	52.9	53.3	54.0	52.9	54.5	69.0

[†] Revised.

MATURITY DISTRIBUTION OF LOANS AND U. S. GOVERNMENT SECURITIES HELD BY FEDERAL RESERVE BANKS
[In thousands of dollars]

October 25, 1944	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
Discounts and advances	322,279	267,988	31,815	10,900	11,576					
Industrial loans	8,457	7,776	2	477	51	36	23	61	31	
U. S. Government securities, including guaranteed securities	17,261,089	2,240,451	1,716,478	4,153,905	3,547,648	1,602,871	2,167,140	87,200	888,602	856,794

DEPOSITS AND RESERVES OF MEMBER BANKS

[Averages of daily figures. In millions of dollars]

Class of bank and Federal Reserve district	Gross demand deposits				Demand deposits adjusted ²	Net demand deposits ³	Time deposits ⁴	Demand balances due from domestic banks	Reserves		
	Total	Inter-bank	U. S. Government war loan deposits ¹	Other					Held	Required	Excess
First half of September 1944											
All member banks.....	83,385	10,782	13,013	59,590	56,282	61,693	17,845	5,509	13,425	12,446	979
Central reserve city banks:											
New York.....	23,672	3,641	4,534	15,497	14,616	18,230	957	45	3,723	3,703	20
Chicago.....	5,448	1,052	959	3,436	3,236	4,119	570	170	865	858	7
Reserve city banks.....	31,244	5,034	4,600	21,611	19,945	23,293	7,158	1,730	5,351	5,088	263
Boston.....	2,149	292	451	1,406	1,331	1,578	123	46	330	323	7
New York.....	520	27	57	435	408	415	201	19	99	95	4
Philadelphia.....	2,325	325	391	1,609	1,516	1,775	152	66	373	364	9
Cleveland.....	4,013	508	598	2,908	2,719	3,058	911	172	695	666	29
Richmond.....	1,856	304	361	1,190	1,102	1,300	306	110	301	278	23
Atlanta.....	1,932	503	283	1,146	1,036	1,402	268	141	318	296	21
Chicago.....	4,029	437	625	2,967	2,785	2,960	1,215	268	690	665	26
St. Louis.....	1,778	495	241	1,041	936	1,334	221	99	288	280	8
Minneapolis.....	1,018	253	192	573	513	709	110	57	153	148	4
Kansas City.....	2,489	843	255	1,391	1,242	1,815	230	274	412	377	35
Dallas.....	1,913	473	221	1,219	1,126	1,387	197	215	334	289	45
San Francisco.....	7,223	572	924	5,726	5,231	5,558	3,224	263	1,357	1,305	52
Country banks.....	23,021	1,056	2,920	19,045	18,485	16,050	9,160	3,564	3,487	2,797	690
Boston.....	2,239	91	397	1,752	1,684	1,606	788	174	314	272	42
New York.....	3,550	73	576	2,900	2,788	2,584	2,134	285	580	490	90
Philadelphia.....	1,701	12	232	1,457	1,416	1,237	1,074	194	296	238	58
Cleveland.....	2,024	24	282	1,718	1,676	1,403	1,099	299	352	262	90
Richmond.....	1,836	179	227	1,430	1,359	1,222	554	328	255	204	51
Atlanta.....	1,832	197	232	1,403	1,358	1,232	410	335	240	197	43
Chicago.....	2,996	67	378	2,552	2,504	2,087	1,438	490	475	379	97
St. Louis.....	1,304	142	114	1,048	1,016	918	369	243	187	151	36
Minneapolis.....	956	65	105	786	766	662	429	170	147	118	29
Kansas City.....	1,511	71	113	1,327	1,310	1,003	202	384	207	153	55
Dallas.....	1,750	110	146	1,493	1,464	1,141	117	440	236	167	70
San Francisco.....	1,323	26	117	1,179	1,144	955	544	221	196	166	29
Second half of September 1944											
All member banks.....	82,875	10,913	11,864	60,098	56,672	62,172	18,124	5,525	13,526	12,541	985
Central reserve city banks:											
New York.....	23,395	3,735	4,093	15,567	14,559	18,254	980	56	3,733	3,710	23
Chicago.....	5,348	1,042	872	3,434	3,225	4,098	583	169	861	855	6
Reserve city banks.....	31,065	5,055	4,193	21,817	20,139	23,472	7,258	1,758	5,380	5,130	250
Boston.....	2,130	305	408	1,417	1,337	1,595	124	48	334	326	8
New York.....	518	27	53	438	413	421	203	20	103	96	6
Philadelphia.....	2,308	331	352	1,625	1,526	1,789	153	67	379	367	12
Cleveland.....	3,968	508	550	2,909	2,707	3,045	920	173	695	664	31
Richmond.....	1,834	323	326	1,185	1,098	1,317	309	107	299	282	17
Atlanta.....	1,912	497	256	1,159	1,049	1,411	272	139	310	298	11
Chicago.....	3,983	429	576	2,979	2,793	2,950	1,236	277	693	664	29
St. Louis.....	1,750	493	219	1,038	928	1,328	224	95	284	279	5
Minneapolis.....	1,001	253	173	575	517	712	111	59	151	149	2
Kansas City.....	2,474	833	233	1,408	1,256	1,814	234	278	410	377	33
Dallas.....	1,918	473	202	1,243	1,147	1,401	200	222	336	292	44
San Francisco.....	7,268	583	844	5,841	5,368	5,691	3,272	274	1,387	1,335	52
Country banks.....	23,067	1,081	2,706	19,280	18,749	16,349	9,304	3,542	3,553	2,847	706
Boston.....	2,217	93	364	1,759	1,693	1,607	796	183	311	273	38
New York.....	3,608	80	535	2,993	2,890	2,677	2,187	298	597	506	91
Philadelphia.....	1,709	12	214	1,482	1,440	1,255	1,085	200	309	241	68
Cleveland.....	2,023	28	263	1,731	1,690	1,427	1,116	293	362	267	95
Richmond.....	1,850	188	209	1,454	1,384	1,251	560	330	261	209	52
Atlanta.....	1,811	197	214	1,400	1,359	1,242	419	324	239	199	40
Chicago.....	2,991	66	353	2,573	2,528	2,119	1,459	480	488	384	104
St. Louis.....	1,304	142	107	1,055	1,025	934	375	236	188	153	35
Minneapolis.....	960	66	97	797	778	677	434	169	153	121	33
Kansas City.....	1,515	70	106	1,339	1,324	1,021	205	377	207	155	52
Dallas.....	1,751	113	135	1,503	1,475	1,164	118	430	236	170	66
San Francisco.....	1,328	26	108	1,194	1,163	975	550	219	201	170	32

¹ Figures do not include certain other demand deposits of the U. S. Government with member banks and, therefore, differ from figures for U. S. Government deposits shown in other published banking data. See also footnote 2.

² Preceding column minus so-called "float" (total cash items in process of collection) and estimate of U. S. Government deposits other than war loan accounts.

³ Demand deposits subject to reserve requirements; i.e., demand deposits other than war loan deposits, minus cash items in process of collection and demand balances due from domestic banks.

⁴ Includes some interbank and U. S. Government *time* deposits; the amounts on call report dates are shown in the *Member Bank Call Report*.

UNITED STATES MONEY IN CIRCULATION, BY DENOMINATIONS
 [Outside Treasury and Federal Reserve Banks. In millions of dollars]

End of year and month	Total in circulation ¹	Coin and small denomination currency ²						Large denomination currency ²						Unassorted		
		Total	Coin	\$1 ³	\$2	\$5	\$10	\$20	Total	\$50	\$100	\$500	\$1,000		\$5,000	\$10,000
1933	5,519	4,167	442	402	33	719	1,229	1,342	1,360	364	618	125	237	8	10	8
1934	5,536	4,292	452	423	32	771	1,288	1,326	1,254	337	577	112	216	5	7	10
1935	5,882	4,518	478	460	33	815	1,373	1,359	1,369	358	627	122	239	7	16	5
1936	6,543	5,021	517	499	35	906	1,563	1,501	1,530	399	707	135	265	7	18	8
1937	6,550	5,015	537	505	33	905	1,560	1,475	1,542	387	710	139	288	6	12	7
1938	6,856	5,147	550	524	34	946	1,611	1,481	1,714	409	770	160	327	17	32	5
1939	7,598	5,553	590	559	36	1,019	1,772	1,576	2,048	460	919	191	425	20	32	2
1940	8,732	6,247	648	610	39	1,129	2,021	1,800	2,489	538	1,112	227	523	30	60	4
1941	11,160	8,120	751	695	44	1,355	2,731	2,545	3,044	724	1,433	261	556	24	46	4
1942	15,410	11,576	880	801	55	1,693	4,051	4,096	3,837	1,019	1,910	287	586	9	25	3
1943—January	15,590	11,665	869	773	54	1,678	4,107	4,183	3,928	1,047	1,962	293	592	10	25	3
February	16,088	12,065	877	786	56	1,718	4,279	4,349	4,026	1,079	2,013	298	599	11	25	3
March	16,250	12,121	890	791	56	1,713	4,280	4,391	4,129	1,104	2,069	306	616	11	23	1
April	16,660	12,428	904	804	58	1,741	4,391	4,531	4,232	1,131	2,128	312	621	15	26	1
May	17,114	12,789	914	824	59	1,785	4,526	4,681	4,326	1,159	2,186	319	630	10	22	1
June	17,421	12,960	929	834	61	1,793	4,565	4,778	4,462	1,195	2,259	329	648	10	21	2
July	17,955	13,334	943	843	62	1,836	4,719	4,931	4,622	1,237	2,347	341	667	10	20	2
August	18,529	13,715	960	858	64	1,878	4,853	5,102	4,816	1,293	2,453	353	687	9	22	2
September	18,844	13,891	970	866	64	1,887	4,893	5,211	4,951	1,327	2,535	360	698	11	20	2
October	19,250	14,135	987	872	65	1,902	4,962	5,347	5,118	1,366	2,636	373	713	11	20	3
November	19,918	14,598	1,006	886	68	1,950	5,127	5,561	5,323	1,416	2,761	388	729	10	19	2
December	20,449	14,871	1,019	909	70	1,973	5,194	5,705	5,580	1,481	2,912	407	749	9	22	2
1944—January	20,529	14,817	1,013	880	69	1,940	5,174	5,742	5,715	1,509	2,992	418	767	9	21	3
February	20,824	15,004	1,018	877	70	1,952	5,255	5,832	5,823	1,534	3,054	426	777	9	22	3
March	21,115	15,100	1,029	881	70	1,951	5,265	5,905	6,017	1,576	3,152	444	814	9	22	1
April	21,552	15,342	1,039	885	70	1,964	5,344	6,040	6,212	1,618	3,270	456	836	9	23	1
May	22,160	15,731	1,055	903	72	2,003	5,498	6,198	6,431	1,668	3,371	473	887	9	23	2
June	22,504	15,925	1,065	906	72	2,010	5,544	6,326	6,581	1,699	3,458	481	912	9	22	2
July	22,699	16,034	1,077	910	73	2,016	5,569	6,388	6,667	1,722	3,516	487	911	9	22	2
August	23,292	16,410	1,092	921	75	2,053	5,706	6,562	6,884	1,780	3,642	502	929	9	22	2
September	23,794	16,715	1,105	937	75	2,078	5,789	6,731	7,081	1,829	3,765	516	939	9	22	2

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

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

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

Back figures.—See *Banking and Monetary Statistics*, Table 112, pp. 415-416.

UNITED STATES MONEY, OUTSTANDING AND IN CIRCULATION, BY KINDS

[On basis of circulation statement of United States money. In millions of dollars]

	Total outstanding Sept. 30, 1944	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		Sept. 30, 1944	Aug. 31, 1944	Sept. 30, 1943
Gold	20,825	18,701	2,124					
Gold certificates	18,701			15,832	2,815	53	53	56
Federal Reserve notes	20,794		118		659	20,017	19,527	15,146
Treasury currency—total	4,112	\$1,807	121		267	3,724	3,711	3,642
Standard silver dollars	494	287	97		2	109	107	89
Silver bullion	1,520	1,520						
Silver certificates and Treasury notes of 1890	\$1,807				219	1,588	1,583	1,596
Subsidiary silver coin	754		15		14	725	716	641
Minor coin	283		6		4	272	269	246
United States notes	347		2		21	323	324	320
Federal Reserve Bank notes	589		(^b)		6	582	587	622
National bank notes	126		(^b)		1	125	125	130
Total—September 30, 1944	(⁴)	20,508	2,363	15,832	3,742	23,794		
August 31, 1944	(⁴)	20,618	2,374	15,943	3,715		23,292	
September 30, 1943	(⁴)	21,930	2,267	17,195	3,807			18,844

¹ Outside Treasury and Federal Reserve Banks. Includes any paper currency held outside the continental limits of the United States; totals for other end-of-month dates shown in table above, totals by weeks in table on p. 1083, and seasonally adjusted figures in table on p. 1092.

² Includes \$1,800,000,000 Exchange Stabilization Fund, \$143,918,161 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 To avoid duplication, amount of silver dollars and bullion held as security against silver certificates and Treasury notes of 1890 outstanding is not included in total Treasury currency outstanding.

⁴ Because some of the types of money shown are held as collateral or reserves against other types, a grand total of all types has no special significance and is not shown. See note for explanation of these duplications. ⁵ Less than \$500,000.

NOTE.—There are 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, 1945, 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 pledged as collateral may be counted as reserves. "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.

DEPOSITS AND CURRENCY—ADJUSTED DEPOSITS OF ALL BANKS AND CURRENCY OUTSIDE BANKS
 [Figures partly estimated. In millions of dollars]

End of month	Total deposits adjusted and currency outside banks	Total demand deposits adjusted and currency outside banks	Total deposits adjusted	Demand deposits adjusted ¹	United States Government deposits ²	Time deposits				Currency outside banks
						Total	Commercial banks ^{3,4}	Mutual savings banks ⁴	Postal Savings System ⁵	
1929—June.....	55,171	26,179	51,532	22,540	381	28,611	19,557	8,905	149	3,639
December.....	54,713	26,366	51,156	22,809	158	28,189	19,192	8,838	159	3,557
1933—June.....	41,680	19,172	36,919	14,411	852	21,656	10,849	9,621	1,186	4,761
December.....	42,548	19,817	37,766	15,035	1,016	21,715	11,019	9,488	1,208	4,782
1937—June.....	57,258	30,687	51,769	25,198	666	25,905	14,513	10,125	1,267	5,489
December.....	56,639	29,597	51,001	23,959	824	26,218	14,779	10,170	1,269	5,638
1938—June.....	56,565	29,730	51,148	24,313	599	26,236	14,776	10,209	1,251	5,417
December.....	58,955	31,761	53,180	25,986	889	26,305	14,776	10,278	1,251	5,775
1939—June.....	60,943	33,360	54,938	27,355	792	26,791	15,097	10,433	1,261	6,005
December.....	64,099	36,194	57,698	29,793	846	27,059	15,258	10,523	1,278	6,401
1940—June.....	66,952	38,661	60,253	31,962	828	27,463	15,540	10,631	1,292	6,699
December.....	70,761	42,270	63,436	34,945	753	27,738	15,777	10,658	1,303	7,325
1941—June.....	74,153	45,521	65,949	37,317	753	27,879	15,928	10,648	1,303	8,204
December.....	78,231	48,607	68,616	38,992	1,895	27,729	15,884	10,532	1,313	9,615
1942—June.....	81,963	52,806	71,027	41,870	1,837	27,320	15,610	10,395	1,315	10,936
December.....	99,701	62,868	85,755	48,922	8,402	28,431	16,352	10,664	1,415	13,946
1943—June.....	110,161	71,853	94,347	56,039	8,048	30,260	17,543	11,141	1,576	15,814
1943—August.....	114,500	78,500	97,600	61,600	4,700	31,300	18,300	11,300	1,700	16,900
September.....	119,800	72,000	102,600	54,800	16,300	31,500	18,400	11,400	1,700	17,200
October.....	123,700	74,000	106,100	56,400	17,900	31,800	18,600	11,500	1,700	17,600
November.....	123,500	77,900	105,200	59,600	13,300	32,300	18,900	11,600	1,800	18,300
December.....	122,812	79,652	103,975	60,815	10,424	32,736	19,213	11,737	1,786	18,837
1944—January.....	125,300	81,400	106,400	62,500	10,700	33,200	19,500	11,900	1,800	18,900
February.....	128,600	77,300	109,400	58,100	17,600	33,700	19,800	12,000	1,900	19,200
March.....	127,900	79,100	108,400	59,600	14,700	34,100	20,100	12,000	1,900	19,500
April.....	127,500	82,000	107,600	62,100	10,900	34,600	20,500	12,200	1,900	19,900
May.....	128,000	85,600	107,500	65,100	7,100	35,300	21,000	12,300	2,000	20,500
June.....	136,169	86,946	115,288	60,065	19,506	35,717	21,217	12,468	2,032	20,881
July ^p	139,200	82,600	118,100	61,500	20,300	36,300	21,600	12,600	2,100	21,100
August ^p	139,000	85,900	117,300	64,200	16,100	37,000	22,200	12,700	2,100	21,700

^p Preliminary.
¹ Includes demand deposits, other than interbank and United States Government, less cash items in process of collection.
² Beginning with December 1938, includes United States Treasurer's time deposits, open account.
³ Excludes interbank time deposits and postal savings redeposited in banks.
⁴ Beginning with June 1941, the commercial bank figures exclude and the mutual savings bank figures include three member mutual savings banks.
⁵ Includes both amounts redeposited in banks and amounts not so redeposited; excludes amounts at banks in possessions.
 Note.—Except on call dates, figures are rounded to nearest 100 million dollars. See *Banking and Monetary Statistics*, p. 11, for description and Table 9, pp. 34-35, for back figures.

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—Dec.....	1,207	1,237	540	597	467	130	100
1935—Dec.....	1,201	1,237	287	853	706	147	98
1936—Dec.....	1,260	1,296	145	1,058	892	167	93
1937—Dec.....	1,270	1,308	131	1,097	931	167	80
1938—Dec.....	1,252	1,291	86	1,132	965	166	73
1939—Dec.....	1,279	1,319	53	1,192	1,046	146	74
1940—Dec.....	1,304	1,348	36	1,224	1,078	146	88
1941—Dec.....	1,314	1,396	26	1,274	1,128	146	95
1942—Dec.....	1,417	1,464	16	1,345	1,220	126	102
1943—Oct.....	1,716	1,773	10	1,646	1,646	.....	117
Nov.....	1,752	1,812	19	1,678	1,678	.....	125
Dec.....	1,788	1,843	10	1,716	1,716	.....	118
1944—Jan.....	1,833	1,891	9	1,719	1,719	.....	162
Feb.....	1,867	1,926	9	1,783	1,783	.....	135
Mar.....	1,906	1,964	9	1,823	1,823	.....	132
Apr.....	1,947	2,008	9	1,870	1,870	.....	129
May.....	1,994	2,053	9	1,912	1,912	.....	132
June.....	2,034	2,095	9	1,951	1,951	.....	135
July.....	2,084	2,147	8	2,006	2,006	.....	133
Aug.....	^p 2,140	.....	.....	.....	.....	.....	.....
Sept.....	^p 2,196	.....	.....	.....	.....	.....	.....

^p Preliminary.
¹ Outstanding principal, represented by certificates of deposit.
² Includes working cash with postmasters, 5 per cent reserve fund and miscellaneous working funds with Treasurer of United States, accrued interest on bond investments, and accounts due from late postmasters.
 Back figures.—See *Banking and Monetary Statistics*, p. 519; for description, see p. 508 in the same publication.

BANK SUSPENSIONS¹

End of month	Total, all banks	Member banks		Nonmember banks	
		National	State	Insured ²	Non-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.....	4	2	.....	2	.....
1944—Jan.-Oct..	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.....	6,223	4,982	.....	1,241	.....
1944—Jan.-Oct..	405	.....	.....	405	.....

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 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 *Banking and Monetary Statistics*, pp. 283-292; for description, see pp. 281-282 in the same publication.

