

TABLE 3

Assets, liabilities, and capital of National banks, 1964 and 1965

[Dollar amounts in millions]

	<i>Dec. 31, 1964, 4,773 banks</i>		<i>Dec. 31, 1965, 4,815 banks</i>		<i>Change</i>	
	<i>Amount</i>	<i>Percent distribution</i>	<i>Amount</i>	<i>Percent distribution</i>	<i>Amount</i>	<i>Percent</i>
ASSETS						
Cash, balances with other banks, and cash items in process of collection	\$34,066	17.92	\$36,880	16.83	\$2,814	8.26
U.S. Government obligations, direct and guaranteed	33,537	17.64	31,896	14.56	-1,641	-4.89
Obligations of States and political subdivisions	18,592	9.78	22,541	10.29	3,949	21.24
Securities of Federal agencies and corporations not guaranteed by United States	1,832	.97	2,383	1.09	551	30.08
Other bonds, notes, and debentures	405	.21	490	.22	85	20.99
<i>Total securities</i>	<i>54,366</i>	<i>28.60</i>	<i>57,310</i>	<i>26.16</i>	<i>2,944</i>	<i>5.42</i>
Federal funds sold	821	.43	1,433	.66	612	74.54
Direct lease financing	81	.04	271	.12	190	234.57
Loans and discounts	95,577	50.27	116,833	53.32	21,256	22.24
Fixed assets	2,789	1.47	3,158	1.44	369	13.23
Customers' liability on acceptances outstanding	652	.34	926	.42	274	42.02
Other assets	1,761	.93	2,292	1.05	531	30.15
<i>Total assets</i>	<i>190,113</i>	<i>100.00</i>	<i>219,103</i>	<i>100.00</i>	<i>28,990</i>	<i>15.25</i>
LIABILITIES						
Demand deposits of individuals, partnerships, and corporations	74,200	39.03	81,129	37.03	6,929	9.34
Time and savings deposits of individuals, partnerships, and corporations	64,763	34.07	75,676	34.54	10,913	16.85
Deposits of U.S. Government	3,787	1.99	3,488	1.59	-299	-7.90
Deposits of States and political subdivisions	13,647	7.18	15,833	7.23	2,186	16.02
Deposits of foreign governments and official institutions, central banks, and international institutions			2,734	1.25	2,734	
Deposits of commercial banks	10,733	5.64	12,077	5.51	1,344	12.52
Certified and officers' checks, etc.	2,487	1.31	2,923	1.33	436	17.53
<i>Total deposits</i>	<i>169,617</i>	<i>89.22</i>	<i>193,860</i>	<i>88.48</i>	<i>24,243</i>	<i>14.29</i>
<i>Demand deposits</i>	<i>98,660</i>	<i>51.90</i>	<i>107,881</i>	<i>49.24</i>	<i>9,221</i>	<i>9.35</i>
<i>Time and savings deposits</i>	<i>70,957</i>	<i>37.32</i>	<i>85,979</i>	<i>39.24</i>	<i>15,022</i>	<i>21.17</i>
Federal funds purchased	827	.43	1,497	.68	670	81.02
Liabilities for borrowed money	299	.16	172	.08	-127	-42.47
Acceptances executed by or for account of reporting banks and outstanding	666	.35	944	.43	278	41.74
Other liabilities	3,656	1.92	5,196	2.37	1,540	42.12
<i>Total liabilities</i>	<i>175,065</i>	<i>92.08</i>	<i>201,669</i>	<i>92.04</i>	<i>26,604</i>	<i>15.20</i>
CAPITAL ACCOUNTS						
Capital notes and debentures	475	.25	1,134	.52	659	138.74
Preferred stock	28	.01	29	.01	1	3.57
Common stock	4,286	2.26	4,937	2.25	651	15.19
Surplus	7,208	3.79	7,967	3.64	759	10.53
Undivided profits	2,657	1.40	2,903	1.33	246	9.26
Reserves	394	.21	464	.21	70	17.77
<i>Total capital accounts</i>	<i>15,048</i>	<i>7.92</i>	<i>17,434</i>	<i>7.96</i>	<i>2,386</i>	<i>15.86</i>
<i>Total liabilities and capital accounts</i>	<i>190,113</i>	<i>100.00</i>	<i>219,103</i>	<i>100.00</i>	<i>28,990</i>	<i>15.25</i>

TABLE 1
Assets, liabilities, and capital of National banks, 1965 and 1966

[Dollar amounts in millions]

