

FEDERAL RESERVE BANK
OF DALLAS

Dallas, Texas, March 9, 1962

**CONDITION AND INCOME OF MEMBER BANKS
ELEVENTH FEDERAL RESERVE DISTRICT**

To the Member Banks in the
Eleventh Federal Reserve District:

Total assets of the District member banks rose over \$1.0 billion during 1961, reaching a new high of \$13.4 billion on December 30. Net earnings from current operations declined approximately 3.5 percent. Net profits, on the other hand, were virtually unchanged as an expansion in total recoveries, transfers from valuation reserves, and profits exceeded an increase in total losses, charge-offs, and transfers to valuation reserves.

The 8.5-percent gain in total assets recorded for 1961 resulted from increases in loans and investments of 9.5 percent and 11.2 percent, respectively. Demand deposits of individuals expanded 6.8 percent, while individual time deposits rose almost 16 percent. Total deposits advanced 8.5 percent above a year earlier, reaching a new high of \$12.2 billion.

Loan demands expanded noticeably in 1961, with the principal gains occurring late in the year. Commercial and industrial loans rose almost \$254 million for a gain of 10.3 percent. Loans to financial institutions and to farmers also moved substantially higher. Investments in United States Government obligations rose 10.9 percent in 1961, as increases in holdings of Treasury bills and Treasury notes more than offset a reduction in holdings of United States Government bonds due within 5 years.

The ratio of loans to deposits on December 30, 1961, stood at 46.4 percent, compared with 46.0 percent on December 31, 1960.

Yours very truly,

Watrous H. Irons
President

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

(Amounts in thousands of dollars)

Item	December 30, 1961p	September 27, 1961	December 31, 1960
Loans (net), including overdrafts.....	5,645,497	5,288,307	5,154,181
U. S. Government obligations, direct and guaranteed	2,905,479	2,913,512	2,620,601
Obligations of states and political subdivisions.....	827,871	810,583	733,087
Other securities.....	160,795	164,818	148,157
TOTAL LOANS (NET) AND INVESTMENTS.....	9,539,642	9,177,220	8,656,026
Cash and balances due from banks.....	3,508,129	2,718,980	3,357,894
TOTAL ASSETS.....	13,381,621	12,195,438	12,336,777
Individual — Demand deposits.....	6,584,978	5,909,269	6,168,438
Individual — Time deposits.....	2,379,893	2,312,834	2,052,390
Deposits of U. S. Government, including postal savings.....	206,268	483,526	212,252
Deposits of states and political subdivisions.....	1,116,377	894,548	1,034,108
Deposits of banks.....	1,700,755	1,259,096	1,597,589
Other deposits.....	179,486	83,231	150,993
TOTAL DEPOSITS.....	12,167,757	10,942,504	11,215,770
TOTAL CAPITAL ACCOUNTS.....	1,034,632	1,038,109	973,089
Borrowings from Federal Reserve Bank.....	0	1,095	350
All other borrowings.....	40,142	96,416	283
Ratio of loans to total deposits.....	46.4%	48.3%	46.0%
Ratio of cash and balances due from banks to total deposits.....	28.8%	24.8%	29.9%
Ratio of total capital accounts to risk assets (total assets less Government securities and cash assets).....	14.8%	15.8%	15.3%
Number of member banks.....	630	634	632

p—Preliminary.

PRINCIPAL ASSET AND LIABILITY ITEMS OF MEMBER BANKS

1952-61

ELEVENTH FEDERAL RESERVE DISTRICT

(In thousands of dollars)

Dec. 31	Total Deposits	Total Loans (Net)	Total Investments	Total Loans (Net) and Investments	Total U.S. Gov. Secs.	Total Capital Accounts
1952	8,191,531	2,856,931	2,872,876	5,729,807	2,446,220	516,276
1953	8,556,257	3,099,116	2,886,575	5,985,691	2,427,003	558,071
1954	9,140,693	3,477,039	3,156,508	6,633,547	2,642,771	606,478
1955	9,488,708	3,951,231	2,943,022	6,894,253	2,368,923	680,996
1956	9,803,404	4,020,769	3,071,467	7,092,236	2,455,219	736,433
1957	9,701,443	4,163,708	3,098,982	7,262,690	2,397,877	798,713
1958	10,659,885	4,617,590	3,544,026	8,161,616	2,711,203	849,568
1959	10,669,985	4,857,870	3,469,554	8,327,424	2,594,655	909,042
1960	11,215,770	5,154,181	3,501,845	8,656,026	2,620,601	973,089
1961p	12,167,757	5,645,497	3,894,145	9,539,642	2,905,479	1,034,632

p—Preliminary.

**COMPARATIVE STATEMENT OF INCOME AND DIVIDENDS OF MEMBER BANKS
ELEVENTH FEDERAL RESERVE DISTRICT**

(Amounts in thousands of dollars)

Item	1961p	1960	Net Change, 1961 from 1960
Interest and dividends on securities.....	106,770	102,270	4,500
Interest and discount on loans.....	302,858	293,832	9,026
Service charges on deposit accounts.....	23,005	22,067	938
All other revenue ¹	25,776	40,629	—14,853
TOTAL CURRENT OPERATING REVENUE¹	458,409	458,798	—389
Salaries and wages.....	117,531	115,741	1,790
All other expenses ¹	177,142	173,369	3,773
TOTAL CURRENT OPERATING EXPENSES¹	294,673	289,110	5,563
NET CURRENT OPERATING EARNINGS	163,736	169,688	—5,952
Total recoveries, transfers from valuation reserves, and profits.....	19,831	10,665	9,166
Total losses, charge-offs, and transfers to valuation reserves.....	35,722	32,038	3,684
Net income before related taxes.....	147,845	148,315	—470
Taxes on net income.....	59,099	59,550	—451
NET INCOME	88,746	88,765	—19
Cash dividends declared ²	42,079	40,702	1,377
Number of member banks.....	630	632	—2

¹ Beginning in 1961, income and expenses related to bank premises are reported net (plus or minus) under current operating expenses.

² Includes interest on capital notes and debentures.

p—Preliminary.

PRINCIPAL ITEMS OF INCOME AND DIVIDENDS OF MEMBER BANKS

1952-61

ELEVENTH FEDERAL RESERVE DISTRICT

(Amounts in thousands of dollars)

Year	Total Current Operating Revenue ¹	Total Current Operating Expenses ¹	Net Current Operating Earnings	Total Recoveries, Transfers, and Profits	Total Losses, Charge-offs, and Transfers	Net Income	Cash Dividends Declared ²	Number of Member Banks
1952	219,811	130,646	89,165	5,955	20,882	41,058	20,006	634
1953	239,509	146,381	93,128	8,116	22,613	41,878	21,157	635
1954	256,738	158,289	98,449	26,432	26,579	58,264	22,973	632
1955	288,345	173,762	114,583	8,950	29,356	54,874	26,771	634
1956	317,106	193,265	123,841	8,102	38,735	56,548	29,473	634
1957	349,842	216,929	132,913	7,751	29,262	67,309	31,577	634
1958	378,067	241,292	136,775	19,610	29,947	76,123	34,315	631
1959	424,727	269,118	155,609	9,638	43,381	70,630	37,623	633
1960	458,798	289,110	169,688	10,665	32,038	88,765	40,702	632
1961p	458,409	294,673	163,736	19,831	35,722	88,746	42,079	630

¹ Beginning in 1961, income and expenses related to bank premises are reported net (plus or minus) under current operating expenses.

² Includes interest on capital notes and debentures.

p—Preliminary.