ALL BANKS IN THE UNITED STATES, BY CLASSES—Continued
LOANS, INVESTMENTS, DEPOSITS, AND NUMBER OF BANKS

[Amounts in millions of dollars]

Class of banks, and call dates	Loans and investments					Deposits				Number of banks
	Total	Loans	Investments			Total ¹	Inter-bank ¹	Other		
			Total	U. S. Government obligations	Other securities			Demand	Time	
All nonmember commercial banks:										
1934—June 30	5,567	3,177	2,390	895	1,495	5,732	205	2,551	2,976	8,978
1937—June 30	6,733	3,147	3,586	1,874	1,712	7,607	281	3,888	3,438	8,619
1940—June 29	6,697	3,445	3,252	1,831	1,421	8,410	498	4,225	3,687	8,006
1941—June 30	6,973	3,627	3,346	2,018	1,328	8,969	512	4,805	3,651	7,752
December 31	7,208	3,693	3,515	2,251	1,264	9,539	464	5,470	3,605	7,661
1942—June 30 ^{2, 4}	6,856	3,334	3,522	2,314	1,208	8,915	316	5,046	3,553	7,584
December 31	8,135	3,132	5,003	3,829	1,174	10,864	318	6,872	3,674	7,460
1943—June 30	9,486	2,840	6,647	5,482	1,165	12,076	343	7,884	3,849	7,373
December 31	10,855	2,832	8,022	6,902	1,120	13,671	457	9,122	4,092	7,299
1944—June 30	12,162	2,929	9,232	8,105	1,127	14,870	316	10,100	4,453	7,239
Insured nonmember commercial banks:										
1934—June 30	4,513	2,667	1,846	592	1,254	4,821	80	2,037	2,704	7,564
1937—June 30	5,479	2,756	2,723	1,275	1,448	6,334	96	3,010	3,228	7,526
1940—June 29	5,379	3,042	2,337	1,178	1,159	6,689	104	3,161	3,423	7,081
1941—June 30	5,534	3,183	2,350	1,293	1,057	7,104	110	3,595	3,400	6,869
December 31	5,774	3,241	2,533	1,509	1,025	7,702	129	4,215	3,358	6,810
1942—June 30	5,849	2,995	2,854	1,837	1,017	7,754	105	4,353	3,296	6,755
December 31	6,984	2,818	4,166	3,162	1,004	9,535	145	5,981	3,409	6,667
1943—June 30	8,123	2,570	5,553	4,557	996	10,557	129	6,839	3,589	6,598
December 31	9,258	2,556	6,702	5,739	962	11,842	149	7,870	3,823	6,535
1944—June 30	10,360	2,648	7,712	6,752	960	12,880	135	8,573	4,172	6,494
Noninsured nonmember commercial banks:										
1934—June 30	1,054	510	544	303	241	911	125	514	272	1,414
1937—June 30	1,254	391	863	599	264	1,273	185	878	210	1,093
1940—June 29	1,318	403	915	653	262	1,721	394	1,064	264	925
1941—June 30	1,439	444	996	725	271	1,865	402	1,210	251	883
December 31	1,434	452	982	742	239	1,837	335	1,255	247	851
1942—June 30 ^{2, 4}	1,007	339	668	477	191	1,161	211	693	257	829
December 31	1,151	314	837	667	170	1,329	173	891	265	793
1943—June 30	1,363	270	1,094	925	169	1,519	214	1,045	260	775
December 31	1,596	276	1,320	1,162	158	1,829	307	1,252	269	764
1944—June 30	1,801	281	1,520	1,353	168	1,990	182	1,527	281	745
All mutual savings banks:										
1934—June 30	9,810	5,606	4,204	971	3,233	9,691			9,691	576
1937—June 30	10,093	4,978	5,115	2,391	2,724	10,125			10,125	563
1940—June 29	10,188	4,926	5,262	3,113	2,149	10,631			10,631	551
1941—June 30 ²	10,321	4,958	5,363	3,426	1,937	10,648			10,648	550
December 31	10,379	4,905	5,474	3,700	1,774	10,532			10,532	548
1942—June 30	10,360	4,822	5,538	3,891	1,647	10,395			10,395	547
December 31	10,746	4,698	6,048	4,559	1,489	10,664			10,664	546
1943—June 30	11,248	4,581	6,666	5,290	1,376	11,141			11,141	545
December 31	11,868	4,479	7,389	6,096	1,293	11,737			11,737	545
1944—June 30	12,976	4,411	8,565	7,308	1,257	12,468			12,468	544
Insured mutual savings banks:										
1934—June 30	1,022	576	446	120	325	1,040			1,040	66
1937—June 30	969	470	499	252	247	1,002			1,002	56
1940—June 29	1,317	598	719	420	299	1,428			1,428	51
1941—June 30 ²	1,655	641	1,015	569	446	1,803			1,803	53
December 31	1,693	642	1,050	629	421	1,789			1,789	52
1942—June 30	1,800	692	1,108	686	422	1,864			1,864	53
December 31	2,007	740	1,267	861	405	2,048			2,048	56
1943—June 30	2,704	1,013	1,691	1,264	427	2,739			2,739	61
December 31	7,525	3,073	4,452	3,844	608	7,534			7,534	184
1944—June 30	8,489	3,112	5,377	4,752	625	8,235			8,235	192
Noninsured mutual savings banks:										
1934—June 30	8,788	5,030	3,758	851	2,908	8,651			8,651	510
1937—June 30	9,124	4,508	4,616	2,139	2,477	9,123			9,123	507
1940—June 29	8,871	4,328	4,543	2,693	1,850	9,203			9,203	500
1941—June 30	8,666	4,317	4,348	2,857	1,491	8,845			8,845	497
December 31	8,686	4,263	4,424	3,071	1,353	8,743			8,743	496
1942—June 30	8,560	4,130	4,430	3,205	1,225	8,531			8,531	494
December 31	8,739	3,958	4,781	3,698	1,084	8,616			8,616	490
1943—June 30	8,544	3,568	4,975	4,026	949	8,402			8,402	484
December 31	4,343	1,405	2,937	2,252	685	4,203			4,203	361
1944—June 30	4,487	1,299	3,188	2,556	632	4,233			4,233	352

For footnotes see opposite page.

CORRECTION

In the table of Member Bank Operating Ratios on pp. 932-934 of the BULLETIN for September 1944, the following change should be made: On p. 933 insert a plus sign before the figure "2.6" in the seventh column (size group 5-10 million) opposite the item "net charge-offs, etc." (23d line of stub).

WEEKLY REPORTING MEMBER BANKS—NEW YORK CITY AND OUTSIDE—Continued
RESERVES AND LIABILITIES

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

Date or month	Re-serves 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 debts 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>Total 101 Cities</i>																	
1943—Sept.....	9,063	546	2,314	33,418	33,629	1,775	734	7,326	5,781	122	48	8,984	48	783	69	4,171	60,227
<i>New York City</i>																	
1943—Sept.....	3,362	85	24	12,548	12,899	205	371	3,196	698	22	2	2,899	1	704	55	1,632	24,377
<i>Outside New York City</i>																	
1943—Sept.....	5,701	461	2,290	20,870	20,730	1,570	363	4,130	5,083	100	46	6,085	47	79	14	2,539	35,850
<i>1944—</i>																	
May.....	5,587	453	1,999	22,222	21,803	1,758	322	3,627	5,735	111	42	5,463	38	84	90	2,660	31,104
June.....	5,829	482	2,154	22,450	22,153	1,730	357	4,059	5,843	108	41	5,857	37	85	73	2,673	38,023
July.....	5,573	471	2,315	20,929	20,838	1,524	365	8,419	5,915	103	38	5,966	35	84	24	2,687	32,934
Aug.....	5,605	455	2,142	21,676	21,414	1,578	316	7,362	6,064	105	39	5,887	35	82	32	2,700	30,988
Sept.....	5,794	469	2,099	22,545	22,402	1,574	352	5,663	6,220	105	39	5,983	33	83	42	2,719	31,882
Aug. 2.....	5,516	448	2,152	21,249	20,975	1,602	340	8,046	5,988	104	38	5,838	36	85	19	2,693	7,784
Aug. 9.....	5,537	448	2,166	21,370	21,054	1,571	301	7,738	6,035	102	39	5,944	35	79	21	2,696	6,554
Aug. 16.....	5,619	444	2,213	21,645	21,585	1,550	314	7,453	6,070	104	39	6,022	35	79	23	2,698	7,085
Aug. 23.....	5,632	458	2,106	21,876	21,574	1,580	302	6,983	6,102	106	39	5,851	35	82	57	2,703	6,960
Aug. 30.....	5,720	481	2,072	22,238	21,879	1,586	323	6,593	6,128	107	39	5,779	35	83	42	2,708	6,570
Sept. 6.....	5,744	444	2,055	22,371	22,146	1,567	330	6,058	6,162	106	39	5,951	33	83	43	2,713	6,123
Sept. 13.....	5,860	480	2,146	22,742	22,794	1,565	372	5,636	6,199	106	39	6,069	34	82	39	2,714	7,208
Sept. 20.....	5,796	468	2,105	22,602	22,448	1,577	362	5,448	6,242	104	39	6,001	34	84	51	2,723	8,236
Sept. 27.....	5,774	485	2,093	22,468	22,223	1,587	341	5,510	6,274	105	39	5,911	34	83	37	2,726	7,555
Oct. 4.....	5,812	457	2,089	22,643	22,215	1,576	370	5,226	6,370	102	39	6,066	34	81	20	2,737	7,968
Oct. 11.....	5,951	472	2,059	22,464	22,787	1,551	324	4,657	6,415	103	39	6,150	33	79	45	2,743	6,831
Oct. 18.....	5,956	489	2,171	23,220	23,237	1,532	373	4,198	6,453	104	39	6,281	37	82	35	2,742	7,436
Oct. 25.....	6,025	492	2,073	23,712	23,523	1,598	346	3,830	6,485	103	39	6,116	34	84	61	2,744	7,818

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

² Monthly and weekly totals of 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
1943—June	143	140	102	62	40	38	82	10	(³)	36	12
July	150	139	102	64	38	36	81	12	(³)	35	10
August	156	130	94	59	36	36	77	10	(³)	33	11
September	170	117	84	50	33	33	69	7	(³)	30	11
October	188	115	88	48	39	27	67	9	(³)	29	10
November	203	111	88	53	35	23	59	11	(³)	31	9
December	202	117	90	52	38	27	66	11	(³)	30	9
1944—January	209	120	94	55	38	27	71	12	(³)	29	9
February	214	135	106	57	49	29	83	12	(³)	32	8
March	195	129	100	52	48	30	79	12	(³)	31	7
April	172	126	96	51	45	29	77	12	(³)	30	7
May	151	113	90	49	41	24	71	10	(³)	28	4
June	137	112	87	44	43	25	74	11	(³)	24	3
July	143	110	88	46	41	23	72	12	(³)	24	2
August	141	110	82	44	38	28	75	10	(³)	22	3
September	141	111	85	42	43	26	78	11	(³)	19	3

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 *Banking and Monetary Statistics*, Table 127, pp. 465-467; for description, see p. 427.

**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—June	496	9	86	180	309	240	56	16	4	189
December	543	7	154	160	378	270	54	15	4	182
1943—June	761	9	190	167	529	334	66	15	7	212
September	⁸ 820				⁷ 770	³ 320				
October	⁸ 830				⁷ 740	³ 330				
November	⁷ 800				⁶ 600	³ 340				
December	788	11	188	181	557	354	65	14	5	198
1944—January	⁷ 780				⁵ 560	³ 370				
February	⁸ 800				⁶ 650	³ 370				
March	⁸ 820				⁶ 630	³ 380				
April	⁷ 800				⁶ 600	³ 390				
May	⁷ 790				⁵ 550	⁴ 400				
June	887	5	253	196	619	424	95	15	11	216
July	⁹ 940				⁶ 660	⁴ 420				
August	⁹ 940				⁶ 630	⁴ 410				
September	⁹ 940				⁶ 640	⁴ 400				

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 *Banking and Monetary Statistics*, Table 143, pp. 501-502, for monthly figures prior to 1942, and Table 144, p. 503, for data in detail at semiannual dates prior to 1942.

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
1941 average.....	.54	.44	1.00	.103		.76
1942 average.....	.66	.44	1.00	.326		1.13
1943 average.....	.69	.44	1.00	.373	.75	1.31
1943—September.....	.69	.44	1.00	.375	.77	1.31
October.....	.69	.44	1.00	.375	.78	1.31
November.....	.69	.44	1.00	.375	.77	1.29
December.....	.69	.44	1.00	.375	.77	1.30
1944—January.....	.69	.44	1.00	.374	.78	1.30
February.....	.69	.44	1.00	.375	.78	1.32
March.....	.69	.44	1.00	.375	.80	1.36
April.....	.69	.44	1.00	.375	.78	1.36
May.....	.75	.44	1.00	.375	.77	1.35
June.....	.75	.44	1.00	.375	.79	1.34
July.....	.75	.44	1.00	.375	.77	1.31
August.....	.75	.44	1.00	.375	.76	1.30
September.....	.75	.44	1.00	.375	.79	1.31
Week ending:						
Sept. 30.....	$\frac{3}{4}$	$\frac{3}{8}$	1.00	.375	.80	1.34
Oct. 7.....	$\frac{3}{4}$	$\frac{3}{8}$	1.00	.375	.80	1.35
Oct. 14.....	$\frac{3}{4}$	$\frac{3}{8}$	1.00	.376	.80	1.35
Oct. 21.....	$\frac{3}{4}$	$\frac{3}{8}$	1.00	.375	.80	1.34
Oct. 28.....	$\frac{3}{4}$	$\frac{3}{8}$	1.00	.375	.79	1.34

¹ Monthly figures are averages of weekly prevailing rates.
² The average rate on 90-day stock exchange time loans was 1.25 per cent during the entire period.
³ Rate on new issues offered within period. Tax-exempt bills prior to March 1941; taxable bills thereafter.
⁴ Number of issues decreased from 2 to 1 on Sept. 15.
 Back figures.—See *Banking and Monetary Statistics*, Tables 120-123, pp. 448-462; for description, see pp. 424-426.

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
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
1943 average.....	2.72	2.30	2.80	3.13
1940—March.....	2.65	2.03	2.67	3.35
June.....	2.59	2.00	2.49	3.48
September.....	2.68	2.14	2.56	3.33
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
June.....	3.00	2.70	2.98	3.38
September.....	2.48	2.05	2.71	2.73
December.....	2.65	2.10	2.76	3.17
1944—March.....	2.63	2.10	2.75	3.12
June.....	2.63	2.23	2.55	3.18
September.....	2.69	2.18	2.82	3.14

¹ Prior to March 1939 figures were reported monthly on a basis not strictly comparable with the current quarterly series.
 Back figures.—See *Banking and Monetary Statistics*, Tables 124-125, pp. 463-464; for description, see pp. 426-427.

BOND YIELDS¹
[Per cent per annum]

Year, month, or week	U. S. Government			Municipal (high grade) ²	Corporate (high grade) ³	Total	Corporate (Moody's) ⁴							
	Long-term partially tax-exempt	Taxable					Total	By rating				By groups		
		7 to 9 years	15 years and over					Aaa	Aa	A	Baa	Industrial	Railroad	Public utility
Number of issues.....	1-5	1-5	1-6	15	5	120	30	30	30	30	40	40	40	
1941 average.....	2.05			2.10	2.67	3.34	2.77	2.94	3.30	4.33	2.95	3.95	3.11	
1942 average.....	2.09	1.93	2.46	2.36	2.75	3.34	2.83	2.98	3.28	4.28	2.96	3.96	3.11	
1943 average.....	1.98	1.96	2.47	2.06	2.64	3.16	2.73	2.86	3.13	3.91	2.85	3.64	2.99	
1943—September.....	1.90	1.97	2.48	1.92	2.59	3.11	2.69	2.82	3.10	3.83	2.82	3.56	2.96	
October.....	1.90	1.98	2.48	1.88	2.60	3.11	2.70	2.83	3.10	3.82	2.82	3.55	2.96	
November.....	1.94	2.00	2.48	1.90	2.61	3.13	2.71	2.84	3.11	3.83	2.85	3.56	2.98	
December.....	1.95	2.00	2.49	2.00	2.63	3.14	2.74	2.87	3.13	3.82	2.86	3.56	3.00	
1944—January.....	1.95	1.99	2.49	1.92	2.65	3.11	2.72	2.83	3.11	3.76	2.83	3.51	2.99	
February.....	1.93	1.96	2.49	1.85	2.65	3.10	2.74	2.83	3.10	3.72	2.83	3.49	2.98	
March.....	1.91	1.95	2.48	1.84	2.64	3.09	2.74	2.82	3.10	3.70	2.83	3.48	2.97	
April.....	1.94	1.95	2.48	1.85	2.61	3.08	2.74	2.82	3.09	3.68	2.83	3.45	2.97	
May.....	1.94	1.95	2.49	1.86	2.58	3.06	2.73	2.81	3.07	3.63	2.81	3.41	2.97	
June.....	1.91	1.95	2.49	1.87	2.58	3.05	2.73	2.81	3.07	3.59	2.79	3.40	2.96	
July.....	1.89	1.95	2.49	1.84	2.59	3.04	2.72	2.80	3.05	3.57	2.79	3.37	2.95	
August.....	1.90	1.93	2.48	1.82	2.57	3.02	2.71	2.79	3.04	3.55	2.79	3.34	2.94	
September.....	1.93	1.92	2.47	1.83	2.55	3.03	2.72	2.79	3.05	3.56	2.79	3.35	2.94	
Week ending:														
Sept. 30.....	1.94	1.92	2.48	1.84	2.55	3.03	2.72	2.80	3.04	3.56	2.79	3.35	2.95	
Oct. 7.....	1.93	1.93	2.48	1.84	2.54	3.03	2.72	2.80	3.03	3.56	2.79	3.35	2.95	
Oct. 14.....	1.92	1.93	2.48	1.87	2.54	3.02	2.72	2.80	3.02	3.55	2.79	3.33	2.95	
Oct. 21.....	1.92	1.93	2.48	1.88	2.55	3.02	2.72	2.81	3.01	3.54	2.78	3.32	2.97	
Oct. 28.....	1.94	1.94	2.48	1.88	2.57	3.03	2.73	2.82	3.01	3.54	2.79	3.31	2.98	

¹ Revised.
² Monthly and weekly data are averages of daily figures, except for municipal bonds, which are based on Wednesday figures.
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 5 and 10 to 6 issues, respectively, and the railroad Aaa group from 10 to 5 issues.
⁶ Number of issues decreased from 5 to 4 on Sept. 15.
 Back figures.—See *Banking and Monetary Statistics*, Tables 128-129, pp. 468-474.

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.....	1,062	1,043	474	287	187	396	366	138	35	
1943.....	1,170	1,147	308	141	167	739	667	73	27	
1942—December.....	34	33	16	15	1	17	13	4		
1943—January.....	111	111	4		4	6	6	1		
February.....	50	49	12	10	2	34	34	3		
March.....	96	94	42	7	34	45	38	6		
April.....	115	112	14	3	11	97	94	2	2	
May.....	95	93	41	14	26	49	49	1	2	
June.....	96	94	16	10	6	55	36	19	10	
July.....	90	88	3		3	63	44	20		
August.....	110	108	16	13	3	83	81	2		
September.....	70	69	12	6	6	51	41	10	5	
October.....	142	139	10	4	5	105	101	4	22	
November.....	199	197	119	64	55	71	66	6	1	
December.....	116	113	20	8	12	81	77	4	5	
1944—January.....	154	150	34	23	11	114	54	60	2	
February.....	97	95	49	18	31	33	32	1	8	
March.....	203	199	48	32	16	147	129	18	3	
April.....	155	150	53	24	28	93	55	38	1	
May.....	148	146	23	17	6	120	115	5	3	
June.....	163	160	23	8	15	117	103	13	18	
July.....	192	188	60	36	24	122	109	13	6	
August.....	229	226	57	24	33	166	147	19	3	
September.....	438	429	27	17	10	395	357	38	5	

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

Year or month	Railroad				Public utility				Industrial				Other			
	Total net proceeds	New money	Retirement of securities	All other purposes ⁴	Total net proceeds	New money	Retirement of securities	All other purposes ⁴	Total net proceeds	New money	Retirement of securities	All other purposes ⁴	Total net proceeds	New money	Retirement of securities	All other purposes ⁴
1934.....	172	21	120	31	130	11	77	42	62	25	34	2	20			19
1935.....	120	57	54	10	1,250	30	1,190	30	774	74	550	150	122	46	72	4
1936.....	774	139	558	77	1,987	63	1,897	27	1,280	439	761	80	390	218	152	20
1937.....	338	228	110	1	751	89	611	50	1,079	616	373	90	71	57	7	1
1938.....	54	24	30		1,208	180	943	86	831	469	226	136	16	8	9	5
1939.....	182	85	97		1,246	43	1,157	47	584	188	353	43	102	9	88	3
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		464	145	292	27	527	293	89	146	4	4		
1943.....	160	46	114		469	72	423	25	497	228	199	71	21	13	4	4
1942—December.....	4	4			27	10	17		3	2	1					
1943—January.....	8	8			39	2	34	2	11	4	6	1				
February.....	15	5	10		23	2	20	1	57	35	15	7				
March.....	21	3	18		59	(7)	57	2	32	11	22					
April.....	14	14			39		38	1	29	20	7	2	12	7	4	
May.....	29		29		11	10	1		34	7	3					
June.....	7		7		22		1		60	3	36	21	(7)	(7)		
July.....	6	6			60	1	53	6	39	9	30	1	3			2
August.....	4	4			49	4	41	4	16	4	10	2	(7)	(7)		
September.....	28		28		53	2	50	2	57	7	27	22	1	1		
October.....	26	3	23		38		38		131	115	11	6	2	1		1
November.....	3	3			78	1	71	6	29	13	10	6	3	3		
December.....																
1944—January.....	8	8			61		61		81	26	53	2				
February.....	9	9			30		30		55	40	3	12				
March.....	29	29			140	6	134		28	14	11	4	2		2	
April.....					28		28		118	49	65	3	4	3		1
May.....	2	2			58		58		85	19	62	4	1	1		
June.....	45	4	41		24		23	1	58	17	22	19	33	2	31	
July.....	21	21			58	5	52		109	34	70	5				
August.....	134	19	115		26		24	2	66	38	27	2				
September.....	189	10	179		149	5	138	6	85	10	75		6	2	4	

¹ Revised.