	Dec. 31, 1965 4,815 banks		Dec. 31, 1966 4,799 banks		Change, 1965-66	
	Amount	Percent distribution	Amount	Percent distribution	Amount	Percent
ASSETS						
Cash, balances with other banks, and cash items in process of collection.....	\$36,880	16.83	\$41,690	17.67	\$4,810	13.04
U.S. Government obligations, direct and guaranteed.....	31,896	14.56	30,355	12.86	-1,541	-4.83
Obligations of States and political subdivisions.....	22,541	10.29	23,778	10.08	1,237	5.49
Securities of Federal agencies and corporations not guaranteed by United States.....	2,383	1.09	3,026	1.28	643	26.98
Other bonds, notes, and debentures.....	490	0.22	509	0.22	19	3.88
<i>Total securities.....</i>	<i>57,310</i>	<i>26.16</i>	<i>57,668</i>	<i>24.44</i>	<i>358</i>	<i>0.62</i>
Securities purchased under agreements to resell.....			573	0.24	573	
Federal funds sold.....	1,433	0.66	1,728	.73	295	20.59
Direct lease financing.....	271	.12	331	.14	60	22.14
Loans and discounts.....	116,833	53.32	126,881	53.76	10,048	8.60
Fixed assets.....	3,158	1.44	3,451	1.46	293	9.28
Customers' liability on acceptances outstanding.....	2,926	.42	1,077	.46	151	16.31
Other assets.....	2,292	1.05	2,597	1.10	305	13.31
Total assets.....	219,103	100.00	235,996	100.00	16,893	7.71
LIABILITIES						
Demand deposits of individuals, partnerships, and corporations.....	81,129	37.03	84,434	35.78	3,305	4.07
Time and savings deposits of individuals, partnerships, and corporations.....	75,676	34.54	83,025	35.18	7,349	9.71
Deposits of U.S. Government.....	3,488	1.59	3,212	1.36	-276	-7.91
Deposits of States and political subdivisions.....	15,833	7.23	16,839	7.13	1,006	6.35
Deposits of foreign governments and official institutions, central banks, and international institutions.....	2,734	1.25	2,944	1.25	210	7.68
Deposits of commercial banks.....	12,077	5.51	12,595	5.34	518	4.29
Certified and officers' checks, etc.....	2,923	1.33	3,407	1.44	484	16.56
<i>Total deposits.....</i>	<i>193,860</i>	<i>88.48</i>	<i>206,456</i>	<i>87.48</i>	<i>12,596</i>	<i>6.50</i>
<i>Demand deposits.....</i>	<i>107,881</i>	<i>49.24</i>	<i>112,377</i>	<i>47.62</i>	<i>4,496</i>	<i>4.17</i>
<i>Time and savings deposits.....</i>	<i>85,979</i>	<i>39.24</i>	<i>94,079</i>	<i>39.86</i>	<i>8,100</i>	<i>9.42</i>
Liabilities for securities sold under agreements to repurchase.....			931	0.40	931	
Federal funds purchased.....	1,497	0.68	1,871	.79	374	24.98
Liabilities for borrowed money.....	172	.08	174	.07	2	1.16
Acceptances executed by or for account of reporting banks and outstanding.....	944	.43	1,105	.47	161	17.06
Other liabilities.....	5,196	2.37	7,000	2.97	1,804	34.72
Total liabilities.....	201,669	92.04	217,537	92.18	15,868	7.87
CAPITAL ACCOUNTS						
Capital notes and debentures.....	1,134	0.52	1,161	0.49	27	2.38
Preferred stock.....	29	.01	29	.01		
Common stock.....	4,937	2.25	5,109	2.17	172	3.48
Surplus.....	7,967	3.64	8,246	3.49	279	3.50
Undivided profits.....	2,903	1.33	3,350	1.42	447	15.40
Reserves.....	464	.21	564	.24	100	21.55
Total capital accounts.....	17,434	7.96	18,459	7.82	1,025	5.88
Total liabilities and capital accounts.....	219,103	100.00	235,996	100.00	16,893	7.71

TABLE 1
Assets, liabilities, and capital accounts of National banks, 1966 and 1967

[Dollar amounts in millions]

