

FEDERAL RESERVE BANK
OF DALLAS

Dallas, Texas, November 9, 1953

**CONDITION OF MEMBER BANKS, SEPTEMBER 30, 1953
ELEVENTH FEDERAL RESERVE DISTRICT**

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

The consolidated statement of condition of all member banks in the Eleventh Federal Reserve District as of September 30, 1953, is presented on the reverse of this letter. Similar statements for June 30, 1953, and September 5, 1952, are shown. These data reflect substantial increases in most of the principal assets and liabilities between September 5, 1952, and September 30, 1953. In more recent months, between June 30 and September 30, loans and investments rose while total resources, cash assets, and deposits declined.

Loans of the District's member banks expanded to a record total of \$2,891,503,000 on September 30, reflecting increases of \$165,404,000 (or 6.1 percent) over September 5, 1952, and \$8,132,000 (or substantially less than 1 percent) over June 30. The nominal loan expansion from June 30 to the end of September compares with the rise of \$77,530,000, or 2.9 percent, between June 30 and September 5 of last year. The increase in loans during recent months reflects principally the rise in Commodity Credit Corporation guaranteed loans in connection with price support operations for the 1953 cotton crop and a further expansion of consumer-type credits. Decreases occurred in commercial and industrial loans, loans for financing security transactions, nonguaranteed loans to farmers, and real estate loans.

On September 30, total investments of member banks amounted to \$2,780,331,000, reflecting an increase of \$76,654,000, or 2.8 percent, during the 3 months ended September 30. Partly because of a general easing in reserve positions and a somewhat slackened loan demand, member banks increased their holdings of Government securities by \$66,566,000, or 2.9 percent, and their investments in the securities of states and political subdivisions by \$4,739,000, or 1.3 percent.

Deposits of member banks in the District rose \$199,541,000, or 2.7 percent, between September 5, 1952, and September 30, 1953, to a total of \$7,583,669,000. Approximately 58 percent of this expansion represents growth in time deposits of individuals and businesses. On September 30, however, total deposits were \$78,603,000, or 1.0 percent, below the June 30 level, due principally to a reduction in interbank deposits and in deposits of states and political subdivisions. Partly because of the contraction in deposits but reflecting also the increase in investments, member banks drew down their cash assets in the amount of \$136,763,000, or 5.4 percent, between June 30 and September 30.

Reflecting generally favorable earnings, conservative dividend policies, and the sale of capital stock, total capital accounts of the District's member banks increased \$47,414,000, or 9.2 percent, from September 5, 1952, to September 30, 1953. Capital accounts totaling \$564,771,000 on September 30 were 7.4 percent of total deposits.

Yours very truly,

W. D. GENTRY

First Vice President

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

(Amounts in thousands of dollars)

Item	September 30, 1953p	June 30, 1953p	September 5, 1952r
Loans, including overdrafts	2,891,503	2,883,371	2,726,099
U. S. Government obligations, direct and guaranteed	2,337,952	2,271,386	2,330,328
Obligations of states and political subdivisions	372,004	367,265	337,922
Other securities	70,375	65,026	73,109
TOTAL LOANS AND INVESTMENTS	5,671,834	5,587,048	5,467,458
Cash and balances due from banks	2,408,494	2,545,257	2,387,804
TOTAL ASSETS	8,217,087	8,263,807	7,978,187
Individual—Demand deposits	5,022,149	5,004,685	5,030,018
Individual—Time deposits	768,789	758,304	653,596
Deposits of U. S. Government, including postal savings	185,190	156,559	168,269
Deposits of states and political subdivisions	593,595	637,482	539,649
Deposits of banks	940,930	1,024,551	920,384
Other deposits	73,016	80,691	72,212
TOTAL DEPOSITS	7,583,669	7,662,272	7,384,128
TOTAL CAPITAL ACCOUNTS	564,771	550,921	517,357
Borrowings from Federal Reserve Bank	13,740	473	29,800
All other borrowings	1,064	279	3,143
Ratio of loans to total deposits	38.1%	37.6%	36.9%
Ratio of cash and balances due from banks to total deposits	31.8%	33.2%	32.3%
Ratio of total capital accounts to risk assets (total assets less Government securities and cash assets)	16.3%	16.0%	15.9%
Number of banks	635	635	634

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
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	6,378,520	2,219,433	2,559,614	4,779,047	2,200,162	422,273
October 10, 1951	6,996,406	2,448,767	2,583,641	5,032,408	2,183,366	467,185
September 5, 1952r	7,384,128	2,726,099	2,741,359	5,467,458	2,330,328	517,357
September 30, 1953p	7,583,669	2,891,503	2,780,331	5,671,834	2,337,952	564,771

r — Revised.

p — Preliminary.