² Estimates of new issues sold for cash in the United States. Current figures subject to revision.

³ Gross proceeds are derived by multiplying principal amounts or number of units by offering price.

⁴ Estimated net proceeds are equal to estimated gross proceeds less cost of flotation, i.e., compensation to underwriters, agents, etc., and expenses.

⁵ Includes repayment of other debt and other purposes.

Source.—Securities and Exchange Commission; for compilations of back figures, see *Banking and Monetary Statistics* (Table 138, p. 491), a publication of the Board of Governors.

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 producing 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.....	1,792	226	159	209	202	138	90	151	152	164	136	165	883	88	552
1943.....	1,823	205	168	201	203	128	83	163	185	169	144	173	902	86	555
Quarterly															
1940-1.....	422	47	33	69	41	33	14	34	34	46	41	29	246	21	136
2.....	412	51	39	53	36	29	21	38	30	45	41	30	230	21	158
3.....	396	79	34	17	33	30	25	33	25	52	39	29	211	22	158
4.....	588	101	52	103	63	40	28	43	24	51	39	44	342	25	217
1941-1.....	510	86	44	79	53	39	23	36	29	49	44	29	286	22	150
2.....	549	84	48	73	56	36	28	43	42	53	48	36	297	23	165
3.....	560	81	46	60	56	38	30	44	56	52	49	46	284	23	170
4.....	550	72	55	61	62	40	32	37	46	52	46	48	276	24	221
1942-1.....	419	52	38	46	⁵¹	36	19	32	35	39	39	32	204	21	134
2.....	364	52	35	25	⁴⁸	32	18	32	27	35	27	34	174	23	135
3.....	451	51	36	46	⁴⁹	34	22	42	42	41	35	52	211	20	125
4.....	557	72	49	92	⁵⁴	36	30	44	49	48	35	47	294	23	158
1943-1.....	437	53	39	47	⁵⁴	34	19	39	36	42	36	39	208	21	127
2.....	441	48	42	49	⁵²	32	22	40	42	41	35	38	221	22	132
3.....	464	51	41	52	⁵¹	31	20	42	49	41	37	49	227	21	127
4.....	481	53	46	53	⁴⁶	32	23	42	58	46	36	47	245	23	169
1944-1.....	452	47	40	52	⁵⁸	29	20	40	49	42	36	39	222	20	142
2.....	462	46	44	60	⁵⁴	30	23	35	51	44	39	37	226	22	149

PUBLIC UTILITY CORPORATIONS
 [In millions of dollars]

Year or quarter	Railroad ²					Electric power ³				Telephone ⁴		
	Operating revenue	Income before income tax ⁵	Net income ¹		Dividends	Operating revenue	Income before income tax ⁵	Net income ¹	Dividends	Operating revenue	Net income ¹	Dividends
			All roads	Insolvent roads								
1939.....	3,995	126	93	-102	126	2,647	629	535	444	1,067	191	175
1940.....	4,297	249	189	-73	159	2,797	692	548	447	1,129	194	178
1941.....	5,347	674	500	23	186	3,029	774	527	437	1,235	178	172
1942.....	7,466	1,658	902	147	202	3,216	847	490	408	1,362	163	163
1943.....	9,054	2,209	874	187	216	3,464	914	502	410	1,537	180	166
Quarterly												
1940-1.....	986	-3	-12	-29	25	709	187	148	(?)	274	49	44
2.....	1,010	15	3	-33	29	675	161	128	(?)	281	50	44
3.....	1,130	92	71	-14	29	682	156	123	(?)	281	45	44
4.....	1,171	145	127	3	78	731	188	149	(?)	294	50	46
1941-1.....	1,152	96	69	-5	28	751	209	154	(?)	295	43	44
2.....	1,272	145	103	0	36	723	182	126	(?)	308	44	45
3.....	1,468	267	189	23	34	750	183	107	(?)	311	45	44
4.....	1,454	166	138	5	87	805	200	139	(?)	321	46	40
1942-1.....	1,483	178	90	12	24	816	234	131	98	324	41	44
2.....	1,797	390	198	37	46	770	196	104	96	337	41	42
3.....	2,047	556	286	60	30	792	195	105	84	342	39	39
4.....	2,139	534	327	38	101	839	222	150	131	359	43	38
1943-1.....	2,091	513	209	52	28	864	254	136	96	366	42	40
2.....	2,255	605	239	56	49	835	221	118	98	383	44	42
3.....	2,368	653	249	55	39	859	210	114	96	389	45	43
4.....	2,340	438	177	25	100	906	228	133	120	400	48	41
1944-1.....	2,273	458	148	27	31	930	263	135	94	400	42	42
2.....	2,363	511	174	22	55	889	242	123	102	406	43	42

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

² Class I line-haul railroads, covering about 95 per cent of all railroad operations.

³ New series, Class A and B electric utilities covering about 95 per cent of all electric power operations. Figures include affiliated nonelectric operations.

⁴ Thirty large companies, covering about 85 per cent of all telephone operations. (During 1942, two companies formerly reporting separately were merged with another in the group.) Series excludes American Telephone and Telegraph Company, the greater part of whose income consists of dividends received on stock holdings in the 30 companies.

⁵ After all charges and taxes except Federal income and excess profits taxes.

⁶ Partly estimated.

⁷ Not available.

Sources.—Interstate Commerce Commission for railroads; Federal Power Commission for electric utilities (nonelectric operations and quarterly figures prior to 1942 are partly estimated); Federal Communications Commission for telephone companies (except dividends); published reports for industrial companies and for telephone dividends. Figures for the current and preceding year subject to revision, especially for war producers whose contracts are under renegotiation. For description of data and back figures, see pp. 214-217 of the March 1942 BULLETIN.

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			
1942—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
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—June.....	26,708	7,685	556	515	1,565	22	1,788	1,674	6,310	5,343	4,101	1,333	6,022	14,812	440
1943—September...	26,284	7,557	497	501	1,722	7	1,487	1,470	7,234	5,809	4,081	1,274	5,560	14,929	441
October.....	27,218	7,487	493	486	1,784	6	1,850	1,602	7,115	6,395	4,125	1,285	5,867	15,501	440
November.....	27,788	7,459	492	493	1,833	6	1,963	1,611	7,309	6,622	4,180	1,308	5,788	16,073	439
December.....	28,625	7,444	486	524	1,895	23	1,926	1,624	7,512	7,191	4,239	1,342	5,874	16,732	438
1944—January.....	29,508	7,410	470	580	1,942	23	1,951	1,645	7,588	7,899	4,277	1,332	5,247	18,216	435
February.....	29,791	7,411	452	516	2,099	23	2,062	1,658	7,753	7,817	4,226	1,322	4,956	18,853	435
March.....	30,263	7,366	442	526	2,090	23	2,140	1,677	7,829	8,170	2,273	1,326	4,950	21,280	433
April.....	31,083	7,304	439	518	2,161	23	2,455	1,671	7,985	8,527	2,274	1,302	5,589	21,484	435
May.....	31,153	7,220	436	628	1,750	6	2,379	1,685	8,042	9,007	1,672	1,427	5,623	21,996	435
June.....	31,666	7,188	433	610	1,701	6	2,970	1,702	8,392	9,664	1,766	1,413	6,185	21,858	443
July.....	31,097	7,081	423	575	1,578	6	1,866	3,742	8,496	7,330	1,571	1,229	5,863	21,990	444
August.....	32,690	6,959	411	593	1,592	7	2,175	3,747	9,220	7,986	1,572	1,200	6,360	23,114	444

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 Adm.	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 Adm.	Farm Security Adm.			
December.....	8,127	1,557	1,568	129	94	211	366	1,603	507	238	145	242	237	446	346	122	316
1943—June.....	7,685	1,483	1,441	90	98	73	317	1,489	463	296	102	228	245	447	344	129	440
1943—September...	7,557	1,460	1,383	130	99	67	317	1,431	437	269	148	222	237	433	345	136	443
October.....	7,487	1,432	1,366	127	100	66	317	1,406	423	251	189	228	232	427	345	140	438
November.....	7,459	1,427	1,354	116	99	65	318	1,381	412	240	215	278	229	421	345	136	423
December.....	7,444	1,413	1,338	110	101	65	318	1,358	403	243	235	330	226	416	347	136	405
1944—January.....	7,410	1,393	1,318	115	103	64	319	1,332	394	242	238	378	224	416	347	141	386
February.....	7,411	1,393	1,300	114	107	63	319	1,315	389	253	221	409	227	417	348	142	394
March.....	7,366	1,379	1,279	99	110	62	319	1,290	381	301	197	408	231	419	349	142	400
April.....	7,304	1,355	1,260	83	110	61	320	1,274	376	302	171	400	233	408	350	217	384
May.....	7,220	1,348	1,240	72	112	61	318	1,258	370	297	152	391	233	400	350	220	398
June.....	7,188	1,335	1,220	128	114	60	310	1,245	367	304	143	347	233	403	348	223	408
July.....	7,081	1,331	1,199	136	110	59	310	1,228	360	301	140	318	232	393	349	223	392
August.....	6,959	1,320	1,177	114	101	56	307	1,211	354	292	132	301	229	395	352	223	395

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	
																1942—June.....	1,473	144	472	857	378	167	103	225	96	151	302	2,041	1,068	262	141
December.....	1,557	167	460	930	366	152	102	207	57	531	290	3,469	1,363	227	128	
1943—June.....	1,483	148	426	909	354	108	94	193	350	800	445	4,963	1,045	191	111	
1943—September...	1,460	138	423	899	345	63	88	187	196	832	272	5,784	1,196	152	102	
October.....	1,432	136	406	890	343	64	87	186	489	778	397	6,016	865	136	98	
November.....	1,427	134	405	888	341	63	88	174	533	734	522	6,231	873	111	94	
December.....	1,413	131	398	884	338	63	85	168	488	728	542	6,423	897	96	96	
1944—January.....	1,393	129	396	868	334	54	82	161	575	702	513	6,582	827	85	94	
February.....	1,393	127	395	871	329	47	76	160	553	665	684	6,789	795	76	93	
March.....	1,379	113	392	874	325	47	70	153	607	656	724	6,915	757	66	91	
April.....	1,355	104	384	867	322	47	70	153	615	652	1,035	7,094	741	57	93	
May.....	1,348	99	381	868	319	47	70	148	587	622	1,022	7,184	720	47	91	
June.....	1,335	87	381	867	316	47	70	145	550	574	701	7,395	861	36	100	
July.....	1,331	84	381	866	312	41	70	143	448	559	716	7,530	839	30	97	
August.....	1,320	83	363	874	305	35	71	143	788	544	700	7,599	1,502	24	95	

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 are reported quarterly and amounted to 1,973 million dollars on June 30, 1944.

FACTORY EMPLOYMENT AND PAY ROLLS, BY INDUSTRIES—Continued
(Without Seasonal Adjustment)
[Index numbers of the Bureau of Labor Statistics, 1939 = 100]

Industry and group	Factory employment							Factory pay rolls						
	1943		1944					1943			1944			
	Aug.	Sept.	May	June	July	Aug.	Sept.	July	Aug.	Sept.	May	June	July	Aug.
<i>Printing and Publishing</i>	102.9	100.7	100.3	100.8	101.6	101.1	100.0	127.0	128.8	128.9	135.0	137.4	138.0	137.9
Newspaper periodicals.....	94	95	93	93	93	93	.....	112	113	115	116	117	117	118
Book and job.....	106	102	104	*105	107	106	.....	133	135	133	145	*150	152	149
<i>Chemical and Allied Products</i>	257.0	256.1	205.6	202.9	202.7	204.7	205.7	435.7	435.8	438.4	360.2	*355.4	*355.5	357.7
Paints, varnishes, and colors.....	107	105	106	106	107	106	.....	158	160	156	167	169	167	169
Drugs, medicines, and insecticides.....	170	169	186	185	182	181	.....	232	236	242	271	267	263	262
Rayon and allied products.....	109	109	107	108	109	110	.....	169	168	170	174	174	174	176
Chemicals, n.e.c.....	169	171	173	172	171	170	.....	277	281	286	297	*297	*298	295
Cottonseed oil.....	87	134	88	78	75	81	.....	133	145	244	170	149	*144	154
Fertilizers.....	100	105	120	104	99	102	.....	189	198	214	267	228	225	227
<i>Products of Petroleum and Coal</i>	119.7	119.0	122.8	124.4	126.7	127.3	126.2	190.3	197.1	195.0	212.6	215.7	223.0	220.7
Petroleum refining.....	113	113	120	122	124	125	.....	180	185	182	205	208	216	214
Coke and by-products.....	112	111	106	106	*107	107	.....	175	185	187	183	188	192	187
<i>Rubber Products</i>	160.3	161.2	159.7	157.8	157.4	158.1	159.2	256.1	258.4	273.4	280.8	279.0	277.2	285.4
Rubber tires and inner tubes.....	165	169	167	165	166	169	.....	253	254	277	283	279	281	294
Rubber boots and shoes.....	150	144	140	135	132	131	.....	247	250	247	249	246	237	233
Rubber goods, other.....	141	140	141	140	139	138	.....	228	232	239	248	251	245	247
<i>Miscellaneous Industries</i>	166.4	165.1	155.1	154.8	153.5	152.0	150.6	291.4	294.5	297.1	295.8	297.3	288.9	286.0
Photographic apparatus.....	178	178	169	169	172	167	.....	264	269	271	274	273	272	271
Games, toys, and dolls.....	86	84	83	85	88	91	.....	133	145	142	160	167	170	182

* Revised.

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

Group	1943					1944								
	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.
Total.....	169.6	168.3	170.1	170.9	169.1	167.8	166.9	164.1	161.5	159.6	158.8	*157.6	156.8	*154.3
Durable.....	230.0	230.0	232.2	234.0	232.8	230.3	228.8	225.3	221.1	218.2	216.4	*213.7	212.5	*208.7
Nondurable.....	121.9	119.6	121.1	121.2	118.9	118.4	118.1	116.0	114.5	113.4	113.3	*113.5	112.9	*111.5

* Preliminary. * Revised.

NOTE.—Indexes based on Bureau of Labor Statistics data. For back figures see p. 14 of January 1943 BULLETIN, and p. 1187 of December 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)							
	1943		1944					1943		1944					
	July	Aug.	Apr.	May	June	July	Aug.	July	Aug.	Apr.	May	June	July	Aug.	
<i>All Manufacturing</i>	44.4	45.1	45.0	45.3	*45.4	*44.6	45.1	96.3	96.5	101.3	101.7	*101.7	*101.8	101.6	
<i>Durable Goods</i>	46.0	46.8	46.5	46.6	*46.8	*45.7	46.6	106.0	106.0	111.0	111.2	111.3	*111.7	111.1	
Iron and Steel and Products.....	45.5	46.6	46.5	46.8	*46.8	46.0	46.7	103.5	103.7	107.7	107.7	*108.1	*108.7	107.6	
Electrical Machinery.....	46.2	46.9	46.2	46.3	*46.6	*45.7	46.2	97.0	97.4	101.4	102.1	*102.6	103.3	103.3	
Machinery Except Electrical.....	48.1	48.8	48.8	48.7	49.1	47.5	48.4	106.3	106.4	111.5	111.6	112.2	112.3	112.0	
Transportation Equipment Except.....															
Automobiles.....	46.8	47.0	47.1	47.4	47.3	46.8	47.4	119.4	119.9	126.1	126.4	126.2	*126.5	126.9	
Automobiles.....	46.0	47.1	46.4	45.5	45.9	*43.7	45.0	124.3	121.9	126.2	126.6	*127.5	*129.1	126.2	
Nonferrous Metals and Products.....	46.1	46.6	46.6	46.6	47.1	*46.0	46.6	101.5	101.7	104.5	104.7	104.9	*105.2	104.7	
Lumber and Timber Basic Products.....	42.7	45.2	43.2	43.3	44.5	*42.4	44.6	73.8	74.6	78.8	79.8	79.9	*79.6	80.3	
Furniture and Finished Lumber Products.....	43.6	44.6	43.7	44.4	*44.6	*43.6	44.8	74.5	75.0	80.5	81.2	*81.3	*81.6	82.0	
Stone, Clay, and Glass Products.....	41.8	43.4	43.2	43.7	43.9	42.4	43.9	84.9	85.4	89.1	89.3	89.4	89.9	89.5	
<i>Nondurable Goods</i>	42.2	42.6	42.5	43.2	*43.3	43.0	43.0	80.6	81.1	85.0	85.8	*86.1	86.2	86.4	
Textiles—Mill and Fiber Products.....	40.9	41.3	41.2	41.6	42.0	41.7	41.8	66.4	66.5	70.1	71.0	71.2	71.0	71.1	
Apparel and other Finished Products.....	37.1	37.8	37.3	38.1	38.2	37.3	37.7	70.5	72.7	77.0	77.2	78.4	78.5	80.7	
Leather and Manufactures.....	39.1	40.0	41.1	41.3	*41.6	*41.2	41.1	74.4	75.0	79.0	80.0	80.2	*80.1	80.5	
Food and Kindred Products.....	44.3	44.1	44.8	45.8	45.9	45.6	44.9	79.9	80.4	84.5	85.4	*85.1	*84.5	84.4	
Tobacco Manufactures.....	42.1	41.1	39.0	42.0	42.3	42.4	42.3	65.1	65.8	69.1	69.8	70.6	70.9	71.5	
Paper and Allied Products.....	44.6	45.6	45.5	46.0	*46.3	45.7	46.2	79.7	80.4	83.7	84.2	*84.5	*84.7	84.7	
Printing, Publishing, and Allied Industries.....	40.2	40.6	40.6	40.9	*41.3	41.2	41.1	99.7	100.2	105.9	107.2	*107.5	*107.2	108.0	
Chemicals and Allied Products.....	45.3	45.6	45.6	46.0	*45.8	*45.6	45.6	93.0	92.8	94.4	95.4	*95.8	*96.5	96.1	
Products of Petroleum and Coal.....	44.9	46.2	46.3	47.0	46.8	*46.9	46.9	113.9	113.7	117.4	117.4	118.1	*120.0	117.9	
Rubber Products.....	44.1	44.3	44.7	45.1	45.2	*45.0	45.6	101.9	101.5	107.5	108.7	*109.2	*109.4	110.2	
Miscellaneous Industries.....	45.6	45.8	45.8	46.1	46.1	45.2	45.3	88.1	88.5	94.7	95.2	*95.8	95.6	95.5	

* Revised.

