

ANNUAL REPORT
OF THE
FEDERAL DEPOSIT INSURANCE CORPORATION
FOR THE YEAR ENDED
DECEMBER 31, 1943



LETTER OF TRANSMITTAL

FEDERAL DEPOSIT INSURANCE CORPORATION,
Washington, D. C., September 27, 1944.

SIR: Pursuant to the provisions of subsection (r) of section 12B of the Federal Reserve Act, as amended, the Federal Deposit Insurance Corporation has the honor to submit its annual report.

Respectfully,

LEO T. CROWLEY, *Chairman.*

THE PRESIDENT OF THE SENATE

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES

FEDERAL DEPOSIT INSURANCE CORPORATION

BOARD OF DIRECTORS

LEO T. CROWLEY, Chairman
PHILLIPS LEE GOLDSBOROUGH
PRESTON DELANO, Comptroller of the Currency

The Board of Directors is responsible for the performance of all duties and the exercise of all powers vested by law in the Corporation.

BOARD OF REVIEW

Considers recommendations submitted by the Division of Examination relative to applications from banks for insurance, retirement of capital, establishment of branches, and other similar purposes.

COMMITTEE ON LIQUIDATIONS, LOANS, AND PURCHASE OF ASSETS

Considers recommendations from the Division of Examination relative to loans to or purchases of assets from banks and recommendations from the Division of Liquidation relative to liquidation activities.

DIVISION OF EXAMINATION

Handles applications from banks for membership, capital retirement, branches, mergers, etc.; examines insured banks and determines necessary supervisory actions.

LEGAL DIVISION

Handles legal matters in connection with the activities and operations of the Corporation.

DIVISION OF LIQUIDATION

Pays depositors in closed insured banks, liquidates national banks and closed State banks for which the Corporation is appointed receiver, exercises general supervision over the liquidation of closed insured banks for which the Corporation is not receiver, and liquidates loans to or purchases of assets from insured banks to facilitate mergers.

DIVISION OF RESEARCH AND STATISTICS

Provides economic counsel, conducts special studies pertaining to deposit insurance and banking, and compiles statistical data relating to condition and operation of banks.

EXECUTIVE DIVISION

Supervises business management functions of the Corporation, handles public relations, maintains minutes and other official records of the Board, and furnishes notice of matters acted on by the Board.

DIVISION OF ADMINISTRATION

Establishes procedures for personnel matters including recruitment, appointment, placement, classification and training; purchases materials, supplies, equipment for Washington and Field Offices; provides duplicating services and general maintenance services for the Corporation.

FISCAL AND ACCOUNTING DIVISION

Collects assessments from banks and other receipts, makes disbursements, and maintains the general accounting records of the Corporation.

AUDIT DIVISION

Makes final administrative audit of the books and accounts of the Corporation and prepares detailed and summary audit reports for Board of Directors.

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FEDERAL DEPOSIT INSURANCE CORPORATION

BOARD OF DIRECTORS

Chairman..... LEO T. CROWLEY
Directors..... { PHILLIPS LEE GOLDSBOROUGH
PRESTON DELANO
Comptroller of the Currency

OFFICIALS—SEPTEMBER 27, 1944

WASHINGTON 25, D. C.

Secretary..... E. F. Downey
Executive Officer..... Henry W. Riley
Confidential Assistant to Chairman..... Beryl Roberts
Special Assistant to Director..... Albert G. Towers
Secretary to Director..... Madeline G. Von Eberhard
Special Assistant to Chairman..... J. Forbes Campbell
General Counsel..... Francis C. Brown
Acting Chief, Division of Examination..... Neil G. Greensides
Chief, Division of Research & Statistics..... Donald S. Thompson
Director of Personnel..... C. W. Satterlee
Chief, Service Division..... Frank C. Blowe

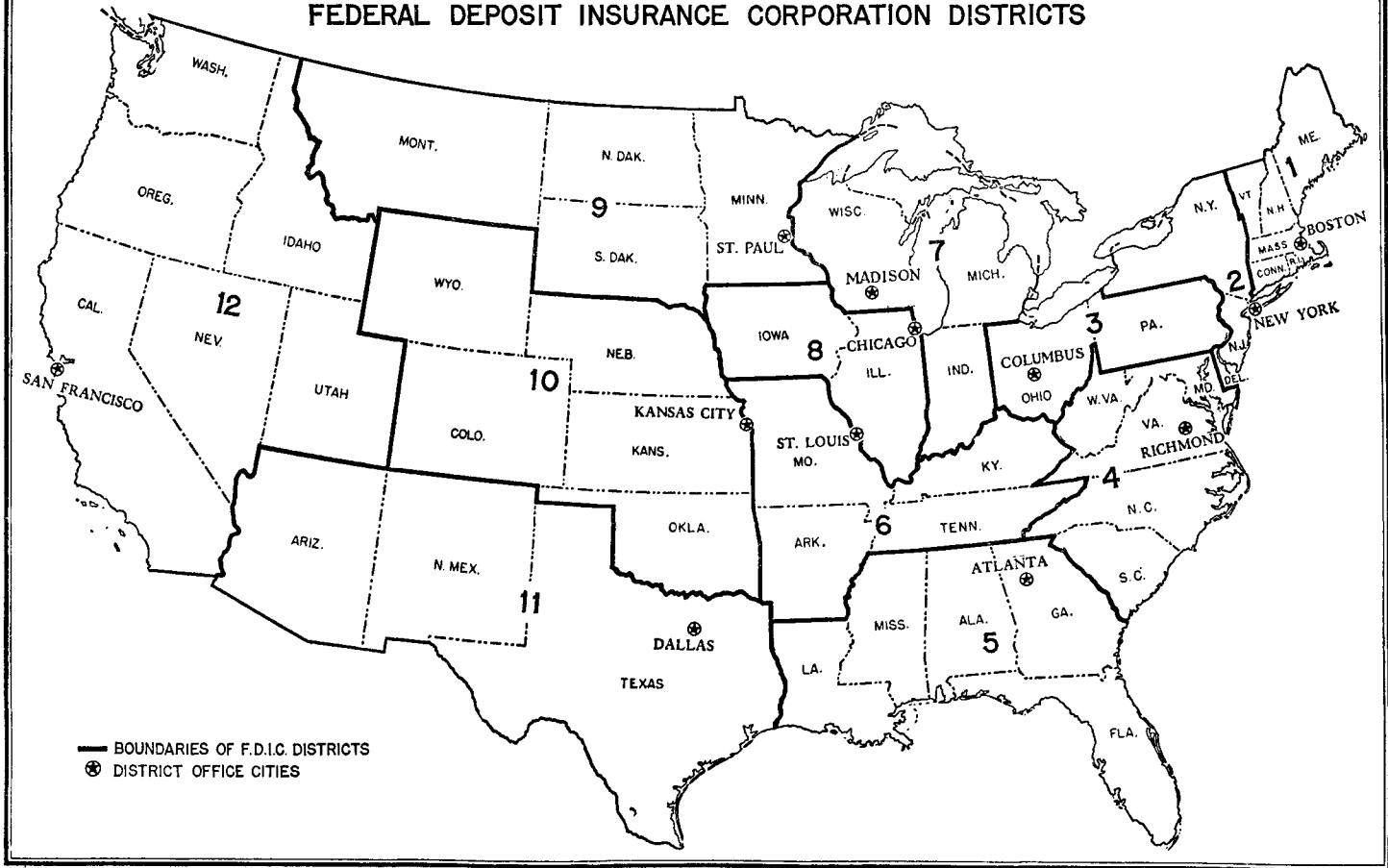
CHICAGO 3, ILLINOIS

Chief, Division of Liquidation..... Wheeler McDougal
Supervising Liquidator, Division of Liquidation..... Ralph E. Zimmerman
Chief, Claims Section, Division of Liquidation..... James M. Gaffney
Supervising Accountant, Division of Liquidation..... H. R. Burling
Counsel..... James M. Kane
Fiscal Agent..... W. G. Loeffler
Chief, Audit Division..... Mark A. Heck

DISTRICT OFFICES

<u>DIST. No.</u>	<u>SUPERVISING EXAMINER</u>	<u>ADDRESS</u>	<u>STATES IN DISTRICT</u>
1.	Leo J. Carr, Acting	Room 765, No. 10 Post Office Square, Boston 9, Mass.	Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut
2.	Howard S. Lahman, Acting	Room 1900, 14 Wall Street, New York 5, N. Y.	New York, New Jersey, Delaware, Puerto Rico, Virgin Islands
3.	L. F. Stroefler	City National Bank Building, 20 East Broad Street, Columbus 15, Ohio	Ohio, Pennsylvania
4.	L. W. Barlow	909 State Planters Bank & Trust Company Building, Richmond 19, Va.	Maryland, Virginia, West Virginia, North Carolina, South Carolina
5.	W. Clyde Roberts	625 First National Bank Building, Atlanta 3, Ga.	Georgia, Florida, Alabama, Mississippi, Louisiana
6.	Neil G. Greensides	1059 Arcade Building, St. Louis 1, Mo.	Kentucky, Tennessee, Missouri, Arkansas
7.	R. L. Hopkins	715 Tenney Building, Madison 3, Wis.	Indiana, Michigan, Wisconsin
8.	C. L. Pitman	741 Federal Reserve Bank Building, Chicago 4, Ill.	Illinois, Iowa
9.	R. O. Bishop	1200 Minnesota Building, St. Paul 1, Minn.	Minnesota, North Dakota, South Dakota, Montana
10.	G. F. Roetzel	901 Federal Reserve Bank Building, Kansas City 6, Missouri	Nebraska, Kansas, Oklahoma, Colorado, Wyoming
11.	L. J. Davis	Federal Reserve Bank Building, Dallas 13, Tex.	Texas, New Mexico, Arizona
12.	W. P. Funsten	Suite 1120, 315 Montgomery Street, San Francisco 4, Calif.	Idaho, Utah, Nevada, Washington, Oregon, California, Alaska, Hawaii

FEDERAL DEPOSIT INSURANCE CORPORATION DISTRICTS



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INTRODUCTION AND SUMMARY

INTRODUCTION AND SUMMARY

December 31, 1943, marks the close of the first decade of operation of Federal insurance of bank deposits. During this time deposit insurance has been successful even beyond the anticipation of its staunchest advocates. Its immediate and widespread acceptance has meant the extension of insurance protection to more than 75 million accounts in more than 90 percent of the nation's banks, and, although deposits now total over \$100 billion, depositors in insured banks have lost less than \$3 million from bank failures during the past ten years.

The insurer of bank deposits, the Federal Deposit Insurance Corporation, has been as successful in building its own financial structure as it has been in preventing losses to bank depositors. Starting with a capital of \$289 million, it has accumulated a surplus of \$414 million, and brought its combined capital and surplus to \$703 million. The amount of surplus accumulated has exceeded the amount of assessments paid by banks, income from investments having been more than adequate to cover all expenses and losses.

Not only has deposit insurance enjoyed ten years of sound development, but the banking system of the nation has become more stable and is today immeasurably stronger than it was at the beginning of 1934. The soundness of the banks' assets and the effectiveness of the deposit insurance system are elements of strength in the economic life of today. The public has demonstrated its confidence in the banks and in deposit insurance. So long as depositors and the public generally know that banking and supervisory policies will be courageous and farsighted they will continue to support and to have confidence in our present system. The operation and growth of banks during the past ten years of unusually favorable economic conditions may not, however, afford a reliable guide to their operation during future periods of economic strain. The banking system faces problems in the post-war period which will require the utmost foresight, courage, and skill on the part of bankers and public officials if the privately owned banking system and, indeed, our system of private business enterprise are to survive. Some of these problems are discussed in Part One of this report.

PART ONE

OPERATIONS AND POLICIES OF THE CORPORATION

DEPOSIT INSURANCE, BANK SUPERVISION, AND PRIVATE ENTERPRISE

Deposit insurance and economic developments. The successful operation of deposit insurance and the great improvement in banking conditions over the past ten years reflect the combined effect of such circumstances and policies as: rehabilitation of the capital of the banks following the Bank Holiday; improvement in the supervision provided by State and Federal banking agencies; improvement of bank management; modifications in the banking structure and in the character of risks undertaken by banks; growth in national income with a transition from a low to an extremely high level of economic activity; and faithful adherence to the principles of the deposit insurance law.

The rate of expansion in the national income and in the volume of production during the past decade has been extraordinarily high. Between 1934 and 1943, industrial output more than trebled, income payments nearly trebled, farm incomes more than trebled, factory payrolls more than quadrupled, and total deposits of insured banks trebled. Industrial profits and bank earnings have generally improved. The Corporation acted as a stabilizing factor during this period. Its activities and the fact of the existence of Federal insurance of deposits helped to check developments which might have had an adverse effect upon the banking system. Not only have bank failures been relatively few in number but the total volume of resources involved has been small. Earlier periods of recovery and expansion, however, have likewise been characterized by a small number of bank suspensions.

Insurance operations of the Corporation. The past ten years, even though they have been years of high income and generally favorable banking conditions, have not been entirely free from banking difficulties, and the Corporation not only has bent its efforts to the improvement of the condition of operating banks but also has protected depositors from losses in those insured banks which were in financial difficulties. For the most part these were banks which were not successfully rehabilitated following the banking crisis of the early 1930's.

The Corporation has disbursed \$258 million to protect depositors from loss in 395 insured banks which were closed or merged during the past ten years. Nearly 1,300,000 individual accounts in these banks have been fully protected from loss and less than 1,700 of the depositors had accounts eligible for insurance which were not fully protected. Total losses to these depositors will be about \$3 million out of a total of \$497 million of deposits in the 395 banks. The Corporation's losses are estimated at about \$45 million.

In addition to the protection of these depositors from loss, the promptness with which depositors' funds are made available, as well as the orderly liquidation of assets, are factors tending to maintain financial and economic stability in the community. Ninety-eight percent of the deposit balances in the banks in difficulty have been made available promptly to depositors, frequently without even one day's interruption of service. On the other hand, the liquidation of assets, to the extent that such liquidation has been under the control of the Corporation, has been undertaken with a view not only to protecting the interests of the Corporation and other creditors but also to protecting the economic fabric of the communities involved. These policies have provided the utmost possible protection to depositors and their business interests and have also resulted in higher recoveries on assets and lower losses to the Corporation than past experience would have indicated.

Losses and surplus of the Corporation. Because of the comparatively small number of bank failures and the relatively large recovery on the assets of closed banks, the losses of the Corporation and its administrative expenses have been less than the interest on its invested capital and surplus. The surplus of the Corporation, therefore, has been increased by more than the full amount of the insurance premiums collected from the banks. During the ten years, the total income of the Corporation has amounted to \$493 million, and its expenses and insurance losses to \$79 million, leaving \$414 million as additions to its surplus. Of the Corporation's ten-year income, \$389 million was from insurance assessments and \$103 million was from investment of its funds, principally in Government bonds. Administrative expenses of the Corporation have amounted to \$34 million, and deposit insurance losses and expenses to an estimated \$45 million.

On December 31, 1943, the capital and surplus of the Corporation stood at \$703 million, or nearly two and one-half times the amount of its capital when deposit insurance went into effect on January 1, 1934. However, the amount of deposits now protected by the Corporation is about three times the amount of deposits protected when insurance first went into effect. Although this increase in the resources of the Corporation has been accompanied by a marked improvement in the quality of the assets of the banks, the margin of protection provided by the owners of the banks—in the form of capital—has been reduced.

Condition of insured banks after ten years of deposit insurance. As a consequence of favorable trends which set in following the banking crisis of 1933 and the inauguration of deposit insurance, the banks generally entered the war in sound condition. Bankers were

ready to meet any demands which might be made upon them in the prosecution of the war and have ably discharged these responsibilities.

At the close of 1943, deposits of commercial banks approximated \$106 billion and total assets amounted to about \$114 billion. Three-fourths of the assets consisted of the following: United States Government obligations, cash or cash items, and balances with other banks, including Federal Reserve banks. Less than one percent of the banks' assets were fixed assets. Of the remaining assets—loans and securities other than United States Government obligations—only 5 percent were found by Federal bank examiners to be of substandard grade in 1943. This was less than 2 percent of the total assets of the banks.

The growth in volume of assets and the changes in their composition affected the banks' earnings. Net earnings of all insured banks combined were higher in 1943 than in any other year of deposit insurance. The large city banks, particularly, reported substantial increases in earnings over the past two years, while many of the small country banks suffered some decline in earnings and profits from the levels prevailing immediately before the war. The increase in profits of the larger banks came chiefly from a growth in income from United States Government obligations. The decline in profits of the small country banks resulted from a reduction in income from loans which was not fully offset by increased income from expanded holdings of United States Government obligations and from other sources. The reduced income from loans accompanied a decline in volume of loans, reflecting in part repayment of debts by customers out of high wartime incomes, in part competition of other lending agencies, and in part restrictions on consumer loans imposed by Federal regulation.

The income prospects of a large number of the small country banks have also been affected adversely by a recent ruling of the Board of Governors of the Federal Reserve System holding absorption of exchange charges by member banks of that system to be a payment of interest upon demand deposits. If sustained and enforced, this ruling will undoubtedly bring about the elimination of income from remittance exchange. For decades these exchange charges have constituted one of the important sources of income for many small banks. With the shrinkage in income from loans, income from remittance exchange charges has been of increasing importance to these banks, notwithstanding increased income from greatly expanded holdings of United States Government obligations and from service charges on deposit accounts, which most of these banks impose.

Appraisal of assets. Before the Federal Deposit Insurance Corporation was created the soundness of bank assets was frequently evaluated on the basis of liquidity, and many banks otherwise sound were judged to be insolvent because it would have been impossible

to liquidate all of their loans and securities at the time of appraisal without excessive loss even though no doubt existed as to the ability of obligors to meet the terms of their contracts. For many years now it has been the policy of the Corporation and of most bank supervisory agencies to appraise assets on the basis of the ability of the obligor to meet the terms of his obligations. This policy has lessened supervisory pressure for liquidation of bank assets, and if maintained will continue to do so during periods of crisis. The procedure has not been prescribed by law, and in general supervisory and examination policies are not so prescribed, but are left to the determination of the different agencies.

On major policies and especially on those whose inconsistency may damage the standing of an individual bank, it is desirable that continuity and consistency be established and their maintenance assured. One such supervisory policy is the evaluation of bank assets, particularly obligations of the United States Government. These securities now constitute more than 50 percent of the assets of the banks. Before the war is over the percentage will undoubtedly be much higher. It may therefore be desirable for Congress by affirmative legislation to require Federal bank supervisory agencies when they examine banks to evaluate interest-bearing obligations of the United States Government at the lower of book or amortized cost. The Federal Government should adjust its appraisal policies so as to avoid penalizing its own creditors because of fluctuations in market prices of its own obligations.

Inasmuch as the Federal Government is the currency-issuing authority in the land, it is difficult to justify the valuation in examinations of one group of obligations of the Federal Government at less than par or amortized cost, merely because the obligations are interest-bearing, when another group of obligations, which are noninterest-bearing—that is, the currency of the land—is always valued at par because the law so requires. The interest-bearing obligations vary in price chiefly because of fluctuations in the market rate of interest relative to the fixed yield on the obligations. Fluctuations in the rate of interest do not affect directly the ultimate soundness of the obligations of the United States Government but they do, of course, affect market prices. No question could arise with regard to the soundness of obligations of the United States Government which would not exist also with respect to our currency.

It is specifically to assist banks during the period of post-war adjustment that the Corporation recommends this legislative affirmation of existing bank supervisory policy regarding the evaluation of United States Government obligations. Such legislation, coupled with the availability to banks of the facilities of the Federal Reserve System

and other Federal emergency lending agencies and of the resources of the Federal Deposit Insurance Corporation will assure the utmost possible maintenance of the integrity of our banks. The Board of Governors of the Federal Reserve System has already (on December 8, 1941) affirmed that the "Federal Reserve Banks stand ready to advance funds on United States Government securities at par to all banks."

Supervisory activities of the Corporation. Up to the close of 1943, the Corporation had conducted a total of 83,666 examinations of banks. Of these examinations, 83,605 were of insured State banks regularly subject to examination by the Corporation and examined by no other Federal agency, or of banks applying for admission to deposit insurance as State banks not members of the Federal Reserve System. The 61 other examinations were of banks regularly subject to examination by the Comptroller of the Currency (national banks) or by the Federal Reserve banks (State member banks of that system). These banks either were in need of financial assistance to avoid suspension or were believed by the Corporation to be engaging in unsafe and unsound practices. These examinations were made with the consent of the Comptroller of the Currency in the case of national banks and of the Board of Governors of the Federal Reserve System in the case of State banks members of that system. They resulted in initiation of proceedings against a number of national banks and State banks members of the Federal Reserve System for engaging in unsafe and unsound practices, and in the merging with the assistance of the Corporation of other member banks in order to avoid suspension.

