

FEDERAL RESERVE BANK

OF DALLAS

Dallas, Texas, May 26, 1950

CONDITION OF MEMBER BANKS, APRIL 24, 1950

To the Member Banks of the
Eleventh Federal Reserve District:

A statement of the condition of member banks in the Eleventh Federal Reserve District as of April 24, 1950, with comparative figures for December 31, 1949, and April 11, 1949, is presented on the reverse side of this letter. Changes in the principal accounts of member banks in the District during the first four months of 1950 include increases in loans, holdings of United States Government securities, total investments, and total capital accounts but substantial decreases in total deposits and cash assets.

The increase of \$40,000,000 in total loans and investments between December 31, 1949, and April 24, 1950, contrasts with a decline of \$145,000,000 during the comparable period of 1949. During the first four months of 1950, loans of member banks showed a net increase of \$8,000,000, although a net decrease of \$56,000,000 occurred in the same period of 1949. The strong demand this year in several loan categories has tended either to moderate or to accentuate the usual seasonal movements. The upward trend in agricultural loans has been counterbalanced by substantial retirements of certificates of interest issued by the Commodity Credit Corporation. Reflecting the boom in construction activity, commercial loans to building contractors and loans on real estate have increased substantially at virtually all classes of banks. There has also been a heavy loan demand generally from merchants for inventory expansion and from consumers to finance purchases of consumer durable goods. These factors have offset to some extent the extensive liquidation of commercial and industrial loans that ordinarily occurs during the early months of the year.

Holdings of United States Government securities were increased \$28,000,000 during the four months, whereas a decrease of \$86,000,000 occurred in the comparable period of 1949. Holdings of all other investments showed relatively small net changes. The increase over a year ago of \$235,000,000 in holdings of all types of investments, as well as the \$259,000,000 increase in loans, was made possible by the reduction of reserve requirements between May and August 1949 and the substantial increase in deposits over the year.

The total deposits of member banks decreased approximately \$248,000,000 between December 31, 1949, and April 24, 1950, or by a substantially smaller amount than the decline of \$467,000,000 in the same period last year. Moreover, they were about \$519,000,000 greater than a year ago. The time and demand deposits of individuals, partnerships, and corporations rose \$57,000,000 during the first four months of 1950 and account for \$358,000,000, or about 69 percent, of the gain in total deposits over those a year ago.

Total capital accounts of member banks in the Eleventh District rose to approximately \$390,000,000 on April 24, 1950, reflecting gains of \$18,000,000 over December 31, 1949, and of \$31,000,000 over April 11, 1949. The increase thus far this year was larger than in the comparable periods of either of the preceding two years.

Yours very truly,

R. R. GILBERT

President

**COMPARATIVE STATEMENT OF CONDITION OF MEMBER BANKS
ELEVENTH FEDERAL RESERVE DISTRICT**

Item	April 24, 1950 ^p	December 31, 1949 ^r	April 11, 1949 ^r
Member banks in Eleventh District.....	626	623	620
Loans, including overdrafts.....	2,038,851,000	2,030,838,000	1,779,887,000
U. S. Government obligations, direct and guaranteed.....	2,261,156,000	2,233,326,000	2,036,676,000
Obligations of states and political sub- divisions.....	260,673,000	261,667,000	247,665,000
Other securities.....	57,478,000	52,790,000	60,035,000
TOTAL LOANS AND INVESTMENTS	4,618,158,000	4,578,621,000	4,124,263,000
Individual—Demand deposits.....	4,185,345,000	4,141,288,000	3,853,148,000
Individual—Time deposits.....	543,564,000	530,289,000	517,422,000
Deposits of U. S. Government, including postal savings.....	88,191,000	79,357,000	86,482,000
Deposits of states and political sub- divisions.....	585,819,000	614,445,000	583,015,000
Deposits of banks.....	724,188,000	947,648,000	585,418,000
Other deposits.....	63,897,000	125,648,000	46,703,000
TOTAL DEPOSITS	6,191,004,000	6,438,675,000	5,672,188,000
TOTAL CAPITAL ACCOUNTS	389,509,000	371,479,000	358,495,000
Cash and balances due from banks.....	1,899,694,000	2,172,460,000	1,853,229,000
Borrowings from Federal Reserve Bank	2,060,000	—o—	280,000
All other borrowings.....	31,000	—o—	104,000
Ratio of loans to total loans and invest- ments.....	44.1%	44.4%	43.2%
Ratio of cash and exchange to total deposits.....	30.7%	33.7%	32.7%

r—Revised.

p—Preliminary.

**PRINCIPAL ASSET AND LIABILITY ITEMS OF ALL MEMBER BANKS
AS OF SELECTED CALL DATES
ELEVENTH FEDERAL RESERVE DISTRICT**

(In thousands of dollars)

Date	Total Deposits	Total Loans	Total Investments	Total Loans and Investments	Total U. S. Gov. Secs.	Total Capital Accounts
March 29, 1939	1,392,296	462,555	426,652	889,207	297,873	163,924
March 26, 1940	1,566,740	481,612	429,947	911,559	286,077	170,637
April 4, 1941	1,770,340	578,611	460,481	1,039,092	308,359	179,633
April 4, 1942	2,008,777	644,140	559,171	1,203,311	397,105	187,163
April 13, 1944	3,626,910	672,662	1,849,078	2,521,740	1,722,605	210,584
March 20, 1945	4,484,246	815,794	2,331,123	3,146,917	2,202,830	239,085
April 12, 1948	5,595,769	1,625,015	2,454,168	4,079,183	2,163,177	336,341
April 11, 1949 ^r	5,672,188	1,779,887	2,344,376	4,124,263	2,036,676	358,495
April 24, 1950 ^p	6,191,004	2,038,851	2,579,307	4,618,158	2,261,156	389,509

r—Revised.

p—Preliminary.