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

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
1939.....	30,353	10,078	845	1,753	2,912	6,618	4,160	3,988
1940.....	31,784	10,780	916	1,722	3,013	6,906	4,310	4,136
1941.....	35,668	12,974	947	2,236	3,248	7,378	4,438	4,446
1942.....	38,447	15,051	970	2,078	3,433	7,263	4,447	5,203
1943.....	39,728	16,924	891	1,259	3,619	7,030	4,115	5,890
SEASONALLY ADJUSTED								
1940—April.....	31,047	10,395	908	1,561	2,976	6,822	4,281	4,104
May.....	31,204	10,402	907	1,641	2,996	6,847	4,293	4,118
June.....	31,377	10,458	908	1,736	2,998	6,865	4,300	4,112
July.....	31,590	10,570	912	1,756	3,009	6,895	4,312	4,136
August.....	31,840	10,776	914	1,723	3,015	6,936	4,328	4,148
September.....	32,169	11,017	918	1,758	3,025	6,951	4,341	4,159
October.....	32,485	11,181	920	1,825	3,041	7,005	4,357	4,156
November.....	32,993	11,409	925	1,971	3,054	7,043	4,395	4,196
December.....	33,397	11,589	926	2,135	3,076	7,076	4,393	4,202
1941—January.....	33,638	11,720	938	2,243	3,072	7,065	4,366	4,234
February.....	33,973	11,934	935	2,256	3,082	7,123	4,374	4,269
March.....	34,406	12,174	943	2,260	3,131	7,192	4,397	4,309
April.....	34,441	12,456	943	2,133	3,161	7,266	4,438	4,344
May.....	35,269	12,776	949	2,176	3,224	7,302	4,441	4,401
June.....	35,758	13,032	970	2,239	3,254	7,388	4,441	4,434
July.....	36,277	13,342	981	2,256	3,292	7,495	4,442	4,469
August.....	36,597	13,473	997	2,258	3,330	7,579	4,458	4,502
September.....	36,774	13,580	1,000	2,327	3,331	7,548	4,454	4,534
October.....	36,892	13,642	1,003	2,295	3,355	7,537	4,472	4,588
November.....	36,991	13,752	1,004	2,248	3,369	7,526	4,479	4,613
December.....	36,864	13,748	1,002	2,115	3,367	7,487	4,493	4,652
1942—January.....	37,057	13,879	996	2,102	3,372	7,481	4,520	4,707
February.....	37,195	14,041	981	2,090	3,357	7,414	4,491	4,821
March.....	37,391	14,255	976	2,055	3,382	7,331	4,523	4,869
April.....	37,724	14,463	982	2,054	3,402	7,319	4,541	4,963
May.....	37,981	14,649	982	2,048	3,419	7,280	4,521	5,082
June.....	38,204	14,865	981	2,057	3,419	7,206	4,532	5,144
July.....	38,581	15,143	982	2,077	3,433	7,210	4,520	5,216
August.....	39,042	15,442	973	2,101	3,448	7,222	4,518	5,338
September.....	39,171	15,644	962	2,077	3,448	7,227	4,382	5,431
October.....	39,452	15,798	954	2,136	3,484	7,224	4,330	5,526
November.....	39,597	16,048	944	2,095	3,503	7,132	4,255	5,620
December.....	39,898	16,333	933	2,041	3,525	7,136	4,229	5,701
1943—January.....	39,934	16,506	927	1,899	3,540	7,133	4,146	5,783
February.....	39,935	16,682	924	1,734	3,556	7,064	4,146	5,829
March.....	40,066	16,831	915	1,604	3,574	7,110	4,121	5,911
April.....	39,891	16,858	908	1,476	3,588	7,006	4,110	5,945
May.....	39,740	16,837	893	1,358	3,597	6,988	4,102	5,965
June.....	39,775	16,908	893	1,263	3,620	7,017	4,112	5,962
July.....	39,876	17,059	888	1,164	3,634	7,061	4,127	5,943
August.....	39,737	17,097	878	1,082	3,639	7,015	4,110	5,916
September.....	39,475	17,051	876	1,020	3,633	7,006	4,079	5,810
October.....	39,486	17,108	869	936	3,671	7,006	4,078	5,818
November.....	39,526	17,152	859	891	3,683	7,000	4,119	5,822
December.....	39,479	16,995	863	864	3,687	6,962	4,127	5,981
1944—January.....	39,454	16,910	862	830	3,720	7,096	4,170	5,866
February.....	39,352	16,819	862	786	3,780	7,043	4,173	5,889
March.....	*39,123	*16,642	852	737	3,780	7,046	*4,165	5,901
April.....	*38,865	*16,391	848	719	3,763	6,982	4,257	5,905
May.....	38,749	16,203	843	673	3,768	6,997	4,363	5,902
June.....	*38,766	16,093	848	677	3,765	7,012	*4,475	5,896
July.....	*38,699	*16,012	833	*653	*3,753	*7,084	*4,505	5,859
August.....	38,651	*15,959	830	640	3,761	7,049	4,514	5,898
September.....	38,388	15,771	824	635	3,732	7,058	4,480	5,888
UNADJUSTED								
1943—July.....	39,921	17,059	888	1,222	3,689	6,920	4,230	5,913
August.....	39,860	17,182	882	1,169	3,694	6,875	4,172	5,886
September.....	39,678	17,136	880	1,091	3,688	6,936	4,079	5,868
October.....	39,718	17,194	873	1,002	3,689	7,076	4,037	5,847
November.....	39,847	17,238	863	918	3,683	7,245	4,078	5,822
December.....	40,197	17,080	867	829	3,669	7,554	4,127	6,071
1944—January.....	38,965	16,825	858	764	3,664	6,919	4,128	5,807
February.....	38,840	16,735	858	715	3,704	6,867	4,131	5,830
March.....	*38,725	*16,559	852	678	3,723	6,919	*4,123	5,871
April.....	*38,689	*16,309	844	683	3,744	6,968	4,236	5,905
May.....	38,672	16,122	839	686	3,768	6,962	4,363	5,932
June.....	*38,846	16,093	844	691	3,803	6,977	*4,542	5,896
July.....	*38,730	*16,012	833	*686	*3,809	*6,942	*4,618	5,830
August.....	38,740	16,039	834	691	3,817	*6,908	4,582	5,869
September.....	38,559	15,850	828	679	3,788	6,987	4,480	5,947

* Includes Contract Construction and Federal Force Account Construction. † Revised.

Note.—Revised seasonally adjusted estimates of the Board of Governors based on revised Bureau of Labor Statistics data released in May 1944. Estimates include all full- and part-time wage and salary workers in nonagricultural establishments employed during the pay period ending nearest the 15th of the month. Proprietors, self-employed persons, domestic servants, and personnel of the armed forces are excluded. September 1944 figures are preliminary. For back seasonally adjusted estimates, see BULLETIN for June 1944, p. 600. Back unadjusted data are available from the Bureau of Labor Statistics.

CONSTRUCTION CONTRACTS AWARDED, BY TYPE 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			
	1943	1944	1943	1944	1943	1944	1943	1944	1943	1944	1943	1944	1943	1944
January	350.7	159.2	110.8	41.0	73.1	34.0	7.2	4.1	5.6	8.7	68.2	21.1	85.8	50.3
February	393.5	137.2	93.3	24.9	87.7	29.9	22.7	4.5	4.2	0.2	72.7	23.1	113.0	55.1
March	339.7	176.4	71.8	35.2	63.8	48.7	25.2	7.4	4.5	4.4	51.5	19.5	123.0	61.3
April	303.4	179.3	79.4	37.8	40.7	33.0	6.6	6.1	5.9	5.4	43.0	25.0	127.7	72.0
May	234.4	144.2	63.3	34.5	24.2	27.1	9.3	5.8	5.3	3.8	36.5	17.1	95.8	55.8
June	229.6	163.9	61.5	30.6	53.7	24.4	6.9	8.7	7.9	10.5	26.3	18.9	73.3	70.7
July	183.7	190.5	71.8	25.8	31.9	38.3	5.3	5.6	4.8	10.1	19.9	30.2	50.0	80.5
August	413.8	169.3	67.5	23.3	234.8	40.0	7.4	7.9	4.2	6.4	26.4	22.4	73.4	69.4
September	175.1	.....	54.1	.....	31.1	.....	5.1	.....	5.8	.....	29.0	.....	50.1	.....
October	213.5	.....	69.7	.....	34.5	.....	11.2	.....	5.7	.....	28.9	.....	63.5	.....
November	184.4	.....	58.4	.....	29.0	.....	7.9	.....	3.3	.....	26.9	.....	59.0	.....
December	252.2	.....	66.2	.....	62.0	.....	6.0	.....	5.1	.....	45.7	.....	67.4	.....
Year	3,274.0	.....	867.8	.....	766.2	.....	120.7	.....	62.4	.....	474.9	.....	981.9	.....

¹ Negative because of revision of a prior month's entry.

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		
	1942	1943	1944	1942	1943	1944	1942	1943	1944
January	317	351	159	198	316	122	119	35	37
February	434	394	137	310	364	109	123	30	28
March	611	340	176	473	304	133	138	36	43
April	499	303	179	355	253	133	144	50	46
May	674	234	144	569	192	98	105	42	46
June	1,190	230	164	1,105	183	122	85	46	42
July	944	184	191	876	122	148	68	61	42
August	721	414	169	633	351	125	88	62	44
September	723	175	176	661	120	127	62	56	49
October	780	214	.....	710	157	.....	71	56	.....
November	654	184	.....	592	135	.....	62	50	.....
December	709	252	.....	664	198	.....	45	54	.....
Year	8,255	3,274	.....	7,146	2,695	.....	1,109	579	.....

CONSTRUCTION CONTRACTS AWARDED, BY DISTRICT

[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	1944		1943
	Sept.	Aug.	Sept.
Boston	8,786	6,392	14,884
New York	12,959	14,915	18,558
Philadelphia	7,568	7,621	9,781
Cleveland	16,227	16,650	18,542
Richmond	29,441	26,951	32,593
Atlanta	15,770	21,906	15,758
Chicago	33,833	27,088	30,539
St. Louis	13,004	13,120	10,976
Minneapolis	5,556	5,196	2,970
Kansas City	15,348	13,046	10,168
Dallas	17,247	16,456	10,346
Total (11 districts)	175,739	169,341	175,115

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
1943	942	96	1	243	.....	601
1943—Sept.	88	12	*	20	.....	55
Oct.	85	8	*	20	.....	57
Nov.	92	10	*	21	.....	60
Dec.	77	9	*	18	.....	50
1944—Jan.	75	6	*	19	.....	50
Feb.	79	16	*	14	.....	50
Mar.	62	6	*	13	.....	44
Apr.	67	9	*	13	.....	45
May	63	9	*	18	.....	42
June	69	9	*	18	.....	36
July	71	7	*	18	.....	46
Aug.	51	11	*	20	.....	50
Sept.	80	14	*	20	.....	46

* 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	Commer- cial banks	Mutu- al sav- ings banks	Sav- ings and loan associ- ations	Insur- ance com- panies	Fedral agen- cies ¹	Other ²
1937—Dec.	771	430	27	110	118	32	53
1938—Dec.	1,199	634	38	149	212	77	90
1939—June	1,478	759	50	167	271	137	94
Dec.	1,793	902	71	192	342	153	133
1940—Mar.	1,949	971	90	201	392	171	124
June	2,075	1,026	100	208	432	182	127
Sept.	2,232	1,093	111	216	480	190	141
Dec.	2,409	1,162	130	224	542	201	150
1941—Mar.	2,598	1,246	146	230	606	210	160
June	2,755	1,318	157	237	668	220	154
Sept.	2,942	1,400	171	246	722	225	178
Dec.	3,107	1,465	186	254	789	234	179
1942—Mar.	3,307	1,549	201	264	856	237	200
June	3,491	1,623	219	272	940	243	195
Dec.	3,620	1,669	236	276	1,032	245	163
1943—June	3,700	1,700	252	284	1,071	235	158
Dec.	3,626	1,705	256	292	1,134	79	159

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.

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

MERCHANDISE EXPORTS AND IMPORTS

[In millions of dollars]

Month	Merchandise exports ¹					Merchandise imports ²					Excess of exports				
	1940	1941	1942	1943	1944	1940	1941	1942	1943	1944	1940	1941	1942	1943	1944
January	370	325	481	730	^P 1,090	242	229	254	229	^P 300	128	96	228	502	^P 790
February	347	303	480	719	^P 1,085	200	234	254	234	^P 313	147	69	226	485	^P 772
March	351	357	628	989	^P 1,158	217	268	272	249	^P 359	134	89	355	^P 740	^P 799
April	323	387	717	979	^P 1,187	212	287	235	^P 257	^P 359	111	100	482	^P 722	^P 828
May	324	385	536	1,085	^P 1,419	211	297	191	281	^P 386	112	88	345	803	^P 1,033
June	350	330	648	1,002	^P 1,271	211	280	215	295	^P 331	138	50	433	706	^P 940
July	317	365	650	1,261	^P 1,198	232	278	213	302	^P 293	84	87	437	960	^P 905
August	351	460	703	1,202	^P 1,200	221	282	186	316	^P 302	130	178	517	887	^P 897
September	295	425	732	^P 1,235	.....	195	262	196	^P 286	.....	101	162	536	^P 949	.....
October	344	666	801	^P 1,195	.....	207	304	200	^P 329	.....	137	362	602	^P 866	.....
November	328	492	787	^P 1,072	.....	224	281	168	^P 311	.....	104	211	619	^P 761	.....
December	322	653	873	^P 1,244	.....	253	344	^P 359	^P 278	.....	69	309	^P 514	^P 966	.....
January-August	2,732	2,911	4,843	7,968	^P 9,609	1,747	2,154	1,819	2,162	^P 2,643	985	757	3,023	5,805	^P 6,966

^P Preliminary, ^R Revised.

¹ Including both domestic and foreign merchandise.

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

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 CARLOADINGS, 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	120	104	155	206	146	69
1943	137	138	186	146	117	141	192	145	63
SEASONALLY ADJUSTED									
1943—July	141	146	184	143	112	150	202	146	64
August	140	145	191	147	117	148	208	145	64
September	140	152	195	137	114	139	209	143	63
October	137	140	195	167	119	137	191	140	64
November	139	127	186	161	132	150	191	147	67
December	144	147	192	153	122	154	209	148	68
1944—January	145	150	185	159	121	147	203	149	67
February	143	149	180	148	135	146	193	147	67
March	140	140	185	136	131	141	174	149	67
April	138	141	190	123	120	141	195	146	67
May	138	147	190	128	118	140	195	144	67
June	139	148	194	135	124	148	187	143	67
July	143	143	194	144	124	156	189	150	66
August	142	146	185	131	121	155	188	149	68
September	139	147	182	126	114	137	184	146	67
UNADJUSTED									
1943—July	146	146	178	172	97	150	323	147	63
August	145	145	183	158	111	156	312	147	64
September	151	152	193	153	151	150	314	154	66
October	147	140	191	167	183	144	274	153	66
November	142	127	186	157	166	147	193	153	68
December	133	147	202	144	118	138	65	139	65
1944—January	133	150	194	159	116	133	51	136	64
February	133	149	191	145	108	140	48	138	64
March	132	140	187	125	103	141	51	142	67
April	135	141	186	108	107	141	168	144	68
May	141	147	188	113	106	146	281	145	67
June	144	148	191	137	100	154	291	147	66
July	147	143	188	172	102	157	302	151	66
August	146	146	178	141	115	162	281	151	68
September	150	147	181	142	150	148	276	158	70

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	93
1940	4,297	3,614	682	189
1941	5,347	4,348	998	500
1942	7,466	5,982	1,484	904
1943	9,055	7,693	1,362	874
SEASONALLY ADJUSTED¹				
1943—June	756	642	115	73
July	763	648	115	74
August	768	653	114	74
September	767	651	116	75
October	769	654	115	76
November	769	662	107	69
December	782	680	102	67
1944—January	778	662	116	79
February	775	671	103	66
March	782	690	92	53
April	780	689	91	54
May	779	688	91	53
June	810	701	109	71
July	804	706	98	59
August	781	710	71	^P 32
UNADJUSTED				
1943—June	747	638	109	71
July	791	663	128	^P 89
August	800	668	^P 132	84
September	777	666	110	70
October	796	683	113	76
November	762	666	96	63
December	782	705	77	35
1944—January	741	658	83	45
February	735	651	84	46
March	797	705	93	54
April	760	672	88	48
May	804	706	99	59
June	799	700	100	61
July	809	710	99	57
August	836	735	101	^P 63

^P Preliminary, ^R Revised.

¹ Includes redistribution of wage accruals in 1943.

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

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

Department	Number of stores reporting	Sales during month (value)			Stocks at end of month (value)			Ratio of stocks to sales	
		Percentage change			Percentage change			August	
		Aug. 1944 from Aug. 1943	Aug. 1944 from July 1944	Aug. 1943 from July 1943	Aug. 1944 from Aug. 1943	Aug. 1944 from July 1944	Aug. 1943 from July 1943	1944	1943
GRAND TOTAL—entire store	354	+17	+23	+12	+1	+12	+12	3.1	3.6
MAIN STORE—total	354	+17	+24	+14	+1	+12	+12	3.2	3.7
Women's apparel and accessories	351	+20	+34	+25	-1	+18	+19	2.4	3.0
Women's and misses' coats and suits.....	329	+14	+118	+101	-22	+40	+33	2.4	3.4
Women's and misses' dresses.....	333	+21	+8	+4	-13	+35	+41	1.2	1.7
Blouses, skirts, sportswear, sweaters, knit apparel.....	312	+28	+32	+16	+1	+11	+16	2.1	2.7
Juniors' and girls' wear.....	295	+27	+84	+63	+4	+21	+22	1.8	2.1
Infants' wear.....	304	+36	+53	+35	+41	+14	+12	2.4	2.3
Aprons, housedresses, uniforms.....	284	+24	-14	-25	-4	+7	+16	1.7	2.2
Women's underwear, slips, negligees.....	322	+35	+8	-3	+20	+15	+17	2.7	3.0
Corsets, brassieres.....	330	+37	+8	-1	-8	+4	+5	2.0	3.0
Hosiery (women's and children's).....	344	+20	+13	-2	-24	+9	+12	2.4	3.8
Gloves (women's and children's).....	323	+34	+44	+38	+37	+31	+28	9.1	8.9
Shoes (women's and children's).....	241	+26	+12	+18	-1	+7	+13	3.9	5.0
Furs.....	257	-40	+183	+116	-9	+19	+2	4.7	3.1
Men's and boys' wear	322	+27	+17	0	+6	+16	+17	5.2	6.3
Men's clothing.....	231	+19	-4	-17	-7	+15	+21	6.2	7.9
Men's furnishings, hats, caps.....	305	+20	0	-12	+6	+15	+15	5.4	6.2
Boys' clothing and furnishings.....	280	+49	+104	+73	+33	+23	+21	3.8	4.2
Men's and boys' shoes and slippers.....	176	+19	+3	+9	-2	+9	+11	7.6	9.2
Home furnishings	314	+6	+18	+9	-5	+2	+2	3.7	4.1
Furniture, beds, mattresses, springs.....	231	+7	+31	+20	+2	-1	-1	3.1	3.2
Domestic floor coverings.....	236	-9	+19	+11	-24	+5	0	3.5	4.2
Draperies, curtains, upholstery.....	291	+21	+14	0	-2	+8	+7	3.5	4.4
Major appliances (refrigerators, washers, stoves, etc.).....	188	-28	+14	-9	-41	-3	-5	2.4	3.0
Domestics, blankets, linens, etc.....	287	+4	+14	+10	+6	0	+2	3.2	3.2
China and glassware.....	219	+16	+19	+11	-13	0	+1	4.9	6.5
Housewares.....	221	+8	+9	0	-4	+1	+2	4.2	4.7
Piece goods (dress and coat yard goods, all materials)	286	+36	+23	+12	-2	+7	+7	2.4	3.4
Cotton wash goods.....	119	+27	-7	-14	-15	+3	+4	1.4	2.0
Small wares	334	+16	+17	+3	+11	+12	+11	4.2	4.4
Notions.....	221	+17	+6	-8	0	+8	+12	3.7	4.4
Toilet articles, drug sundries, prescriptions.....	318	+9	+11	-2	+18	+8	+6	4.3	4.0
Jewelry and silverware.....	275	+7	+29	+12	-2	+14	+15	4.6	5.0
Miscellaneous	290	+24	+5	-4	+7	+7	+7	3.7	4.2
BASEMENT STORE—total	217	+19	+15	+7	-5	+14	+14	2.8	3.4
Women's apparel and accessories.....	205	+22	+21	+11	-5	+20	+18	2.2	2.8
Men's and boys' clothing and furnishings.....	167	+24	+18	+1	0	+16	+17	4.5	5.6
Home furnishings.....	122	+6	+9	+6	-8	+4	+7	3.0	3.4
Piece goods.....	53	+29	+12	+1	-14	+14	+12	2.3	3.4
Shoes.....	134	+12	-18	-6	-14	+8	+12	5.0	6.5

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

SALES, ACCOUNTS RECEIVABLE, AND COLLECTIONS

Year and month	Index numbers, without seasonal adjustment, 1941 average = 100								Percentage of total sales		
	Sales during month				Accounts receivable at end of month		Collections during month		Cash sales	Instalment sales	Charge-account sales
	Total	Cash	Instalment	Charge account	Instalment	Charge account	Instalment	Charge account			
1943—August.....	107	138	63	81	38	63	67	85	62	5	33
September.....	132	167	69	104	38	74	67	84	61	5	34
October.....	147	187	84	115	40	81	75	104	61	5	34
November.....	166	210	93	130	44	90	81	116	61	5	34
December.....	217	289	99	159	48	109	82	121	65	4	31
1944—January.....	106	140	53	79	44	82	77	143	64	4	32
February.....	109	140	57	84	41	72	72	107	63	4	33
March.....	144	182	73	114	40	79	78	100	62	4	34
April.....	132	171	59	104	38	79	67	107	62	4	34
May.....	141	180	58	112	36	82	67	109	62	4	34
June.....	127	165	50	99	34	78	61	111	63	3	34
July.....	103	138	44	76	32	67	56	102	65	4	31
August.....	126	167	60	93	32	70	58	92	64	4	32
September.....	149	193	66	116	33	81	61	96	63	4	33

^r 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 a preceding page.