The ultimate sanction which may be used by the Corporation to check the development of unsafe and unsound practices is the termination of the insured status of banks which continue to engage in such practices. Up to the close of 1943, the Corporation had brought formal action to terminate the insured status of 129 banks charged with continuing to engage in unsafe and unsound practices. Of these banks, 20 corrected or eliminated the practices, and proceedings were discontinued, 99 suspended operations or were merged with other banks, and 4 were dismissed from insurance (2 subsequently suspended). Proceedings against 6 were still pending at the close of the year.

The Corporation has set forth in detail the nature of charges of unsafe and unsound practices preferred against every bank cited by the Corporation. In this manner a case record has been built up which serves as a basis to appraise the exercise of the Corporation's power to dismiss banks from insurance. This record, which is published in the Annual Reports of the Corporation, is available to bankers as a detailed statement of Corporation policy and procedure regarding

unsafe and unsound banking practices. The nature of the charges brought against banks during 1943 is discussed on page 17 of this report.

Supervision of banks was initiated to provide the public with reasonable assurance that bank obligations would be met. As the nature of bank obligations changed and deposits assumed greater importance, bank supervision became concerned more and more with the protection of depositors. Failure of supervision alone to provide the necessary protection led to the inauguration of Federal insurance of deposits. Deposit insurance as now constituted, however, cannot provide the expected protection for depositors unless it is accompanied by effective supervision. The primary concern of bank supervision must continue to be the protection of bank creditors. The Corporation, by assuming the risk of loss of most of the depositors, bears much of the ultimate financial cost resulting from lax supervision, poor management, and adverse banking developments.

Many existing Federal statutory definitions relating to bank supervision are vague. The procedures, standards, and objectives of bank supervision frequently are not set forth clearly either to the public or to the bankers. The operations and practices of banks of deposit are so fundamental to the public welfare that the public should have full knowledge not only of banking practices but also of bank supervisory practices. While action in individual cases must be kept confidential, Congress, bankers, and the public should be kept fully advised regarding general policies, objectives, standards, and procedures of bank supervision if public policy is to be faithfully adhered to and abuse of authority avoided.

Risk bearing and the financing of private enterprise. As more consideration is given to problems of post-war reconversion, doubts concerning the ability of banks and other private financial institutions to finance business enterprise find expression in an increasing number of proposals for direct Government financing or for guarantees by the Government or by governmental agencies of financing by private institutions.

In its Annual Report for 1942, the Corporation pointed out that one of the distinguishing characteristics of private enterprise was the assumption of risks by individuals or groups of individuals in the hope of obtaining profits. The Corporation also warned that if bankers wished to preserve their system of privately owned banks they would have to have enough capital to enable them to finance, with reasonable safety, business enterprise so as to make unnecessary either the creation of governmental financing agencies or the imposition of an undue burden of risk upon the Government.

Assumption by the Government of the risks inherent in credit extension by privately owned financial institutions to private business enterprise would reduce the chances of continuation of banking and business under private ownership and control. In order to avoid excessive loss the guarantor, an agency of the Federal Government, would have to set standards and review each individual loan transaction. In effect, the guarantor would determine who could and who could not have credit, as well as the channels through which such credit would be obtained. More and more, it would assume the functions of management. The standards and forces of the market place would play a less and less important role, paving the way for progressive substitution of governmental action as the final determinant in the granting of credit—the life blood of business.

Ample justification can be found for the use of Government guaranties in connection with war loans—the so-called V and VT loans. These loans finance war contracts and contract terminations and involve risks and costs that are peculiar to war which is strictly a governmental function. Justification does not exist for similar governmental intervention in the financing of private peacetime business. Adequate private resources now exist for the financing of business enterprise. Never before have the savings and cash resources of our people and our businesses been so large. Every opportunity should be given private enterprise to operate within the framework of a private financial system before the Federal Government, either directly or through its many agencies, steps in to render financial aid to and provide financial direction and control over business enterprise. If the private enterprise system is to survive, the financing of industry for peacetime pursuits should not be undertaken as a governmental function except in periods of emergency.

OPERATIONS OF THE CORPORATION IN 1943

Protection of bank depositors. The number of banks in which the Corporation made disbursements to protect depositors was smaller in 1943 than in any previous year of deposit insurance. Four banks suspended operations and one was merged with the financial aid of the Corporation. The deposits of the five banks totalled \$12 million and the disbursements of the Corporation amounted to more than \$7 million. The four banks which suspended had 15,352 depositors of which all but 161 were fully protected. The bank which merged had 10,455 accounts. None of the owners of these accounts suffered any loss. Further details are given in Table 1, together with figures for depositors' recoveries and losses in insured banks in financial difficulties throughout the entire 10 years of deposit insurance.

**Table 1. DEPOSITORS' RECOVERIES AND LOSSES IN INSURED BANKS
IN FINANCIAL DIFFICULTIES, 1934-1943**

	Total 1934-1943	Banks closed or merged in 1943
Number of banks.....	395	5
Number of depositors.....	1,290,137	25,807
Depositors suffering no loss.....	1,247,332	25,646
Depositors suffering loss:		
Claims filed, but recoveries from liquidation inadequate ¹	4,770	161
Claims not filed within period prescribed by law.....	38,035	
Amount of deposits.....	\$497,262,000	\$12,481,000
Estimated recoveries by depositors.....	494,029,000	12,403,000
Estimated losses by depositors filing claims ¹	2,807,000	78,000
Estimated losses because of failure to file claims.....	426,000	

¹ 1,617 depositors will lose an estimated \$2,711,000 of their deposits in accounts which exceeded the limit of \$5,000 insurance and which were not otherwise protected; and 3,153 depositors will lose about \$96,000 in accounts which had been restricted or deferred prior to 1934 or were otherwise ineligible for insurance protection.

The corporation has made bank deposits available as rapidly as possible after the suspension of insured banks. At the end of 1943 only 1 percent of the insured deposits in all of the banks which closed during the past 10 years remained unpaid, and most of these were in one bank which had closed late in 1943. A large part of the \$5.8 million unpaid at the end of the year, that part which was in uninsured deposits, may eventually prove to be a loss to depositors, although only \$0.4 million had been lost by depositors in the 136 banks whose receiverships had been terminated by December 31, 1943. Data on the payment of deposits are given in Table 2 and in Table 126, page 105.

**Table 2. PAYMENT OF DEPOSITS OF INSURED BANKS PLACED IN
RECEIVERSHIP, 1934-1943**

	Total	Paid by Dec. 31, 1943 ¹	Unpaid on Dec. 31, 1943 ²
Deposits—total.....	\$109,079,000	\$103,310,000	\$5,769,000
Insured.....	86,850,000	86,008,000	842,000
Secured, preferred, and subject to offset.....	11,067,000	10,966,000	101,000
Deposits in excess of \$5,000 not otherwise protected.....	9,803,000	5,613,000	4,190,000
Restricted or otherwise uninsured.....	933,000	706,000	227,000
Unclaimed ³	426,000	17,000	409,000

¹ Payment made by the Federal Deposit Insurance Corporation and by receivers.

² Includes loss of \$396,000 in banks whose receiverships have been terminated.

³ Unclaimed deposits paid are held in trust to pay deposits unclaimed at termination of receivership.

During 1943 the Corporation was successful in liquidating many of the assets which it had acquired in earlier years from banks which were in an unsound condition. The assets were taken over by the Corporation as the unsound banks were merged with solvent in-

stitutions or were claims against receivers of closed banks. The assets and liabilities of the banks placed in receivership or merged are given in Tables 125 and 127, pages 104 and 106.

The proceeds from the sale of assets acquired in connection with mergers amounted to about \$28 million in 1943. This brought collections for the ten years during which the Corporation has operated to \$143 million, including about \$29 million for repayment of expenses. It is expected that final losses on these assets will not exceed \$25 million from a principal disbursement of \$172 million.

Repayments to the Corporation during the year from banks in receivership amounted to nearly \$4 million. This brought collections from this source to a total of \$55 million. It is expected that final losses in these banks will not exceed \$20 million from a disbursement of \$86 million in the payment of insured deposits during the decade of the Corporation's operations. The disbursements of the Corporation during the past ten years are shown in Table 3.

Table 3. DISBURSEMENTS OF THE CORPORATION IN CONNECTION WITH BANKS IN FINANCIAL DIFFICULTIES, 1934-1943

	Number of banks			Amount of disbursement (in millions)		
	Total	Placed in receivership	Merged	Total ¹	Insured deposits paid	Loans and assets purchased
Total	395	244	151	\$258	\$86	\$172
1943.....	5	4	1	7	5	2
1942.....	20	6	14	11	2	9
1941.....	15	8	7	24	12	12
1940.....	43	19	24	74	5	69
1939.....	60	32	28	68	26	42
1938.....	74	50	24	30	9	21
1937.....	75	50	25	19	12	7
1936.....	69	42	27	15	8	7
1935.....	25	24	1	9	6	3
1934.....	9	9	.....	1	1	.....

¹ In addition, the Corporation disbursed \$1,160,000 to purchase assets from the liquidators of 53 insured banks in receivership.

Receivership activities of the Corporation. At the close of 1943 the Corporation was acting as receiver for 40 of the 108 insured banks still in receivership. It was receiver for 11 national banks with deposits at time of suspension aggregating \$16 million and for 29 State banks with deposits aggregating \$7 million. The Corporation maintains close contact with the receivers of the remaining 68 State banks, which at time of suspension had deposits of \$55 million.

Bank examinations. To the extent permitted by a shortage of employees the Corporation in 1943 continued its policy of examining

annually each insured State bank not a member of the Federal Reserve System. The changing nature of bank assets has enabled the Corporation to simplify some of its examination procedures, and to eliminate much tedious detail without reducing the effectiveness of the examination process or impairing its usefulness to the Corporation. The resultant saving in time enabled the Corporation substantially to maintain its schedule of examinations.

The number of examinations and investigations of banks believed to require special attention was smaller in 1943 than in former years. As in former years the Corporation reviewed reports of examination of insured banks members of the Federal Reserve System made by examiners of that system or by the Office of the Comptroller of the Currency.

Unsafe and unsound banking practices and violations of law or regulations. During 1943 proceedings were initiated against six banks and were continued against seven other banks. The status of these cases at the end of the year, and also a summary of all cases for the entire period since the effective date of the Banking Act of 1935, are given in Table 4. A list of the practices engaged in by banks against which proceedings were initiated in 1943 is given in Table 5.

Table 4. ACTION TO TERMINATE INSURED STATUS OF BANKS CHARGED WITH ENGAGING IN UNSAFE OR UNSOUND PRACTICES OR VIOLATIONS OF LAW OR REGULATIONS, 1936-1943

	Total cases 1936-1943 ¹	Cases in 1943	
		Pending beginning of year	Started during year
Total banks against which action was taken.....	129	7	6
Cases closed during period.....	123	5	2
Corrections made.....	20	4	.....
Insured status terminated, or date for such termination set by Corporation, for failure to make corrections:			
Banks suspended prior to or on date of termination of insured status ²	7	.....	.....
Bank continued in operation ³	3	.....	.....
Bank suspended prior to setting of date of termination of insured status by Corporation.....	32	1	.....
Banks absorbed or succeeded by other banks ⁴	61	.....	2
Cases pending December 31, 1943.....	6	2	4
Deferred pending consummation of plans for reorganization or recapitalization.....	2	1	1
Deferred pending reexamination.....	2	1	1
Correction period not expired.....	2	.....	2

¹ No action to terminate status of any insured bank was taken before 1936. In 4 cases where initial action was replaced by action based upon additional charges, only the later action is included.

² Includes one national bank which, in accordance with the provisions of the law, suspended immediately following the action of the Corporation in terminating its insured status.

³ One of these suspended 4 months after its insured status was terminated.

⁴ In all except 3 of the 61 cases the Corporation made loans to facilitate the mergers or reorganizations.

Back data—See the following Annual Reports of the Corporation: 1941, p. 188; 1942, p. 13.

Table 5. UNSAFE OR UNSOUND BANKING PRACTICES AND VIOLATIONS OF LAW OR REGULATIONS CHARGED AGAINST SIX BANKS BY THE CORPORATION DURING 1943

Type of practice or violation	Number of banks charged	Case identification letters
Capital:		
Operation of bank with seriously impaired capital	3	b, e, f
Continued operation of the bank with a net capital inadequate to give reasonable protection to depositors, particularly in view of the large amount of substandard assets	4	a, b, d, e
Inadequacy of available funds and insufficiency of earnings to provide for current and developing losses	5	a, b, d, e, f
Management and general practices:		
Lax credit and collection policies	2	a, b
Continued carrying of losses in bank's assets failing to disclose true statement of condition	2	a, b
Operation of bank by weak, hazardous, untrustworthy, or incapable management	3	a, b, e
Unwarranted and illegal dividends to stockholders	1	a
Excessive amount of contingent liabilities in the trust department and of probable and possible losses resulting therefrom	1	d
Transfer of deposits to a noninsured bank without permission of this Corporation	1	c
Loan and investment practices:		
Failure of the bank's management to dispose of assets of substandard quality including other real estate, some of which had been carried beyond the period fixed by law	2	e, f
Large and excessive amount of assets subject to adverse classification, or assets of substandard quality and of doubtful value and upon which substantial losses are probable	5	a, b, d, e, f

Other actions of the Corporation. During 1943 the Corporation approved applications of 194 banks for admission to insurance. Of these banks, 35 were new banks (including five which replaced closed banks or closed branches of insured banks), 147 were banks in operation at the beginning of the year, and 12 were insured banks reorganizing or withdrawing from the Federal Reserve System. The applications for admission to insurance of two banks were disapproved, approvals in three cases were rescinded, and in 14 of the banks approved for admission, insurance had not become effective by the end of the year. In addition, 8 banks whose applications were approved during the preceding year became insured during 1943. Three other banks became insured through admission to membership in the Federal Reserve System.¹ Further details regarding admission to insurance, and also figures regarding the number of insured banks which ceased operations or otherwise terminated their insured status, are given in Table 101, page 68.

During 1943 the Corporation approved the applications of 35 banks to establish 43 branches.² In addition, about 180 branches were opened

¹ These do not include two new banks in process of organization which were approved for admission to insurance by the Corporation but became operating insured banks as members of the Federal Reserve System.

² This figure includes applications to continue in operation branches of banks which were being absorbed or succeeded. In addition, continuance of operation of 60 branches by 36 banks admitted to insurance was approved by the Corporation.

for business by national and State banks members of the Federal Reserve System.¹ About four-fifths of the branches opened for business by insured banks during the year were for the purpose of providing banking services at military establishments. Further details regarding changes in the branches operated by insured banks are given in Table 101, page 68.

Insured banks supervised by the Federal Deposit Insurance Corporation are required by law to secure the Corporation's approval to retire any part of their capital obligations. Applications for the retirement of capital stock were filed by 486 such banks in 1943. The retirement of obligations held by the Reconstruction Finance Corporation in amounts aggregating \$7,181,000 and of those held by others in amounts aggregating \$1,670,000, was approved. The Corporation disapproved the retirement of obligations amounting to \$1,766,000.

During the year the Corporation approved the assumption by insured banks of deposit liabilities of six noninsured institutions. In four insured banks the Corporation approved the payment of waived deposits or certificates of beneficial interest representing deposits which had been waived at the time of the Banking Holiday of 1933.

Semi-annual statements of deposits were submitted by each insured bank as required by law for the purpose of determining the amount of the deposit insurance assessment. The Corporation called for reports of assets, liabilities, and capital accounts as of June 30 and December 31, 1943, and for reports of earnings, expenses, and disposition of profits for the calendar year 1943, from each insured bank required by law to submit such reports to the Corporation.²

Summaries of the tabulations from the reports of assets, liabilities, and capital accounts are given in the pamphlets "Assets and Liabilities of Operating Insured Banks", Report No. 19 and Report No. 20, and in Table 106 of this report, page 80. Summaries of the reports of earnings, expenses, and disposition of profits are given in Tables 121-123, pages 96-101 of this report.

LEGAL DEVELOPMENTS

Absorption of exchange. On December 6, 1943, the Board of Directors of the Federal Deposit Insurance Corporation ruled that absorption by an insured bank not a member of the Federal Reserve System of exchange charges in connection with routine collection of checks cannot be considered a payment of interest in the absence

¹ These banks are not required to obtain Corporation approval for establishment of branches.

² With the exception of banks in the District of Columbia and national banks in the possessions, all insured banks not members of the Federal Reserve System are required to submit such reports to the Corporation.

of facts or circumstances establishing that the practice is resorted to as a device for the payment of interest.¹ This ruling was issued in response to a number of requests received subsequent to an interpretation published in September 1943 by the Board of Governors of the Federal Reserve System, and applied generally to all member banks, that absorption of exchange by a member bank of the Federal Reserve System constituted a payment of interest on demand deposits.

During December, the Committee on Banking and Currency of the House of Representatives called upon officials of the Board of Governors of the Federal Reserve System and this Corporation to explain the rulings and the differences in interpretation of the two agencies. The Corporation's representatives contended that the ruling holding absorption of exchange to be a payment of interest on demand deposits went beyond the intent of the law and was another attempt to force par clearance upon nonmember banks.

In January 1944 identical bills, H. R. 3956 and S. 1642, were introduced into the Congress declaring that absorption of exchange shall not be deemed to be a payment of interest upon demand deposits, thus setting aside the ruling of the Board of Governors of the Federal Reserve System. After extensive hearings, the House of Representatives on March 2, 1944, passed H. R. 3956 by an overwhelming voice vote. In the course of the hearings and the debate on the bill, it became clear that the paramount issue was whether an administrative ruling prohibiting absorption of exchange charges should be upheld on the ground of its contribution to par clearance and its restriction of competition among banks for deposits, when the ruling was predicated upon a statute which did not forbid absorption of exchange and which authorized regulation not of competition but only of payment of interest. The House of Representatives took the position that such a ruling should not be upheld, thus supporting the position of the Corporation that absorption of exchange is not interest.

Other legal developments affecting the Corporation or insured banks. War loan deposits, which are accounts to the credit of the United States Government arising from subscriptions by or made through banks for U. S. Government securities issued under the Second Liberty Loan Act, were exempted from deposit insurance assessments by Public Law 37, 78th Congress, approved April 13, 1943. The exemption will continue until six months after the cessation of hostilities.

Under Public Law 49, 78th Congress, known as the War Overtime Pay Act of 1943, approved May 7, 1943, employees of the Federal

¹ The ruling of the Federal Deposit Insurance Corporation was revised in March 1944 to apply to exchange charges absorbed in the regular course of business rather than to "routine" collection of checks only. The revision was one of form and not of substance. The revised ruling is given on page 48 of this report.

Deposit Insurance Corporation are paid for overtime during the war emergency on the same basis as other employees of the Federal Government.

On February 25, 1944, Congress enacted the Revenue Act of 1943, section 113 of which specifically authorizes the use of reserves for bad debts (at the discretion of the Commissioner of Internal Revenue) as a deduction from income in determining tax liabilities. This will permit banks to make adequate provision for future losses during periods of prosperity so as to safeguard their capital from impairment during periods of crises. The Corporation has repeatedly urged that banks set aside reserves for losses annually in the form of valuation allowances or unallocated charge-off or in some other manner against those groups of assets in which losses ordinarily arise. Authority to deduct such annual reserves from profits in computing income tax liabilities must be obtained from the Commissioner of Internal Revenue.

Public Law 159, approved October 15, 1943, amended the National Housing Act by extending until July 1, 1945, the date after which eligible war housing mortgages may not be insured by the Federal Housing Commissioner out of the War Housing Insurance Fund; and until July 1, 1946, the date after which eligible mortgages may not be insured by the Commissioner out of the Mutual Mortgage Insurance Fund; and until July 1, 1947, the authority of the Federal Housing Commissioner to insure qualified banks, trust companies, and other financial institutions against losses as a result of loans or advances made to finance housing construction, repair, alterations, etc. Public Law 159 also increased the maximum premium which may be charged for the latter insurance from three-fourths of one percent to one percent per annum on the net proceeds of such loans or advances. Public Law 158, approved October 14, 1943, amended the National Housing Act to provide that, in respect to mortgages covered by certain provisions of the Soldiers' and Sailors' Civil Relief Act and insured by the Commissioner out of the Mutual Mortgage Insurance Fund or the War Housing Insurance Fund, any debentures issued in payment of such insurance may include amounts sufficient to compensate the mortgagee for losses on account of interest or insurance premiums by reason of having postponed foreclosure proceedings during the period of military service and three months thereafter.¹

The text of pertinent provisions of these acts, except Public Laws 158 and 159, is given on pages 45-48 of this report.

