

JANUARY 5, 1967

To the Member Banks of the
Twelfth Federal Reserve District.

DEAR SIRs:

There is presented herewith a condensed comparative statement of condition of the Federal Reserve Bank of San Francisco, including branches, at the close of business December 31, 1966, and December 31, 1965, together with a comparison of earnings and expenses for 1966 and 1965.

Yours very truly,

A handwritten signature in cursive script, reading "Eliot L. Swan".

President.

COMPARATIVE STATEMENT OF CONDITION

ASSETS	<u>Dec. 31, 1966</u>	<u>Dec. 31, 1965</u>
Gold certificates - - - - -	\$1,353,160,459.95	\$1,255,297,609.81
Redemption fund for Federal Reserve notes - - - - -	219,387,960.57	203,931,449.57
Total gold certificate reserves - - - - -	\$1,572,548,420.52	\$1,459,229,059.38
Federal Reserve notes of other Federal Reserve banks - - - - -	87,147,454.00	89,906,415.00
Other cash - - - - -	32,175,448.80	17,129,138.57
 Discounts and advances:		
Secured by United States Government obligations - - - - -	15,482,000.00	—0—
Other discounts and advances - - - - -	42,518,000.00	5,494,000.00
Total discounts and advances - - - - -	\$ 58,000,000.00	\$ 5,494,000.00
 United States Government securities:		
Bills - - - - -	1,617,739,000.00	1,243,942,000.00
Certificates - - - - -	596,324,000.00	—0—
Notes - - - - -	2,919,518,000.00	3,393,577,000.00
Bonds - - - - -	849,565,000.00	895,259,000.00
Total United States Government securities - - - - -	\$5,983,146,000.00	\$5,532,778,000.00
Total loans and securities - - - - -	\$6,041,146,000.00	\$5,538,272,000.00
 Cash items in process of collection - - - - -	 1,006,392,038.14	 847,195,173.88
Bank premises - - - - -	9,390,287.14	9,812,996.17
Other assets - - - - -	160,400,141.64	128,566,830.54
Total assets - - - - -	\$8,909,199,790.24	\$8,090,111,613.54
 LIABILITIES		
Federal Reserve notes - - - - -	\$4,681,767,159.00	\$4,313,003,926.00
 Deposits:		
Member bank — reserve accounts - - - - -	3,248,511,244.13	2,864,347,674.57
United States Treasurer — general account - - - - -	2,495,341.49	56,166,101.97
Foreign - - - - -	20,960,000.00	20,100,000.00
Other deposits - - - - -	84,839,362.39	71,361,613.11
Total deposits - - - - -	\$3,356,805,948.01	\$3,011,975,389.65
Deferred availability cash items - - - - -	691,928,763.73	595,999,690.22
Other liabilities - - - - -	30,588,719.50	24,523,007.67
Total liabilities - - - - -	8,761,090,590.24	7,945,502,013.54
 CAPITAL ACCOUNTS		
Capital paid in - - - - -	\$ 74,054,600.00	\$ 72,304,800.00
Surplus - - - - -	\$ 74,054,600.00	\$ 72,304,800.00
Total liabilities and capital accounts - - - - -	\$8,909,199,790.24	\$8,090,111,613.54
Contingent liability on acceptances purchased for foreign correspondents - - - - -	\$ 25,125,800.00	\$ 19,242,400.00

EARNINGS AND EXPENSES

CURRENT EARNINGS	<u>1966</u>	<u>1965</u>
Discounts and advances - - - - -	\$ 1,620,206.36	\$ 1,820,577.55
United States Government securities - - - - -	255,421,562.74	209,743,657.01
Foreign currencies - - - - -	2,881,908.25	1,872,472.68
All other - - - - -	61,452.17	43,188.29
Total current earnings - - - - -	<u>\$259,985,129.52</u>	<u>\$213,479,895.53</u>
CURRENT EXPENSES		
Total current expenses - - - - -	\$ 23,731,971.25	\$ 23,637,407.67
Less Reimbursement for certain fiscal agency and other expenses - - -	2,031,515.59	2,017,533.50
Net expenses - - - - -	<u>\$ 21,700,455.66</u>	<u>\$ 21,619,874.17</u>
PROFIT AND LOSS		
Current net earnings - - - - -	\$238,284,673.86	\$191,860,021.36
Additions to current net earnings - - - - -	\$ 183,361.12	\$ 144,304.68
Deductions from current net earnings:		
Loss on sales of United States Government securities - - - - -	\$ 344,379.08	\$ 1,846.43
All other - - - - -	7,189.01	5,604.16
Total deductions - - - - -	<u>\$ 351,568.09</u>	<u>\$ 7,450.59</u>
Net additions (+) or deductions (—) - - - - -	<u>\$ —168,206.97</u>	<u>\$ +136,854.09</u>
Net earnings before payments to United States Treasury - - - - -	\$238,116,466.89	\$191,996,875.45
Dividends paid - - - - -	4,391,237.90	4,285,861.63
Payments to United States Treasury (interest on Federal Reserve notes) -	231,975,428.99	185,551,963.82
Transferred to Surplus - - - - -	\$ 1,749,800.00	\$ 2,159,050.00
Surplus January 1 - - - - -	72,304,800.00	70,145,750.00
Surplus December 31 - - - - -	<u><u>\$ 74,054,600.00</u></u>	<u><u>\$ 72,304,800.00</u></u>

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December 31, 1966

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