

FEDERAL RESERVE BANK
OF DALLAS

Dallas, Texas, November 28, 1951

**CONDITION OF MEMBER BANKS, OCTOBER 10, 1951
ELEVENTH FEDERAL RESERVE DISTRICT**

**To the Member Banks of the
Eleventh Federal Reserve District:**

The condition statement of all member banks in the Eleventh Federal Reserve District as of October 10, 1951, with the comparable figures for October 4, 1950, and June 30, 1951, is presented on the reverse of this letter. This statement shows that most major asset and liability accounts increased during both the 12-month period and the latest reporting period.

During the latest reporting period (June 30, 1951, to October 10, 1951), member bank loans rose \$27,703,000 to a new record total of \$2,447,940,000. This increase is substantially less, however, than the unusually large loan expansion—\$157,272,000—that occurred between June 30, 1950, and October 4, 1950, and, in fact, is well below increases in comparable periods of other postwar years. The moderate increase in loans during the latest reporting period is attributable largely to seasonal requirements associated with the harvesting, marketing, and processing of the District's agricultural production.

During recent months, relatively high, but comparatively stable, levels of business activity, production, and employment have prevailed, together with a reported strong demand for bank credit. The trend of loans during this period seems to suggest that efforts to restrict the growth of bank credit to essential requirements have resulted in a notable measure of success. Within the framework of a moderately restrictive credit policy, the Voluntary Credit Restraint Program, in particular, has made a valuable contribution. Recognizing the harmful and unstabilizing effects of an excessive growth of bank credit during defense mobilization, bankers, businessmen, and others in the District have displayed commendable cooperation in furthering the objectives of this voluntary effort.

Investments in United States Government securities declined \$15,981,000 between October 4, 1950, and October 10, 1951, although member banks increased their holdings of these securities in the amount of \$138,798,000 during the latest reporting period. Investments in obligations of states and political subdivisions and other securities rose \$40,224,000 during the 12 months. Total investments of the member banks amounted to \$2,583,857,000 on October 10, 1951, as compared with \$2,559,614,000 on October 4, 1950.

Deposits of the District's member banks rose \$608,135,000 during the 12 months, with somewhat more than one-half of the increase occurring between June 30, 1951, and October 10, 1951. Expansion in individual demand deposits during the latter period is particularly notable. The harvesting and marketing of crops, the growth of loans and investments, and the rather large amount of Treasury net expenditures in the District between mid-1951 and October 10 were the principal factors that contributed to the growth in individual and business deposit accounts. On the latter date, total deposits amounted to \$6,995,655,000.

During the 12 months ended October 10, 1951, member bank capital accounts rose \$44,885,000 to a total of \$467,158,000. This increase of 10.6 percent in capital accounts compares with a 10.4-percent increase in earning assets, exclusive of Governments, and a 9.5-percent increase in total deposits.

Yours very truly,

R. R. GILBERT

President

COMPARATIVE STATEMENT OF CONDITION OF MEMBER BANKS
ELEVENTH FEDERAL RESERVE DISTRICT

Item	October 10, 1951 ^p	June 30, 1951 ^r	October 4, 1950 ^r
Member banks in Eleventh District.....	632	631	630
Loans, including overdrafts.....	2,447,940,000	2,420,237,000	2,219,433,000
U. S. Government obligations, direct and guaranteed.....	2,184,181,000	2,045,383,000	2,200,162,000
Obligations of states and political sub- divisions.....	317,674,000	303,106,000	285,673,000
Other securities.....	82,002,000	79,827,000	73,779,000
TOTAL LOANS AND INVESTMENTS	5,031,797,000	4,848,553,000	4,779,047,000
TOTAL ASSETS	7,503,043,000	7,112,092,000	6,847,250,000
Individual—Demand deposits.....	4,764,123,000	4,416,912,000	4,386,439,000
Individual—Time deposits.....	573,680,000	562,300,000	538,469,000
Deposits of U. S. Government, including postal savings.....	148,108,000	179,261,000	82,688,000
Deposits of states and political sub- divisions.....	510,707,000	560,333,000	546,280,000
Deposits of banks.....	934,762,000	837,143,000	768,014,000
Other deposits.....	64,275,000	70,418,000	65,630,000
TOTAL DEPOSITS	6,995,655,000	6,626,367,000	6,387,520,000
TOTAL CAPITAL ACCOUNTS	467,158,000	453,235,000	422,273,000
Cash and balances due from banks.....	2,363,864,000	2,168,439,000	1,968,835,000
Borrowings from Federal Reserve Bank.....	—o—	2,222,000	515,000
All other borrowings.....	1,372,000	494,000	—o—
Ratio of loans to total loans and invest- ments.....	48.6%	49.9%	46.4%
Ratio of cash and exchange to total deposits.....	33.8%	32.7%	30.8%

p—Preliminary.
r—Revised.

PRINCIPAL ASSET AND LIABILITY ITEMS OF 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
October 2, 1939	1,518,754	476,136	419,638	895,774	275,784	168,364
September 24, 1941	1,872,673	617,892	494,460	1,112,352	336,806	185,470
October 18, 1943	3,544,018	636,216	1,753,077	2,389,293	1,613,767	200,876
September 30, 1946	5,349,713	1,215,435	2,704,627	3,920,062	2,493,675	292,813
October 6, 1947	5,545,858	1,427,525	2,526,407	3,953,932	2,257,746	320,737
November 1, 1949	6,032,004	1,884,196	2,550,004	4,434,200	2,235,172	378,110
October 4, 1950 ^r	6,378,520	2,219,433	2,559,614	4,779,047	2,200,162	422,273
October 10, 1951 ^p	6,995,655	2,447,940	2,583,857	5,031,797	2,184,181	467,158

r—Revised.
p—Preliminary.