State Legislation. Regular sessions of State legislatures were held during 1943 in 44 States. In five of these States legislation was enacted

¹ The Federal Housing Administration and its functions, powers and duties including those of the Administrator thereof were consolidated into the National Housing Agency by Executive Order of the President No. 9070 promulgated on February 24, 1942 (7 F. R. 1529).

which affects insured banks or the operations of the Federal Deposit Insurance Corporation.

In California the Civil Code was amended to provide that the deposit of trust funds at interest in a savings bank or savings department of the trustee bank shall be deemed a qualified investment to the extent such deposit is insured by the Corporation or to such greater extent as a court of competent jurisdiction may authorize. (Ch. 811). The California Bank Act was also amended to authorize ex parte court orders for deposit of moneys by executors or other fiduciaries where the amount sought to be deposited is fully insured by the Corporation. (Ch. 194).

The legislature of Idaho enacted a law providing for the establishment of bank agencies, as distinguished from a branch bank, by a bank or branch organized and existing under the State law and insured by the Corporation. These agencies have only such powers as are expressly granted them in the act providing for their establishment. The bank or branch may qualify the agency to receive deposits of public funds to the same extent as if it were a branch. The approval of the Corporation and the Commissioner of Finance of the State is required prior to the establishment of any such agency. (Ch. 106).

In South Dakota the Code of 1939 relating to the depositaries of municipal funds was amended to provide that no bond or other security shall be required for such part of public funds as is insured by the Corporation. (Ch. 166).

In Texas the former law authorizing the Corporation, as receiver or liquidator of a closed insured bank, to enforce the double liability of stockholders in such bank was repealed inasmuch as such liability of stockholders has also been repealed. (Banking Code 1943, Art. 11).

In Vermont the public law prescribing statutory liability of stockholders of trust companies was amended so as to exclude from such liability the stockholders of trust companies insured by the Corporation. (Pu. Act 133).

Most of the State legislatures which met during 1943 adopted legislation amending their banking laws. A summary of such legislation appears on pages 49-56.

ORGANIZATION AND FINANCIAL STATEMENTS OF THE CORPORATION

Organization and staff of the Corporation. No changes in the directorship of the Corporation occurred during 1943. Mr. Leo T. Crowley continued as Chairman; Mr. Phillips Lee Goldsborough and Mr. Preston Delano, Comptroller of the Currency, continued as Directors throughout the year.

On December 31, 1943, the total personnel of the Corporation consisted of 1,899 officers and employees, compared with 2,411 at the beginning of the year and 2,538 at the close of December 1941. At the close of 1943, 259 employees were on military furlough for service in the armed forces. Known deaths among this group numbered two. The number of officers and employees in each division of the Corporation as of December 31, 1943, is given in Table 6.

Table 6. OFFICERS AND EMPLOYEES OF THE FEDERAL DEPOSIT INSURANCE CORPORATION, DECEMBER 31, 1943

	Total	Officers and administrative, supervisory, and technical employees	Clerical, stenographic, and custodial employees
Total	1,899	748	1,151
<i>Washington office</i>	262	77	185
<i>Chicago office</i>	276	111	165
<i>Field</i>	1,361	560	801
Directors	3	3	.....
Executive Division	29	13	16
<i>Washington office</i>	26	12	14
<i>Chicago office</i>	3	1	2
Legal Division	34	17	17
<i>Washington office</i>	13	9	9
<i>Chicago office</i>	16	8	8
Division of Examination	552	394	158
<i>Washington office</i>	42	20	22
<i>Field</i>	510	374	136
Division of Research and Statistics	44	19	25
<i>Washington office</i>	44	19	25
Division of Liquidation	950	234	716
<i>Chicago office</i>	99	48	51
<i>Field</i>	851	186	665
Division of Administration	175	19	156
<i>Washington office</i>	129	14	115
<i>Chicago office</i>	46	5	41
Audit Division	27	20	7
<i>Chicago office</i>	27	20	7
Fiscal and Accounting Division	85	29	56
<i>Chicago office</i>	85	29	56

Early in the year 1943 effect was given to an action of the Board of Directors to divide the Division of Finance and Administration into three divisions—Division of Administration, Fiscal and Accounting Division, and Audit Division. Later in the year, the special assistants and aides to the Board of Directors, the personnel of the office of the Secretary, and other personnel not previously attached to divisions were incorporated into an Executive Division.

An organization chart of the Corporation is shown on page iv.

Income and expenses. The total income of the Corporation for the calendar year 1943 was \$86.7 million, of which \$70 million was from assessments upon banks, \$16.7 million from investments and assessments upon credit unions. Deposit insurance losses and expenses amounted to \$2.2 million and administrative expenses were \$4.2 million, leaving a net addition to surplus for the year of \$80.3 million.

The re-appraisal of the assets of closed banks held by the Corporation which was made during the year indicated that the losses on these assets would be less than had been previously estimated. An adjustment of \$6 million was therefore made in the surplus of the Corporation applicable to previous years.

A summary statement of the income and expenses of the Corporation for each year since its organization is given in Table 7. The figures for deposit insurance losses and expenses, and for net income added to surplus, shown in this table for each year differ from those shown in the Annual Report of the Corporation for 1942 because of the revision in the estimate of losses which will be sustained by the Corporation. A detailed statement for the year 1943 is given in Table 8.

Table 7. INCOME AND EXPENSES OF THE FEDERAL DEPOSIT INSURANCE CORPORATION SINCE BEGINNING OPERATIONS¹

(In millions of dollars)

	Income			Expenses			Net income added to surplus
	Total	Deposit insurance assessments ²	Investment income and profits ³	Total	Deposit insurance losses and expenses	Administrative expenses ⁴	
1933-1943	492.6	389.0	103.6	78.8	44.9	33.9	413.8
1943	86.7	70.0	16.7	6.4	2.2	4.2	80.3
1942	69.4	56.5	12.9	5.3	1.3	4.0	64.1
1941	62.0	51.4	10.6	5.2	1.5	3.7	56.8
1940	55.9	46.2	9.7	15.9	12.3	3.6	40.0
1939	51.2	40.7	10.5	17.4	14.0	3.4	33.8
1938	47.8	38.3	9.5	6.5	3.5	3.0	41.3
1937	48.1	38.8	9.3	6.8	4.1	2.7	41.3
1936	43.8	35.6	8.2	5.3	2.8	2.5	38.5
1935	20.7	11.5	9.2	5.6	2.9	2.7	15.1
1933-34 ⁵	7.0	.....	7.0	4.4	.3	41.1	2.6

¹Figures of total expenses, deposit insurance losses and expenses and net income added to surplus for years prior to 1943 differ from those shown in previous Annual Reports because of revisions in estimates of losses allocated to the different years.

² Assessments collected from insured banks, members of the temporary insurance funds, were credited to their accounts in total at the termination of the temporary funds, being applied toward subsequent assessments under the permanent insurance fund, and resulting in no income to the Corporation from assessments for the terms of the temporary insurance funds.

³ Includes assessments and fees collected from Federal credit unions.

⁴ Includes furniture, fixtures, and equipment purchased and charged off.

⁵ Includes expenses from date of organization, September 11, 1933, to December 31, 1934.

⁶ After deducting portion of expenses and losses charged to banks withdrawing from the temporary funds on June 30, 1934.

Table 8. INCOME AND EXPENSES OF THE FEDERAL DEPOSIT INSURANCE CORPORATION, CALENDAR YEAR 1943

Income:		
Deposit insurance assessments.....	\$ 70,018,414.75	
Interest earned (less provision for amortization of premiums) and profit on government obligations sold.....	16,336,704.63	
Other income.....	318,875.39	
Total income.....		\$ 86,673,994.77
Expenses:		
Deposit insurance losses and expenses.....	\$ 2,187,622.71	
Administrative expenses (see below).....	4,162,184.95	
Furniture, fixtures, and equipment purchased and charged off ...	25,733.30	
Total expenses.....		\$ 6,375,540.96
Net income added to surplus.....		\$ 80,298,453.81
Surplus December 31, 1942:		
As previously reported.....	\$327,643,640.08	
Plus—net adjustments applicable to periods prior to Jan. 1, 1943	5,812,928.67	
Surplus as adjusted December 31, 1942.....		\$333,456,568.75
Surplus December 31, 1943.....		\$413,755,022.56

DISTRIBUTION OF ADMINISTRATIVE EXPENSES

Salaries.....	\$ 3,146,181.96	
Professional services.....	24,571.50	
Services of other governmental agencies.....	4,667.45	
Transportation.....	118,701.41	
Subsistence.....	474,411.80	
Office rental.....	272,219.26	
Printing, stationery, and supplies.....	85,375.34	
Postage, telephone, and telegraph.....	49,963.36	
Insurance and fidelity bond premiums.....	1,122.75	
Subscriptions.....	11,223.10	
Equipment rental.....	6,930.60	
Repairs and alterations.....	13,799.93	
Transportation of things.....	10,118.22	
Miscellaneous.....	3,359.06	
		\$ 4,222,645.74
Less:		
Miscellaneous income and other credits applicable to reduction of administrative expenses.....	\$ 20,722.27	
Inter-departmental expense transfers.....	39,738.52	60,460.79
Administrative expenses for the year ended December 31, 1943		\$ 4,162,184.95

Assets and liabilities. On December 31, 1943, the Corporation held assets acquired through bank suspensions and mergers amounting at face value to a total of \$85 million which were carried on the books of the Corporation at a net or appraised value of \$46 million, United States Government securities valued at \$639 million, and cash amounting to \$20 million.

Total capital of the Corporation consisted of \$289 million capital stock issued at its organization and \$414 million accumulated surplus. Balance sheets of the Corporation as of December 31, 1942 and 1943, are given in Table 9.

Table 9. ASSETS AND LIABILITIES OF THE FEDERAL DEPOSIT INSURANCE CORPORATION, DECEMBER 31, 1943, AND DECEMBER 31, 1942

	1943	1942
ASSETS		
Assets acquired through bank suspensions and mergers:		
Subrogated claims of depositors against closed insured banks. . .	\$ 25,805,676.76	\$ 27,112,952.50
Net balances of depositors in closed insured banks pending settlement or not claimed, to be subrogated when paid—contra. . .	841,927.72	351,254.13
Loans to merging insured banks to avert deposit insurance losses, and recoverable liquidation expenses.	29,412,363.96	39,872,584.89
Assets purchased from merging insured banks, to avert deposit insurance losses, under agreements to return any excess recovery to selling banks.	28,041,173.53	38,314,820.58
Assets purchased from merging insured banks and receivers of closed insured banks to avert deposit insurance losses.	696,387.25	988,606.36
	\$ 84,797,529.22	\$106,640,218.46
Less: Reserve for losses.	38,547,754.80	44,584,295.97
	\$ 46,249,774.42	\$ 62,055,922.49
Cash on hand and on deposit.	19,961,081.20	19,359,639.29
United States Government securities (cost less reserve for amortization of premiums) and accrued interest receivable. . .	638,776,370.88	536,827,041.84
Due from Governmental agencies.	292,931.08	308,037.43
Miscellaneous receivables.	109,775.64	110,397.75
Furniture, fixtures, and equipment	1.00	1.00
Deferred charges.	73,911.69	82,805.27
Total assets.	\$705,463,845.91	\$618,743,845.07
LIABILITIES		
Current liabilities:		
Accounts and assessment rebates payable.	\$ 421,550.06	\$ 477,399.09
Earnest money deposits and collections in suspense.	904,320.42	840,452.79
Net balances of depositors in closed insured banks pending settlement or not claimed—contra.	841,927.72	351,254.13
Deferred credits.	107,619.54	4,379.48
Reserve for deposit insurance expenses.	133,848.62	127,162.51
Total liabilities.	\$ 2,409,266.36	\$ 1,800,648.00
CAPITAL		
Capital stock:		
United States.	\$150,000,000.00	\$150,000,000.00
Federal Reserve banks.	139,299,556.99	139,299,556.99
	\$289,299,556.99	\$289,299,556.99
Surplus—(see Table 8).	413,755,022.56	327,643,640.08
Total capital.	\$703,054,579.55	\$616,943,197.07
Total liabilities and capital.	\$705,463,845.91	\$618,743,845.07

Audit. In accordance with the Corporation's policy of having an annual independent audit, the accounts as of June 30, 1943, were audited by Arthur Andersen & Co. The balance sheet of the Corporation as of that date, as shown in the auditors' report, is given in Table 10. The auditors' certificate is given on page 28.

**Table 10. FEDERAL DEPOSIT INSURANCE CORPORATION BALANCE SHEET
JUNE 30, 1943—FROM AUDITORS' REPORT**

ASSETS		
Cash on deposit, in transit and on hand.....		\$ 32,112,817.18
United States Government Securities and accrued interest receivable thereon:		
Principal amount \$570,043,400, stated at cost (\$573,394,017.19), less reserve for amortization of premiums (\$1,845,336.86)....	\$571,548,680.33	
Accrued interest receivable.....	1,785,212.44	573,333,892.77
Assets acquired through bank suspensions and mergers, less collections:		
Subrogated claims of depositors against closed insured banks..	\$ 25,742,036.04	
Net balances of depositors in closed insured banks pending settlement or not claimed, to be subrogated when paid—per contra.....	446,126.57	
Loans made to, and assets purchased from, merging insured banks to reduce or avert deposit insurance losses—		
Loans, and recoverable liquidation expenses (Note 1).....	34,459,768.53	
Assets purchased under agreement to return any excess recoveries to the selling banks, and recoverable liquidation expenses (Note 1).....	32,076,233.98	
Assets purchased, other.....	557,907.52	
Assets purchased from receivers of closed insured banks.....	219,007.89	
	<u>\$ 93,501,080.53</u>	
Less—Reserves for losses.....	<u>38,792,706.64</u>	54,708,373.89
Miscellaneous receivables and deferred charges:		
Receivable from other governmental agencies.....	\$ 485,569.92	
Federal Credit Union examination and supervision fees.....	112,445.82	
Other.....	93,466.62	691,482.36
Furniture, fixtures and equipment, at nominal value.....		1.00
		 <u>\$660,846,567.20</u>

NOTES:

(1) Loans to merging insured banks are evidenced by demand notes bearing interest at the rate of 4% per annum, and the Corporation is entitled to a return of 4% per annum with respect to its investments in assets purchased from merging insured banks under agreements to return any excess recoveries to the selling banks. The Corporation follows the practice of taking into income only such amounts of interest and allowable return as are realized after recovery in full of its investments (including recoverable liquidation expenses) in the respective loans and purchased assets. The amount of such interest realized during the year ended June 30, 1943 was \$90,343.30.

(2) From time to time as appraisals or reappraisals are made, the Corporation revises its estimates of probable losses on assets acquired and carries directly to surplus the resulting adjustments of the reserve for losses insofar as such adjustments relate to assets acquired through bank suspensions and mergers which occurred in prior periods. However, in the summary of surplus shown in the foregoing balance sheet, such adjustments (net credit of \$4,771,231.79) recorded during the year ended June 30, 1943 have been applied in reduction of deposit insurance losses and expenses for the year.

(3) Under the provisions of Section 12B of the Federal Reserve Act, as amended by Title I of the Banking Act of 1935 (subsection "o"), the Corporation is authorized and empowered to issue and to have outstanding its notes, debentures, bonds or other such obligations in a par amount determined in accordance with said provisions, which amount at June 30, 1943, was \$974,601,498.36.

The Secretary of the Treasury, in his discretion, is authorized to purchase such obligations of the Corporation; and he is authorized and directed to purchase obligations of the Corporation in an amount not to exceed \$250,000,000 par value whenever in the judgment of the Board of Directors of the Corporation additional funds are required for insurance purposes.

**Table 10. FEDERAL DEPOSIT INSURANCE CORPORATION BALANCE SHEET
JUNE 30, 1943—FROM AUDITORS' REPORT—Continued**

LIABILITIES	
Liabilities:	
Accounts payable.....	\$ 359,839.61
Earnest money deposits and collections in suspense, arising from assets acquired through bank suspensions and mergers....	985,898.61
Net balances of depositors in closed insured banks pending settlement or not claimed—per contra.....	446,126.57
Reserve for expenses of paying insured deposits.....	137,465.92
Deferred credits.....	98,402.92
Total Liabilities.....	\$ 2,027,733.63
Capital stock and surplus (the entire capital stock and surplus is considered by the Corporation to constitute a reserve for future deposit insurance losses and related expenses with respect to insured banks. The Corporation estimates that the insured deposits in operating insured banks amounted to approximately \$36. billion at June 30, 1943):	
Capital stock, without nominal or par value (nonvoting and not entitled to the payment of dividends)—	
Held by United States Government.....	\$150,000,000.00
Held by Federal Reserve banks.....	139,299,556.99
	\$289,299,556.99
Surplus—	
Income and expenses for the year ended June 30, 1943—	
Income—	
Deposit insurance assessments....	\$ 61,110,632.07
Interest earned and net profits from sales of United States Government securities, less provision for amortization of premiums.....	14,319,669.93
Other interest received (Note 1)...	90,758.67
Fees from Credit Unions (Note 4).....	222,884.66
	\$ 75,743,945.33
Expenses—	
Deposit insurance losses and expenses applicable to—	
Current-year cases and transactions.....	\$ 1,612,099.56
Prior-year cases (credit) (Note 2).....	(4,771,231.79)
Total.....	(\$ 3,159,132.23)
Administrative expenses (Note 4).....	4,212,329.79
Furniture, fixtures and equipment purchased.....	33,213.12
	\$ 1,086,410.68
Excess of income over expenses.....	\$ 74,657,534.65
Transfer from Farm Credit Administration, Department of Agriculture (Note 4).....	273,846.75
Surplus balance June 30, 1942.....	294,587,895.18
Surplus balance June 30, 1943.....	\$369,519,276.58
Total capital stock and surplus..	\$369,519,276.58
	658,818,833.57
	\$660,846,567.20

NOTES: (3) continued:

The Reconstruction Finance Corporation, as provided in subsection (b) of section 5e of the Reconstruction Finance Corporation Act, as amended, shall purchase at par value, such obligations of the Corporation as are authorized to be issued, upon request of the Board of Directors of the Corporation, whenever in the judgment of said Board additional funds are required for insurance purposes; provided, that the Reconstruction Finance Corporation shall not purchase or hold at any time said obligations in excess of \$250,000,000 par value. If the Reconstruction Finance Corporation fails for any reason to purchase any of the obligations of the Corporation, the Secretary of the Treasury is authorized and directed to purchase such obligations in an amount equal to the amount of such obligations the Reconstruction Finance Corporation so fails to purchase.

(4) By Executive Order, the President of the United States transferred all functions of the Farm Credit Administration under the Federal Credit Union Act to the Federal Deposit Insurance Corporation as of May 16, 1942. These functions include the approval of applications and the issuance of organization certificates to Federal Credit Unions, the supervision thereof, and the field examinations of the financial reports of such unions. The order also provided for the transfer of the unexpended balances of appropriations or other funds available for such functions.

During the period from May 16 to October 31, 1942 the income applicable to Credit Union activities was added to the funds so transferred and the expenses of these activities were paid from such funds. As of October 31, 1942, the Corporation discontinued the use of these funds for Credit Union activities, and thereafter took up the income received in, and paid the expenses from, the general funds of the Corporation.

ARTHUR ANDERSEN & CO.**120 SOUTH LA SALLE STREET
CHICAGO**

TO THE BOARD OF DIRECTORS,
FEDERAL DEPOSIT INSURANCE CORPORATION:

We have examined the balance sheet of the FEDERAL DEPOSIT INSURANCE CORPORATION (a corporation created under Section 12B of the Federal Reserve Act, as amended by Title I of the Banking Act of 1935) as of June 30, 1943, and the related statement of income and expenses for the year then ended, which statement of income and expenses is summarized under the surplus account in the balance sheet. In connection therewith, we have reviewed the system of internal control and the accounting procedures of the Corporation and, without making a detailed audit of the transactions, have examined or tested accounting records and other supporting evidence maintained in the general office of the Corporation (except the records as to the closed insured banks for which the Corporation is receiver), by methods and to the extent we deemed appropriate. We did not examine the collateral under loans to merging insured banks nor the documents evidencing ownership of assets purchased from insured banks, which collateral and assets for the most part are held by Liquidating Agents of the Corporation, but we reviewed reports as of various dates throughout the year prepared by the Corporation's internal audit department or inventories of assets purchased during the year prepared by the Corporation's examiners, covering their verification of such items.

