

JANUARY 3, 1969

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, 1968, and December 31, 1967, together with a comparison of earnings and expenses for 1968 and 1967.

Yours very truly,

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

President.

COMPARATIVE STATEMENT OF CONDITION

ASSETS	Dec. 31, 1968	Dec. 31, 1967
Gold certificate account - - - - -	\$ 1,286,391,400.65	\$1,318,498,364.10
Federal Reserve notes of other Federal Reserve banks - - - - -	106,948,226.00	81,882,948.00
Other cash - - - - -	22,756,189.05	37,040,224.75
 Discounts and advances:		
Secured by United States Government obligations - - - - -	7,000,000.00	63,000,000.00
Other discounts and advances - - - - -	-0-	-0-
Total discounts and advances - - - - -	\$ 7,000,000.00	\$ 63,000,000.00
 United States Government securities:		
Bills - - - - -	2,726,271,000.00	2,280,687,000.00
Certificates - - - - -	-0-	-0-
Notes - - - - -	4,172,521,000.00	3,842,949,000.00
Bonds - - - - -	795,735,000.00	868,927,000.00
Total United States Government securities - - - - -	\$ 7,694,527,000.00	\$6,992,563,000.00
Total loans and securities - - - - -	\$ 7,701,527,000.00	\$7,055,563,000.00
 Cash items in process of collection - - - - -	 908,061,156.50	 997,971,991.04
Bank premises - - - - -	8,740,910.64	8,960,046.61
 Other assets:		
Denominated in foreign currencies - - - - -	272,052,000.00	208,520,000.00
All other - - - - -	68,439,589.12	43,856,585.09
Total assets - - - - -	\$10,374,916,471.96	\$9,752,293,159.59
 LIABILITIES		
Federal Reserve notes - - - - -	\$ 5,656,691,142.00	\$5,155,149,659.00
 Deposits:		
Member bank—reserve accounts - - - - -	3,656,371,208.90	3,441,491,427.80
United States Treasurer—general account - - - - -	1,706,062.26	119,034,471.80
Foreign - - - - -	29,040,000.00	18,200,000.00
Other deposits - - - - -	78,455,034.47	57,567,655.50
Total deposits - - - - -	\$ 3,765,572,305.63	\$3,636,293,555.10
Deferred availability cash items - - - - -	727,076,456.32	762,384,966.55
Other liabilities - - - - -	56,081,268.01	40,095,978.94
Total liabilities - - - - -	\$10,205,421,171.96	\$9,593,924,159.59
 CAPITAL ACCOUNTS		
Capital paid in - - - - -	\$ 84,747,650.00	\$ 79,184,500.00
Surplus - - - - -	84,747,650.00	79,184,500.00
Total liabilities and capital accounts - - - - -	\$10,374,916,471.96	\$9,752,293,159.59
Contingent liability on acceptances purchased for foreign correspondents	\$ 14,414,000.00	\$ 20,345,000.00

EARNINGS AND EXPENSES

CURRENT EARNINGS	<u>1968</u>	<u>1967</u>
Discounts and advances - - - - -	\$ 3,397,540.67	\$ 949,317.55
United States Government securities - - - - -	377,118,256.87	297,707,134.78
Foreign currencies - - - - -	10,098,894.21	3,283,664.28
All other - - - - -	54,345.81	62,281.46
Total current earnings - - - - -	<u>\$ 390,669,037.56</u>	<u>\$ 302,002,398.07</u>
 CURRENT EXPENSES		
Total current expenses - - - - -	\$ 26,838,415.71	\$ 24,884,017.78
Less Reimbursement for certain fiscal agency and other expenses - -	2,244,577.02	2,206,558.87
Net expenses - - - - -	<u>\$ 24,593,838.69</u>	<u>\$ 22,677,458.91</u>
 PROFIT AND LOSS		
Current net earnings - - - - -	\$ 366,075,198.87	\$ 279,324,939.16
Additions to current net earnings:		
Profits on sales of United States Government securities (net) - -	\$ 111,548.74	\$ 106,755.04
Profits on foreign exchange transactions - - - - -	1,062,524.54	186,043.92
All other - - - - -	16,712.89	58,353.72
Total additions - - - - -	<u>\$ 1,190,786.17</u>	<u>\$ 351,152.68</u>
 Deductions from current net earnings - - - - -	 \$ 59,401.36	 \$ 9,690.25
Net additions - - - - -	<u>\$ 1,131,384.81</u>	<u>\$ 341,462.43</u>
 Net earnings before payments to United States Treasury - - - -	 \$ 367,206,583.68	 \$ 279,666,401.59
Dividends paid - - - - -	4,889,671.86	4,513,525.11
Payments to United States Treasury (interest on Federal Reserve notes)	356,753,761.82	270,022,976.48
 Transferred to Surplus - - - - -	 \$ 5,563,150.00	 \$ 5,129,900.00
Surplus January 1 - - - - -	79,184,500.00	74,054,600.00
Surplus December 31 - - - - -	<u><u>\$ 84,747,650.00</u></u>	<u><u>\$ 79,184,500.00</u></u>

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December 31, 1968

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