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

End of month or year	Total consumer credit	Instalment credit					Single-payment loans ²	Charge accounts	Service credit
		Total instalment credit	Sale credit			Loans ¹			
			Total	Automotive	Other				
1929.....	7,089	3,167	2,515	1,318	1,197	652	1,577	1,749	596
1930.....	6,341	2,706	2,032	928	1,104	674	1,451	1,611	573
1931.....	5,177	2,214	1,595	637	958	619	1,051	1,381	531
1932.....	3,846	1,515	999	322	677	516	726	1,114	491
1933.....	3,717	1,581	1,122	459	663	459	588	1,081	467
1934.....	4,159	1,846	1,317	576	741	529	659	1,203	451
1935.....	5,148	2,599	1,805	940	865	794	785	1,292	472
1936.....	6,396	3,466	2,436	1,289	1,147	1,030	991	1,419	520
1937.....	7,054	3,919	2,752	1,384	1,368	1,167	1,119	1,459	557
1938.....	6,618	3,539	2,313	970	1,343	1,226	1,069	1,487	523
1939.....	7,518	4,351	2,792	1,267	1,525	1,559	1,089	1,544	534
1940.....	8,767	5,434	3,450	1,729	1,721	1,984	1,123	1,650	560
1941.....	9,499	5,921	3,747	1,942	1,805	2,174	1,204	1,764	610
1942.....	6,165	2,932	1,494	482	1,012	1,438	1,072	1,513	648
1943.....	5,158	1,939	816	175	641	1,123	1,034	1,498	687
1943									
Aug.....	4,810	1,939	807	190	617	1,132	996	1,198	677
Sept.....	4,909	1,917	786	186	600	1,131	1,038	1,275	679
Oct.....	5,010	1,891	777	181	596	1,114	1,073	1,366	680
Nov.....	5,114	1,882	778	177	601	1,104	1,084	1,466	682
Dec.....	5,158	1,939	816	175	641	1,123	1,034	1,498	687
1944									
Jan.....	4,818	1,836	745	169	576	1,091	996	1,294	692
Feb.....	4,662	1,785	707	167	540	1,078	962	1,218	697
Mar.....	4,836	1,804	696	167	529	1,108	955	1,376	701
Apr.....	4,802	1,786	690	171	519	1,096	966	1,346	704
May.....	4,898	1,801	700	181	519	1,101	997	1,390	710
June.....	4,945	1,826	707	192	515	1,119	1,033	1,370	716
July.....	4,882	1,833	706	204	502	1,127	1,038	1,287	724
Aug.....	^p 4,926	^p 1,837	^p 709	^p 210	^p 499	^p 1,128	^p 1,029	^p 1,330	^p 730
Sept.....	^p 5,017	^p 1,856	^p 719	^p 210	^p 509	^p 1,137	^p 1,026	^p 1,402	^p 733

^p Preliminary.

¹ Includes repair and modernization loans. A revision of repair and modernization estimates was shown on p. 392 of the BULLETIN for April 1944. This revision is preliminary and subject to change.

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.....	1,012	254	391	130	77	160
1943.....	641	174	271	29	66	101
1943						
Aug.....	617	149	279	48	44	97
Sept.....	600	148	272	42	44	94
Oct.....	596	151	269	37	45	94
Nov.....	601	160	266	32	48	95
Dec.....	641	174	271	29	66	101
1944						
Jan.....	576	158	248	24	55	91
Feb.....	540	147	236	21	51	85
Mar.....	529	144	231	19	52	83
Apr.....	519	142	229	18	48	82
May.....	519	141	235	16	45	82
June.....	515	138	234	15	44	81
July.....	502	132	234	14	43	79
Aug.....	^p 499	^p 132	^p 233	^p 13	^p 42	^p 79
Sept.....	^p 509	^p 138	^p 236	^p 13	^p 42	^p 80

^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 ²
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.....	1,438	370	424	202	141	91	210
1943.....	1,123	273	372	165	110	86	117
1943							
Aug.....	1,132	278	357	168	112	84	133
Sept.....	1,131	277	358	169	113	85	129
Oct.....	1,114	273	354	167	111	84	125
Nov.....	1,104	270	355	165	109	84	121
Dec.....	1,123	273	372	165	110	86	117
1944							
Jan.....	1,091	267	360	161	106	85	112
Feb.....	1,078	266	356	161	105	84	106
Mar.....	1,108	276	369	164	109	86	104
Apr.....	1,096	279	363	164	106	85	99
May.....	1,101	285	362	165	105	85	99
June.....	1,119	294	365	169	107	85	99
July.....	1,127	298	367	170	106	85	101
Aug.....	^p 1,128	^p 300	^p 363	^p 172	^p 106	^p 85	^p 102
Sept.....	^p 1,137	^p 304	^p 364	^p 172	^p 106	^p 85	^p 106

^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 (12 million dollars at the end of September 1944), which are not shown separately.

² See footnote 1 for table above.

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
1943.....	469	54	82	67	86	180
1943—August.....	498	58	82	74	98	186
September.....	489	57	82	70	95	185
October.....	480	57	82	67	92	182
November.....	470	55	82	66	89	178
December.....	469	54	82	67	86	180
1944—January.....	460	51	81	70	82	176
February.....	448	51	81	64	78	174
March.....	452	50	83	60	76	183
April.....	452	51	86	59	73	183
May.....	459	52	90	60	73	184
June.....	471	55	92	61	73	190
July.....	479	59	96	60	74	190
August.....	484	61	96	60	75	192
September.....	493	62	98	61	78	194
Volume extended during month:						
1943—August.....	68	9	14	8	7	30
September.....	72	9	14	9	7	33
October.....	68	8	13	11	7	29
November.....	66	7	13	12	6	28
December.....	72	7	14	13	5	33
1944—January.....	65	6	14	13	4	28
February.....	62	6	14	8	4	30
March.....	85	8	18	10	5	44
April.....	73	9	17	10	6	31
May.....	88	10	20	14	7	37
June.....	90	10	19	12	8	41
July.....	85	12	19	10	8	36
August.....	84	11	17	10	9	37
September.....	84	9	18	11	9	37

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

CONSUMER INSTALMENT LOANS MADE BY PRINCIPAL LENDING INSTITUTIONS
[Estimates of volume made in period. In millions of dollars]

Month or year	Commercial banks ¹	Small loan companies	Industrial banking companies	Credit unions
1930.....		503	380	41
1931.....		498	340	38
1932.....		376	250	34
1933.....		304	202	33
1934.....		384	234	42
1935.....		423	288	67
1936.....		563	354	105
1937.....		619	409	148
1938.....		604	417	179
1939.....		763	489	257
1940.....		927	536	320
1941.....		983	558	343
1942.....	705	798	408	215
1943.....	525	809	364	193
1943				
February.....	35	50	26	13
March.....	53	86	38	22
April.....	41	62	31	15
May.....	40	58	29	14
June.....	50	80	35	19
July.....	44	62	30	15
August.....	45	64	29	15
September.....	47	70	32	18
October.....	43	67	28	16
November.....	42	70	29	15
December.....	49	95	32	20
1944				
January.....	42	53	27	13
February.....	44	60	29	16
March.....	64	94	38	23
April.....	50	61	30	14
May.....	58	72	35	17
June.....	62	75	38	19
July.....	57	73	33	16
August.....	*57	70	35	17
September.....	57	67	33	16

* Revised.

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 (two million dollars in September 1944), which are not shown separately.

FURNITURE STORE STATISTICS

Item	Percentage change from preceding month			Percentage change from corresponding month of preceding year		
	Sept. 1944	Aug. 1944	July 1944	Sept. 1944	Aug. 1944	July 1944
	Net sales:					
Total.....	+5	+12	-13	+7	*+5	-5
Cash sales.....	+2	+13	-11	+15	*+17	+6
Credit sales:						
Instalment.....	+6	*+11	-12	+5	*-2	-6
Charge account.....	+2	+13	-11	-1	*+5	-14
Accounts receivable, at end of month:						
Total.....	+1	0	-2	-13	*-16	-18
Instalment.....	+1	0	-2	-15	*-17	-18
Collections during month:						
Total.....	+1	+2	-3	-4	-7	-14
Instalment.....	+2	+5	-4	-4	-9	-17
Inventories, end of month, at retail value.....	0	*+2	+2	-10	-11	-17

* Revised.

RATIO OF COLLECTIONS TO ACCOUNTS RECEIVABLE¹

Month	Instalment accounts				Charge accounts
	Department stores	Furniture stores	Household appliance stores	Jewelry stores	Department stores
1943					
August.....	32	22	21	34	62
September.....	33	21	21	33	62
October.....	37	22	22	37	65
November.....	37	23	23	39	66
December.....	35	22	22	55	63
1944					
January.....	30	20	22	31	61
February.....	31	20	22	31	61
March.....	36	23	26	34	65
April.....	31	23	26	28	63
May.....	33	25	26	30	64
June.....	31	24	28	30	63
July.....	30	23	29	31	61
August.....	34	24	*32	*31	64
September.....	35	24	34	32	64

* Revised.

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

OCTOBER CROP REPORT, BY FEDERAL RESERVE DISTRICTS

[Based on estimates of the Department of Agriculture, by States, as of October 1, 1944. In thousands of units]

Federal Reserve district	Cotton		Corn		Winter wheat		Spring wheat	
	Production 1943	Estimate Oct. 1, 1944	Production 1943	Estimate Oct. 1, 1944	Production 1943	Estimate Oct. 1, 1944	Production 1943	Estimate Oct. 1, 1944
	<i>Bales</i>	<i>Bales</i>	<i>Bushels</i>	<i>Bushels</i>	<i>Bushels</i>	<i>Bushels</i>	<i>Bushels</i>	<i>Bushels</i>
Boston.....			7,383	7,863			48	38
New York.....			26,008	28,060	5,098	10,103	46	80
Philadelphia.....			43,147	46,503	12,066	18,149	128	136
Cleveland.....			214,444	182,155	30,115	54,145	46	55
Richmond.....	1,316	1,587	133,876	135,297	20,538	35,869		
Atlanta.....	2,538	2,490	179,025	160,559	5,958	9,290		
Chicago.....			1,287,286	1,225,639	31,987	55,754	911	929
St. Louis.....	13,217	13,637	362,072	377,350	28,034	51,973	16	15
Minneapolis.....			342,268	420,747	26,240	31,847	252,933	271,570
Kansas City.....	319	548	369,806	528,850	271,457	347,754	4,749	4,624
Dallas.....	3,578	3,215	102,083	76,559	37,142	78,111	111	121
San Francisco.....	459	476	8,761	7,395	60,971	93,129	47,704	45,189
Total..	11,427	11,953	3,076,159	3,196,977	529,606	786,124	306,692	322,757

Federal Reserve district	Oats		Tame hay		Tobacco		White potatoes	
	Production 1943	Estimate Oct. 1, 1944	Production 1943	Estimate Oct. 1, 1944	Production 1943	Estimate Oct. 1, 1944	Production 1943	Estimate Oct. 1, 1944
	<i>Bushels</i>	<i>Bushels</i>	<i>Tons</i>	<i>Tons</i>	<i>Pounds</i>	<i>Pounds</i>	<i>Bushels</i>	<i>Bushels</i>
Boston.....	5,007	5,544	3,421	2,752	28,277	31,508	83,826	67,974
New York.....	10,726	24,761	6,498	5,660	997	1,135	35,542	30,953
Philadelphia.....	9,434	14,937	2,467	2,287	40,014	49,568	20,846	19,453
Cleveland.....	36,014	47,567	5,491	5,032	110,402	131,835	15,730	12,055
Richmond.....	25,250	29,915	4,605	4,388	768,814	1,035,415	29,364	17,795
Atlanta.....	21,458	27,366	4,196	3,500	154,509	201,381	18,749	14,354
Chicago.....	418,048	403,458	18,362	17,937	28,152	31,207	42,261	30,405
St. Louis.....	65,969	52,803	7,927	8,038	262,416	315,006	13,254	9,229
Minneapolis.....	328,772	395,352	11,332	10,549	2,229	2,512	58,085	46,380
Kansas City.....	161,135	107,546	7,756	8,764	4,125	5,312	39,374	33,161
Dallas.....	26,111	47,995	2,018	1,910			7,504	6,006
San Francisco.....	35,936	35,010	13,191	13,325			100,121	92,861
Total..	1,143,867	1,192,254	87,264	84,142	1,399,935	1,804,879	464,656	380,626

¹ Includes 14,000 bales grown in miscellaneous territory.

² Includes 17,000 bales grown in miscellaneous territory.

NOTE.—Figures for winter wheat from estimate for Aug. 1; no estimate for Oct. 1.

CURRENT STATISTICS FOR FEDERAL RESERVE CHART BOOK—Continued

Chart book page	1944			Chart book page	1944			
	July	Aug.	Sept.		July	Aug.	Sept.	
MONTHLY FIGURES—Cont.				MONTHLY FIGURES—Cont.				
<i>In unit indicated</i>				<i>In unit indicated</i>				
BUSINESS CONDITIONS				BUSINESS CONDITIONS—Cont.				
Income payments (mill. dollars), total: ⁶	38	13,001	^p 13,133	Freight carloadings: ⁶	57	143	142	139
Salaries and wages.....	38	9,216	^p 9,289	Total (1935-39 = 100).....	57	143	142	139
Other.....	38	3,785	^p 3,844	Groups (points in total index)	57	81.9	81.9	80.2
Cash farm income (mill. dollars), total.	39	1,649	^p 1,741	Miscellaneous.....	57	30.4	31.1	31.3
Livestock and products.....	39	898	913	Coal.....	57	30.2	29.4	27.8
Crops.....	39	704	777	All other.....	57			
Govt. payments.....	39	47	51	Department stores (1935-39 = 100): ⁶	59	^r 192	187	183
Industrial production: ⁶				Sales.....	59	165	170	160
Total (1935-39 = 100).....	41, 42	^r 230	232	Stocks.....	59			
Groups (points in total index)				Exports and imports (mill. dollars):	61	^p 1,198.3	^p 1,199.8	
Durable manufactures.....	41	^r 131.6	131.8	Exports.....	61	^p 293.1	^p 302.4	
Machinery, etc.....	42	^r 92.1	92.1	Imports.....	61	^p 905.1	^p 897.4	
Iron and steel.....	42	22.3	22.4	Excess of exports.....	61	^p -32.2	^p -43.0	
Other durable.....	42	17.3	17.3	Excluding Lend-Lease exports	61	104.1	103.9	104.0
Non-durable manufactures.....	41	^r 77.4	78.8	Wholesale prices, total (1926 = 100):	63	124.1	122.6	122.7
Textiles and leather.....	42	18.0	18.4	Farm products.....	63	98.5	98.6	98.6
Paper and printing.....	42	10.3	11.0	Other than farm and food.....	63	126.1	^r 126.4	126.5
Foods, liquor, and tobacco	42	20.5	21.2	Cost of living, all items (1935-39 = 100)	65	137.4	137.7	137.0
Other non-durable.....	42	28.6	28.3	Food.....	65	^r 138.3	^r 139.4	141.4
Minerals.....	41, 42	^r 21.1	21.6	Clothing.....	65	108.2	108.2	108.2
Primary products (1935-39 = 100):				Rent.....	65			
Steel.....	43	222	224					
Cement.....	43	86	88					
Lumber.....	43	114	118					
Coal.....	43	144	148					
Crude petroleum.....	43	142	146					
Cotton consumption.....	43	139	140					
Wool yarn.....	43	144	153					
Paper.....	43	125	134					
Leather.....	43	113	108					
Meats and dairy products.....	43	164	155					
Other manufactured foods.....	43	153	^p 149					
Labor force and employment (mill. persons):								
Labor force.....	44	55.0	54.0	53.0				
Employment, total.....	44	54.0	53.2	52.3				
Nonagricultural.....	44	44.3	44.6	43.6				
Agricultural.....	44	9.7	8.6	8.7				
Male.....	44	35.4	35.2	34.2				
Female.....	44	18.6	18.0	18.1				
Nonagricultural employment (mill. persons), total: ⁶	45	38.7	38.7	^p 38.4				
Manufacturing and mining.....	45	^r 16.8	16.8	^p 16.6				
Trade.....	45	7.1	7.0	^p 7.1				
Government.....	45	5.9	5.9	^p 5.9				
Transportation and utilities.....	45	3.8	3.8	^p 3.7				
Construction.....	45	0.7	0.6	^p 0.6				
Factory employment and pay rolls (1939 = 100):								
Pay rolls.....	47	^r 310.7	313.9					
Employment.....	47	157.8	158.0	^p 156.0				
Hours and earnings at factories:								
Weekly earnings (dollars).....	48	^r 45.43	45.85					
Hourly earnings (cents).....	48	101.8	101.6					
Hours worked (per week).....	48	^r 44.6	45.1					
New orders, shipments, and inventories (1939 = 100):								
New orders, total.....	49	276	^p 262					
Durable.....	49	393	^p 363					
Non-durable.....	49	189	^p 188					
Shipments, total.....	49	270	^p 271					
Durable.....	49	375	^p 368					
Non-durable.....	49	189	^p 195					
Inventories, total.....	49	173	^p 174					
Durable.....	49	202	^p 202					
Non-durable.....	49	148	^p 149					
Residential contracts (mill. dollars): ⁶								
Total.....	53	25	23	26				
Public.....	53	9	5	6				
Private, total.....	53	16	18	20				
1- and 2-family dwellings.....	53	10	13	14				
Other.....	53	6	5	6				
Construction contracts (3-mo. moving av., mill. dollars): ⁶								
Total.....	55	155	167	^p 170				
Residential.....	55	26	25	^p 24				
Other.....	55	129	143	^p 146				

⁶ Estimated. ^p Preliminary. ^r Revised. ^c Corrected.
¹ Figures for other than Wednesday dates are shown under the Wednesday included in the weekly period.
² Publication discontinued. ³ Less than 5 million dollars.
⁴ Includes preliminary revisions for repair and modernization credit. ⁵ Number of issues decreased from 2 to 1 on Sept. 15.
⁶ Adjusted for seasonal variation. ⁷ Figures available for June and December dates only.
* Copies of the Chart Book may be obtained at a price of 50 cents each.

MEMBER BANK EARNINGS

NATIONAL AND STATE MEMBER BANKS, FIRST HALF OF THE YEAR, 1943-1944

Figures for national banks were compiled by the Comptroller of the Currency from reports submitted by national banks.