In our opinion, the accompanying balance sheet presents fairly the position of the Federal Deposit Insurance Corporation at June 30, 1943, and the results of its operations for the year ended that date.

(Signed) ARTHUR ANDERSEN & Co.

Chicago, Illinois,
November 15, 1943.

PART TWO

DEPOSIT INSURANCE AND BANKING DEVELOPMENTS

ASSETS, LIABILITIES, AND CAPITAL OF INSURED COMMERCIAL BANKS

During 1943 deposits of insured commercial banks continued to rise above the previous record levels of 1942. On December 31, 1943, total deposits of all insured commercial banks amounted to \$104 billion, an increase of \$16 billion, or 19 percent, for the year. The growth was chiefly in deposits of individuals, partnerships, and corporations which increased by \$14 billion. Deposits of the United States Government increased by nearly \$2 billion. Deposits of State and local governments increased by \$400 million while interbank deposits decreased by approximately the same amount. All other deposit items, consisting chiefly of cashier's checks, also showed an aggregate increase of \$400 million. The expansion in deposits was most marked in the smaller banks of the country.

As in other recent years, the growth in deposits reflected chiefly the processes of war financing. A considerable part of the Government's needs was met by borrowing from the banks. This borrowing created new deposits, originally to the credit of the Government. These deposits were disbursed in payment of war goods and services and found their way into the balances of businesses and individuals, thus accounting for the large increase in deposits of individuals, partnerships, and corporations reported by the banks. Bank purchases of United States Government obligations resulted in a net growth in their holdings of these securities of \$18 billion, or 44 percent, during 1943. As in the case of deposits, the growth in holdings of United States Government obligations was greatest among the smaller banks, particularly among the banks which charge exchange on remittances—the banks not on the par list. These latter banks increased their holdings of United States Government obligations by 116 percent during the year. Member banks of the Federal Reserve System increased their holdings by 41 percent. The figures are shown in Table 11.

Table 11. PERCENTAGE CHANGES DURING 1943 IN TOTAL DEPOSITS AND HOLDINGS OF UNITED STATES GOVERNMENT OBLIGATIONS OF INSURED COMMERCIAL BANKS

	Total deposits	United States Government obligations
All banks	+19%	+44%
Members F. R. System	+18	+41
National	+19	+43
State	+16	+37
Not members F. R. System	+24	+82
On par list ¹	+22	+75
Other	+32	+116

¹ For character of par list and its relation to the practice of charging exchange on bank remittances, see page 66.

The banks' loans and discounts were reduced less than one-half of 1 percent. However, this stability in the aggregate volume of loans resulted from an increase in loans of banks in large cities and a decrease in loans of banks in other places. The 407 reserve city member banks of the Federal Reserve System increased their loans and discounts by nearly \$600 million, while the other insured banks, which include country banks members of the Federal Reserve System and insured commercial banks not members of the Federal Reserve System, reported declines of more than \$600 million. In the reserve city banks loans for the purpose of purchasing or carrying securities increased by more than \$700 million as a result of the activity of brokers and banks in connection with Government financing of the war, and commercial and industrial loans increased by \$175 million, while consumer loans to individuals were reduced by \$218 million. In the case of the other insured banks, substantial declines occurred not only in consumer loans to individuals but also in commercial and industrial loans, agricultural loans, real estate loans, and all other loans. The figures for the changes in major types of loans for the two groups of banks are given in Table 12.

Table 12. AMOUNT AND PERCENTAGE CHANGE DURING 1943 IN LOANS OF INSURED COMMERCIAL BANKS

	Amount of change (millions of dollars)		Percentage change	
	Reserve city banks ¹	Other insured commercial banks ²	Reserve city banks ¹	Other insured commercial banks ²
Total loans and discounts	+583	-648	+ 5.3	-8.2
Commercial and industrial loans.....	+175	-155	+2.8	-9.7
Agricultural loans ³	-8	-129	-2.5	-9.7
Consumer loans to individuals.....	-218	-184	-18.6	-16.7
Loans for purchasing or carrying securities ⁴	+721	+68	+55.7	+26.9
Real estate loans.....	-77	-138	-4.7	-4.4
All other loans.....	-10	-115	-1.9	-20.3
Number of banks at end of year	407	12,870		

¹ Includes banks members of the Federal Reserve System classified as central reserve city banks and reserve city banks.

² Includes banks members of the Federal Reserve System classified as country banks and insured commercial banks not members of the Federal Reserve System. Country member banks include three mutual savings banks and for this reason the sum of the figures in this column and the preceding column differ slightly from figures derived from those for all insured commercial banks given in Table 13 and in Table 106, page 80.

³ Includes loans secured by agricultural commodities, covered by purchase agreements of the Commodity Credit Corporation, and excludes loans on farm land.

⁴ Includes loans to brokers and dealers in securities and other loans for the purpose of purchasing or carrying securities.

The banks' holdings of securities other than obligations of the United States Government were reduced during the year by 10 percent, or \$648 million.

The total amount of cash and balances with other banks, including reserve balances and cash items in process of collection, held by insured commercial banks declined during 1943 by less than 2 percent. The figures for these items and for the other principal assets of all insured commercial banks at the beginning and close of 1943 are shown in Table 13.

**Table 13. ASSETS OF INSURED COMMERCIAL BANKS
AT THE BEGINNING AND CLOSE OF 1943**

	Amount (millions of dollars)			Percentage distribution	
	Dec. 31, 1943	Dec. 31, 1942	Change during year	Dec. 31, 1943	Dec. 31, 1942
Total assets	112,246	95,459	+16,787	100.0%	100.0%
Total cash assets and U. S. Government securities	85,885	63,305	+17,580	76.5	71.6
Currency and coin	1,447	1,307	+140	1.3	1.4
Balances with banks including reserve balances	21,306	22,170	-864	19.0	23.2
Cash items in process of collection	4,438	4,117	+321	3.9	4.3
U. S. Government securities	58,694	40,711	+17,983	52.3	42.7
Total invested assets other than U. S. Government securities	26,361	27,154	-793	23.5	28.4
Other securities	5,385	6,632	-647	5.3	6.9
Loans and discounts	18,843	18,907	-64	16.8	19.8
Fixed and miscellaneous assets	1,533	1,615	-82	1.4	1.7

Detailed figures—See Table 106, page 80.

Quality of assets. The quality of the banks' assets was considered by the examiners to be better in 1943 than in 1942, previously the best year of record. Classification of the assets of these banks during the two years is shown in Table 14.

**Table 14. CLASSIFICATION OF ASSETS OF INSURED COMMERCIAL BANKS,
EXAMINATIONS IN 1942 AND 1943**

(Amounts per \$100 of book value)

	Total assets	Assets other than cash and U. S. Government securities	Securities other than U. S. Government	Loans	Fixed and miscellaneous assets
Assets criticized					
1943	\$1.30	\$5.03	\$7.87	\$3.18	12.36
1942	2.29	6.33	9.58	4.13	16.61
Examiners' deductions (net)					
1943	0.07	0.29	0.24	0.22	1.02
1942 .....	.16	.43	.34	.32	1.74
Substandard					
1943	1.23	4.74	7.63	2.96	11.34
1942	2.13	5.90	9.24	3.81	14.87

Detailed figures for 1943—See Tables 107 and 108, pages 82 and 83.

The chief increase during 1943 in the banks' assets was in holdings of obligations of the United States Government. At the close of the year these securities, together with cash and items due from other banks, were three-fourths of the insured commercial banks' total assets. Review of the examiners' reports regarding the remaining assets of the insured banks showed that not only was the proportion criticized lower than in any other year, but the amount criticized was also the smallest of record.

The improvement in the condition of the banks is also shown by the increase in the number of banks with no substandard assets or with relatively small amounts of such assets. The improvement was general throughout the banking system and there was a reduction in the number of banks with a high proportion of substandard assets. In 1943 nine-tenths of the banks had either no substandard assets at all or held them in amounts equal to less than 5 percent of total assets; in 1942 three-fourths of the banks were so situated. The figures are shown in Table 15.

Table 15. DISTRIBUTION OF INSURED COMMERCIAL BANKS ACCORDING TO SUBSTANDARD ASSETS RATIO, EXAMINATIONS IN 1942 AND 1943

	Number of banks		Percentage distribution	
	1943	1942	1943	1942
All banks ¹	13,089	13,125	100.0%	100.0%
Banks with no substandard assets. . .	1,329	714	10.1	5.4
Banks with substandard assets per \$100 of appraised value of assets of— ²				
Less than \$5.00	10,367	9,317	79.2	71.0
\$5.00 to \$9.99	1,082	2,200	8.3	16.8
\$10.00 to \$14.99	213	604	1.6	4.6
\$15.00 to \$19.99	61	179	0.5	1.4
\$20.00 to \$24.99	21	67	.2	.5
\$25.00 or more	16	44	.1	.3

¹ Excludes banks operating less than the full year preceding either examination or whose operations were materially affected by mergers.

² The appraised value of assets for each individual bank is an estimated average value of assets over a 12-month period. See pages 63-64.

Capital. Total capital of the insured commercial banks increased by \$397 million during 1943, reflecting the highest profits recorded since organization of the Federal Deposit Insurance Corporation. Notwithstanding this increase and the continued improvement in quality of assets generally, nearly 400 banks had fixed and substandard assets in excess of net sound capital at the time of examination in 1943. Of these banks, 43 held fixed and substandard assets in amounts that were more than double their net sound capital. The figures are shown in Table 16.

Table 16. DISTRIBUTION OF NUMBER AND DEPOSITS OF INSURED COMMERCIAL BANKS ACCORDING TO RATIO OF FIXED AND SUBSTANDARD ASSETS TO NET SOUND CAPITAL, EXAMINATIONS IN 1943

	Number of banks		Deposits	
	Number	Percentage distribution	Amount (in millions of dollars)	Percentage distribution
All banks.....	13,207	100.0%	94,087	100.0%
Banks with fixed and substandard assets as percentage of net sound capital of—				
Less than 20%.....	5,288	40.0	36,069	38.4
20% to 39%.....	4,289	32.5	33,686	35.8
40% to 59%.....	2,034	15.4	13,569	14.4
60% to 79%.....	827	6.3	7,291	7.8
80% to 99%.....	375	2.8	1,545	1.6
100% to 199%.....	351	2.7	1,731	1.8
200% or more.....	43	.3	196	.2

At the close of 1943 total capital accounts amounted to 28 percent of the combined total of loans, securities other than U. S. Government, and fixed and miscellaneous assets, compared with 26 percent at the opening of the year. On December 31, 1943, total capital accounts amounted to 6.6 percent of total assets, compared with 7.4 percent one year earlier and 8.8 percent two years ago.

EARNINGS OF INSURED COMMERCIAL BANKS

Total current operating earnings, total expenses, and taxes of the insured banks were the highest of any year of deposit insurance but the margin of net earnings was also highest. The figures are shown in Table 17.

Table 17. EARNINGS, EXPENSES, AND TAXES OF INSURED COMMERCIAL BANKS, 1934-1943

(In millions of dollars)

Year	Total current operating earnings	Expenses other than taxes	Net current operating earnings before taxes	All taxes	Net current operating earnings after taxes
1943.....	1,960	1,156	804	228	576
1942.....	1,791	1,125	666	177	489
1941.....	1,730	1,113	617	153	464
1940.....	1,631	1,070	561	123	438
1939.....	1,605	1,053	552	107	445
1938.....	1,584	1,055	529	103	426
1937.....	1,634	1,059	575	108	467
1936.....	1,567	1,028	539	98	441
1935.....	1,486	1,004	482	79	403
1934.....	1,518	1,040	478	77	401

Detailed figures for 1943—See Table 121, page 96.

Net profits after taxes of insured commercial banks in 1943 amounted to \$638 million, the highest figure ever reported to the Corporation. The growth in profits reflected higher current operating earnings and recoveries on assets offset only in part by increased expenses and taxes. Net profits, dividends, and addition of profits to capital are shown in Table 18.

Table 18. NET EARNINGS, CHARGE-OFFS, PROFITS, AND DIVIDENDS OF INSURED COMMERCIAL BANKS, 1934-1943

(In millions of dollars)

Year	Net current operating earnings after taxes	Net charge-offs ¹	Net profits after charge-offs and taxes	Dividends ²	Profits added to capital
1943	576	62	638	233	404
1942	489	43	441	228	213
1941	464	9	455	238	217
1940	438	37	401	237	164
1939	445	57	388	232	155
1938	426	126	300	222	78
1937	457	86	381	226	155
1936	441	83	524	223	301
1935	403	196	207	207	.....
1934	401	741	-340	188	-528

¹ Book value of assets charged off, minus recoveries on assets previously charged off, and profits on securities sold.

² Preferred and common cash dividends and interest paid on capital.

³ Non-operating profit.

Detailed figures for 1943—See Table 121, page 96.

For the first time since 1936, and for the second time since inauguration of Federal insurance of deposits, recoveries on assets and profits from sale of assets exceeded charge-offs. Net profits after charge-offs and taxes were nearly 50 percent higher in 1943 than in 1942. Dividends were about the same in the two years, and the amount of profits added to capital in 1943 was about double that added in 1942.

The growth in net earnings and net profits from 1942 to 1943 was particularly marked in the large banks, while the small banks generally showed relatively smaller increases or reductions. These differences reflected chiefly the changing nature of bank income. Loans are a more important source of income to small banks than to large banks and the reduction in volume of loans outstanding has affected the earnings of the small banks adversely, even though they increased their holdings of United States Government securities more, proportionately, than did the large banks. The rates on total capital accounts of net current operating earnings before taxes and of net profits after taxes of insured commercial banks grouped by size of bank are shown for 1941, 1942, and 1943 in Table 19.

Table 19. NET EARNINGS AND NET PROFITS PER \$100 OF TOTAL CAPITAL ACCOUNTS OF INSURED COMMERCIAL BANKS, 1941, 1942, AND 1943

BANKS GROUPED BY AMOUNT OF DEPOSITS

	Net current operating earnings before taxes			Net profits after charge-offs and taxes		
	1943	1942	1941	1943	1942	1941
All banks	\$10.80	\$9.45	\$9.04	\$8.58	\$6.26	\$6.66
Banks with deposits of—						
\$250,000 or less.....	6.30	7.96	9.76	5.41	5.78	6.96
\$250,000 to \$500,000.....	8.50	9.12	11.00	7.60	6.80	8.32
\$500,000 to \$1,000,000.....	9.53	9.57	10.89	8.40	6.41	7.97
\$1,000,000 to \$2,000,000.....	10.00	9.48	10.19	8.42	5.69	7.04
\$2,000,000 to \$5,000,000.....	10.00	9.36	9.58	7.97	5.37	6.16
\$5,000,000 to \$10,000,000.....	9.74	9.04	9.59	7.52	4.78	6.37
\$10,000,000 to \$50,000,000.....	10.43	9.54	9.59	7.76	5.72	6.37
More than \$50,000,000.....	11.34	9.50	8.35	9.07	6.77	6.62

Detailed figures for 1943—See Table 123, page 100.

Sources and rates of income. The chief increase in the income of insured commercial banks was from larger holdings of United States Government securities. Income from total securities in 1943 increased over 1942 by \$250 million, or 40 percent. Other increases were chiefly from service charges on deposit accounts, and from other service, exchange, and collection charges. Income from loans was reduced, reflecting reduction in both amounts outstanding and rates of interest received. Figures for the chief types of earnings each year since deposit insurance became effective are shown in Table 20.

Table 20. AMOUNTS AND RATES OF INCOME RECEIVED, AND RATE OF INTEREST PAID, BY INSURED COMMERCIAL BANKS, 1934-1943

Year	Total current operating earnings (millions of dollars) from—			Income on loans per \$100 of loans ¹	Income on securities per \$100 of securities ¹	Interest paid per \$100 of time and savings deposits ¹
	Loans	Securities	Other sources			
1943.....	706	861	393	\$3.85	\$1.52	\$0.93
1942.....	817	610	364	4.08	1.78	1.10
1941.....	848	509	373	4.27	1.95	1.20
1940.....	769	500	363	4.41	2.16	1.30
1939.....	727	522	357	4.46	2.38	1.43
1938.....	705	532	347	4.36	2.56	1.55
1937.....	710	572	352	4.28	2.68	1.62
1936.....	663	574	330	4.34	2.66	1.72
1935.....	643	548	295	4.40	2.87	2.01
1934.....	691	550	278	4.63	3.17	2.40

¹ Loans, securities, and deposits are averages of figures reported at beginning, middle, and end of year by banks submitting statements of assets and liabilities.

² For 1942, average securities are based on amounts reported at end of month in the Treasury survey of ownership of Government securities as well as upon amounts reported at call dates.

Detailed figures for 1943—See Tables 121-123, pages 96-101.

INSURED MUTUAL SAVINGS BANKS

On December 31, 1943, the Federal Deposit Insurance Corporation was insuring deposits in 184 of the 545 mutual savings banks in the country. The insured banks operated 95 of the 136 branches of mutual savings banks. During 1943, 128 banks with their 60 branches, having deposits totaling about \$4.5 billion, were admitted to insurance. One hundred twenty-five of these banks, with 173 offices, were located in New York State. The insured mutual savings banks held deposits of \$7.5 billion on December 31, 1943, or 64 percent of the \$11.8 billion of deposits in all mutual savings banks.

Total assets of the 184 mutual savings banks insured as of December 31, 1943, increased from \$7,570 million on December 31, 1942, to \$8,364 million on December 31, 1943, reflecting an increase in depositors' accounts of about \$758 million, and a net increase of \$36 million in capital accounts, of which \$27 million was from profits and \$9 million, net, from other sources. Holdings of obligations of the United States Government increased by \$1,011 million, or 36 percent, during the year and amounted to \$3,844 million in the 184 banks on December 31, 1943.

The average rate of dividends or interest paid depositors in insured mutual savings banks was 1.57 percent in 1943, compared with 1.62 percent in 1942. The following figures show the dividends and interest reported for the year as a percentage of total deposits held at the end of the year, for each year from 1935 to 1943:

1943	1.57%	1938	1.91%
1942	1.62%	1937	1.92%
1941	1.66%	1936	1.96%
1940	1.73%	1935	2.26%
1939	1.88%		

Figures showing earnings, expenses, and dividends of insured mutual savings banks for 1943 are presented in Table 121, page 96.

Condensed statements of assets and liabilities of both insured and noninsured mutual savings banks for December 31, 1943, will be found in Table 105, page 79.

On July 1, 1943, when 121 New York savings banks were admitted to insurance, the Federal Deposit Insurance Corporation established an advisory council on savings banks. This council, composed of eight members most of whom are mutual savings bank presidents, will advise with directors and officers of the Federal Deposit Insurance Corporation in respect to matters of common interest.

PART THREE
SPECIAL REPORTS

SPECIAL REPORTS

It is the policy of the Corporation to present in this section special studies prepared for the administrative use of the Corporation but which also possess general interest. No such studies are available for publication at this time.

PART FOUR
LEGISLATION AND REGULATIONS

FEDERAL LEGISLATION RELATING TO INSURED BANKS
OR THE CORPORATION

WAR LOAN DEPOSITS

[PUBLIC LAW 37—78TH CONGRESS]

[CHAPTER 62—1ST SESSION]

[S. 700]

AN ACT

Suspending certain provisions of sections 12B and 19 of the Federal Reserve Act until six months after the cessation of hostilities in the present war as determined by proclamation of the President or concurrent resolution of the Congress.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the second sentence of paragraph (1) of subsection (h) of section 12B of the Federal Reserve Act (U. S. C., title 12, sec. 264 (h) (1)), as amended, is hereby further amended by substituting a colon for the period at the end thereof and adding the following: "*And provided further,* That until six months after the cessation of hostilities in the present war as determined by proclamation of the President or concurrent resolution of the Congress any balance payable to the United States by any insured bank, whether represented by a deposit account or otherwise, arising solely as a result of subscriptions made by or through such insured bank for United States Government securities issued under authority of the Second Liberty Bond Act, as amended, shall be excluded from the definition of 'deposit' for the purpose of determining the assessment base."