	Dec. 31, 1966, 4,795 banks		Dec. 31, 1967, 4,758 banks		Change, 1966-67	
	Amount	Percent distribution	Amount	Percent distribution	Amount	Percent
ASSETS						
Cash, balances with other banks, and cash items in process of collection	\$41,690	17.67	\$46,634	17.71	\$4,944	11.86
U.S. Government obligations	30,355	12.86	34,308	13.03	3,953	13.02
Obligations of States and political subdivisions	23,778	10.08	29,002	11.01	5,224	21.97
Securities of Federal agencies and corporations	3,026	1.28	4,838	1.84	1,812	59.88
Other securities	509	.22	1,508	.57	999	196.27
<i>Total securities</i>	<i>57,668</i>	<i>24.44</i>	<i>69,656</i>	<i>26.45</i>	<i>11,988</i>	<i>20.75</i>
Federal funds sold and securities purchased under agreements to resell	2,301	.97	2,562	.97	261	11.34
Direct lease financing	331	.14	412	.16	81	24.47
Loans and discounts	126,881	53.76	136,753	51.92	9,872	7.78
Fixed assets	3,451	1.46	3,876	1.47	425	12.32
Customers' liability on acceptances outstanding	1,077	.46	1,182	.45	105	9.75
Other assets	2,597	1.10	2,300	.87	-297	-11.44
Total assets	235,996	100.00	263,375	100.00	27,379	11.60
LIABILITIES						
Demand deposits of individuals, partnerships, and corporations	84,434	35.78	92,686	35.19	8,252	9.77
Time and savings deposits of individuals, partnerships, and corporations	83,025	35.18	95,104	36.11	12,079	14.55
Deposits of U.S. Government	3,212	1.36	3,297	1.25	85	2.65
Deposits of States and political subdivisions	16,839	7.13	18,511	7.03	1,672	9.93
Deposits of foreign governments and official institutions, central banks, and international institutions	2,944	1.25	3,483	1.32	539	18.31
Deposits of commercial banks	12,595	5.34	13,963	5.30	1,368	10.86
Certified and officers' checks, etc.	3,407	1.44	4,330	1.65	923	27.06
<i>Total deposits</i>	<i>206,456</i>	<i>87.48</i>	<i>231,374</i>	<i>87.85</i>	<i>24,918</i>	<i>12.07</i>
<i>Demand deposits</i>	<i>112,377</i>	<i>47.62</i>	<i>123,038</i>	<i>46.72</i>	<i>10,661</i>	<i>9.45</i>
<i>Time and savings deposits</i>	<i>94,079</i>	<i>39.86</i>	<i>108,336</i>	<i>41.13</i>	<i>14,257</i>	<i>15.17</i>
Federal funds purchased and securities sold under agreements to repurchase	2,802	1.19	3,182	1.21	380	13.56
Liabilities for borrowed money	174	.07	297	.11	123	70.66
Acceptances executed by or for account of reporting banks and outstanding	1,105	.47	1,205	.46	100	9.07
Other liabilities	7,000	2.97	7,587	2.88	587	8.36
Total liabilities	217,537	92.18	243,645	92.51	26,108	12.00
CAPITAL ACCOUNTS						
Capital notes and debentures	1,161	.49	1,235	.47	74	6.37
Preferred stock	29	.01	55	.02	26	89.64
Common stock	5,109	2.17	5,312	2.02	203	3.97
Surplus	8,246	3.49	8,832	3.35	586	7.11
Undivided profits	3,350	1.42	3,549	1.35	199	5.99
Reserves	564	.24	747	.28	183	32.47
Total capital accounts	18,459	7.82	19,730	7.49	1,271	6.88
Total liabilities and capital accounts	235,996	100.00	263,375	100.00	27,379	11.60

TABLE 1

Assets, liabilities, and capital accounts of National banks, 1967 and 1968

[Dollar amounts in millions]

