

W. Clayton

C O P Y

THE COMPTROLLER OF THE CURRENCY

Washington

February 21, 1940

Honorable John K. McKee,  
Board of Governors,  
Federal Reserve System,  
Washington, D. C.

Dear Governor McKee:

There is transmitted to you herewith  
copy of a letter received from Mr. L. M. Giannini,  
President of the Bank of America N. T. & S. A.

Very sincerely yours,

(signed) Preston Delano

Preston Delano

C O P Y

BANK OF AMERICA  
NATIONAL TRUST AND SAVINGS ASSOCIATION  
SAN FRANCISCO CALIFORNIA.

Mayflower Hotel,  
Washington, D.C.  
February 20, 1940

Honorable Preston Delano  
Comptroller of the Currency  
Washington, D. C.

Dear Comptroller Delano:

I am sending you the enclosed copies of the schedules with respect to the Bank's investment account which I promised you this afternoon. There are additional copies to be furnished to the others present at the meeting this afternoon. I have not been able to secure the other information yet but will communicate it to you just as soon as it is received.

Kind regards.

Very truly yours,

/s/ L. M. Giannini  
L. M. Giannini, President  
Bank of America N.T.& S.A.

February 17, 1940.

BANK OF AMERICA N.T. & S.A.

Each year since 1935 Loans and Discounts to Total Resources rose in percentage to Total Resources.

1935	35.3%	\$451 (in millions)
1936	37.2	532.1
1937	42.2	630.7
1938	42.8	673.8
1939	43.6	711.

At the same time the amount of Governments held and the percentage to Total Resources declined.

1935	38.3%	\$438.6 (In millions)
1936	32.6	466.4
1937	28.5	425.3
1938	26.2	412.3
1939	26.6	434.

*Down* ↓

This declining trend in the percentage of U. S. Governments to Total Resources is a reversal of the previous trend for the preceding five years when the percentage of U. S. Governments to Total Resources was as follows:

1930	12.7%	\$147.5 (In millions)
1931	15.4	142.8
1932	19.4	170.2
1933	22.8	215.
1934	31.1	355.3

*up* ↓

C O P Y

INVESTMENT ACCOUNT -- BANK OF AMERICA, N.T.& S.A.

<u>Date</u>	<u>Governments</u>		<u>Tax-Exempts</u>	
	<u>Net Carry</u>	<u>Average Net Carry</u>	<u>Net Carry</u>	<u>Average Net Carry</u>
December 31, 1931	142,374,707.38	104.708	67,791,778.86	104.786
June 30, 1932	151,094,915.71	103.506	68,579,259.10	103.57
December 31, 1932	169,685,564.47	103.71	73,269,320.24	103.08
June 30, 1933	177,647,862.34	102.686	73,746,006.79	102.948
December 31, 1933	214,839,858.68	102.379	76,507,970.63	101.246
June 30, 1934	277,118,849.69	102.161	102,932,324.83	98.307
December 31, 1934	346,954,777.30	101.878	101,033,984.82	101.183
June 30, 1935	340,222,055.47	103.553	98,692,486.55	102.414
December 31, 1935	484,440,089.49	102.614	91,902,115.32	105.456
June 30, 1936	485,783,726.80	101.89	96,323,418.52	104.627
December 31, 1936	461,346,989.14	102.67	101,307,930.95	106.433
June 30, 1937	414,559,084.70	102.505	92,865,348.99	105.861
December 31, 1937	418,973,058.33	101.94	85,358,708.47	105.124
June 30, 1938	432,379,483.36	102.221	99,424,399.79	104.185
December 31, 1938	405,468,768.83	101.815	107,680,007.63	104.664
June 30, 1939	390,064,439.98	103.086	134,164,163.87	104.59
December 31, 1939	424,254,993.92	102.891	139,194,443.15	104.46

Note: Net carry value is carry value after deductions for Reserves for Amortization of premium.