SEC. 2. The last sentence of section 19 of the Federal Reserve Act (U. S. C., title 12, sec. 462a-1) be amended by substituting a colon for the period at the end thereof and by adding the following: "*Provided,* That until six months after the cessation of hostilities in the present war as determined by proclamation of the President or concurrent resolution of the Congress no deposit payable to the United States by any member bank arising solely as the result of subscriptions made by or through such member bank for United States Government securities issued under authority of the Second Liberty Bond Act, as amended, shall be subject to the reserve requirements of this section."

Approved April 13, 1943.

OVERTIME COMPENSATION TO GOVERNMENT EMPLOYEES

[PUBLIC LAW 49—78TH CONGRESS]

[CHAPTER 93—1ST SESSION]

[H. R. 1860]

AN ACT

To provide for the payment of overtime compensation to Government employees, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act shall apply to all civilian officers and employees (including officers and employees whose wages are fixed on a monthly or yearly basis and adjusted from time to time in accordance with prevailing rates by wage boards or similar administrative authority serving the same purpose, except those in or under the Government Printing Office or the Tennessee Valley Authority) in or under the United States Government, including Government-owned or controlled corporations . . .

SEC. 2. Officers and employees to whom this Act applies and who are not entitled to additional compensation under section 3 shall be paid overtime compensation computed on the same basis as the overtime compensation which was authorized to be paid under Public Law Numbered 821, Seventy-seventh Congress: *Provided*, That such overtime compensation shall be paid only on the portion of an officer's or employee's basic rate of compensation not in excess of \$2,900 per annum: *Provided further*, That such overtime compensation shall be paid on such portion of an officer's or employee's basic rate of compensation notwithstanding the fact that such payment will cause his aggregate compensation to exceed a rate of \$5,000 per annum: *And provided further*, That in lieu of overtime compensation for work in excess of forty-eight hours in any administrative workweek, the heads of departments, establishments, and agencies may in their discretion grant per annum employees compensatory time off from duty.

SEC. 3. (a) Except as provided in subsection (c), officers and employees to whom this Act applies and whose hours of duty are intermittent or irregular, shall be paid, in lieu of the overtime compensation authorized under section 2 of this Act, additional compensation at the rate of (1) \$300 per annum if their earned basic compensation is at a rate of less than \$2,000 per annum, or (2) 15 per centum of so much of their earned basic compensation as is not in excess of a rate of \$2,900 per annum if their earned basic compensation is at a rate of \$2,000 per annum or more.

(b) Any officer or employee to whom this Act applies and who is entitled to no additional compensation under subsection (a) or subsection (c) for a pay period, shall be paid for such pay period, in lieu of overtime compensation under section 2, additional compensation at the rate of \$300 per annum, unless his overtime compensation under section 2 for such pay period is at least equal to such additional compensation.

(c) Any officer or employee to whom this Act applies and whose hours of duty are less than full time, or whose compensation is based upon other than a time period basis shall be paid, in lieu of overtime compensation or additional compensation under the foregoing provisions of this Act, additional compensation at a rate of 15 per centum of so much of their earned basic compensation as is not in excess of a rate of \$2,900 per annum.

(d) In no case shall any officer or employee be paid additional compensation under this section for any pay period amounting to more than 25 per centum of his earned basic compensation for such pay period.

* * * * *

SEC. 6 The provisions of the Saturday half-holiday law of March 3, 1931 (46 Stat. 1482; U. S. C., title 5, sec. 26 (a)), are hereby suspended for the period during which this Act is in effect.

* * * * *

SEC. 9. The Civil Service Commission is authorized and directed to promulgate such rules and regulations as may be necessary and proper for the purpose of coordinating and supervising the administration of the provisions of the foregoing sections of this Act insofar as such provisions affect employees in or under the executive branch of the Government.

* * * * *

SEC. 11. The heads of departments and agencies in the executive branch, whose employees are affected by the provisions of this Act, shall present to the Director of the Bureau of the Budget and to the Congress such information as the Director shall from time to time, but not less frequently than the first day of each quarter, require for the purpose of determining the number of employees required for the proper and efficient exercise of the functions of their respective departments and agencies. The Director shall, from time to time, but not less frequently than the thirtieth day after the beginning of each quarter, determine the number of employees so required, and any personnel of any such department or agency in excess thereof shall be released at such times as the Director shall order. Such determination shall be reported to the Congress each quarter. Sections 2 and 3 of this Act shall cease to be applicable to the employees of such department or agency unless the head thereof shall certify within thirty days from the effective date so prescribed by the Director that the number of employees of his agency does not exceed the number determined by the Director to be required for the proper and efficient exercise of its functions. Any determinations and directions made by the Director under the authority of Public Law 821, Seventy-seventh Congress, are hereby continued in effect until modified by him. The Civil Service Commission is authorized to transfer to other departments and agencies any employees released pursuant to this section whose services are needed in and can be effectively utilized by such other departments or agencies, and the services of these employees are to be utilized by the departments and agencies before additional employees are recruited.

SEC. 12. Amounts received as overtime compensation or additional compensation under this Act shall not be considered in determining the amount of a person's annual income or annual rate of compensation for the purposes of paragraph II (a) of part III of Veterans Regulation Numbered 1 (a), as amended, or section 212 of title II of the Act entitled "An Act making appropriations for the Legislative Branch of the Government for the fiscal year ending June 30, 1933, and for other purposes", approved June 30, 1932, as amended.

* * * * *

SEC. 14. This Act shall take effect on May 1, 1943, and shall terminate on June 30, 1945, or such earlier date as the Congress by concurrent resolution may prescribe.

SEC. 15. This Act may be cited as the "War Overtime Pay Act of 1943".

Approved May 7, 1943.

**DEDUCTION OF RESERVE FOR BAD DEBTS IN DETERMINING
TAX LIABILITY**

[PUBLIC LAW 235—78TH CONGRESS]

[CHAPTER 63—2D SESSION]

[H. R. 3687]

AN ACT

To provide revenue, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) **SHORT TITLE.**—This Act, divided into titles and sections according to the following Table of Contents, may be cited as the “Revenue Act of 1943”:

* * * * *

SEC. 113. PARTIALLY WORTHLESS BAD DEBTS

(a) **IN GENERAL.**—The first sentence of section 23 (k) (1) (relating to deductions for bad debts) is amended to read as follows: “Debts which become worthless within the taxable year; or (in the discretion of the Commissioner) a reasonable addition to a reserve for bad debts; and when satisfied that a debt is recoverable only in part, the Commissioner may allow such debt, in an amount not in excess of the part charged off within the taxable year, as a deduction.”

(b) **YEARS TO WHICH APPLICABLE.**—The amendment made by this section shall be effective with respect to taxable years beginning after December 31, 1938.

* * * * *

Approved February 25, 1944.

REGULATION OF THE CORPORATION

RULING ON ABSORPTION OF EXCHANGE CHARGES

On February 29, 1944, the board of directors of the Corporation adopted the resolution:

Resolved, That the Board’s Rule, relating to the absorption of exchange charges, adopted December 6, 1943, be and the same is hereby amended to read as follows:

The absorption of normal or customary exchange charges by an insured non-member bank, in connection with the routine collection for its depositors of checks drawn on other banks, does not constitute the payment of interest within the provisions of Section 304.2 (a) of Part 304 of the Corporation’s Rules and Regulations.

STATE LEGISLATION RELATING TO BANK SUPERVISION AND BANK OPERATIONS

Thirty-seven States enacted statutes which adjusted their laws to Executive Order No. 9112 of March 26, 1942, and Federal Reserve Regulation V so as to permit loans without limitation when they are guaranteed by commitments to purchase same given by Federal Reserve banks, the United States or agencies thereof (including wholly owned corporations). These laws are qualified in some instances to require that such commitments be paid in cash within 60 days after demand and that no conditions beyond the bank's control be involved therein. Some of the most important subjects dealt with by State legislation during 1943 are listed below.

AFFECTING BANKING SUPERVISORY AUTHORITY

Examination, fees, and publication of reports:

- Requiring that for duration of the war banks and trust companies which are examined by a federal agency be examined by commissioner at least once each eighteen months instead of at least once a year as heretofore. Delaware (Ch. 129)
- Requiring examiners to interview bank's board of directors during one semi-annual examination, and to furnish report of interview to superintendent and report of examinations to board of directors. Georgia (S. B. 202)
- Providing that charges for expense of examination shall be available for use of banking department. Maine (Ch. 43)
- Authorizing commissioner to prescribe information to be included in reports of condition of savings bank and trust companies. Massachusetts (Ch. 21)
- Amending fee charged for expense of examination. Vermont (P. Act 133)
- Reducing requisite number of annual examinations. Minnesota (Ch. 12); North Dakota (Ch. 91); Pennsylvania (No. 15); West Virginia (Ch. 6)
- Reducing number of annual published statements. South Carolina (No. 114)

Deposits, reserves, and charges:

- Requiring state examiners to verify certain individual deposits directly with depositors. Georgia (S. B. 200)
- Authorizing supervising authority to alter amount of reserves against deposits. Massachusetts (Ch. 193); Ohio (Sec. 710-6a); Oregon (Ch. 244); Utah (Ch. 10); Vermont (P. Act 133)
- Authorizing commissioners, with approval of Banking Review Board to fix maximum service charge of certain loans. Wisconsin (Ch. 462)

Other:

- Prohibiting for two-year period the employment by a bank formed from a reorganized, merged or rehabilitated bank of the superintendent or agents who acted as conservators, liquidators, etc. of such bank. California (Ch. 905)
- Permitting divulgence of confidential information by commissioner to advisory board. Maine (Ch. 196)
- Creating Finance Commission to advise Banking Department and providing for the election of Bank Commissioner by such commission. Texas (Banking Code 1943)

Other:—Continued

- Authorizing superintendent to extend time for bank to commence business where certificate was issued not more than six months prior to declaration of war
.....New York (Ch. 633)
- Giving superintendent power to authorize banks and trust companies to establish and maintain offices at military stations for transaction of limited banking functions.....New York (Banking Board Res. 349)
- Making state examiner (formerly governor) chairman of State Banking Board and making Attorney General its counsel.....North Dakota (Ch. 91)
- Transferring supervision of credit unions to Superintendent of Banks.....
.....Alabama (No. 95)

OPERATIONS OF BANKS OF DEPOSIT

Capital accounts:

- Suspending in certain cases until one year after war provisions relating to ratio of capital and surplus to deposits.....California (Ch. 775)
- Amending law restricting amount of deposits to capital and permitting deduction of certain United States obligations in computing deposits.....
.....South Dakota (Ch. 15)
- Permitting the deduction of United States securities, cash, and due from reserve banks, in computing ratio of capital to deposits.....Wisconsin (Ch. 27)
- Eliminating requirement that capital stock be increased when capital and surplus amount to less than 10% of deposits and eliminating provision that with examiner's consent bank may keep $\frac{1}{4}$ of legal reserve in certain Federal and State securities.....North Dakota (Ch. 88)
- Allowing banks to borrow in excess of paid in capital when secured by U. S. obligationFlorida (Ch. 22037)
- Authorizing the retirement of capital debentures when due without regard to ratio of capital to deposits if bank has cash or unpledged United States obligations equal to 50% of deposits.....Indiana (Ch. 19)
- Amending capital and surplus requirements to provide same shall be fixed in proportion to deposits and permitting the inclusion as capital and surplus 6% of par value of U. S. bonds and 6% cash reserve in excess of the 15% required reserve.....Nevada (Ch. 71)
- Amending law to increase amount of required surplus before dividends may be paid.....Nebraska (No. 33)
- Providing that no dividends shall be declared or paid on capital stock of a bank unless surplus and undivided profits equals capital notes and debentures and until approved by superintendent in writing.....South Dakota (Ch. 16)
- Amending law to reduce amount of earnings which must be transferred to surplus before dividends.....Utah (Ch. 9)
- Permitting certain unincorporated banks to transfer assets and liabilities to new banking corporation with prescribed capital less than minimum usually required.....Ohio (Sec. 710-37)
- Increasing minimum capital requirements of trust companies.....
.....Vermont (P. Act 133)

Capital accounts:—Continued

- Continuing during 1943 and 1944 the suspension of provision relating to surplus and dividends applicable to savings banks and trust companies except provisions relating to payment of dividends by trust companies on common stock
.....Vermont (P. Act 134)
- Amending law relating to increases in capital stock of certain trust companies
.....Delaware (Ch. 136)

Reserves:

- Reducing amounts of reserves required against demand and time deposits.....
.....Delaware (Ch. 130); New York (Ch. 169)
- Repealing law requiring commercial banks to maintain reserve against deposits
.....Ohio (Sec. 107-138)
- Providing for the elimination of reserve requirements against war loan deposit accounts.....Connecticut (Ch. 257); Nebraska (No. 434); New York (Ch. 226);
.....North Dakota (Ruling Banking Board)
- Removing restriction that banks, trust companies and industrial banks may not pay any dividends while there is any deficiency in reserves against deposits
.....New York (Ch. 404 and 666)

Deposits and depositors:

- Providing for the payment to any owner of joint deposits and discharging bank for such payment.....Alabama (No. 125); Idaho (Ch. 30)
- Extending provisions relating to payment of joint deposits to national banks
.....Washington (Ch. 167)
- Exempting partnership accounts from joint deposit accounts which may not be released to survivor without approval of department of taxation.....
.....Wisconsin (Ch. 440)
- Amending law relating to payment of small bank deposits of deceased depositors
.....Connecticut (Ch. 197); Georgia (S. B. 52); Washington (Ch. 143)
- Making statement of deposit account conclusively correct after expiration of prescribed time if not previously objected to.....Alabama (No. 128);
.....Florida (Ch. 22035); Idaho (Ch. 28)
- Relating to adverse claims for deposits.....Alabama (No. 123); Indiana (Ch. 7)
- Providing for escheat of abandoned funds to State.....Minnesota (Ch. 620)
- Making national banks eligible to receive deposits of executors or other fiduciaries
.....California (Ch. 194)
- Suspending for duration of war and six months requirement that banks verify deposit and pass books of depositors or shareholders.....Massachusetts (Ch. 30)
- Providing for the disposal of contents of safe deposit boxes and special remedies to enforce liabilities of renters and safekeeping depositors...California (Ch. 846)
- Extending procedure applicable to payment of accounts covered by lost pass books to investment certificates of Morris Plan Banks, and to certificates issued by a bank subsequently merged with another bank.....
.....Massachusetts (Ch. 22)
- Increasing amount of State funds which may be deposited with any depository
.....Washington (Ch. 134)

Deposits and depositors:—Continued

- Fixing premium on deposits and investments of Board of Deposits.....Wisconsin (Ch. 91)
- Permitting deposits in excess of limitation where offset by excess cash reserve or unpledged United States obligations.....Minnesota (Ch. 342)

Checks, drafts, etc.:

- Giving banks additional time for handling collection items before requiring presentment, return or protest thereon.....Alabama (No. 129); California (Ch. 930); Idaho (Ch. 94); Illinois (H. B. 744); Michigan (Ch. 90);New Mexico (Ch. 89); Wisconsin (Ch. 117); Wyoming (Ch. 80)
- Requiring that checks drawn on banks and trust companies organized under state laws be cleared at par by banks on which drawn.....Iowa (Ch. 243)
- Requiring written stop orders, revocations, or countermands relating to payment of checks or drafts.....Nebraska (No. 239)
- Making person issuing check or draft against insufficient funds liable for costs and expenses of collection.....Wisconsin (Ch. 243)
- Legalizing payment, etc. of checks by banks and trust companies after banking hours or on legal holidays.....Florida (Ch. 21771)

Limitation on loans and investments:

- Excluding loans secured by pledge of United States obligations from loan limitationConnecticut (Ch. 254); Kansas (Ch. 83)
- Amending loan limitation for trust companies as applied to loans secured by pledge of obligations of the United States.....Connecticut (Ch. 254)
- Limiting loans from savings or commercial departments of trust companies but excluding loans unconditionally guaranteed by the United States.....Massachusetts (Ch. 261)
- Excluding from 50% mortgage loan limitation for commercial banks, loans to finance construction of residential or farm buildings and having maturities not exceeding six months.....Connecticut (Ch. 298)
- Exempting loans made to Commodity Credit Corp. by banks or trust companies and fully guaranteed by the United States from loan limitation.....New York (Banking Board Res. 354)
- Exempting investments in Federal Land Banks, Federal National Mortgage Association bonds, and Federal Intermediate Credit Bank debentures from loan limitation.....Arkansas (No. 140)
- Amending law relating to legal investments of banks in respect to real estate mortgages.....Vermont (P. Act 131)
- Enlarging legal investments of banks.....Florida (Ch. 21889)
- Authorizing banks or trust companies to participate in loans (formerly industrial loans) sponsored by the United States, or departments, boards, etc. of the United States.....Maryland (Ch. 98)
- Extends until July 1, 1945, authority of banks, trust companies, and credit unions to make Federal Housing Administration loans, to acquire loans secured by real estate insured by that administration and to service such insured mortgage loans.....Massachusetts (Ch. 126)

Limitation on loans and investments:—Continued

- Providing that member banks and trust companies may purchase without recourse notes, bills of exchange, etc. at prices agreed upon..... Missouri (S. 163 and 164)
- Authorizing State banks and trust companies to take chattel mortgages on live stock, crops, farm machinery, etc..... Connecticut (Ch. 318)
- Reduces amount of permissible loan by banks without adequate security or property statement..... Nebraska (No. 34)
- Amending provisions of law prescribing requirements of real estate loans which may be made by banks..... Ohio (Sec. 710-112)
- Providing that bank or trust company may lend money on security of capital stock of other banks and trust companies and omitting permission to purchase own stock to prevent loss on debt previously contracted.... Washington (Ch. 187)

Pledge of assets:

- Providing that State or Federal Public Housing Authority bonds or obligations shall be legal investment and authorized security for public deposits for all banks and trust companies..... Montana (Ch. 218)
- Permitting banks to pledge assets to guarantee deposits of bankrupt's estate made pursuant to court order and prescribing rate of interest on instalment loans..... West Virginia (Ch. 6)
- Permitting the pledge of assets to secure war loan deposit accounts..... Michigan (No. 82); New York (Banking Board Res. 356); Vermont (P. Act 133); Wisconsin (Ch. 461)
- Authorizing trust companies to pledge assets of commercial department to secure war loan deposit accounts..... New Hampshire (Ch. 115)
- Permitting depositories of local government funds to deposit, in lieu of bond, such securities as a bank may legally pledge to secure such funds..... South Dakota (Ch. 166)

Other:

- Providing for assignment of accounts receivable without notice..... California (Ch. 766); Connecticut (Ch. 248); Illinois (S. 536); Maryland (Ch. 728)
- Relating to the ownership of United States obligations registered in name of co-owner or owner and beneficiary upon death of one co-owner or owner..... California (Ch. 51); Illinois (H. B. 634); New York (Ch. 632); Washington (Ch. 14)
- Requiring board of directors to meet at least once every 60 days and at call of president or two members..... Alabama (No. 121)
- Providing for reimbursement of directors, trustees, officers, or employees for expenses incurred in official capacity..... Connecticut (Ch. 293)
- Staying foreclosure, forced sale, etc. of seasonal resort properties subject to mortgage, which have lost earning power as a result of war conditions and restrictions..... Maine (Ch. 342)
- Permitting investment of sinking fund moneys in unlimited obligations of the United States..... New Jersey (Ch. 48)
- Adopting uniform stock transfer act..... New Mexico (Ch. 67)

Other:—Continued

- Entire banking code recodified. Providing new procedure for purchase of assets by another bank. Providing for merger of banks. Changing procedure for liquidation of closed banks. Enlarging duties of bank directors. Eliminating requirements that banks with savings departments segregate assets. Repealing provisions relating to required ratio of capital to deposits. Bank charters are made perpetual.....Texas (1943 Banking Code)
- Regulating and licensing business of receiving money as agent for deposit in a bank.....North Dakota (Ch. 89)
- Amending law relating to bonding of bank officers and employees.....Wisconsin (Ch. 157)

SAVINGS BANKS, TRUST FUNDS, AND FIDUCIARY INSTITUTIONS

Deposits and depositors:

- Allowing payment of trust deposits to beneficiary upon death of trustee.....Alabama (No. 127)
- Amending law relating to state guaranty fund for deposits of Mutual Savings Banks.....Connecticut (Ch. 275)
- Amending law relating to disposition and escheat of unclaimed funds held by fiduciaries.....Florida (Ch. 22075)
- Repealing limitation on amount of savings banks deposits.....Iowa (Ch. 238)
- Requiring annual publication by trust companies of inactive savings deposit accounts.....Maine (Ch. 217)
- Amending law relating to reporting of dormant accounts by savings banks to exclude Christmas savings funds.....Maryland (Ch. 510)
- Allowing minimum interest or discount charge on loans to depositors by savings banks and trust companies with savings departments.....Massachusetts (Ch. 27)
- Permitting savings banks to accept deposits of public funds and to secure such deposits by pledge of assets.....Indiana (Ch. 6)

Legal investments, common trust funds, and pledge of assets:

- Repealing requirements that trust funds be invested in investments legal for savings banks and substituting prudent man rule.....California (Ch. 811)
- Amending law relating to legal investments by fiduciaries of trust funds.....Delaware (Ch. 171); Florida (Ch. 21889); Indiana (Ch. 71); Iowa (Ch. 239); Minnesota (Ch. 635); Montana (S. 218); Oregon (Ch. 31); Utah (Ch. 12); Vermont (P. Act 131); Washington (Ch. 114)
- Amending law relating to legal investments for savings banks....Arizona (Ch. 40); Connecticut (Ch. 217 and 219); Florida (Ch. 21889); Maine (Ch. 74); Massachusetts (Ch. 94); Minnesota (Ch. 197 and 635); New Hampshire (Ch. 163); New York (Ch. 531); Vermont (P. Act 131); Wisconsin (Ch. 28)
- Providing for the disposition of investments of savings banks removed from legal list.....Connecticut (Ch. 218)
- Relating to the establishment or handling of common trust funds.....Alabama (No. 565); Connecticut (Ch. 361); Illinois (H. B. 413); New York (Ch. 602); Ohio (Sec. 715 et seq); Pennsylvania (No. 28 and 213); Washington (Ch. 55); Wisconsin (Ch. 274)

Fiduciary duties and other powers:

- Authorizing trust companies to register securities held as fiduciary in name of a nominee.....California (Ch. 811); Minnesota (Ch. 338 and 339)
- Amending requirements relating to keeping of trust accounts.....
.....Connecticut (Ch. 100); Minnesota (Ch. 338 and 339);
.....Vermont (P. Act 133); Wisconsin (Ch. 359)
- Excusing corporate fiduciaries from bond in sales of real estate under probate court and providing for private sale of real estate by fiduciaries under court orders.....Connecticut (Ch. 56)
- Providing method of substituting successors of fiduciaries engaged in war service
.....California (Ch. 33); Connecticut (Ch. 358 and 306);
.....Illinois (H. B. 690); Michigan (No. 195); Wisconsin (Ch. 283)
- Extending time during which trust companies may waive or modify terms of bonds or mortgages held as fiduciary.....New York (Ch. 573)
- Permitting trust company to hold own stock received in fiduciary capacity as part of an estate or trust.....Missouri (H. 46)
- Authorizing savings banks to sell negotiable checks.....Rhode Island (Ch. 1343)
- Permitting savings banks to do a safe deposit business...Vermont (P. Act 133)
- Permitting Mutual Savings Banks to apply for extension of time of existence
.....Washington (Ch. 148)

Uniform laws and other:

- Adopting Uniform Fiduciaries Law or Uniform Trust Act.....Alabama (No. 557);
.....Texas (S. 251); S. Dakota (Ch. 308)
- Adopting Uniform Trust Receipts Act..Minnesota (Ch. 433); Washington (Ch. 71)
- Suspending as applied to savings banks requirements of amortization of certain mortgage loans.....Connecticut (Ch. 141)
- Suspending for duration of war and two years thereafter provisions governing the establishment of branch offices by trust companies and the maintenance, as a branch, of the office of a merged trust company or national bank taken over.....Massachusetts (Ch. 192)
- Providing that any amount paid by the General Insurance Fund to a savings bank selling life insurance for settlement of losses shall be repaid as the fund directs.....Massachusetts (Ch. 210)

BANKS IN FINANCIAL DIFFICULTIES OR RECEIVERSHIP

- Providing alternative method for voluntary liquidation of banks by vote of two-thirds of stockholders.....Indiana (Ch. 39)
- Amending law relating to payment of dividends on preferred stock of trust companies in liquidation or conservatorship.....Massachusetts (Ch. 110)
- Prescribing procedure for publication prior to final distribution of dividends of dissolved bank.....Nevada (Ch. 90)
- Validating deeds made by banks or trust companies which have been dissolved or charters surrendered or forfeited.....New Jersey (Ch. 167 and 168)
- Prescribing procedure for liquidation and distribution of title insurance reserve funds of banking institutions taken over by Secretary prior to date of Act
.....Pennsylvania (No. 262)

CREDIT UNIONS AND SMALL LOAN INSTITUTIONS

Examination and fees:

- Requiring credit unions to pay expense of examination based on total assets
Alabama (No. 94)
- Providing for the licensing, bonding, examination, etc. of community currency
 exchanges and prohibiting them from accepting deposits....Illinois (H. B. 475)

Loans and investments:

- Limiting investment of Morris Plan Bank certificate funds in municipal securi-
 ties and public utility issues.....Massachusetts (Ch. 208)
- Regulating personal loan business of banks, savings banks, and trust companies
Nebraska (No. 43)
- Regulating loans by industrial loan and investment companies.....
Nebraska (No. 296)
- Authorizing commercial banks to make personal or industrial loans in the same
 manner as industrial banks and removing limitation on such loans.....
N. Carolina (Ch. 234)

Other:

- Permitting industrial banks to do a safe deposit business and receive valuables
 for safekeeping and amending limitation on deposits of such banks.....
New York (Ch. 530)
- Permitting industrial banks to accept deposits subject to check upon approval
 of Commissioner.....N. Carolina (H. B. 284)
- Amending credit union statutes.....Illinois (S. B. 524); Massachusetts (Ch. 118);
 Minnesota (Ch. 20 and 647); New York (Ch. 288 and 630); Washington
(Ch. 131); Wisconsin (Ch. 120 and 156)

TAXATION

- Repealing local taxation of capital stock of banks and trust companies and making
 tangible assets subject to local assessment and taxation....Michigan (No. 231)
- Imposing income tax on State banks beginning in 1944 and on national banks in
 conformity with Federal authorization (R. S. 5219, 42 Stat. 1499, 12 U.S.C.
 548; Method No. 4).....Arizona (Ch. 11)
- Exempting trust fund certificates from taxation.....Indiana (S. B. 100)
- Granting State banks same immunity from State and local taxation as national
 banks enjoy under Federal statutes.....Florida (Ch. 21842)

PART FIVE
STATISTICS OF BANKS AND DEPOSIT INSURANCE

EXPLANATORY NOTES

Sources of Data

Data relating to national banks and State banks in the District of Columbia were obtained from the Comptroller of the Currency or the Board of Governors of the Federal Reserve System, and data relating to State banks members of the Federal Reserve System from the Board of Governors of the Federal Reserve System, with the following exceptions: (1) analysis of examinations, the data of which were compiled by this Corporation from reports submitted by the Comptroller of the Currency and the Board of Governors of the Federal Reserve System and reviewed by the Corporation; and (2) data relating to suspensions, receiverships, and mergers with the financial aid of the Federal Deposit Insurance Corporation, which were obtained from the records of the Corporation.

Data relating to insured State banks not members of the Federal Reserve System were obtained from the banks themselves or from the records of the Federal Deposit Insurance Corporation.

Data relating to noninsured banks were obtained from the Board of Governors of the Federal Reserve System, State banking authorities, Rand McNally *Bankers Directory*, and Polk's *Bankers Encyclopedia*.

Classification of Banks and Banking Offices

Insured banks include all operating banks insured by the Federal Deposit Insurance Corporation; **noninsured banks** include all banks not so insured.

Commercial banks and trust companies include the following categories of banking institutions:

Operating national banks;

Incorporated State banks, trust companies, and bank and trust companies, regularly engaged in the business of receiving deposits, whether demand or time, except mutual savings banks and, in New Hampshire, noninsured guaranty savings banks;

Stock savings banks, excluding noninsured guaranty savings banks in New Hampshire;

Banks in conservatorship or operating under restrictions, provided they are authorized to and in fact do accept new deposits, regardless of the character of the restrictions imposed on the operations of the bank;

Such industrial and Morris Plan banks as operate under general banking codes or are specifically authorized by law to accept deposits or operate under the same codes of law as insured industrial banks;

Branches of foreign banks which engage in a general deposit business;

Cash depositories;

Private banks under State supervision, and such other private banks as are reported by reliable unofficial sources to be engaged in deposit banking;

Trust companies, even though not engaged in regular deposit banking, except those operating as title companies without other fiduciary business;

Branches of American and foreign banks maintained in the possessions to do a general deposit business. (Where more than one branch is maintained by a given bank in any one possession the chief or central office is classified as a bank and the other offices as branches).

Mutual savings banks include all banks operating under special State banking codes applying to mutual savings banks, including noninsured guaranty savings banks in New Hampshire and savings associations in New Jersey.

Unit banks include all banks operating only one office at which deposits are received or checks cashed.

Branches include all offices, other than head offices, of banks operating more than one office at which deposits are received or checks cashed, and all offices, other than head offices, of trust companies not engaged in deposit banking. The term "branch" is used in accordance with the definition in paragraph (15), subsection (c) of section 12B of the Federal Reserve Act, as amended, which is as follows:

"The term 'branch' includes any branch bank, branch office, branch agency, additional office, or any branch place of business located in any State of the United States or in Hawaii, Alaska, Puerto Rico, or the Virgin Islands at which deposits are received or checks paid or money lent."

Institutions excluded. Figures for operating banks do not include institutions in the following categories, though such institutions may perform many of the same functions as banks:

Banks which have suspended operations or have ceased to accept new deposits and are proceeding to liquidate their assets and pay off existing deposits, regardless of the amount of deposit liability still remaining and regardless of whether they are listed among operating banks or included in abstracts of condition of banks published by State banking authorities;

Building and loan associations, savings and loan associations, credit unions, personal loan companies, and similar institutions, chartered under special laws applying to such institutions or under general incorporation laws, regardless of whether such institutions are authorized to accept deposits from the public or from their members and regardless of whether such institutions are called "banks;"

Noninsured Morris Plan companies, industrial banks, loan and investment companies, and similar institutions, not operating under general State banking codes, nor under the same codes of law as similar institutions which have been admitted to insurance, and not specifically authorized to accept deposits;

Branches of foreign banks, and of private banks, which confine their business to foreign exchange dealings and do not receive "deposits" as that term is commonly understood;

A few special institutions chartered under general banking laws, but operating as mortgage or investment companies and not engaged in deposit banking;

Federal Reserve banks and other banks, such as the Savings and Loan Bank of the State of New York, which operate as rediscount banks and do not accept deposits from the general public.

Bank and Branch Changes

Changes during 1943 in the number of operating banks and branches, as defined above, are shown in Table 101. Similar figures for prior years are shown in previous Annual Reports of the Corporation.

The number of banks which suspended operations because of financial difficulties, and the number merged with the financial aid of the Corporation, in each of the years 1934-1943, are shown in Table 124. For differences between these figures and

those shown in tables in previous Annual Reports corresponding to Table 101 in this report, see the Annual Report of the Corporation for 1942, page 61.

Deposits of Banks and Banking Offices

Operating insured banks. Deposit data for operating insured banks are obtained from two separate sources: (1) deposit figures shown, or used for classifying insured banks by size groups, in Tables 103, 104, 105, and 124 are from reports of condition submitted by the banks for the dates indicated; (2) deposit figures shown, or used for classifying insured banks by size groups, in Tables 107, 108, 115, 119, and 120, summarizing the reports of examinations of banks, are for the respective dates on which each bank was examined.

Deposits shown in reports of examination are defined in the same way as those shown on reports of condition. In adjusting figures for examiners' appraisals, deposit liabilities not shown on the bank's books are added to deposits shown on the books.

For description of deposit liabilities reported by insured banks on certified statements submitted for the purpose of computing the deposit insurance assessment, used in some tables in the Annual Reports of the Corporation prior to 1939, see the Annual Report of the Corporation for 1941, page 92.

Noninsured banks. Deposits of noninsured banks are from published figures or from reports received from State banking authorities, and are based on reports of condition submitted by the banks to State authorities or to bankers' directories. Figures refer to June 30 and December 31 or nearest available dates.

Suspended and merged banks and banks in receivership. Deposit figures for insured banks in Tables 124 and 127, relating to suspensions, receiverships, and mergers with the financial aid of the Corporation, are from the records of the Corporation with respect to such banks, and refer to the date of suspension or merger. Deposit figures for banks in receivership as shown by the books of the Corporation, December 31, 1943, given in Table 126, differ from those shown by the books of the banks at date of suspension, given in Table 125, because of reclassification of liabilities and discovery of additional liabilities during liquidation.

Banks Submitting Reports to the Corporation

The Federal Deposit Insurance Corporation regularly examines, and calls for reports of assets and liabilities, and of earnings and dividends, from all insured banks which are not members of the Federal Reserve System, except State banks in the District of Columbia and national banks in the possessions. The latter groups of banks are examined by and report to the Comptroller of the Currency.

For captions used in tables in previous Annual Reports of the Corporation, relating to banks examined by or submitting reports to the Corporation, see the Annual Report of the Corporation for 1941, page 93.

Assets and Liabilities of Operating Banks

Assets and liabilities of insured banks, in Tables 104-106, are tabulated from reports of condition submitted to Federal supervisory authorities: to the Comptroller of the Currency by all national banks, and by State banks located in the District of Columbia; to the Board of Governors of the Federal Reserve System by State banks members of that system; and to the Federal Deposit Insurance Corporation by all other insured State banks. Instructions provided to insured banks by the Federal supervisory authorities for the preparation of reports of condition are essentially uniform. Copies of the instructions issued to banks submitting reports to the Federal Deposit Insurance Corporation are available upon request.

Assets and liabilities of noninsured banks are from published figures or from reports received from State banking authorities, and are based on reports of condition submitted by the banks to State authorities or to bankers' directories.

Statements of assets and liabilities are submitted by insured commercial banks upon either a cash or an accrual basis, depending upon the bank's method of book-keeping. Assets and liabilities held in or administered by a savings, bond, insurance, real estate, foreign, or any other department of a bank, except a trust department, are consolidated with the respective assets and liabilities of the commercial department. Trust funds deposited by a trust department in a commercial or savings department are reported as "Deposits of individuals, partnerships, and corporations." Other assets held in trust are not included in statements of assets and liabilities. In the case of banks with one or more domestic branches, the assets and liabilities reported are consolidations of figures for the head office and all domestic branches. In the case of a bank with foreign branches, net amounts due from its own foreign branches are included in "Other assets," and net amounts due to its own foreign branches are included in "Other liabilities."

Assets reported represent aggregate book value, on the date of call, less valuation allowances, and, in the case of securities, less reserves for bond premiums. Reciprocal bank balances were reported gross prior to June 30, 1942. Instalment loans are ordinarily reported net if the instalment payments are applied directly to the reduction of the loan. Such loans are reported gross if, under contract, the payments do not immediately reduce the unpaid balances of the loan but are assigned or pledged to assure repayment at maturity.

Total deposits. All funds received by a bank in the course of its commercial or fiduciary business (except funds in payment of obligations to the bank) give rise to demand or time deposit liabilities and are classified under total deposits, unless the funds are received as trust funds which the bank keeps segregated and apart from its general assets.

Analysis of Examinations of Insured Commercial Banks

Data for Tables 107-120, relating to the analysis of examinations of all insured commercial banks in 1943, are derived from the reports of examinations made by the Comptroller of the Currency in the case of national banks and of State banks in the District of Columbia, by the Federal Reserve banks in the case of State banks members of the Federal Reserve System, and by the Federal Deposit Insurance Corporation in the case of other insured State banks. Similar tables relating to the analysis of examinations of all insured commercial banks in 1939, 1940, 1941, and 1942 were published in the Annual Reports of the Corporation for those years. Corresponding tabulations for earlier years have not been made, except for banks examined by the Corporation.

Figures relating to commercial banks examined by the Federal Deposit Insurance Corporation covering the period 1933 to 1940 are presented in Tables 135-138 in the Annual Report of the Corporation for 1940. Examination procedures of the Federal bank supervisory authorities and of numerous State banking authorities were revised in 1938 so that the data for 1939 and 1940 are not strictly comparable with data for 1937 and earlier years. Data for banks examined by the Federal Deposit Insurance Corporation are shown for 1938 on both the original and the uniform or revised basis. For a discussion of the differences between the uniform procedure and the procedure previously followed by the Corporation in analyzing and valuing assets in examination reports, see the Annual Report of the Corporation for 1938, pages 61-78.

Banks included. The tabulations have been prepared from reports of examinations available during the year and do not cover precisely the banks examined during the year. The figures for 1943 include 13,171 insured commercial banks operating at the close of the year and 36 banks which ceased operations or were taken over by other banks during the year. Figures for 103 insured banks operating at the close of the year were not included in the tabulations: 11 because they were not engaged in deposit banking and 92 because reports of examination were, for various reasons, not available for tabulation. Figures for 50 banks cover reports of examinations made in the last three months of 1942. The number and deposits of insured commercial banks included in the 1943 tabulations, distributed according to month of examination, are shown below.

	Month of examination	Number of banks	Total deposits (in millions of dollars)
All banks	13,207	94,087
Banks examined in:			
1942	50	1,649
1943			
January	1,265	6,338
February	1,079	10,422
March	1,359	6,588
April	1,243	5,096
May	1,218	5,483
June	1,125	15,965
July	951	5,422
August	1,098	5,690
September	1,181	7,396
October	1,144	7,230
November	990	8,317
December	504	8,531

Ratios for individual banks. The base used in the computation of ratios to the appraised value of assets, and to total assets, for each individual bank is an estimated average value of assets over a 12-month period derived from reports of condition and the report of examination. The method of estimating this average is not uniform for all banks. An average is used in order to eliminate the influence of seasonal fluctuations in total assets upon the ratios of individual banks. However, in view of the rapid increase in total assets during the period covered by this averaging process, the ratios for 1943 tend to represent the condition of the banks—considered as a whole—at a time close to the beginning of the year.

Explanation of terms. The principal terms and methods used, under the uniform procedure, in the tables relating to analysis of examinations of bank assets and capital accounts are described below.

Book value, applied to total assets, loans, securities, and fixed and miscellaneous assets, refers to the values (net, after deduction of valuation allowances and, in the case of securities, of premium allowances) carried by each bank on its books at the time of examination.

Appraised value of total assets, loans, securities, and fixed and miscellaneous assets, represents the value of assets as determined by the examiners. For explanation of method of valuing securities see the Annual Report of the Corporation for 1938, pages 64-68. The term "appraised value" corresponds in meaning to the term "adjusted value" used in the Annual Report of the Corporation for 1938, and to the term "net sound value" used in the Annual Reports of the Corporation for 1935 and 1934.

Examiners' deductions from assets represent for each group of assets the amount by which the examiners' evaluation of each bank's assets is less than the value carried by the bank on its books. Minus (-) represents the excess of appraised value of assets over book value.

The deductions are derived from the examiners' evaluation of the assets classified on the basis of eventual collectibility. In the case of assets other than securities, the examiner, for reasons which he sets forth, deducts: (1) the amount of, or the portion of, loans and other assets regarded as worthless or uncollectible (Classification IV); and (2) one-half of the amount of, or the portion of, loans and other assets regarded as of doubtful worth or collectibility (Classification III). In the case of securities, the examiner deducts: (1) the amount by which the book value (less valuation allowances) exceeds the market value of stocks and defaulted securities; (2) one-half of the amount by which the book value (less valuation and premium allowances) of speculative securities exceeds the average of market prices over the 18 months preceding the month of examination; and (3) the amount by which book value (less valuation and premium allowances) exceeds cost less amortization of other (i.e., uncriticized) securities.

Examiners' deductions (net) from total assets, United States Government obligations, and fixed and miscellaneous assets, is the difference between examiners' deductions and the determinable sound values of assets not shown on the books. Determinable sound values of loans and securities other than United States Government obligations not shown on the books are tabulated with fixed and miscellaneous assets; and for this reason the figure for examiners' deductions (net) from fixed and miscellaneous assets understates the net deductions from assets classified as fixed and miscellaneous.