[Amounts in thousands of dollars]

Item	All member banks		National member banks		State member banks	
	First half of 1943	First half of 1944	First half of 1943	First half of 1944	First half of 1943	First half of 1944
Earnings	783,040	901,468	503,645	580,248	279,395	321,220
Interest and dividends on securities.....	351,754	453,032	231,304	298,905	120,450	154,127
Interest and discount on loans.....	274,665	269,197	182,561	177,246	92,104	91,951
Service charges and fees on loans.....	5,007	6,885	2,963	3,970	2,044	2,915
Service charges on deposit accounts.....	36,471	42,845	25,324	30,151	11,147	12,694
Other charges, commissions, fees, etc.....	20,033	26,194	12,953	17,296	7,080	8,898
Trust department.....	43,914	48,520	15,004	16,776	28,910	31,744
Other current earnings.....	51,196	54,795	33,536	35,904	17,660	18,891
Expenses	755,207	636,153	737,759	410,087	797,448	226,266
Salaries—officers.....	84,485	90,151	55,268	58,847	29,217	31,304
Salaries and wages—others.....	149,651	162,852	92,384	100,330	57,267	62,522
Directors' and committee members' fees.....	4,167	4,565	2,826	3,074	1,491	1,491
Interest on time deposits.....	61,246	67,881	41,923	45,692	19,323	22,189
Interest on borrowed money.....	122	343	46	181	76	162
Taxes.....	92,103	129,821	60,529	84,598	31,574	45,223
Recurring depreciation on banking house, furniture, and fixtures.....	15,510	16,620	10,862	11,577	4,648	5,043
Other current expenses.....	147,923	163,920	93,921	105,788	54,002	58,132
Net current earnings	27,833	265,315	145,886	170,161	81,947	95,154
Recoveries, profits on securities, etc.	129,261	163,647	72,028	106,324	57,233	57,323
Recoveries on securities.....	28,605	44,729	16,206	31,373	12,399	13,356
Profits on securities.....	47,377	59,866	23,995	34,480	23,382	25,386
Recoveries on loans.....	32,662	40,304	23,657	29,320	9,005	10,984
All other.....	20,617	18,748	8,170	11,151	12,447	7,597
Losses and charge-offs	710,935	115,350	760,776	69,229	750,159	46,121
On securities.....	51,427	55,010	31,838	36,368	19,589	18,642
On loans.....	25,653	29,136	15,585	18,171	10,068	10,965
All other.....	733,855	31,204	713,353	14,690	720,502	16,514
Net profits	246,159	313,612	157,138	207,256	89,021	106,356
Cash dividends declared	102,118	107,835	64,860	68,824	37,258	39,011
On preferred stock ¹	5,407	4,955	3,196	2,785	2,211	2,170
On common stock.....	96,711	102,880	61,664	66,039	35,047	36,841
Assets and liability items: ²						
Loans.....	15,455,000	16,835,000	9,678,000	10,421,000	5,777,000	6,414,000
United States Government obligations.....	42,263,000	56,686,000	26,923,000	36,433,000	15,340,000	20,253,000
Other securities.....	5,491,000	5,103,000	3,589,000	3,411,000	1,902,000	1,692,000
Real-estate assets.....	1,104,000	998,000	676,000	618,000	428,000	381,000
Cash assets.....	23,295,000	23,392,000	15,669,000	15,786,000	7,626,000	7,607,000
Total assets.....	87,869,000	103,333,000	56,687,000	66,859,000	31,182,000	36,473,000
Time deposits.....	13,353,000	16,147,000	8,954,000	10,797,000	4,490,000	5,351,000
Total deposits.....	81,146,000	96,056,000	52,529,000	62,381,000	28,617,000	33,675,000
Total capital accounts.....	6,176,000	6,599,000	3,773,000	4,036,000	2,404,000	2,564,000
Number of officers at end of period.....	36,019	37,138	25,690	26,301	10,329	10,837
Number of employees at end of period.....	190,794	193,534	121,285	123,798	69,509	69,736
Number of banks at end of period.....	6,703	6,773	5,060	5,036	1,643	1,737
Earnings ratios:						
Percentage of total capital accounts: ³						
Net current earnings.....	7.4	8.0	7.7	8.4	6.8	7.4
Net profits.....	8.0	9.5	8.3	10.3	7.4	8.3
Cash dividends declared.....	3.3	3.3	3.4	3.4	3.1	3.0
Percentage of total assets: ³						
Total earnings.....	1.8	1.7	1.8	1.7	1.8	1.8
Net current earnings.....	.5	.5	.5	.5	.5	.5
Net profits.....	.6	.6	.6	.6	.6	.6
Percentage of total securities: ³						
Interest and dividends on securities.....	1.5	1.5	1.5	1.5	1.4	1.4
Net recoveries and profits.....	.1	.2	.1	.1	.2	.2
Percentage of total loans: ³						
Earnings on loans.....	3.6	3.3	3.8	3.5	3.3	3.0
Net recoveries.....	.1	.1	.2	.2	.2	.2
Other ratios:						
Time deposits to total deposits.....	16.5	16.8	17.0	17.3	15.4	15.9
Interest on time deposits to time deposits ³.....	.9	.8	.9	.8	.9	.8
Total capital accounts to:						
Total assets.....	7.0	6.4	6.7	6.0	7.7	7.0
Total assets less Government and cash assets.....	27.7	28.4	26.8	27.6	29.3	29.8
Total deposits.....	7.6	6.9	7.2	6.5	8.4	7.6

² Revised to include recurring depreciation on banking house, furniture, and fixtures, in current expenses.¹ Includes interest on capital notes and debentures.³ For the first half of 1943 these are averages of figures reported on Dec. 31, 1942 and June 30, 1943; for the first half of 1944 they are averages of figures reported on Dec. 31, 1943, Apr. 13, 1944, and June 30, 1944.³ Annual basis.

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 for all except price tables, together with descriptive text, may be obtained from the Board's publication, *Banking and Monetary Statistics*.

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
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	2,705	29	28
1940—Dec.....	21,995	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—Dec.....	22,726	⁵ 658	735	115	274	25	6	36	25	61	44	52	2,000	29	
1943—Oct.....	22,116	353	734	243	274	⁶ 25	5	54	56	61	44	52	2,000		
Nov.....	22,065	354	734	254	274		7	51	58	61	44	52	2,000		
Dec.....	21,938	⁹ 939	734	254	274		5	51	59	61	44	52	2,000	29	
1944—Jan.....	21,918	363	734	254	274		6	51	76	61	44	52	2,000		
Feb.....	21,712	368	734	255	274		7	51	77	61	44	52	2,000		
Mar.....	21,600	371	734	255	274		5	56	79	61	44	52	2,000		
Apr.....	21,429	381	734	276	274		4	56	80	61	44	52	2,000		
May.....	21,264	386	734	296	274		6	56	82	61	44	52	2,000		
June.....	21,173	391	734	297	274		6	56	84	61	44	52	2,000		
July.....	20,996	397	734	297	274		6	56	86	61	44	52			
Aug.....	20,926	408					5		88	61	44				
Sept.....	20,825						5								

End of month	Hungary	Iran (Persia)	Italy	Japan	Java	Mexico	Netherlands	New Zealand	Norway	Peru	Poland	Portugal	Rumania	South Africa	Spain
1938—Dec.....	37	26	193	164	80	29	998	23	94	20	85	69	133	220	⁵ 25
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—Dec.....	24	⁷ 34			² 16	39	506	23		25		59	241	634	42
1943—Oct.....	24	78				200	500	23		26		60	302	667	
Nov.....	24	80				202	500	23		31		60	305	685	
Dec.....	24	92				203	500	23		31		60	316	796	91
1944—Jan.....	24	92				205	500	23		31		60	316	716	
Feb.....	24	104				229	500	23		31		60	³ 323	740	
Mar.....	24					230	500	23		33		60		728	96
Apr.....	24					227	500	23		34		60	³ 353	727	98
May.....	24					226	500	23		34		60		741	101
June.....	24					224	500	23		34		60	369	749	⁷ 104
July.....	24					222	500	23		34				760	
Aug.....						220	500	23		32				778	
Sept.....						220									

End of month	Sweden	Switzerland	Turkey	United Kingdom	Uruguay	Venezuela	Yugoslavia	B.I.S.	Other countries ⁸	Government gold reserves ¹ not included in previous figures					
										United States	United Kingdom	France	Belgium		
1938—Dec.....	321	701	29	2,690	69	52	57	14	142	1938—Dec.....	80	² 759	331	44	
1939—Dec.....	308	549	29	⁹ 1	68	52	59	7	153	1939—Mar.....	154	1,732	559		
1940—Dec.....	160	502	88	1	90	29	82	12	145	May.....			477		
1941—Dec.....	223	665	92	1	100	41	⁸ 83	12	142	June.....	85			17	
1942—Dec.....	355	824	114	1	89	68		21	160	Sept.....	164	³ 876			
1943—Oct.....	378	900	161	1	111	84		27	202	Dec.....	156			17	
Nov.....	384	903	161	1	117	84		27	203	1940—Mar.....	145				
Dec.....	387	964	161	1	121	89		45	204	June.....	86			17	
1944—Jan.....	399	973	171	1	123	89		45	205	Sept.....	105				
Feb.....	401	984	171	1	124	100		45	210	Dec.....	48	292		17	
Mar.....	421	994	191	1	128	100		39	212	1941—Mar.....	88				
Apr.....	426	1,004	191	1	131	100		39	213	June.....	89			17	
May.....	430	1,010	191	1	136	110		39	217	Sept.....	24	⁴ 151			
June.....	432	1,023	210	1	139	110		39	216	Dec.....	25			17	
July.....	435	¹ 030	² 21	1	¹ 42	110		39	216	1942—Mar.....	12				
Aug.....	449	¹ 029		1	¹ 48	110			216	June.....	8			17	
Sept.....	454	¹ 033		1		110			216	Sept.....	7				
										Dec.....	12			17	
										1943—Mar.....	14				
										June.....	11			17	
										Sept.....	7				
										Dec.....	43				
										1944—Mar.....	14				
										June.....	21				

² Preliminary.

¹ Figures through March 1940 and figure for December 1942 and December 1943 include, in addition to gold of the Central Bank held at home, gold of the Central Bank held abroad and gold belonging to the Argentine Stabilization Fund.

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: Bulgaria—Jan. 31, 1943; Greece—Mar. 31, 1941; Java—Jan. 31, 1942; Norway—Mar. 30, 1940; Poland—July 31, 1939; Yugoslavia—Feb. 28, 1941.

⁵ Figure for December 1938 is that officially reported on Apr. 30, 1938.

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

⁷ Beginning December 1942, includes gold reserves abroad, formerly not reported.

⁸ These countries are: Albania, Algeria, Australia, Austria through Mar. 7, 1938, Belgian Congo, Bolivia, China, Costa Rica beginning July 1943, 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.

⁹ Gold holdings of Bank of England reduced to nominal amount by gold transfers to British Exchange Equalization Account during 1939.

NOTE.—For back figures, see *Banking and Monetary Statistics*, Tables 156-160, pp. 536-555, and for a description of figures, including details regarding special internal gold transfers affecting the reported data, see pp. 524-535 in the same publication.

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 Figure for end of September.

³ Reported figure for total British gold reserves on Aug. 31, 1939, less reported holdings of Bank of England on that date.

⁴ Figure for Sept. 1, 1941.

NOTE.—For certain back figures and for details regarding special internal gold transfers affecting the British and French institutions, see *Banking and Monetary Statistics*, p. 526.

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—Mar. (Apr. 3).....	259.5	57.7	-2.0	59.7	155.0	31.8	-6.2	21.1
June (July 3).....	616.0	213.8	6.1	207.7	312.8	43.7	15.8	29.8
Sept. (Oct. 2).....	899.4	350.7	-4.5	355.2	388.6	40.1	90.3	29.8
Dec. (Jan. 1, 1936).....	1,412.5	603.3	9.8	593.5	361.4	125.2	316.7	6.0
1936—Mar. (Apr. 1).....	1,511.1	578.4	44.4	534.0	390.3	114.4	427.6	4
June (July 1).....	1,949.2	779.0	35.9	743.1	449.0	180.5	524.1	16.5
Sept. 30.....	2,283.3	898.5	37.4	861.1	456.2	272.2	633.3	23.2
Dec. 30.....	2,608.4	930.5	81.1	849.4	431.5	316.2	917.4	12.9
1937—Mar. 31.....	2,931.4	1,121.6	62.8	1,058.8	411.0	319.1	1,075.7	4.1
June 30.....	3,561.9	1,612.4	215.3	1,397.1	466.4	395.2	1,069.5	18.3
Sept. 29.....	3,911.9	1,743.6	364.6	1,379.0	518.1	493.3	1,125.1	31.9
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. 28.....	5,163.7	2,771.6	977.6	1,793.9	801.6	857.5	631.0	102.0
Feb. 25.....	5,069.0	2,675.5	879.4	1,796.0	809.2	856.2	626.2	102.0
Mar. (Apr. 1).....	5,082.4	2,684.0	932.0	1,752.0	819.7	849.6	624.9	104.3
Apr. 29.....	5,309.6	2,906.1	1,106.7	1,799.4	829.8	843.2	626.6	104.9
May (June 3).....	5,415.4	2,996.8	1,144.0	1,852.8	839.8	843.2	629.0	104.6
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.....	5,907.7	3,471.1	1,536.6	1,934.5	889.8	761.3	678.5	107.0
Feb. 27.....	6,014.9	3,590.1	1,671.8	1,918.3	890.5	751.9	676.0	106.4
Mar. 31.....	6,147.1	3,643.4	1,723.1	1,920.3	898.7	810.5	685.9	108.6
Apr. 30.....	6,212.3	3,690.5	1,801.8	1,888.6	909.9	809.5	692.9	109.5
May 29.....	6,282.6	3,769.6	1,871.6	1,898.0	905.1	807.0	692.5	108.5
June 30.....	6,506.4	4,002.6	2,071.4	1,931.2	896.9	806.8	687.9	112.1
July 31.....	6,556.0	4,056.4	2,103.4	1,953.0	901.9	792.9	692.3	112.6
Aug. 31.....	6,726.3	4,107.9	2,122.6	1,985.3	909.4	907.8	687.0	114.3
Sept. 30.....	6,771.3	4,130.6	2,190.9	1,939.7	888.6	929.3	708.1	114.8
Oct. 30.....	6,904.6	4,284.4	2,312.9	1,971.5	870.5	928.3	707.4	114.1
Nov. 30.....	7,073.6	4,435.7	2,450.0	1,985.7	882.6	929.8	710.1	115.4
Dec. 31.....	7,118.6	4,496.3	2,461.5	2,034.8	877.6	925.9	701.1	117.8
1944—Jan. 31.....	7,272.9	4,658.2	2,649.3	2,009.0	870.8	931.7	695.1	117.0
Feb. 29.....	7,418.6	4,833.2	2,815.7	2,017.5	843.5	924.2	698.8	118.9
Mar. 31.....	7,462.9	4,885.4	2,856.0	2,029.4	868.0	904.1	685.8	119.6
Apr. 29.....	7,464.3	4,881.0	2,780.5	2,100.6	873.4	905.4	686.2	118.3
May 31.....	7,458.9	4,882.7	2,726.8	2,155.9	872.9	903.2	680.1	119.9
June 30.....	7,459.6	4,851.7	2,661.4	2,190.3	856.6	929.8	702.4	119.1
July 31.....	7,423.4	4,740.8	2,622.9	2,117.9	850.6	1,005.8	706.9	119.3

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 or 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 July 31, in millions of dollars: total foreign banking funds in United States 5,397.7, including official funds, 3,260.5, and other funds, 2,137.2; United States banking funds abroad, 284.9; and brokerage balances (net due "foreigners") 42.4.

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 back figures, see *Banking and Monetary Statistics*, Tables 161-163, pp. 574-637, and for full description of statistics see pp. 558-560 in the same publication.

CENTRAL BANKS

Bank of England (Figures in millions of pounds sterling)	Assets of issue department		Assets of banking department				Note- circulation ³	Liabilities of banking department			
	Gold ¹	Other assets ²	Cash reserves		Dis- counts and advances	Securi- ties		Deposits			Other liabili- ties
			Coin	Notes				Bankers ⁷	Public	Other	
1929—Dec. 25.....	145.8	260.0	.2	26.3	22.3	84.9	379.6	71.0	8.8	35.8	17.9
1930—Dec. 31.....	147.6	260.0	.6	38.8	49.0	104.7	368.8	132.4	6.6	36.2	18.0
1931—Dec. 30.....	120.7	275.0	.6	31.6	27.3	133.0	364.2	126.4	7.7	40.3	18.0
1932—Dec. 28.....	119.8	275.0	.8	23.6	18.5	120.1	371.2	102.4	8.9	33.8	18.0
1933—Dec. 27.....	190.7	260.0	1.0	58.7	16.8	101.4	392.0	101.2	22.2	36.5	18.0
1934—Dec. 26.....	192.3	260.0	.5	47.1	7.6	98.2	405.2	89.1	9.9	36.4	18.0
1935—Dec. 25.....	200.1	260.0	.6	35.5	8.5	94.7	424.5	72.1	12.1	37.1	18.0
1936—Dec. 30.....	313.7	200.0	.6	46.3	17.5	155.6	467.4	150.6	12.1	39.2	18.0
1937—Dec. 29.....	326.4	220.0	.8	41.1	9.2	135.5	505.3	120.6	11.4	36.6	18.0
1938—Dec. 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.....	4.2	580.0	1.0	25.6	4.3	176.1	554.6	117.3	29.7	42.0	17.9
1940—Dec. 25.....	.2	⁵ 630.0	.9	13.3	4.0	199.1	616.9	135.7	12.5	51.2	17.9
1941—Dec. 31.....	.2	⁵ 780.0	.3	28.5	6.4	267.8	751.7	219.9	11.2	54.1	17.9
1942—Dec. 30.....	.2	⁵ 950.0	.9	26.8	3.5	267.9	923.4	223.4	9.0	48.8	17.9
1943—Oct. 27.....	.2	⁶ 1,050.0	1.8	51.8	1.6	211.3	998.5	190.3	5.4	53.1	17.7
Nov. 24.....	.2	1,050.0	1.7	31.2	6.0	222.1	1,019.0	183.2	6.8	53.3	17.8
Dec. 29.....	.2	⁶ 1,100.0	.9	11.6	2.5	307.9	1,088.7	234.3	10.3	60.4	17.9
1944—Jan. 26.....	.2	1,100.0	.6	33.0	4.4	229.0	1,067.3	187.8	8.5	52.7	17.9
Feb. 23.....	.2	1,100.0	.9	22.8	2.1	255.2	1,077.5	200.3	8.9	53.7	18.0
Mar. 29.....	.2	⁶ 1,150.0	.4	45.6	15.4	212.7	1,104.6	188.8	7.1	60.2	18.1
Apr. 26.....	.2	1,150.0	.4	25.8	5.8	245.6	1,124.5	198.5	4.5	56.9	17.7
May 31.....	.2	1,150.0	.7	14.7	1.0	239.8	1,135.5	165.1	15.0	58.2	17.8
June 28.....	.2	1,150.0	.9	19.4	1.2	282.2	1,130.9	217.7	12.5	55.6	17.9
July 26.....	.2	1,150.0	1.0	13.4	4.7	261.7	1,136.8	199.8	7.7	55.4	17.9
Aug. 30.....	.2	⁶ 1,200.0	1.5	54.2	6.2	228.4	1,146.0	201.9	14.4	56.2	18.0
Sept. 27.....	.2	1,200.0	2.0	45.7	4.3	252.6	1,154.6	221.5	9.8	55.3	18.1

Bank of Canada (Figures in millions of Canadian dollars)	Assets					Liabilities				
	Gold	Sterling and United States dollars	Dominion and provin- cial government securities		Other assets	Note circulation ⁷	Deposits			Other liabilities
			Short- term ⁸	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—Dec. 31.....		.5	807.2	209.2	31.3	693.6	259.9	51.6	19.1	24.0
1943—Oct. 30.....	68.5	787.4	434.0	22.1	836.6	339.2	88.9	15.6	31.7	
Nov. 30.....	26.5	797.1	466.7	30.6	844.6	360.6	66.1	16.1	33.6	
Dec. 31.....	.6	787.6	472.8	47.3	874.4	340.2	20.5	17.8	55.4	
1944—Jan. 31.....	.4	799.9	486.8	25.4	860.6	360.9	34.8	22.3	33.4	
Feb. 29.....	.2	789.2	508.9	31.3	875.4	362.7	40.1	31.5	19.8	
Mar. 31.....	.3	788.9	557.0	44.0	897.9	359.2	65.8	22.8	44.5	
Apr. 29.....	.2	777.1	567.7	26.4	915.3	385.2	24.6	17.4	28.8	
May 31.....	.3	879.0	548.7	23.8	911.5	377.7	101.8	26.6	34.1	
June 30.....	.2	803.5	576.1	39.9	920.5	414.7	8.2	22.0	51.3	
July 31.....	.2	801.6	602.6	24.4	942.4	414.9	43.0	22.3	31.9	
Aug. 31.....	48.7	849.4	593.8	26.9	960.4	432.5	53.9	34.3	37.9	
Sept. 30.....	45.9	833.1	625.5	22.1	982.8	454.8	21.9	33.3	33.8	

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

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

³ Notes issued less amounts held in banking department.

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

⁵ Fiduciary issue increased by 50 million pounds on June 12, 1940, Apr. 30, Aug. 30, and Dec. 3, 1941, and Apr. 22 and July 28, 1942; by 70 million pounds on Dec. 2, 1942; and by 50 million pounds on Apr. 13, Oct. 6, and Dec. 8, 1943, and on Mar. 7 and Aug. 2, 1944.

⁶ Securities maturing in two years or less.

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

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

NOTE.—For back figures on Bank of England and Bank of Canada, see *Banking and Monetary Statistics*, Tables 164 and 166, pp. 638-640 and pp. 644-645, respectively; for description of statistics see pp. 560-564 in same publication.