	Dec. 31, 1967, 4,758 banks		Dec. 31, 1968, 4,716 banks		Change, 1967-68	
	Amount	Percent distribution	Amount	Percent distribution	Amount	Percent
ASSETS						
Cash, balances with other banks, and cash items in process of collection	\$46,634	17.71	\$50,953	17.18	\$4,319	9.26
U.S. Government obligations	34,308	13.03	35,300	11.90	992	2.89
Obligations of States and political subdivisions	29,002	11.01	34,704	11.70	5,702	19.66
Securities of Federal agencies and corporations	4,838	1.84	5,160	1.74	322	6.66
Other securities	1,508	.57	1,707	.58	199	13.20
<i>Total securities</i>	69,656	26.45	76,871	25.92	7,215	10.36
Federal funds sold and securities purchased under agreements to resell	2,562	.97	4,397	1.48	1,835	71.62
Direct lease financing	412	.16	542	.18	130	31.55
Loans and discounts	136,753	51.92	154,862	52.21	18,109	13.24
Fixed assets	3,876	1.47	4,363	1.47	487	12.56
Customers' liability on acceptances outstanding	1,182	.45	1,275	.43	93	7.87
Other assets	2,300	.87	3,331	1.13	1,031	44.83
<i>Total assets</i>	263,375	100.00	296,594	100.00	33,219	12.61
LIABILITIES						
Demand deposits of individuals, partnerships, and corporations	92,686	35.19	101,765	34.31	9,079	9.80
Time and savings deposits of individuals, partnerships, and corporations	95,104	36.11	107,716	36.32	12,612	13.26
Deposits of U.S. Government	3,297	1.25	3,288	1.11	-9	-.27
Deposits of States and political subdivisions	18,511	7.03	22,082	7.44	3,571	19.29
Deposits of foreign government and official institutions, central banks, and international institutions	3,483	1.32	3,196	1.08	-287	-8.24
Deposits of commercial banks	13,963	5.30	15,303	5.16	1,340	9.60
Certified and officers' checks, etc.	4,330	1.65	4,534	1.53	204	4.71
<i>Total deposits</i>	231,374	87.85	257,884	86.95	26,510	11.46
<i>Demand deposits</i>	123,038	46.72	134,629	45.39	11,591	9.42
<i>Time and savings deposits</i>	108,336	41.13	123,255	41.56	14,919	13.77
Federal funds purchased and securities sold under agreements to repurchase	3,182	1.21	5,234	1.77	2,052	64.49
Liabilities for borrowed money	297	.11	689	.23	392	131.99
Acceptances executed by or for account of reporting banks and outstanding	1,205	.46	1,290	.43	85	7.05
Other liabilities	7,587	2.88	9,973	3.36	2,386	31.45
<i>Total liabilities</i>	243,645	92.51	275,070	92.74	31,425	12.90
CAPITAL ACCOUNTS						
Capital notes and debentures	1,235	.47	1,256	.42	21	1.70
Preferred stock	55	.02	58	.02	3	5.45
Common stock	5,312	2.02	5,694	1.92	382	7.19
Surplus	8,832	3.35	9,747	3.29	915	10.36
Undivided profits	3,549	1.35	4,051	1.37	502	14.14
Reserves	747	.28	718	.24	-29	-3.88

I. Condition of the National Banking System

The year 1969 was characterized by a continuing intensive demand for funds. With deposit rate ceilings below rates on competitive instruments, National banks had to resort to a variety of alternative sources of funds in an attempt to meet the loan demand of their customers.

The changes in balance sheet accounts during 1969 reflected the tightness of the markets for funds. In sharp contrast to 1968, which saw a 13.8 percent increase in total time and savings deposits, those deposits declined 6.4 percent during 1969. The 4.8 percent increase in demand deposits during 1969 did not quite offset the decrease in time and savings deposits; the total deposits of National banks at year-end 1969 stood at \$256.4 billion, compared to the \$257.9 billion figure

of a year before.

Certain nondeposit liabilities, including Eurodollar borrowings, other borrowings, and Federal funds purchased, increased substantially. Funds from these sources, combined with a sizable net sale of investment securities, allowed National banks to add 10.9 percent to their gross volume of outstanding loans. Total gross securities held declined 8.8 percent during 1969.

The combined effect of the indicated shifts was to slow the rate of asset growth of National banks from 12.6 percent, in 1968, to 5.9 percent, during 1969. At year-end, total assets of the National Banking System had reached \$314.0 billion. On the same date, total capital of the system aggregated \$23.3 billion, having increased 8.0 percent during 1969.

TABLE 1
Assets, liabilities, and capital accounts of National banks, 1968 and 1969

[Dollar amounts in millions]

	<i>Dec. 31, 1968, 4,716 banks</i>		<i>Dec. 31, 1969, 4,669 banks</i>		<i>Change, 1968-69</i>	
	<i>Amount</i>	<i>Percent distribution</i>	<i>Amount</i>	<i>Percent distribution</i>	<i>Amount</i>	<i>Percent</i>
ASSETS						
Cash and due from banks	\$50,953	17.18	\$54,727	17.43	3,774	7.41
U.S. Treasury securities	35,300	11.90	29,589	9.42	-5,711	-16.18
Securities of other U.S. Government agencies and corporations	5,160	1.74	4,640	1.48	-520	-10.08
Obligations of States and political subdivisions	34,704	11.70	34,526	10.99	-178	-.51
Other securities	1,707	.58	1,362	.43	-345	-20.21
<i>Total securities</i>	<i>76,871</i>	<i>25.92</i>	<i>70,117</i>	<i>22.32</i>	<i>-6,754</i>	<i>-8.79</i>
Federal funds sold and securities purchased under agreements to resell	4,397	1.48	5,809	1.85	1,412	32.11
Direct lease financing	542	.18	696	.22	154	28.41
Loans	154,862	52.21	171,702	54.67	16,840	10.87
Fixed assets	4,363	1.47	5,280	1.68	917	21.02
Customers' liability on acceptances outstanding	1,275	.43	1,838	.59	563	44.16
Other assets	3,331	1.13	3,879	1.24	548	16.45
<i>Total assets</i>	<i>296,594</i>	<i>100.00</i>	<i>314,048</i>	<i>100.00</i>	<i>17,454</i>	<i>5.88</i>