Examiners' deductions (net) from total capital accounts represent the amount by which the examiners' evaluation of each bank's total capital accounts (net worth) is less than the value carried by the bank on its books. It exceeds examiners' deductions (net) from assets by the amount of determinable liabilities not shown on the books. Minus (-) represents examiners' net additions to capital, or an excess of appraised value of assets over book value and over liabilities not shown on the books.

Substandard, applied to total assets, loans, securities, and fixed and miscellaneous assets, represents the appraised value of all assets believed by the examiner to involve a substantial or unreasonable degree of risk, and hence to be undesirable or hazardous for bank investment. It includes the value of assets in Classification II and 50 percent of the value of assets in Classification III. The appraised value of substandard assets also represents the book value of all **criticized** assets less examiners' deductions on such assets. The term "substandard" corresponds in meaning to the term "slow" used in the Annual Reports of the Corporation for 1936, 1935, and 1934, except in the case of securities and total assets.

Fixed and substandard assets include fixed assets not criticized, as well as all substandard assets. Fixed assets consist of banking house and furniture and fixtures.

Uncriticized, applied to total assets, cash, loans, securities, and fixed and miscellaneous assets, represents the appraised value of all assets regarded as suitable for bank investment. The appraised value of these assets (Classification I) represents acquisition values less charge-offs, valuation allowances, and, in the case of securities, amortization of bond premiums.

Total capital accounts, or book value of capital accounts, refers to the "net worth" or equity of stockholders (including holders of capital notes and debentures) in each bank as carried by the bank on its books at the time of examination.

Net sound capital represents the appraised value of assets less all determinable liabilities. It is also derived by subtracting examiners' deductions (net) from total

capital accounts, and is the examiners' evaluation of the net worth or equity of stockholders (including holders of capital notes and debentures) in each bank. The retirable value of R. F. C. capital is used to determine the amount of **net sound private capital**, so that the latter differs from book value of private capital accounts by the excess of retirable value of R. F. C. capital over book value as well as by the examiners' deductions (net) from total capital accounts. The term "net sound capital" corresponds in meaning to the term "adjusted capital account" used in the Annual Report of the Corporation for 1938, to the term "net capital account" used in the Annual Report of the Corporation for 1937, and to the term "sound capital" used in the Annual Report of the Corporation for 1936.

The amount of **R. F. C. capital** in banks may correspond to any one of three values: the par or face value; the book value, which is normally the same as par value but may be less; and the retirable value. The latter is the same as the investment of the Reconstruction Finance Corporation shown in reports of that Corporation.

Deposits, in all cases, represent deposits at the date of the examination.

Adjusted deposits and adjusted liabilities include, in addition to liabilities shown on the books of the bank, those not shown, but determined by the examiner to exist.

Net current operating earnings are for the calendar year 1942; and the figure for **total assets** to which net current operating earnings are related is the average for a 12-month period derived from reports of condition and the report of examination. The 29 banks for which no net earnings figures were available were, in general, new institutions or institutions which had been merged.

Irregularity in individual items. The average ratios of net sound capital to the appraised value of assets of \$19.91, \$24.30, and \$21.14, referred to in footnote 1 of Table 110, are less than the lower limits of the intervals in which these ratios fall due to the difference between the ratios based on assets at the date of examination and on the average of assets over the year immediately preceding the date of examination, discussed under "Ratios for individual banks" above.

The States included in each **Federal Deposit Insurance Corporation District**, and the cities in which the district offices are located, are given on page vi.

Earnings, Expenses, and Dividends of Insured Commercial Banks

Banks included. Reports of earnings and dividends covering the calendar year 1943 were submitted to Federal bank supervisory agencies by all insured commercial banks. Reports for each six months' period were also submitted by banks not reporting to the Corporation. The figure for number of banks in 1943 in Tables 121-123 is the total number operating at the end of the year. The earnings data relate to the same banks, except that data are also included, for the first six months of the year, for national banks not operating at the end of the year.

For banks included in tabulations of earnings and dividends prior to 1942, see the Annual Report of the Corporation for 1941, page 97.

The figures in Table 123, and in the column in Table 121 entitled "Operating throughout the year," exclude data for the following banks: banks submitting reports covering less than the full year's operations, trust companies not engaged in deposit banking, and banks submitting reports to the Corporation whose operations were materially affected by mergers, consolidations, or other corporate changes.

Asset and liability averages. The ratios presented in Table 122 are based upon average asset and liability items from reports of condition as of December 31, 1942, June 30, 1943, and December 31, 1943. These averages include figures for banks which reported on one call date but not on another because they became insured during the year or were in operation only part of the year. No duplication in the figures exists because of changes in class of insured banks during the period. The ratios presented in Table 123 are based upon assets as of December 31 for the identical banks to which the earnings data pertain.

Method of reporting. Reports of earnings and dividends of insured commercial banks are submitted on the same basis, either cash or accrual, depending upon the bank's method of bookkeeping, as the reports of assets and liabilities. The form of the report and instructions issued by the three Federal bank supervisory agencies were for the most part uniform in 1943. Copies of the instructions issued to banks reporting to the Federal Deposit Insurance Corporation are available upon request.

For differences in the form and instructions for years prior to 1942 see the Annual Report of the Corporation for 1941, pages 97-99.

Banks on par list. Some drawee banks make a service charge (called "exchange") for remitting funds to points foreign to the locality of the drawee bank. The Federal Reserve Act, as interpreted, forbids any such charge from being made against a Federal Reserve bank. All banks, both national and State, that are members of the Federal Reserve System are required to pay checks drawn upon them and presented by Federal Reserve banks without deduction of exchange charges. The Federal Reserve System maintains a list of banks known as the "par list." Banks on the "par list" include all banks, both national and State, that are members of the Federal Reserve System and those non-member banks which have agreed to pay checks drawn upon them and presented by Federal Reserve banks without deducting exchange charges. Banks not on the par list include all other banks which banks clear their checks through channels entirely outside the Federal Reserve banks. All banks on the par list may charge "exchange" on checks presented from out of town either directly or through correspondents where Federal Reserve banks are not involved in the chain of collection. It is customary for many of these banks to make such a charge on checks presented directly (not through correspondents) from out of town points.

NUMBER, OFFICES, AND DEPOSITS OF OPERATING BANKS

**Table 101. ANALYSIS OF CHANGES IN NUMBER AND CLASSIFICATION OF OPERATING BANKING OFFICES
IN THE UNITED STATES AND POSSESSIONS DURING 1943**

	All banking offices			Commercial bank and trust company offices							Mutual savings banking offices		
	Total	Insured	Non-insured	Total	Insured			Noninsured		Total	In-sured ²	Non-insured	
					Total	Members F. R. system		Not members F. R. system	Banks of deposit				Trust companies ¹
						National	State						
ALL BANKING OFFICES													
Number of offices, December 31, 1943.....	18,751	17,297	1,454	18,070	17,018	6,782	2,744	7,492	966	86	681	279	402
Number of offices, December 31, 1942.....	18,666	16,993	1,673	17,982	16,902	6,675	2,619	7,608	989	91	684	91	593
Net change during year.....	+85	+304	-219	+88	+116	+107	+125	-116	-23	-5	-3	+188	-191
Changes resulting from—													
Offices opened.....	283	267	16	281	267	162	41	64	14		2		2
Banks.....	48	36	12	48	36	3	4	29	12				
Branches.....	235	231	4	233	231	159	37	35	2		2		2
Offices closed.....	198	168	30	194	168	59	23	86	21	5	4		4
Banks.....	150	124	26	150	124	47	9	68	21	5			
Branches.....	48	44	4	44	44	12	14	18			4		4
Changes in classification—net total.....		+205	-205	+1	+17	+4	+107	-94	-16		-1	+188	-189
Noninsured banks to insured banks.....		+144	-144	+1	+16		+1	+15	-15		-1	+123	-129
Insured bank to noninsured.....		-1	+1		-1		-1		+1				
Noninsured branches to insured branches.....		+62	-62		+2			+2	-2			+60	-60
Among insured banks.....						+3	+105	-108					
Among branches of insured banks.....						+1	+2	-3					
BANKS													
Number of banks, December 31, 1943.....	14,751	13,458	1,293	14,206	13,274	5,040	1,695	6,539	847	85	545	184	361
Number of banks, December 31, 1942.....	14,853	13,403	1,450	14,307	13,347	5,081	1,595	6,671	870	90	546	56	490
Net change during year.....	-102	+55	-157	-101	-73	-41	+100	-132	-23	-5	-1	+128	-129
Changes resulting from—													
Banks beginning deposit operations—new banks.....	48	36	12	48	36	3	4	29	12				
Banks ceasing deposit operations.....	150	124	26	150	124	47	9	68	21	5			
Suspended banks not reopened or succeeded.....	4	4		4	4	2		2					
Merged with financial aid of FDIC—net decrease.....	1	1		1	1								
Other mergers and absorptions—net decrease.....	82	76	6	82	76	34	6	36	5	1			
Other liquidations.....	63	43	20	63	43	10	3	30	16	4			

Noninsured banks becoming insured		+144	-144	+1	+16		+1	+15	-15		-1	+128	-129
Successions to noninsured banks.....		+3	-3		+3			+3	-3				
Admissions to F. R. System.....		+1	-1		+1		+1		-1				
Admissions to insurance, operating banks ¹		+140	-140	+1	+12			+12	-11		-1	+128	-129
Insured bank becoming noninsured—withdrawal from F. R. System		-1	+1		-1		-1		+1				
Other changes in classification among banks							+3	+105	-108				
National banks succeeding State banks.....							+10	-5	-5				
State banks succeeding national banks.....							-7		+7				
Admissions to F. R. System.....								+112	-112				
Withdrawals from F. R. System.....								-2	+2				
Changes not involving number in any class:													
Successions.....	6	2	4	6	2			2	4				
Changes in title, location, or name of location.....	31	29	2	31	29	9	5	15	2				
BRANCHES													
Number of branches, December 31, 1943	4,000	3,839	161	3,864	3,744	1,742	1,049	953	119	1	136	95	41
Number of branches, December 31, 1942	3,813	3,590	223	3,675	3,555	1,594	1,024	937	119	1	138	35	103
Net changes during year	+187	+249	-62	+189	+189	+148	+25	+16			-2	+60	-62
Changes resulting from—													
Branches opened for business	235	231	4	233	231	159	37	35	2		2		2
Facilities provided as agents of the government.....	188	188		188	188	148	26	14					
Absorbed banks converted into branches.....	23	23		23	23	8	8	7					
Branches replacing offices closed or relocated.....	4	4		4	4			4					
Other branches opened.....	20	16	4	18	16	3	3	10	2		2		2
Branches discontinued	48	44	4	44	44	12	14	18			4		4
Branch of suspended bank.....	2	2		2	2			2					
Other branches discontinued.....	46	42	4	42	42	12	14	16			4		4
Branches of banks admitted to insurance		+62	-62		+2			+2	-2			+60	-60
Other changes in classification among branches						+1	+2	-3					
Branches transferred as result of absorption.....							+1	-1					
From national banks to State banks.....							-1		+1				
From State banks to national banks.....						+2	-2						
Admissions to F. R. System.....							+4	-4					
Withdrawals from F. R. System.....							-1	+1					
Changes not involving number in any class:													
Branches transferred as result of absorptions.....	3	3		3	3	1		2					
Changes in title, location, or name of location.....	16	16		16	16	10	5	1					

¹Not engaged in deposit banking.

²Includes, at the beginning and at the end of the year, three mutual savings banks members of the Federal Reserve System.

³Operating at beginning of year.

Back figures—See the Annual Report for 1942, pages 68–69.

Table 102. NUMBER OF OPERATING BANKING OFFICES, DECEMBER 31, 1943

GROUPED ACCORDING TO INSURANCE STATUS AND CLASS OF BANK AND BY TYPE OF OFFICE IN EACH STATE AND POSSESSION

	All banking offices			Commercial bank and trust company offices							Mutual savings banking offices			Insured banking offices as percentages of—			
	Total	Insured	Non-insured	Total	Insured			Noninsured				Total	Insured	Non-insured	All banking offices	Com-mercial banking offices	Mutual savings banking offices
					Total	Members F. R. System		Not mem-bers F. R. System	Banks of deposit	Trust com-panies ¹							
						National	State										
United States and possessions . . .	18,751	17,297	1,454	18,070	17,018	6,782	2,744	7,492	966	86	681	279	402	92.2	94.2	41.0	
Unit banks	13,561	12,343	1,218	13,096	12,208	4,738	1,504	5,966	804	84	465	135	330	91.0	93.2	29.0	
Head offices	1,190	1,115	75	1,110	1,066	302	191	573	43	1	80	49	31	93.7	96.0	61.3	
Branches	4,000	3,839	161	3,864	3,744	1,742	1,049	953	119	1	136	95	41	96.0	96.9	69.9	
United States	18,646	17,292	1,354	17,965	17,013	6,782	2,744	7,487	871	81	681	279	402	92.7	94.7	41.0	
Unit banks	13,531	12,340	1,191	13,066	12,205	4,738	1,504	5,963	782	79	465	135	330	91.2	93.4	29.0	
Head offices	1,180	1,114	66	1,100	1,065	302	191	572	34	1	80	49	31	94.4	96.8	61.2	
Branches	3,935	3,838	97	3,799	3,743	1,742	1,049	952	55	1	136	95	41	97.5	98.5	69.9	
Possessions	105	5	100	105	5			5	95	5				4.8	4.8	...	
Unit banks	30	3	27	30	3			3	22	5				10.0	10.0	...	
Head offices	10	1	9	10	1			1	9					10.0	10.0	...	
Branches	65	1	64	65	1			1	64					1.5	1.5	...	
State																	
Alabama	243	238	5	243	238	91	19	128	5					97.9	97.9	...	
Unit banks	207	202	5	207	202	59	17	126	5					97.6	97.6	...	
Head offices	9	9		9	9	7	1	1						100.0	100.0	...	
Branches	27	27		27	27	25	1	1						100.0	100.0	...	
Arizona	44	42	2	44	42	29	2	11		2				95.5	95.5	...	
Unit banks	9	7	2	9	7	3	2	2		2				77.8	77.8	...	
Head offices	5	5		5	5	2		3						100.0	100.0	...	
Branches	30	30		30	30	24		6						100.0	100.0	...	
Arkansas	245	225	20	245	225	55	12	158	17	3				91.8	91.8	...	
Unit banks	205	185	20	205	185	47	12	126	17	3				90.2	90.2	...	
Head offices	19	19		19	19	4		15						100.0	100.0	...	
Branches	21	21		21	21	4		17						100.0	100.0	...	
California	1,066	1,051	15	1,066	1,051	796	139	116	6	9				98.6	98.6	...	
Unit banks	170	157	13	170	157	84	12	61	4	9				92.4	92.4	...	
Head offices	32	31	1	32	31	9	7	15	1					96.9	96.9	...	
Branches	864	863	1	864	863	703	120	40	1					99.9	99.9	...	
Colorado	153	139	14	153	139	82	15	42	14					90.8	90.8	...	
Unit banks	143	129	14	143	129	72	15	42	14					90.2	90.2	...	
Head offices	5	5		5	5	5		5						100.0	100.0	...	
Branches	5	5		5	5	5		5						100.0	100.0	...	

Connecticut	207	110	97	135	108	57	12	39	25	2	72	2	70	53.1	80.0	2.8
Unit banks.....	183	95	88	111	93	47	10	36	16	2	72	2	70	51.9	83.8	2.8
Head offices.....	7	6	1	7	6	4	1	1	1					85.7	85.7	
Branches.....	17	9	8	17	9	6	1	2	8					52.9	52.9	
Delaware	56	52	4	53	52	13	6	33	1		3		3	92.9	98.1	
Unit banks.....	36	34	2	35	34	13	2	19	1				1	94.4	97.1	
Head offices.....	7	6	1	6	6		2	4			1		1	85.7	100.0	
Branches.....	13	12	1	12	12		2	10			1		1	92.3	100.0	
District of Columbia	55	55		55	55	26	24	5						100.0	100.0	
Unit banks.....	10	10		10	10	4	3	3						100.0	100.0	
Head offices.....	12	12		12	12	5	6	1						100.0	100.0	
Branches.....	33	33		33	33	17	15	1						100.0	100.0	
Florida	186	179	7	186	179	65	5	109	4	3				96.2	96.2	
Unit banks.....	160	155	5	160	155	47	5	103	2	3				96.9	96.9	
Head offices.....	12	11	1	12	11	8		3						91.7	91.7	
Branches.....	14	13	1	14	13	10		3	1					92.9	92.9	
Georgia	386	311	75	386	311	72	25	214	75					80.6	80.6	
Unit banks.....	331	260	71	331	260	39	13	208	71					78.5	78.5	
Head offices.....	17	15	2	17	15	8	4	3	2					88.2	88.2	
Branches.....	38	36	2	38	36	25	8	3	2					94.7	94.7	
Idaho	89	88	1	89	88	56	10	22	1					98.9	98.9	
Unit banks.....	40	39	1	40	39	10	10	19	1					97.5	97.5	
Head offices.....	7	7		7	7	6		1						100.0	100.0	
Branches.....	42	42		42	42	40		2						100.0	100.0	
Illinois	836	820	16	836	820	348	119	353	11	5				98.1	98.1	
Unit banks.....	830	814	16	830	814	342	119	353	11	5				98.1	98.1	
Head offices.....	3	3		3	3	3								100.0	100.0	
Branches.....	3	3		3	3	3								100.0	100.0	
Indiana	572	546	26	568	543	137	109	297	21	4	4		1	95.5	95.6	75.0
Unit banks.....	456	432	24	452	429	117	94	218	19	4	4	3	1	94.7	94.9	75.0
Head offices.....	45	44	1	45	44	8	2	34	1					97.8	97.8	
Branches.....	71	70	1	71	70	12	13	45	1					98.6	98.6	
Iowa	809	739	70	809	739	101	61	577	70					91.3	91.3	
Unit banks.....	538	477	61	538	477	101	61	315	61					88.7	88.7	
Head offices.....	115	111	4	115	111			111	4					96.5	96.5	
Branches.....	156	151	5	156	151			151	5					96.8	96.8	
Kansas	629	453	176	629	453	179	36	238	174	2				72.0	72.0	
Unit banks.....	625	449	176	625	449	175	36	238	174	2				71.8	71.8	
Head offices.....	2	2		2	2	2								100.0	100.0	
Branches.....	2	2		2	2	2								100.0	100.0	
Kentucky	430	400	30	430	400	115	22	263	24	6				93.0	93.0	
Unit banks.....	376	348	28	376	348	90	15	243	24	4				92.6	92.6	
Head offices.....	18	17	1	18	17	4	3	10		1				94.4	94.4	
Branches.....	36	35	1	36	35	21	4	10		1				97.2	97.2	
Louisiana	211	210	1	211	210	60	13	137	1					99.5	99.5	
Unit banks.....	115	114	1	115	114	23	6	85	1					99.1	99.1	
Head offices.....	32	32		32	32	7	2	23						100.0	100.0	
Branches.....	64	64		64	64	30	5	29						100.0	100.0	

NUMBER AND DEPOSITS OF OPERATING BANKS

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Table 102. NUMBER OF OPERATING BANKING OFFICES, DECEMBER 31, 1943—Continued

GROUPED ACCORDING TO INSURANCE STATUS AND CLASS OF BANK AND BY TYPE OF OFFICE IN EACH STATE AND POSSESSION

	All banking offices			Commercial bank and trust company offices							Mutual savings banking offices			Insured banking offices as percentages of—		
	Total	Insured	Non-insured	Total	Insured			Noninsured		Total	Insured	Non-insured	All banking offices	Commercial banking offices	Mutual savings banking offices	
					Total	Members F. R. System		Not members F. R. System	Banks of deposit							Trust companies ¹
						National	State									
Maine	162	118	44	128	112	40	33	39	16	.....	34	6	28	72.8	87.5	17.6
Unit banks.....	74	45	29	44	39	31	1	7	5	.....	30	6	24	60.8	88.6	20.0
Head offices.....	25	18	7	23	18	4	4	10	5	.....	2	.....	2	72.0	78.3	.....
Branches.....	63	55	8	61	55	5	28	22	6	.....	2	.....	2	87.3	90.2	.....
Maryland	283	270	13	258	255	75	57	123	2	1	25	15	10	95.4	98.8	60.0
Unit banks.....	157	147	10	148	145	59	10	76	2	1	9	2	7	93.6	98.0	22.2
Head offices.....	29	28	1	27	27	4	6	17	.....	.....	2	1	1	96.6	100.0	50.0
Branches.....	97	95	2	83	83	12	41	30	.....	.....	14	12	2	97.9	100.0	85.7
Massachusetts	545	312	233	323	312	192	76	44	11	.....	222	.....	222	57.2	96.6	.....
Unit banks.....	323	148	175	156	148	105	14	29	8	.....	167	.....	167	45.8	94.9	.....
Head offices.....	66	41	25	42	41	19	16	6	1	.....	24	.....	24	62.1	97.6	.....
Branches.....	156	123	33	125	123	68	46	9	2	.....	31	.....	31	78.8	98.4	.....
Michigan	623	581	42	623	581	140	232	209	34	8	.....	.....	.....	93.3	93.3	.....
Unit banks.....	401	370	31	401	370	64	140	166	28	8	.....	.....	.....	92.3	92.3	.....
Head offices.....	47	44	3	47	44	11	12	21	3	.....	.....	.....	.....	93.6	93.6	.....
Branches.....	175	167	8	175	167	65	80	22	8	.....	.....	.....	.....	95.4	95.4	.....
Minnesota	679	644	35	678	643	191	24	428	34	1	1	1	.....	94.8	94.8	100.0
Unit banks.....	671	636	35	670	635	183	24	428	34	1	1	1	.....	94.8	94.8	100.0
Head offices.....	2	2	.....	2	2	2	.....	.....	.....	.....	.....	.....	.....	100.0	100.0	.....
Branches.....	6	6	.....	6	6	6	.....	.....	.....	.....	.....	.....	.....	100.0	100.0	.....
Mississippi	251	246	5	251	246	24	3	219	5	.....	.....	.....	.....	98.0	98.0	.....
Unit banks.....	173	168	5	173	168	20	3	145	5	.....	.....	.....	.....	97.1	97.1	.....
Head offices.....	28	28	.....	28	28	2	.....	26	.....	.....	.....	.....	.....	100.0	100.0	.....
Branches.....	50	50	.....	50	50	2	.....	48	.....	.....	.....	.....	.....	100.0	100.0	.....
Missouri	600	568	32	600	568	86	85	397	30	2	.....	.....	.....	94.7	94.7	.....
Unit banks.....	593	561	32	593	561	79	85	397	30	2	.....	.....	.....	94.6	94.6	.....
Head offices.....	3	3	.....	3	3	3	.....	.....	.....	.....	.....	.....	.....	100.0	100.0	.....
Branches.....	4	4	.....	4	4	4	.....	.....	.....	.....	.....	.....	.....	100.0	100.0	.....
Montana	110	110	.....	110	110	41	28	41	.....	.....	.....	.....	.....	100.0	100.0	.....
Unit banks.....	110	110	.....	110	110	41	28	41	.....	.....	.....	.....	.....	100.0	100.0	.....