CENTRAL BANKS—Continued

Bank of France (Figures in millions of francs)	Assets							Liabilities					
	Gold ¹	Foreign ex- change	Domestic bills			Advances to Government		Other assets	Note circulation	Deposits			Other liabili- ties
			Open market ²	Special ²	Other	For oc- cupation costs ³	Other ²			Government	C.A.R. ⁴	Other	
1929—Dec. 27	41,668	25,942	5,612		8,624			8,124	68,571	11,737		7,850	1,812
1930—Dec. 26	53,578	26,179	5,304		8,429			9,510	76,436	12,624		11,698	2,241
1931—Dec. 30	68,863	21,111	7,157		7,389			11,275	85,725	5,898		22,183	1,989
1932—Dec. 30	83,017	4,484	6,802		3,438			11,712	85,028	2,311		20,072	2,041
1933—Dec. 29	77,098	1,158	6,122		4,739			11,173	82,613	2,322		13,414	1,940
1934—Dec. 28	82,124	963	5,837		3,971			11,500	83,412	3,718		15,359	1,907
1935—Dec. 27	66,296	1,328	5,800		9,712			11,705	81,150	2,862		8,716	2,113
1936—Dec. 30	60,359	1,460	5,640	1,379	8,465		17,698	12,642	89,342	2,089		13,655	2,557
1937—Dec. 30	58,933	911	5,580	652	10,066		31,909	11,733	93,837	3,461		19,326	3,160
1938—Dec. 29	87,265	821	7,422	1,797	7,880		20,627	18,498	110,935	5,061		25,595	2,718
1939—Dec. 28	97,267	112	11,273	2,345	5,149		34,673	20,094	151,322	1,914		14,751	2,925
1940—Dec. 26	84,616	42	43,194	661	3,646	72,317	63,900	23,179	218,383	984	41,400	27,202	3,586
1941—Dec. 31	84,598	38	42,115	12	4,517	142,507	69,500	22,121	270,144	1,517	64,580	25,272	3,894
1942—Dec. 31	84,598	37	43,661	169	5,368	210,965	68,250	21,749	382,774	770	16,857	29,935	4,461
1943—July 29	84,598	38	43,261		6,456	271,371	61,150	21,472	440,291	754	11,170	31,864	4,267
Aug. 26	84,598	37	43,108		6,908	288,308	53,500	21,078	448,270	743	14,674	29,615	4,235
Sept. 30	84,598	37	43,412		4,968	295,807	69,500	23,519	468,015	821	15,450	33,199	4,355
Oct. 28	84,598	37	44,591		4,799	306,689	65,500	21,000	475,868	627	12,191	34,111	4,417
Nov. 25	84,598	37	44,860	35	6,472	320,843	55,950	21,457	484,060	755	14,083	31,133	4,220
Dec. 30	84,598	37	44,699	29	7,543	326,973	64,400	21,420	500,386	578	10,724	33,137	4,872
1944—Jan. 27	84,598	37	44,870		8,196	343,300	56,050	21,614	506,035	825	12,365	34,339	5,112
Feb. 24	84,598	37	45,018	3	8,469	351,000	60,500	20,598	514,323	749	13,905	35,359	5,887
Mar. 30	84,598	37	44,359	19	8,349	351,000	69,800	21,570	530,174	786	9,063	35,100	4,608
Apr. 27	84,598	37	44,706	12	7,718	367,300	66,800	21,437	539,058	793	8,811	38,017	5,928
May 25	84,598	37	44,232		6,611	383,600	67,600	21,143	551,969	795	9,652	37,876	7,528
June 29	84,598	37	46,241	1	6,045	409,200	71,500	21,160	576,909	750	12,309	43,343	5,472

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 liabili- ties
	Total reserves	Gold			Eligible as note cover	Other				
1929—Dec. 31	2,687	2,283	2,848	251		92	656	5,044	755	736
1930—Dec. 31	2,685	2,216	2,572	256		102	638	4,778	652	822
1931—Dec. 31	1,156	984	4,242	245		161	1,065	4,776	755	1,338
1932—Dec. 31	920	806	2,806	176		398	1,114	3,560	540	1,313
1933—Dec. 30	396	386	3,226	183	259	322	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	71	11,392	30	804	393	2,498	11,798	2,018	1,378
1940—Dec. 31	78	71	15,419	38	32	357	2,066	14,033	2,561	1,396
1941—Dec. 31	77	71	21,656	32	107	283	2,311	19,325	3,649	1,493
1942—Dec. 31	76	71	29,283	25	87	210	1,664	24,375	5,292	1,680
1943—Sept. 30	77	(⁶)	35,010	22	1	105	2,436	30,099	5,601	1,951
Oct. 30	77		36,117	17	1	136	2,583	30,922	5,967	2,040
Nov. 30	77		37,870	66	1	79	2,733	31,772	6,951	2,104
Dec. 31	77	71	41,342	27	1	65	2,337	33,683	8,186	1,980
1944—Jan. 31	77		39,584	43	1	42	2,296	33,012	7,176	1,855
Feb. 29	77		39,269	26	1	66	2,360	33,508	6,636	1,654
Mar. 31	77		40,379	46	1	33	2,281	33,792	7,237	1,788
Apr. 29	77		40,909	38	1	31	2,525	34,569	7,179	1,833
May 31	77		42,159	28	1	23	2,096	35,229	7,240	1,915
June 30	77		42,150	26	1	27	2,397	35,920	6,754	2,004
July 31	77		43,222	38	1	21	2,396	36,888	6,813	2,054
Aug. 31	77		45,829	42	1	20	2,275	38,579	7,480	2,185

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 May 17, 1944, advances of 411,000 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 in weekly Reichsbank statement after June 15, 1939.

NOTE.—For back figures on Bank of France and Reichsbank, see *Banking and Monetary Statistics*, Tables 165 and 167, pp. 641-643 and pp. 645-647, respectively; for description of statistics see pp. 562-565 in same publication.

CENTRAL BANKS—Continued

Central Bank (Figures as of last report date of month)	1944			1943	Central Bank (Figures as of last report date of month)	1944			1943
	Sept.	Aug.	July	Sept.		Sept.	Aug.	July	Sept.
Central Bank of the Argentine Republic (millions of pesos):					National Bank of Denmark (millions of kroner):				
Gold reported separately.....		1,239	1,206	1,073	Gold.....		97	97	97
Other gold and foreign exchange.....		2,352	2,296	1,818	Foreign exchange.....		22	22	20
Government securities.....		883	883	376	Clearing accounts (net).....		2,536	2,496	1,658
Rediscouted paper.....					Loans and discounts.....		29	27	46
Other assets.....		166	170	252	Securities.....		71	62	56
Note circulation.....		2,106	2,089	1,728	Govt. compensation account ³		85	85	125
Deposits—Member bank.....		1,414	1,268	848	Other assets.....		3,728	3,581	2,065
Government.....		623	694	732	Note circulation.....		1,600	1,581	1,193
Other.....		143	159	81	Deposits—Government.....		1,887	1,781	834
Certificates of participation in Government securities.....		171	167		Other.....		2,661	2,578	1,718
Other liabilities.....		183	178	130	Other liabilities.....		419	429	322
Commonwealth Bank of Australia (thousands of pounds):					Central Bank of Ecuador (thousands of sucres):			(Apr.) ⁴	
Issue department:					Gold.....		249,644		215,071
Gold and English sterling.....		50,544	50,544	38,266	Foreign exchange (net).....		71,649		66,826
Securities.....		154,329	152,833	120,152	Loans and discounts.....		82,897		84,756
Banking department:					Other assets.....		95,843		69,554
Coin, bullion, and cash.....		14,056	13,125	7,009	Note circulation.....		222,472		213,472
London balances.....		124,868	123,180	47,199	Demand deposits.....		235,138		180,064
Loans and discounts.....		29,701	30,371	20,066	Other liabilities.....		42,422		42,670
Securities.....		236,843	237,417	226,510	National Bank of Egypt ⁵ (thousands of pounds):				
Deposits.....		209,661	207,328	172,635	Gold.....		6,241		6,241
Note circulation.....		196,494	194,994	150,012	Foreign exchange.....		14,684		12,693
National Bank of Belgium and Bank of Issue of Brussels (millions of belga): ¹					Loans and discounts.....		1,828		2,471
Gold.....			4,331	4,331	British, Egyptian, and other Government securities.....		239,934		194,275
Foreign exchange.....			12,661	9,116	Other assets.....		18,164		6,905
Credits to State and public bodies.....			4,265	3,767	Note circulation.....		101,899		87,663
Credits to private economy.....			50	116	Deposits—Government.....		62,886		39,448
Reichskreditkasse.....			756	713	Other.....		102,502		80,881
Other assets.....			675	637	Other liabilities.....		13,563		14,592
Note circulation.....			19,504	16,132	Central Reserve Bank of El Salvador (thousands of colones):				
Demand deposits.....			1,220	908	Gold.....		32,856		26,861
Postal Checking Office.....			1,637	1,322	Foreign exchange.....		38,018		25,258
Other liabilities.....			375	319	Loans and discounts.....		763		874
National Bank of Bohemia and Moravia (millions of koruny):					Government debt and securities.....		6,351		6,836
Gold.....		1,515	1,515	1,515	Other assets.....		1,108		599
Foreign exchange.....		776	775	772	Note circulation.....		43,576		32,800
Discounts.....		3,403	3,385	1,202	Deposits.....		29,473		21,696
Loans.....		3			Other liabilities.....		6,046		5,932
Other assets.....		43,649	40,726	26,727	Bank of Finland ⁶				
Note circulation.....		28,224	27,356	20,086	Bank of Greece ²				
Demand deposits.....		11,125	9,444	4,392	National Bank of Hungary (millions of pengö):				
Other liabilities.....		9,997	9,602	5,738	Gold.....			100	100
Central Bank of Bolivia (millions of bolivianos):					Foreign exchange reserve.....			3	4
Gold at home and abroad.....		600	599	555	Discounts.....		5,315		2,919
Foreign exchange.....		384	406	372	Loans—To Treasury.....		540		666
Loans and discounts.....		288	287	357	To foreign countries.....		902		933
Securities—Government.....		637	634	531	Other.....		2		13
Other.....		41	41	41	Other assets.....		1,396		1,176
Other assets.....		77	72	82	Note circulation.....		5,598		3,974
Note circulation.....		1,186	1,175	1,026	Demand deposits.....		1,219		649
Deposits.....		733	771	814	Consolidated foreign credits of 1931.....			10	15
Other liabilities.....		107	93	97	Other liabilities.....		1,432		1,173
National Bank of Bulgaria ²					Reserve Bank of India (millions of rupees):				
Central Bank of Chile (millions of pesos):					Issue department:				
Gold.....			273	264	Gold at home and abroad.....			444	444
Discounts for member banks.....			82	72	Sterling securities.....			8,283	6,418
Loans to Government.....			715	743	Indian Govt. securities.....			578	734
Other loans and discounts.....			938	860	Rupee coin.....			144	149
Other assets.....			1,148	997	Note circulation.....			9,220	7,597
Note circulation.....			2,302	2,105	Banking department:				
Deposits—Bank.....			419	387	Notes of issue department.....			230	148
Other.....			159	160	Balances abroad.....			2,055	1,082
Other liabilities.....			275	284	Treasury bills discounted.....			12	
Bank of the Republic of Colombia (thousands of pesos):					Loans to Government.....			157	105
Gold.....	155,366	153,259	150,038	95,525	Other assets.....			2,259	1,177
Foreign exchange.....	119,033	114,959	114,328	82,495	Deposits.....			195	158
Loans and discounts.....	12,329	5,808	7,506	3,918	Other liabilities.....				
Government loans and securities.....	56,884	56,332	56,525	55,684	Central Bank of Ireland (thousands of pounds):				
Other assets.....	30,277	29,573	29,913	32,260	Gold.....		2,646	2,646	2,646
Note circulation.....	156,527	154,798	154,551	108,869	Sterling funds.....		27,229	26,085	25,665
Deposits.....	136,972	133,662	133,920	112,817	Note circulation.....		29,875	28,731	28,311
Other liabilities.....	80,391	71,472	69,839	48,196	Bank of Japan ⁴				
					Bank of Java ⁵				

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 For last available report from the central bank of Bulgaria (January 1943), see BULLETIN for July 1943, p. 697; of Finland (August 1943), see BULLETIN for April 1944, p. 405; of Greece (March 1941) and Japan (September 1941), see BULLETIN for March 1942, p. 281; and of Java (January 1942), see BULLETIN for March 1943, p. 278.

³ 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.

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

⁵ Items for issue and banking departments consolidated.

CENTRAL BANKS—Continued

Central Bank (Figures as of last report date of month)	1944			1943	Central Bank (Figures as of last report date of month)	1944			1943
	Sept.	Aug.	July	Sept.		Sept.	Aug.	July	Sept.
Bank of Mexico (millions of pesos):					Bank of Spain (millions of pesetas):			(May) ³	
Metallic reserve ¹		543	535	420	Gold			1,102	927
"Authorized" holdings of securities, etc.	1,366	1,368	1,201	1,201	Silver			621	626
Bills and discounts	347	322	140		Government loans and securities			15,966	16,177
Other assets	83	77	64		Other loans and discounts			2,768	3,074
Note circulation	1,227	1,212	1,023		Other assets			2,158	2,282
Demand liabilities	945	930	657		Note circulation			16,037	15,610
Other liabilities	168	161	144		Deposits—Government			2,450	3,114
Netherlands Bank (millions of guilders):					Other			3,634	3,500
Gold		932		932	Other liabilities			494	802
Silver (including subsidiary coin)				1	Bank of Sweden (millions of kronor):				
Foreign bills	3,921			2,778	Gold	1,000	989	960	824
Discounts					Foreign assets (net)	563	569	600	588
Loans	133		139		Swedish Govt. securities and advances to National Debt Office ²	1,171	1,161	1,229	1,050
Other assets	96		76		Other domestic bills and advances	87	94	89	91
Note circulation	4,474		3,041		Other assets	1,034	990	974	866
Deposits—Government	105		100		Note circulation	2,337	2,253	2,187	2,133
Other	310		675		Demand deposits—Government	434	441	582	361
Other liabilities	193		110		Other	433	484	452	313
Reserve Bank of New Zealand (thousands of pounds):					Other liabilities	651	625	631	612
Gold	2,802	2,802	2,802		Swiss National Bank (millions of francs):				
Sterling exchange reserve	32,658	30,848	25,810		Gold	4,468	4,453	4,455	3,838
Advances to State or State undertakings	39,953	41,381	37,636		Foreign exchange	95	105	87	92
Investments	11,736	11,736	10,323		Loans and discounts	100	64	62	275
Other assets	2,630	2,591	3,092		Other assets	(⁶)	140	(⁶)	330
Note circulation	37,961	37,688	33,636		Note circulation	3,194	3,082	3,028	2,805
Demand deposits	48,347	48,272	42,920		Other sight liabilities	1,325	1,402	1,441	1,455
Other liabilities	3,471	3,398	3,108		Other liabilities	(⁶)	277	(⁶)	275
Bank of Norway ²					Central Bank of the Republic of Turkey (thousands of pounds):			(June) ³	
Bank of the Republic of Paraguay (millions of pesos):					Gold			263,060	201,696
Gold	335	331	20		Foreign exchange and foreign clearings			80,992	69,585
Foreign exchange	2,447	2,490	2,333		Loans and discounts			840,678	685,567
Loans and discounts	202	208	106		Securities			180,331	193,155
Government loans and securities	2,721	2,573	1,924		Other assets			20,844	22,219
Other assets	1,557	1,404	2,107		Note circulation			910,885	746,532
Note circulation	2,845	2,812	2,531		Deposits—Gold			84,684	79,358
Demand deposits—Government	821	786	563		Other			226,157	178,740
Other	2,524	2,417	1,811		Other liabilities			164,180	168,349
Other liabilities	1,073	991	1,584		Bank of the Republic of Uruguay (thousands of pesos):				
Central Reserve Bank of Peru (thousands of soles):					Issue department:			(June) ³	
Gold and foreign exchange		170,821	143,735		Gold and silver			118,693	90,197
Discounts		1,072	10,926		Note circulation			135,255	119,422
Government loans		414,907	324,455		Banking department:				
Other assets		20,461	18,981		Gold and silver			100,171	84,182
Note circulation		392,235	323,116		Notes and coin			37,015	29,578
Deposits		191,513	151,449		Advances to State and to government bodies			15,628	34,226
Other liabilities		23,514	23,531		Other loans and discounts			99,258	94,436
Bank of Portugal (millions of escudos):					Other assets			255,444	177,161
Gold ⁴			(May) ³		Deposits			225,039	169,286
Other reserves (net)			1,411	1,398	Other liabilities			282,476	250,299
Nonreserve exchange			4,752	3,836	Central Bank of Venezuela (thousands of bolivares):				
Loans and discounts			8,881	7,365	Gold	338,108	338,108	338,108	257,864
Government debt			1,023	1,025	Foreign exchange (net)	55,512	37,196	32,209	34,312
Other assets			925	1,072	Credits to national banks	26,370	26,370	26,370	31,230
Note circulation			6,885	6,128	Other assets	36,844	45,035	33,241	13,443
Other sight liabilities			9,428	7,808	Note circulation—Central Bank	267,363	267,608	266,989	230,365
Other liabilities			919	995	National banks	20,889	21,587	22,273	27,976
National Bank of Rumania (millions of lei):					Deposits	161,838	147,082	133,810	70,642
Gold			(June) ³		Other liabilities	6,744	10,431	6,856	7,865
Special exchange accounts			69,567	54,496	National Bank of the Kingdom of Yugoslavia ²				
Loans and discounts			70,223	31,407	Bank for International Settlements (thousands of Swiss gold francs): ⁷				
Special loans (in liquidation)			70,986	48,824	Gold in bars			118,495	80,067
Government debt			117	244	Cash on hand and on current account with banks			21,513	18,044
Other assets			44,948	20,754	Sight funds at interest			6,701	15,773
Note circulation			62,750	59,076	Rediscountable bills and acceptances (at cost)			101,741	151,399
Demand deposits			211,848	138,395	Time funds at interest			21,075	21,395
Other liabilities			62,252	50,230	Sundry bills and investments			198,607	197,657
South African Reserve Bank (thousands of pounds):					Other assets			282	37
Gold	94,381	92,184	78,158		Demand deposits (gold)			29,076	40,802
Foreign bills	20,241	21,114	11,687		Short-term deposits (various currencies):				
Other bills and loans	4,060	4,436	727		Central banks for own account			9,473	15,320
Other assets	90,243	89,874	86,964		Other			3,106	2,494
Note circulation	52,092	53,613	45,239		Long-term deposits: Special accounts			229,001	229,001
Deposits	151,573	148,791	127,810		Other liabilities			197,757	196,755
Other liabilities	5,260	5,204	4,488						

⁶ Corrected.

¹ Includes gold, silver, and foreign exchange forming required reserve (25 per cent) against notes and other demand liabilities.

² For last available reports from the central banks of Norway (March 1940), and Yugoslavia (February 1941), see BULLETIN for March 1942, p. 282.

³ Latest month for which report is available for this institution.

⁴ Valued at average cost beginning October 1940.

⁵ Includes small amount of non-Government bonds.

⁶ Figure not available.

⁷ 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 Oct. 31	Date effective	Central bank of—	Rate Oct. 31	Date effective
	United Kingdom	France	Germany	Belgium	Netherlands	Sweden	Switzerland						
In effect Oct. 2, 1936.....	2	3	4	2	3	2½	2	Albania.....	5½	Mar. 21, 1940	Italy.....	4	Sept. 11, 1944
Oct. 9.....		2½						Argentina.....	3½	Mar. 1, 1936	Japan.....	3.29	Apr. 7, 1936
Oct. 16.....		2						Belgium.....	2	Jan. 25, 1940	Java.....	3	Jan. 14, 1937
Oct. 20.....					2½			Bohemia and Moravia.....	3½	Oct. 1, 1940	Latvia.....	5	Feb. 17, 1940
Nov. 26.....											Lithuania.....	6	July 15, 1939
Dec. 3.....					2								
Jan. 28, 1937.....		4											
June 15.....		6											
July 7.....		5						Bolivia.....	6	Nov. 8, 1940	Mexico.....	4½	June 4, 1942
Aug. 4.....		4						British India.....	3	Nov. 28, 1935	Netherlands.....	2½	June 27, 1941
Sept. 3.....		3½						Bulgaria.....	5	Dec. 1, 1940	New Zealand.....	1½	July 26, 1941
Nov. 13.....		3						Canada.....	1½	Feb. 8, 1944	Norway.....	3	May 13, 1940
May 10, 1938.....				4				Chile.....	3-4½	Dec. 16, 1936	Peru.....	5	Aug. 1, 1940
May 13.....		2½						Colombia.....	4	July 18, 1933	Portugal.....	2½	Jan. 12, 1944
May 30.....				3									
Sept. 28.....		3			2½			Denmark.....	4	Oct. 16, 1940	Rumania.....	4	May 8, 1944
Oct. 27.....								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.....	1¾	Mar. 17, 1941	Turkey.....	4	July 1, 1938
Aug. 24.....	4							Germany.....	3½	Apr. 9, 1940	United Kingdom.....	2	Oct. 26, 1939
Aug. 29.....					3			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							Ireland.....	2½	Nov. 23, 1943			
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 Oct. 31, 1944.....	2	1¾	3½	2	2½	3	1½						

NOTE.—Changes: Italy—Sept. 11, down from 4½ to 4 per cent; Rumania—May 8, up from 3 to 4 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—Aug.....	5.47	5.48	4.35	3½	7.18	7.42	5.06	4.68	4½-6½	3.33
1930—Aug.....	2.21	2.17	1.85	1	3.24	3.73	1.83	1.63	3½-5½	1.75
1931—Aug.....	4.28	4.21	3.59	2½	8.92	19.15	1.30	1.22	4-6	1.98
1932—Aug.....	.74	.60	.73	½	4.50	5.82	.37	1.00	4-6	1.50
1933—Aug.....	.41	.30	.62	½	3.88	4.94	1.11	1.08	3-5½	1.50
1934—Aug.....	.79	.74	.81	½	3.75	4.72	.75	1.00	2½-5	1.50
1935—Aug.....	.60	.58	.75	½	3.00	3.06	4.78	4.72	2½-4½	2.47
1936—Aug.....	.55	.53	.75	½	2.88	3.01	1.29	1.20	2½-5	2.25
1937—Aug.....	.55	.52	.75	½	2.88	2.85	.13	.53	2½-5	1.00
1938—Aug.....	.53	.51	.75	½	2.88	2.1	.13	.50	2½-5	1.00
1939—Aug.....	1.58	1.92	1.35	½-2	2.75	2.50	1.03	1.53	2½-5	1.00
1940—Aug.....	1.03	1.02	1.00	½	2.31	1.77	(2)	3.00	3½-5½	1.50
1941—Aug.....	1.03	1.00	1.00	½	2.13	1.73	1.88	2.25	3-5½	1.25
1942—Aug.....	1.03	1.00	1.00	½	2.13	1.68			3-5½	1.25
1943—Aug.....	1.03	1.00	1.11	½	2.13	1.89			3-5½	1.25
1943—Sept.....	1.03	1.00	1.07	½	2.13	1.93			3-5½	1.25
Oct.....	1.03	1.00	1.00	½	2.13					1.25
Nov.....	1.03	1.00	1.00	½	2.13					1.25
Dec.....	1.03	1.01	1.00	½	2.13					1.25
1944—Jan.....	1.03	1.01	1.08	½	2.13					1.25
Feb.....	1.03	1.00	1.13	½	2.13					1.25
Mar.....	1.03	1.00	1.13	½	2.13					1.25
Apr.....	1.03	1.01	1.13	½	2.13					1.25
May.....	1.03	1.00	1.13	½	2.13					1.25
June.....	1.03	1.00	1.13	½						1.25
July.....	1.03	1.00	1.13	½						1.25
Aug.....	1.03	1.00	1.13	½						1.25

¹ Based on data for part of month only.

