

FEDERAL RESERVE BANK
OF DALLAS

Dallas, Texas, March 18, 1965

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

To the Member Banks in the
Eleventh Federal Reserve District:

Total assets of member banks in the Eleventh District increased slightly more than \$1.5 billion during 1964, reaching a level of almost \$16.2 billion on December 31. Net income for the year was up 4.8 percent. Operating results included a gain in net earnings from current operations; a decrease in taxes on net income; a decline in total recoveries, transfers from valuation reserves, and profits; and an increase in total losses, charge-offs, and transfers to valuation reserves.

The expansion in total assets reflects principally a 12.9-percent advance in loans and a 1.6-percent gain in investments. All major loan categories, except loans for purchasing or carrying securities, recorded increases during the year. Portfolios of U. S. Government securities were reduced; however, member banks added heavily to holdings of the obligations of states and political subdivisions, increasing their investments in these securities by 13.7 percent. Total deposits increased 11.7 percent to \$14.5 billion on December 31, reflecting gains in all major deposit categories except U. S. Government deposits.

On December 31, 1964, the ratio of loans to total deposits was 53.4 percent, up from 52.9 percent on December 20, 1963. The ratio of total capital accounts to risk assets declined from 13.8 percent on December 20, 1963, to 13.2 percent on December 31, 1964.

Yours very truly,

Watrous H. Irons
President

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

(Amounts in thousands of dollars)

Item	Dec. 31, 1964p	June 30, 1964	Dec. 20, 1963
Loans (net), including overdrafts.....	7,740,421	7,214,565	6,854,157
U. S. Government obligations, direct and guaranteed.....	2,669,964	2,564,231	2,767,547
Obligations of states and political subdivisions.....	1,360,526	1,295,007	1,196,514
Other securities	237,862	219,284	236,668
TOTAL LOANS (NET) AND INVESTMENTS.....	12,008,773	11,293,087	11,054,886
Cash and balances due from banks.....	3,690,491	2,990,448	3,171,362
TOTAL ASSETS.....	16,166,887	14,710,102	14,655,408
Individual — Demand deposits	6,894,417	6,203,718	6,464,602
Individual — Time deposits	4,121,686	3,935,375	3,573,161
Deposits of U. S. Government, including postal savings.....	228,093	358,073	235,512
Deposits of states and political subdivisions.....	1,365,468	1,206,251	1,140,331
Deposits of banks	1,684,170	1,315,952	1,432,090
Certified and officers' checks, etc.....	195,648	112,213	123,191
TOTAL DEPOSITS.....	14,489,482	13,131,582	12,968,887
TOTAL CAPITAL ACCOUNTS.....	1,298,081	1,238,498	1,202,411
Borrowings from Federal Reserve Bank.....	20,100	7,584	69,950
All other borrowings	157,454	114,703	205,374
Ratio of loans to total deposits.....	53.4%	54.9%	52.9%
Ratio of cash and balances due from banks to total deposits	25.5%	22.8%	24.5%
Ratio of total capital accounts to risk assets (total assets less Government securities and cash assets).....	13.2%	13.5%	13.8%
Number of member banks.....	672	672	657

p—Preliminary.

**PRINCIPAL ASSET AND LIABILITY ITEMS OF MEMBER BANKS
1955-64**

ELEVENTH FEDERAL RESERVE DISTRICT

(In thousands of dollars)

Date	Total Deposits	Total Loans (Net)	Total Investments	Total Loans (Net) and Investments	Total U.S. Gov. Secs.	Total Capital Accounts
Dec. 31,						
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
1961	12,167,914	5,645,684	3,893,949	9,539,633	2,904,526	1,034,789
Dec. 28,						
1962	12,456,678	6,167,837	4,099,016	10,266,853	2,910,190	1,132,235
Dec. 20,						
1963	12,968,887	6,854,157	4,200,729	11,054,886	2,767,547	1,202,411
Dec. 31,						
1964p	14,489,482	7,740,421	4,268,352	12,008,773	2,669,964	1,298,081

p—Preliminary.

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

(Amounts in thousands of dollars)

Item	1964p	1963	Net Change, 1964 from 1963
Interest and dividends on securities.....	141,363	134,109	7,254
Interest and discount on loans.....	428,844	379,995	48,849
Service charges on deposit accounts.....	27,659	25,708	1,951
All other revenue.....	38,639	33,249	5,390
TOTAL CURRENT OPERATING REVENUE.....	636,505	573,061	63,444
Salaries and wages.....	140,515	131,841	8,674
Interest on time and savings deposits.....	158,419	128,446	29,973
All other expenses.....	153,098	135,934	17,164
TOTAL CURRENT OPERATING EXPENSES.....	452,032	396,221	55,811
NET CURRENT OPERATING EARNINGS.....	184,473	176,840	7,633
Total recoveries, transfers from valuation reserves, and profits.....	14,314	15,714	—1,400
Total losses, charge-offs, and transfers to valuation reserves.....	50,910	39,873	11,037
Net income before related taxes.....	147,877	152,681	—4,804
Taxes on net income.....	52,986	62,136	—9,150
NET INCOME.....	94,891	90,545	4,346
Cash dividends declared ¹	50,820	46,668	4,152
Number of member banks.....	672	656	16

¹ Includes interest on capital notes and debentures.
p—Preliminary.

**PRINCIPAL ITEMS OF INCOME AND DIVIDENDS OF MEMBER BANKS
1955-64**

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
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
1961	459,019	295,129	163,890	19,768	35,737	88,748	42,164	630
1962	516,727	344,023	172,704	13,765	38,872	89,803	44,167	632
1963	573,061	396,221	176,840	15,714	39,873	90,545	46,668	656
1964p	636,505	452,032	184,473	14,314	50,910	94,891	50,820	672

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.