

FEDERAL RESERVE BANK

OF DALLAS

Dallas, Texas, March 13, 1957

OPERATING RATIOS OF MEMBER BANKS
ELEVENTH FEDERAL RESERVE DISTRICT

To the Member Banks in the
Eleventh Federal Reserve District:

There is presented on the inside pages of this letter the annual statement of operating ratios of member banks in the Eleventh Federal Reserve District for 1956, with comparative figures for 1955. Each of the 1956 ratios represents an average of the ratios of individual banks computed from data taken from reports of condition as of December 31, 1955, June 30, 1956, and September 29, 1956, and from reports of earnings and expenses for the year 1956. Ratios for your bank are included for your convenience in making comparisons.

If you should like to have additional copies of this report, we will be glad to send them to you.

Yours very truly,

Watrous H. Irons

President

OPERATING RATIOS OF MEMBER BANKS FOR THE YEARS 1956 AND 1955 — ELEVENTH FEDERAL RESERVE DISTRICT

	Your bank	BANKS WITH AVERAGE DEPOSITS (In thousands of dollars)																		
		\$500 and under		\$500 - \$1,000		\$1,000 - \$2,000		\$2,000 - \$5,000		\$5,000 - \$10,000		\$10,000 - \$25,000		\$25,000 - \$50,000		\$50,000-\$100,000				
		1956	1955	1956	1955	1956	1955	1956	1955	1956	1955	1956	1955	1956	1955	1956	1955			
Number of banks in group		11	13	44	40	114	72	209	205	131	132	63	62	22	23	19	17	14	15	
SUMMARY RATIOS																				
Percentage of Total Capital Accounts																				
1. Net current earnings before income taxes.....		10.3	10.2	11.1	10.6	12.9	12.9	14.9	14.6	18.3	17.7	17.9	18.5	18.6	19.0	17.9	19.8	18.2	18.0	1
2. Profits before income taxes.....		8.0	8.7	6.6	8.4	10.2	10.9	11.3	11.9	12.7	13.4	13.4	13.5	14.4	15.6	11.3	15.5	14.8	16.2	2
3. Net profits.....		6.6	6.8	4.8	6.2	7.6	8.2	8.4	8.4	8.5	8.8	8.6	8.1	8.3	8.6	6.1	7.8	8.4	9.6	3
4. Cash dividends declared.....		2.3	2.6	2.4	2.7	3.2	3.5	3.6	3.7	3.4	3.5	3.1	3.0	3.3	3.4	3.7	3.6	4.1	4.2	4
Percentage of Total Assets																				
5. Total earnings.....		4.12	3.80	3.90	3.69	3.54	3.38	3.48	3.23	3.52	3.28	3.56	3.33	3.34	3.13	3.17	2.94	2.97	2.79	5
6. Net current earnings before income taxes.....		1.43	1.33	1.29	1.22	1.23	1.18	1.22	1.13	1.25	1.17	1.14	1.13	1.24	1.19	1.12	1.10	1.24	1.17	6
7. Net profits.....		.90	.88	.56	.72	.74	.75	.69	.65	.58	.59	.54	.49	.56	.54	.39	.43	.57	.62	7
SOURCES AND DISPOSITION OF EARNINGS																				
Percentage of Total Earnings																				
8. Interest on U. S. Government securities.....		13.0	10.6	16.8	14.1	21.2	18.4	22.7	21.4	22.6	21.3	18.1	17.9	21.2	22.7	19.9	22.1	16.9	18.9	8
9. Interest and dividends on other securities.....		1.5	1.7	5.1	4.2	5.3	5.5	6.6	6.5	6.6	6.1	5.6	5.0	4.9	5.2	4.0	3.9	4.7	5.0	9
10. Earnings on loans.....		77.6	78.1	69.8	72.7	65.5	67.6	60.9	61.8	59.5	61.0	61.1	61.5	59.0	56.0	63.3	62.7	64.3	61.9	10
11. Other current earnings.....		7.9	9.6	8.3	9.0	8.0	8.5	9.8	10.3	11.3	11.6	15.2	15.6	14.9	16.1	12.8	11.3	14.1	14.2	11
12. Total earnings.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	12
13. Service charges on deposit accounts (<i>Included in item 11</i>) ¹		4.7	5.9	5.0	5.7	5.0	5.1	6.2	6.5	7.3	6.9	8.6	8.6	6.1	6.0	5.5	5.4	2.1	2.3	13
14. Trust department earnings (<i>Included in item 11</i>) ¹		—	—	—	—	—	—	1.0	1.3	1.2	1.2	1.5	1.3 ^r	1.0	1.2	1.5	1.3	3.3	3.4	14
15. Salaries and wages.....		40.3	38.7	38.6	39.9	37.4	37.1	36.3	36.9	34.0	34.3	34.2	34.5	31.1	30.7	30.8	30.6	24.2	24.5	15
16. Interest on time deposits.....		.3	.1	3.1	2.7	3.0	2.8	3.4	2.9	5.1	4.7	6.9	5.7	6.5	5.6	6.9	6.0	8.6	7.7	16
17. Other current expenses.....		27.0	26.7	25.6	24.7	24.5	25.3	24.5	24.9	24.5	24.8	26.7	26.0	25.2	25.4	26.9	25.6	25.4	26.2	17
18. Total expenses.....		67.6	65.5	67.3	67.3	64.9	65.2	64.2	64.7	63.6	63.8	67.8	66.2	62.8	61.7	64.6	62.2	58.2	58.4	18
19. Net current earnings before income taxes.....		32.4	34.5	32.7	32.7	35.1	34.8	35.8	35.3	36.4	36.2	32.2	33.8	37.2	38.3	35.4	37.8	41.8	41.6	19
20. Actual net losses (recoveries +).....		8.6	5.4	8.1	5.1	6.6	1.0	6.7	4.1	7.7	6.1	5.4	5.1	5.4	3.6	6.1	5.0	3.4	.9	20
21. Net increase (decrease +) in valuation reserves.....		—	—	4.2	.7	.2	.8	1.4	1.6	3.0	2.2	2.7	4.0	2.7	3.4	6.4	3.0	4.4	2.8	21
22. Taxes on net income.....		5.3	6.8	5.7	6.8	6.9	7.5	7.3	8.7	8.4	9.6	8.4	9.8	12.2	14.2	10.6	14.4	14.7	15.7	22
23. Net profits.....		18.5	22.3	14.7	20.1	21.4	22.5	20.4	20.9	17.3	18.3	15.7	14.9	16.9	17.1	12.3	15.4	19.3	22.2	23
RATES OF EARNINGS ON SECURITIES AND LOANS																				
Percentage of U. S. Government Securities																				
24. Interest on U. S. Government securities.....		2.59	1.88	2.66	2.03	2.63	2.19	2.60	2.16	2.46	2.10	2.37	2.10	2.39	2.21	2.34	2.21	2.20	2.02	24
Percentage of Other Securities																				
25. Interest and dividends on other securities.....		4.45	4.16	3.54	3.48	2.98	3.07	2.58	2.60	2.44	2.36	2.37	2.23	2.23	2.26	2.68	2.53	2.39	2.41	25
Percentage of Total Securities																				
26. Actual net losses (recoveries and profits +) on total securities ²02	—	.08	.26	.04	.02	.15	.06	.31	.13	.19	.17	.17	.21	.31	.24	.40	.03	26
Percentage of Total Loans																				
27. Earnings on loans.....		8.20																		