TABLE—Continued
Assets, liabilities, and capital accounts of National banks, 1968 and 1969

[Dollar amounts in millions]

	Dec. 31, 1968, 4,716 banks		Dec. 31, 1969, 4,669 banks		Change, 1968-69	
	Amount	Percent distribution	Amount	Percent distribution	Amount	Percent
LIABILITIES						
Demand deposits of individuals, partnerships, and corporations.....	\$101,765	34.31	\$105,961	33.74	\$4,196	4.12
Time and savings deposits of individuals, partnerships, and corporations.....	107,716	36.32	103,238	32.87	-4,478	-4.16
Deposits of U.S. Government.....	3,288	1.11	3,175	1.01	-113	-3.44
Deposits of States and political subdivisions.....	22,082	7.44	19,569	6.23	-2,513	-11.38
Deposits of foreign governments and official institutions, central banks, and international institutions.....	3,196	1.08	2,138	.69	-1,058	-33.10
Deposits of commercial banks.....	15,303	5.16	16,649	5.30	1,346	8.80
Certified and officers' checks, etc.....	4,534	1.53	5,696	1.81	1,162	25.63
<i>Total deposits.....</i>	<i>257,884</i>	<i>86.95</i>	<i>256,426</i>	<i>81.65</i>	<i>-1,458</i>	<i>-.57</i>
<i> Demand deposits.....</i>	<i>134,629</i>	<i>45.39</i>	<i>141,092</i>	<i>44.93</i>	<i>6,463</i>	<i>4.80</i>
<i> Time and savings deposits.....</i>	<i>123,255</i>	<i>41.56</i>	<i>115,334</i>	<i>36.72</i>	<i>-7,921</i>	<i>-6.43</i>
Federal funds purchased and securities sold under agreements to repurchase.....	5,234	1.77	9,947	3.17	4,713	90.05
Liabilities for borrowed money.....	689	.23	2,284	.73	1,595	231.49
Acceptances executed by or for account of reporting banks and outstanding.....	1,290	.43	1,880	.60	590	45.74
Other liabilities.....	9,973	3.36	16,472	5.24	6,499	65.17
<i>Total liabilities.....</i>	<i>275,070</i>	<i>92.74</i>	<i>287,009</i>	<i>91.39</i>	<i>11,939</i>	<i>4.34</i>
Minority interest in consolidated subsidiaries.....	—	—	—	—	—	—
RESERVES ON LOANS AND SECURITIES						
Reserves on loans.....	—	—	3,698	1.17	3,698	—
Reserves on securities.....	—	—	87	.03	87	—
CAPITAL ACCOUNTS						
Capital notes and debentures.....	1,256	.42	1,120	.36	-136	-10.83
Preferred stock.....	58	.02	62	.02	4	6.90
Common stock.....	5,694	1.92	6,166	1.96	472	8.28
Surplus.....	9,747	3.29	10,488	3.34	741	7.60
Undivided profits.....	4,051	1.37	4,707	1.50	656	16.19
Reserves.....	718	.24	711	.23	-7	-.97
<i>Total capital accounts.....</i>	<i>21,524</i>	<i>7.26</i>	<i>23,254</i>	<i>7.40</i>	<i>1,730</i>	<i>8.04</i>
<i>Total liabilities and capital accounts.....</i>	<i>296,594</i>	<i>100.00</i>	<i>314,048</i>	<i>100.00</i>	<i>17,454</i>	<i>5.88</i>

NOTES: The 1968 data reflect unconsolidated, bank-only data. The 1969 data reflect consolidation of all majority-owned bank premises subsidiaries and all significant domestic majority-owned subsidiaries, with the exception that Edge Act subsidiaries are excluded. The consolidation requirement necessitates creation of the new account "Minority interest in consolidated subsidiaries."

A second change is that the 1968 securities and loans totals are net after deduction of related reserves, while the 1969 totals are gross. The offsets for the 1969 data are the new headings "Reserves on loans" and "Reserves on securities," found between the liability and capital accounts.

Data may not add to totals because of rounding. Dashes indicate amounts of less than \$500,000.