

**FEDERAL RESERVE BANK**  
OF DALLAS

Dallas, Texas, August 14, 1956

**CONDITION OF MEMBER BANKS, JUNE 30, 1956**  
**ELEVENTH FEDERAL RESERVE DISTRICT**

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

Banking totals as of June 30, 1956, reflect the continued growth of member banks in the Eleventh Federal Reserve District. Assets of member banks on that date totaled \$9,764,962,000 — a midyear record. Loan expansion accounted for the largest part of asset growth between June 30, 1955, and June 30, 1956, as the accommodation of strong credit demands generated by a high level of economic activity increased net loans of member banks to \$3,876,946,000. Cash accounts also increased, but investments were reduced as banks diverted funds into loan accounts. Paralleling the asset growth, deposits at member banks rose to \$8,989,270,000 on June 30, 1956, and capital accounts were increased to \$714,483,000.

The volume of net loans on June 30 reflects an increase of \$305,340,000 over the year-earlier level and an increase of \$24,688,000 since April 10, 1956. Although the year-to-year expansion featured increases in almost every type of loan, the bulk of the loan expansion occurred in the commercial and industrial loan category. These loans rose \$224,521,000 during the 12-month period, thus accounting for almost three-fourths of the total increase in net loans. Only loans to banks, single-payment loans to individuals, and loans directly guaranteed by the Commodity Credit Corporation registered declines from a year ago.

Investment liquidation during the 12 months ended June 30 was confined to United States Government obligations, holdings of which declined \$160,079,000. Approximately two-thirds of this decline, or \$107,182,000, occurred between April 10, 1956, and June 30, 1956. Holdings of non-Government securities increased \$36,748,000 during the 12-month period, limiting the over-all reduction in investments to \$123,331,000.

Deposit expansion during the 12 months ended June 30 amounted to \$254,772,000. Time and demand deposit balances of individuals, partnerships, and corporations rose \$113,745,000, while other types of deposits showed smaller gains. Between April 10 and June 30, deposits increased \$152,603,000, with interbank balances and Government deposits registering the largest gains.

Yours very truly,

Watrous H. Irons

President