² Figure not available.

NOTE.—For monthly figures on money rates in these and other foreign countries through 1941, see *Banking and Monetary Statistics*, Table 172, pp. 656-661, and for description of statistics see pp. 571-572 in same publication.

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—December	390	142	198	896	1,120	794	325	3,629	2,429	1,200	236
1943—September	389	148	209	1,045	1,160	741	293	3,737	2,504	1,233	248
October	394	151	181	1,135	1,158	749	289	3,813	2,556	1,256	245
November	403	155	184	1,187	1,167	732	283	3,865	2,588	1,277	245
December	422	151	133	1,307	1,154	761	349	4,032	2,712	1,319	245
1944—January	416	157	138	1,305	1,149	754	288	3,962	2,650	1,312	245
February	414	150	124	1,264	1,141	761	287	3,897	2,583	1,314	243
March	423	155	113	1,331	1,136	781	290	3,988	2,652	1,336	242
April	430	164	149	1,314	1,152	762	285	4,017	2,672	1,345	240
May	418	173	174	1,310	1,161	765	292	4,051	2,704	1,347	242
June	427	185	202	1,246	1,169	784	327	4,100	2,730	1,370	240
July	426	188	213	1,310	1,175	765	289	4,121	2,744	1,377	244
August	439	205	211	1,337	1,180	750	283	4,161	2,775	1,386	243

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	755	1,548	837
1937—December	255	76	862	102	1,411	575	96	2,335	752	1,583	850
1938—December	263	65	940	166	1,463	535	88	2,500	840	1,660	843
1939—December	292	53	1,088	132	1,646	612	85	2,774	1,033	1,741	963
1940—December	323	40	1,108	159	1,531	570	80	2,805	1,163	1,641	846
1941—December	356	32	1,169	168	1,759	653	71	3,105	1,436	1,669	962
1942—December	387	31	1,168	231	2,293	657	60	3,657	1,984	1,673	1,049
1943—September	427	34	1,045	198	2,881	679	46	4,085	2,396	1,989	1,133
October	460	38	1,038	202	2,870	659	45	4,107	2,146	1,961	1,115
November	496	44	1,259	233	2,938	669	43	4,454	2,572	1,883	1,141
December	471	48	1,156	250	2,940	744	42	4,395	2,447	1,948	1,172
1944—January	491	53	1,085	229	2,950	674	41	4,273	2,247	2,026	1,167
February	486	52	1,003	227	2,994	664	40	4,216	2,393	2,124	1,170
March	468	41	982	210	3,156	732	39	4,368	2,143	2,225	1,182
April	510	42	920	212	3,390	669	38	4,506	2,253	2,254	1,198
May	525	81	1,175	275	3,374	712	37	4,850	2,756	2,094	1,256
June	526	71	1,104	294	3,358	856	36	4,836	2,541	2,195	1,339
July	545	63	1,063	218	3,388	755	35	4,716	2,451	2,265	1,282
August	569	61	1,002	215	3,368	755	35	4,667	2,297	2,370	1,268

France (4 large banks. 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		
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	4,599	3,765	29,546	7,546	2,440	42,443	41,872	571	844	4,609
1940—December	6,258	3,546	44,243	7,984	1,999	58,890	58,413	477	535	4,604
1941—December	6,589	3,476	61,897	8,280	2,033	76,675	75,764	912	413	5,187
1942—December	7,810	3,458	73,917	10,625	2,622	91,549	91,225	324	462	6,422
1943—February	6,710	3,835	73,478	11,749	1,435	91,792	91,452	340	433	4,982
March	6,813	3,803	74,664	15,245	1,536	96,431	95,783	648	426	5,205
April	6,720	3,665	77,922	15,043	1,650	99,152	98,419	733	387	5,461
May	7,132	3,750	81,620	14,980	1,750	103,272	102,437	836	397	5,563
June	6,632	3,851	89,276	15,518	1,869	102,047	101,118	929	383	5,716
July	6,770	3,795	83,362	14,696	2,024	103,596	102,578	1,017	321	6,730
August	6,486	3,786	82,685	14,644	2,206	102,602	101,525	1,078	347	6,859
September	6,935	3,832	85,979	14,084	2,228	104,830	103,657	1,173	341	6,987
October	7,133	3,877	88,289	14,215	2,448	108,368	107,100	1,268	411	7,182
November	7,203	3,960	86,754	14,561	2,653	107,200	105,811	1,390	404	7,326
December	8,548	4,095	90,897	14,191	2,935	112,732	111,191	1,541	428	7,506
1944—January	7,510	4,125	90,024	13,737	1,676	110,485	108,883	1,601	419	6,168

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 Figures for three banks only. Data for Crédit Industriel et Commercial not available September 1940—March 1941.

NOTE.—For back figures and figures on German commercial banks, see *Banking and Monetary Statistics*, Table 168, pp. 648-655, and for description of statistics see pp. 566-571 in same publication.

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	
1936	33.137			395.94	16.917	8.5681	25.8788	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	24.0000	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	21.2111		96.018	5.1727	4.0000	11.879
1940	29.773		2322.80	305.16	216.880	6.0562	5.0214	30.155		200.909	85.141	5.1668	4.0000	6.000
1941	29.773	23.704	322.80	321.27		6.0575	5.0705	30.137		90.909	87.345	25.1664	24.0000	25.313
1942	29.773	23.704	322.80	321.50		6.0584	5.1427	30.122		90.909	88.379			
1943	29.773	24.732	322.80	2321.50		6.0586	5.1280	30.122		90.909	89.978			
1943—Oct.	29.773	25.125	322.80			6.0586	5.1275	30.122		90.909	89.426			
Nov.	29.773	25.125	322.80			6.0586	5.1275	30.122		90.909	89.422			
Dec.	29.773	25.125	322.80			6.0586	5.1275	30.122		90.909	89.404			
1944—Jan.	29.773	25.125	322.80			6.0586	5.1275	30.122		90.909	89.554			
Feb.	29.773	25.125	322.80			6.0586	5.1275	30.122		90.909	89.586			
Mar.	29.773	25.125	322.80			6.0586	5.1275	30.122		90.909	89.326			
Apr.	29.773	25.125	322.80			6.0586	5.1275	30.122		90.909	89.969			
May	29.773	25.125	322.80			6.0586	5.1275	30.122		90.909	90.507			
June	29.773	25.125	322.80			6.0587	5.1275	30.122		90.909	90.403			
July	29.773	25.125	322.80			6.0598	5.1275	30.122		90.909	90.178			
Aug.	29.773	25.125	322.80			6.0602	5.1529	30.122		90.909	90.003			
Sept.	29.773	25.125	322.80			6.0602	5.1803	30.122		90.909	89.356			

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)
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	23.4252	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		219.308	1.8710	2.0827	40.021	2.6715	22.958	18.475	5.0407	23.436	18.546	253.128	306.38
1941	57.004			2.0101		239.968		24.592	219.770	25.0703	223.439	20.538		322.54
1942	57.052											20.569		322.78
1943	57.265											20.577		324.20
1943—Oct.	57.277											20.580		324.42
Nov.	57.277											20.580		324.42
Dec.	57.277											20.582		324.42
1944—Jan.	57.277											20.582		324.42
Feb.	57.277											20.582		324.42
Mar.	57.277											20.582		324.42
Apr.	57.277											20.582		324.42
May	57.277											20.582		324.42
June	57.277											20.582		324.42
July	57.277											20.576		324.42
Aug.	57.277											20.580		324.42
Sept.	57.277											20.581		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	
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	218.835	4.0375	.7111	440.17	10.630	51.736	23.991	22.525		443.54	62.011	236.789	2.2716
1940	22.709		3.7110	2.6896	397.99	9.322	46.979	23.802	22.676	2403.50	383.00	65.830	37.601	2.2463
1941			24.0023		398.00	29.130	47.133	223.829	223.210	403.50	403.18	65.830	43.380	2.2397
1942					398.00		246.919			403.50	403.50	65.830	52.723	
1943					398.00					403.50	2403.50	65.830	52.855	
1943—Oct.					398.00					403.50		65.830	52.978	
Nov.					398.00					403.50		65.830	53.003	
Dec.					398.00					403.50		65.830	52.969	
1944—Jan.					398.00					403.50		65.830	52.946	
Feb.					398.00					403.50		65.830	52.945	
Mar.					398.00					403.50		65.830	52.954	
Apr.					398.00					403.50		65.830	52.961	
May					398.00					403.50		65.830	52.964	
June					398.00					403.50		65.830	52.962	
July					398.00					403.50		65.830	53.421	
Aug.					398.00					403.50		65.830	54.200	
Sept.					398.00					403.50		65.830	54.185	

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 certified.

NOTE.—For back figures, see *Banking and Monetary Statistics*, Table 173, pp. 662-682. For description of statistics see pp. 572-573 in same publication, and for further information concerning developments affecting the averages during 1942 and 1943 see BULLETIN for February 1943, p. 201, and February 1944, p. 209. There are no developments to record for 1944.

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
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	210
1943.....	103	100	163		116				196	218
1943—September.....	103	101	163		116		^p 382		195	220
October.....	103	102	163		116				195	220
November.....	103	102	163		116		^p 387		195	220
December.....	103	103	163		117		^p 391		195	220
1944—January.....	103	103	164		117		^p 396		195	221
February.....	104	103	165		117		^p 398		195	221
March.....	104	103	165		117		^p 400		195	223
April.....	104	103	166		118		^p 420		195	223
May.....	104	103	166		118				197	223
June.....	04	103	166						197	^p 223
July.....	104	103	167						198	^p 224
August.....	104	102	168						197	
September.....	104	^p 102	167							

^p Preliminary.

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

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

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

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

WHOLESALE PRICES—GROUPS OF COMMODITIES

[Indexes for groups included in total index above]

Year or month	United States (1926=100)			Canada (1926=100)			United Kingdom (1930=100)		Germany (1913=100)		
	Farm products	Foods	Other commodities	Farm products	Raw and partly manu- factured goods	Fully and chiefly manu- factured goods	Foods	Indus- trial products	Agricul- tural products	Indus- trial raw and semi- finished products	Indus- trial fin- ished products
1926.....	100	100	100	100	100	100			129	130	150
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	83	90	92	158	160	115	102	134
1943.....	123	107	97	96	99	93	160	164	119	102	135
1943—September.....	123	105	97	98	101	94	159	165	119	102	136
October.....	122	105	97	104	103	94	157	165	119	103	136
November.....	121	106	97	104	104	94	157	165	119	103	136
December.....	122	106	98	105	104	94	158	166	119	103	136
1944—January.....	122	105	98	104	104	94	159	166	119	103	136
February.....	123	105	98	104	105	94	159	167	119	103	136
March.....	124	105	98	105	105	94	158	168	121	103	136
April.....	123	105	98	104	105	94	158	169	122	103	136
May.....	123	105	99	102	104	94	158	170	122	103	136
June.....	125	107	99	102	104	94	158	170			
July.....	124	106	99	102	104	93	161	170			
August.....	123	105	99	101	104	94	159	172			
September.....	123	104	99	^p 101	^p 103	^p 94	157	172			

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

PRICE MOVEMENTS IN PRINCIPAL COUNTRIES—Continued
RETAIL FOOD PRICES **COST OF LIVING**

[Index numbers]

[Index numbers]

Year or month	RETAIL FOOD PRICES						COST OF LIVING					
	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)	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)
1933	84	85	120	113	120	117	92	94	140	118	139	131
1934	94	93	122	118	124	115	96	96	141	121	140	129
1935	100	95	125	120	118	114	98	96	143	123	136	128
1936	101	98	130	122	120	120	99	98	147	125	132	130
1937	105	103	139	122	127	130	103	101	154	125	137	137
1938	98	104	141	122	130	130	101	102	156	126	139	137
1939	95	101	141	123	130	132	99	102	158	126	140	138
1940	97	106	164	128	140	146	100	106	184	130	148	151
1941	106	116	168	129	140	175	105	112	199	133	148	174
1942	124	127	161	132	140	200	117	117	200	137	148	193
1943	138	131	166	134	140	211	124	118	199	139	148	203
1943—September	137	134	166	133	140	212	124	119	198	138	148	204
October	138	133	168	132	140	212	124	119	199	138	148	205
November	137	133	168	133	140	213	124	119	199	138	148	205
December	137	133	168	134	140	213	124	119	199	139	148	205
1944—January	136	132	168	135	140	213	124	119	199	139	148	206
February	135	131	168	135	140	214	124	119	200	140	148	206
March	134	131	168	136	140	214	124	119	200	140	148	206
April	135	132	168	138	140	215	125	119	200	140	148	207
May	136	132	168	138	140	215	125	119	200	141	148	208
June	136	131	168	139	140	216	125	119	200	142	148	208
July	137	132	169	146	140	216	126	119	201	146	148	209
August	138	132	170	143	140	216	126	119	202	144	148	209
September	137	131	169	143	140	216	127	119	202	144	148	209

^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	.....
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	⁵ 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	⁸ 84.7	100.7	⁷ 77.9	88.1	70.8	⁶ 120.6	114.6	⁸ 95.0
1941	117.8	123.8	⁹ 98.7	103.0	84.3	80.0	72.5	² 289.7	136.8	129.0
1942	118.3	127.3	⁶ 100.1	⁶ 103.3	94.7	69.4	75.3	² 476	142.1	131.5
1943	120.3	127.8	.....	.....	.....	91.9	84.5	.....	145.0	151.0
1943—September	120.8	126.9	.....	.....	.....	95.6	86.6	.....	144.7	152.1
October	120.9	127.4	.....	.....	.....	94.8	86.3	.....	144.8	152.1
November	120.4	127.1	.....	.....	.....	91.4	85.0	.....	145.0	152.2
December	120.0	127.2	.....	.....	.....	91.8	85.3	.....	145.1	152.2
1944—January	120.5	127.4	.....	.....	.....	94.6	86.2	.....	145.2	.....
February	120.4	127.6	.....	.....	.....	94.4	86.9	.....	145.3	.....
March	120.5	127.3	.....	.....	.....	96.6	87.1	.....	145.6	.....
April	120.7	127.1	.....	.....	.....	95.1	87.2	.....	145.8	.....
May	120.9	127.0	.....	.....	.....	97.2	88.0	.....	145.8	.....
June	120.9	127.2	.....	.....	.....	101.5	89.3	.....	145.7	.....
July	121.3	127.3	.....	.....	.....	104.3	90.3	.....	145.5	.....
August	121.2	127.2	.....	.....	.....	102.7	90.6	.....	.....	.....
September	121.2	.....	.....	.....	.....	100.7	.....	.....	.....	.....

^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; for compilations of back figures on prices of both bonds and common stocks in the United States see *Banking and Monetary Statistics*, Table 130, p. 475, and Table 133, p. 479.

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

⁶ Average based on figures for 5 months; no data available June-Dec.

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

⁸ Average based on figures for 9 months; no data available May-July.

⁹ Average based on figures for 10 months; no data available Jan.-Feb.

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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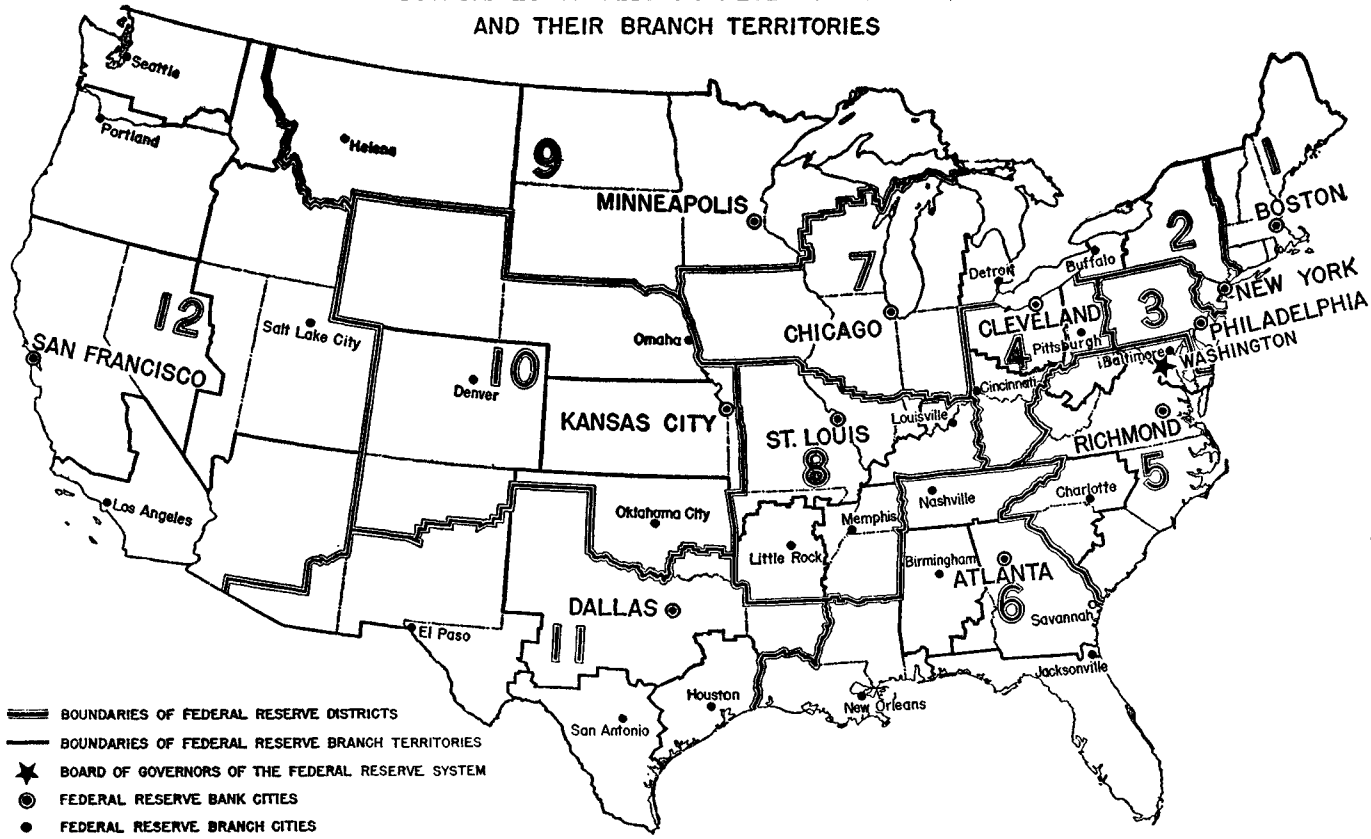
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FEDERAL RESERVE SYSTEM

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- BOUNDARIES OF FEDERAL RESERVE BRANCH TERRITORIES
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- FEDERAL RESERVE BANK CITIES
- FEDERAL RESERVE BRANCH CITIES
- FEDERAL RESERVE BANK AGENCY

JANUARY 2, 1943

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