Nebraska	415	353	62	415	353	131	16	206	54	8				85.1	85.1	
Unit banks.....	409	347	62	409	347	127	16	204	54	8				84.8	84.8	
Head offices.....	3	3		3	3	2		1						100.0	100.0	
Branches.....	3	3		3	3	2		1						100.0	100.0	
Nevada	25	25		25	25	18	4	3						100.0	100.0	
Unit banks.....	5	5		5	5	3	1	1						100.0	100.0	
Head offices.....	5	5		5	5	3	1	1						100.0	100.0	
Branches.....	15	15		15	15	12	2	1						100.0	100.0	
New Hampshire	110	58	52	67	58	53	1	4	9		43		43	52.7	86.6	
Unit banks.....	104	56	48	63	56	51	1	4	7		41		41	53.8	88.9	
Head offices.....	3	1	2	2	1	1		1	1		1		1	33.3	50.0	
Branches.....	3	1	2	2	1	1		1	1		1		1	33.3	50.0	
New Jersey	506	487	19	478	472	260	132	80	3	3	28	15	13	96.2	98.7	53.6
Unit banks.....	320	304	16	299	293	201	46	46	3	3	21	11	10	95.0	98.0	52.4
Head offices.....	57	56	1	54	54	21	24	9			3	2	1	98.2	100.0	66.7
Branches.....	129	127	2	125	125	38	62	25			4	2	2	98.4	100.0	50.0
New Mexico	47	47		47	47	22	5	20						100.0	100.0	
Unit banks.....	35	35		35	35	22	5	8						100.0	100.0	
Head offices.....	6	6		6	6			6						100.0	100.0	
Branches.....	6	6		6	6			6						100.0	100.0	
New York	1,542	1,529	13	1,353	1,340	589	589	162	13		189	189		99.2	99.0	100.0
Unit banks.....	692	682	10	600	590	371	128	91	10		92	92		98.6	98.3	100.0
Head offices.....	146	144	2	106	104	38	49	17	2		40	40		98.6	98.1	100.0
Branches.....	704	703	1	647	646	180	412	54	1		57	57		99.9	99.8	100.0
North Carolina	373	364	9	373	364	52	20	292	8	1				97.6	97.6	
Unit banks.....	179	173	6	179	173	40	8	125	5	1				96.6	96.6	
Head offices.....	47	46	1	47	46	4	4	40	1					97.9	97.9	
Branches.....	147	145	2	147	145	8	10	127	2					98.6	98.6	
North Dakota	180	168	12	180	168	42		126	11	1				93.3	93.3	
Unit banks.....	141	133	8	141	133	42		91	7	1				94.3	94.3	
Head offices.....	16	14	2	16	14			14	2					87.5	87.5	
Branches.....	23	21	2	23	21			21	2					91.3	91.3	
Ohio	854	836	18	851	833	279	284	270	18		3	3		97.9	97.9	100.0
Unit banks.....	645	627	18	642	624	233	155	236	18		3	3		97.2	97.2	100.0
Head offices.....	39	39		39	39	8	18	13						100.0	100.0	
Branches.....	170	170		170	170	38	111	21						100.0	100.0	
Oklahoma	391	379	12	391	379	205	13	161	10	2				96.9	96.9	
Unit banks.....	381	369	12	381	369	195	13	161	10	2				96.9	96.9	
Head offices.....	5	5		5	5	5								100.0	100.0	
Branches.....	5	5		5	5	5								100.0	100.0	
Oregon	145	141	4	144	140	94	7	39	2	2	1	1		97.2	97.2	100.0
Unit banks.....	66	62	4	65	61	23	7	31	2	2	1	1		93.9	93.8	100.0
Head offices.....	6	6		6	6	2		4						100.0	100.0	
Branches.....	73	73		73	73	69		4						100.0	100.0	
Pennsylvania	1166	1,141	25	1,145	1,120	718	134	268	23	2	21	21		97.9	97.8	100.0
Unit banks.....	989	971	18	986	968	642	84	242	16	2	3	3		98.2	98.2	100.0
Head offices.....	56	53	3	52	49	25	14	10	3		4	4		94.6	94.2	100.0
Branches.....	121	117	4	107	103	51	36	16	4		14	14		96.7	96.3	100.0

NUMBER AND DEPOSITS OF OPERATING BANKS

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Table 102. NUMBER OF OPERATING BANKING OFFICES, DECEMBER 31, 1943—Continued

GROUPED ACCORDING TO INSURANCE STATUS AND CLASS OF BANK AND BY TYPE OF OFFICE IN EACH STATE AND POSSESSION

	All banking offices			Commercial bank and trust company offices							Mutual savings banking offices			Insured banking offices as percentages of—			
	Total	Insured	Non-insured	Total	Insured			Noninsured				Total	Insured	Non-insured	All banking offices	Com-mercial banking offices	Mutual savings banking offices
					Total	Members F. R. System		Not members F. R. System	Banks of deposit	Trust companies ¹							
						National	State										
Rhode Island	73	42	31	62	42	19	20	3	17	3	11		11	57.5	67.7	.....
Unit banks.....	22	9	13	14	9	8	.....	1	2	3	8		8	40.9	64.3	.....
Head offices.....	12	6	6	11	6	3	.....	2	1	5	1		1	50.0	54.5	.....
Branches.....	39	27	12	37	27	8	18	1	10	.....	2		2	69.2	73.0	.....
South Carolina	176	147	29	176	147	48	7	92	29	.....	.....		.....	83.5	83.5	.....
Unit banks.....	138	109	29	138	109	18	5	86	29	.....	.....		.....	79.0	79.0	.....
Head offices.....	8	8	.....	8	8	4	1	3	.....	.....	.....		.....	100.0	100.0	.....
Branches.....	30	30	.....	30	30	26	1	3	.....	.....	.....		.....	100.0	100.0	.....
South Dakota	208	207	1	208	207	58	23	126	1	.....	.....		.....	99.5	99.5	.....
Unit banks.....	138	137	1	138	137	32	23	82	1	.....	.....		.....	99.3	99.3	.....
Head offices.....	24	24	.....	24	24	4	.....	20	.....	.....	.....		.....	100.0	100.0	.....
Branches.....	46	46	.....	46	46	22	.....	24	.....	.....	.....		.....	100.0	100.0	.....
Tennessee	352	339	13	352	339	91	17	231	9	4	.....		.....	96.3	96.3	.....
Unit banks.....	276	263	13	276	263	62	6	195	9	4	.....		.....	95.3	95.3	.....
Head offices.....	22	22	.....	22	22	7	1	14	.....	.....	.....		.....	100.0	100.0	.....
Branches.....	54	54	.....	54	54	22	10	22	.....	.....	.....		.....	100.0	100.0	.....
Texas	876	808	68	876	808	462	94	252	67	1	.....		.....	92.2	92.2	.....
Unit banks.....	831	763	68	831	763	417	94	252	67	1	.....		.....	91.8	91.8	.....
Head offices.....	22	22	.....	22	22	22	.....	.....	.....	.....	.....		.....	100.0	100.0	.....
Branches.....	23	23	.....	23	23	23	.....	.....	.....	.....	.....		.....	100.0	100.0	.....
Utah	78	78	.....	78	78	28	23	27	.....	.....	.....		.....	100.0	100.0	.....
Unit banks.....	50	50	.....	50	50	9	21	20	.....	.....	.....		.....	100.0	100.0	.....
Head offices.....	7	7	.....	7	7	3	1	3	.....	.....	.....		.....	100.0	100.0	.....
Branches.....	21	21	.....	21	21	16	1	4	.....	.....	.....		.....	100.0	100.0	.....
Vermont	97	96	1	80	79	41	.....	38	.....	1	17		17	99.0	93.8	100.0
Unit banks.....	73	72	1	66	65	37	.....	28	.....	1	7		7	92.6	98.5	100.0
Head offices.....	7	7	.....	6	6	2	.....	4	.....	.....	1		1	100.0	100.0	100.0
Branches.....	17	17	.....	8	8	2	.....	6	.....	.....	9		9	100.0	100.0	100.0
Virginia	400	400	.....	400	400	154	77	169	.....	.....	.....		.....	100.0	100.0	.....
Unit banks.....	267	267	.....	267	267	120	56	91	.....	.....	.....		.....	100.0	100.0	.....
Head offices.....	46	46	.....	46	46	10	7	29	.....	.....	.....		.....	100.0	100.0	.....
Branches.....	87	87	.....	87	87	24	14	49	.....	.....	.....		.....	100.0	100.0	.....

Washington	226	222	4	223	219	132	16	71	3	1	3	3	98.2	98.2	100.0
Unit banks.....	120	116	4	119	115	34	14	67	3	1	1	1	96.7	96.6	100.0
Head offices.....	11	11	.....	10	10	7	1	2	.....	.....	.....	.....	100.0	100.0	100.0
Branches.....	95	95	.....	94	94	91	1	2	.....	.....	1	1	100.0	100.0	100.0
West Virginia	180	175	5	180	175	77	28	70	4	1	.....	.....	97.2	97.2	.....
Unit banks.....	180	175	5	180	175	77	28	70	4	1	.....	.....	97.2	97.2	.....
Head offices.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Branches.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Wisconsin	699	687	12	695	684	112	57	515	9	2	4	3	98.3	98.4	75.0
Unit banks.....	477	467	10	473	464	93	46	325	7	2	4	3	97.9	98.1	75.0
Head offices.....	85	84	1	85	84	4	4	76	1	.....	.....	.....	98.8	98.8	.....
Branches.....	137	136	1	137	136	15	7	114	1	.....	.....	.....	99.3	99.3	.....
Wyoming	57	56	1	57	56	26	10	20	.....	1	.....	.....	98.2	98.2	.....
Unit banks.....	57	56	1	57	56	26	10	20	.....	1	.....	.....	98.2	98.2	.....
Head offices.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Branches.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Possessions															
Alaska ²	18	2	16	18	2	.....	.....	2	16	.....	.....	.....	11.1	11.1	.....
Unit banks.....	16	2	14	16	2	.....	.....	2	14	.....	.....	.....	12.5	12.5	.....
Head offices.....	1	.....	1	1	.....	.....	.....	.....	1	.....	.....	.....	.....	.....	.....
Branches.....	1	.....	1	1	.....	.....	.....	.....	1	.....	.....	.....	.....	.....	.....
Hawaii ³	51	1	50	51	1	.....	.....	1	45	5	.....	.....	2.0	2.0	.....
Unit banks.....	7	1	6	7	1	.....	.....	1	1	5	.....	.....	14.3	14.3	.....
Head offices.....	2	.....	2	2	.....	.....	.....	.....	2	.....	.....	.....	.....	.....	.....
Branches.....	42	.....	42	42	.....	.....	.....	.....	42	.....	.....	.....	.....	.....	.....
Puerto Rico	33	.....	33	33	.....	.....	.....	.....	33	.....	.....	.....	.....	.....	.....
Unit banks.....	6	.....	6	6	.....	.....	.....	.....	6	.....	.....	.....	.....	.....	.....
Head offices.....	6	.....	6	6	.....	.....	.....	.....	6	.....	.....	.....	.....	.....	.....
Branches.....	21	.....	21	21	.....	.....	.....	.....	21	.....	.....	.....	.....	.....	.....
Virgin Islands ⁴	3	2	1	3	2	.....	.....	2	1	.....	.....	.....	66.7	66.7	.....
Unit banks.....	1	.....	1	1	.....	.....	.....	.....	1	.....	.....	.....	.....	.....	.....
Head offices.....	1	1	.....	1	1	.....	.....	.....	1	.....	.....	.....	100.0	100.0	.....
Branches.....	1	1	.....	1	1	.....	.....	.....	1	.....	.....	.....	100.0	100.0	.....

¹ Not engaged in deposit banking.

² Includes 4 national banks (all unit banks), 2 among insured banks not members of the Federal Reserve System, and 2 among noninsured banks.

³ Includes, among noninsured banks, 1 national bank operating 20 branches.

⁴ Includes, among insured banks not members of the Federal Reserve System, 1 national bank operating 1 branch.

Back figures—See the following Annual Reports: 1942, p. 70; 1941, p. 102; 1940, p. 96; 1939, p. 90; 1938, p. 126; 1937, p. 73; 1936, p. 105; 1935, pp. 122-131.

Table 103. NUMBER AND DEPOSITS OF OPERATING COMMERCIAL AND MUTUAL SAVINGS BANKS, DECEMBER 31, 1943

BANKS GROUPED ACCORDING TO INSURANCE STATUS IN EACH STATE AND POSSESSION

	Number of banks								Deposits (in thousands of dollars)						
	All banks	Commercial banks				Mutual savings banks			All banks	Commercial banks			Mutual savings banks		
		Total	In- sured ¹	Noninsured		Total	In- sured	Non- insured		Total	Insured	Non- insured	Total	Insured	Non- insured
			Banks of de- posit	Trust com- panies ²											
United States and possessions	14,751	14,206	13,274	847	85	545	184	361	118,099,719	106,349,452	104,115,777	2,233,675	11,750,267	7,534,060	4,216,207
United States	14,711	14,166	13,270	816	80	545	184	361	117,636,872	105,886,605	104,094,027	1,792,578	11,750,267	7,534,060	4,216,207
Possessions	40	40	4	31	5				462,847	462,847	21,750	441,097			
State															
Alabama	216	216	211	5					841,584	841,584	836,167	5,417			
Arizona	14	14	12		2				229,203	229,203	229,203				
Arkansas	224	224	204	17	3				485,243	485,243	482,214	3,029			
California	202	202	188	5	9				8,847,727	8,847,727	8,810,140	37,587			
Colorado	148	148	134	14					722,378	722,378	718,329	4,049			
Connecticut	190	118	99	17	2	72	2	70	2,169,676	1,291,646	1,135,691	155,955	878,030	16,620	861,410
Delaware	43	41	40	1		2		2	427,123	372,640	371,937	703	54,483		54,483
Dist. of Columbia	22	22	22						707,688	707,688					
Florida	172	172	166	3	3				1,061,562	1,061,562	1,057,090	4,472			
Georgia	348	348	275	73					1,194,541	1,194,541	1,177,230	17,311			
Idaho	47	47	46	1					257,891	257,891	252,079	5,812			
Illinois	833	833	817	11	5				8,522,680	8,522,680	8,499,304	22,876			
Indiana	501	497	473	20	4	4	3	1	1,996,603	1,969,624	1,947,567	22,057	26,979	19,158	7,821
Iowa	653	653	588	65					1,429,914	1,429,914	1,366,544	63,370			
Kansas	627	627	451	174	2				1,029,707	1,029,707	926,667	103,040			
Kentucky	394	394	365	24	5				1,021,800	1,021,800	1,006,979	14,821			
Louisiana	147	147	146	1					1,061,774	1,061,774	1,061,141	633			
Maine	99	67	57	10		32	6	26	499,773	346,463	319,343	27,120	153,310	16,939	136,371
Maryland	186	175	172	2	1	11	3	8	1,538,936	1,276,018	1,227,556	48,462	262,918	44,773	218,145
Massachusetts	889	198	189	9		191		191	5,923,935	3,584,278	3,494,794	89,484	2,339,657		2,339,657
Michigan	448	448	414	26	8				3,760,706	3,760,706	3,687,383	73,323			
Minnesota	673	672	637	34	1	1	1		1,961,495	1,875,341	1,851,406	23,935	86,154	86,154	
Mississippi	201	201	196	5					485,962	485,962	480,350	5,612			
Missouri	596	596	564	30	2				2,902,186	2,902,186	2,890,789	11,397			
Montana	110	110	110						319,041	319,041	319,041				

Nebraska.....	412	412	350	54	8				833,935	833,935	809,271	24,664				
Nevada.....	10	10	10						99,098	99,098	99,098					
New Hampshire.....	107	65	57	8		42		42	371,870	163,021	152,591	10,430	208,849		208,849	
New Jersey.....	377	353	347	3	3	24	13	11	3,428,122	3,096,317	3,091,680	4,637	331,805	138,282	193,523	
New Mexico.....	41	41	41						162,239	162,239	162,239					
New York.....	838	706	694	12		132	132		34,299,759	28,124,733	27,421,375	703,358	6,175,026	6,175,026		
North Carolina.....	226	226	219	6	1				1,136,201	1,136,201	1,125,094	11,107				
North Dakota.....	157	157	147	9	1				301,927	301,927	243,897	58,030				
Ohio.....	684	681	663	18		3	3		5,220,163	5,073,437	5,063,642	9,795	146,726	146,726		
Oklahoma.....	386	386	374	10	2				915,105	915,105	911,503	3,602				
Oregon.....	72	71	67	2	2	1	1		908,855	903,800	898,588	5,212	5,055	5,055		
Pennsylvania.....	1,045	1,038	1,017	19	2	7	7		8,199,905	7,488,590	7,460,813	27,777	711,315	711,315		
Rhode Island.....	34	25	15	7	3	9		9	745,855	550,308	468,121	82,187	195,547		195,547	
South Carolina.....	146	146	117	29					394,110	394,110	383,153	10,957				
South Dakota.....	162	162	161	1					240,626	240,626	239,336	1,290				
Tennessee.....	298	298	285	9	4				1,297,960	1,297,960	1,290,845	7,115				
Texas.....	853	853	785	67	1				3,667,210	3,667,210	3,599,436	67,774				
Utah.....	57	57	57						384,032	384,032	384,032					
Vermont.....	80	72	71		1	8	8		219,773	159,298	159,298		60,475	60,475		
Virginia.....	313	313	313						1,254,564	1,254,564	1,254,564					
Washington.....	131	129	125	3	1	2	2		1,579,433	1,472,548	1,460,753	11,795	106,885	106,885		
West Virginia.....	180	180	175	4	1				544,528	544,528	537,694	6,834				
Wisconsin.....	562	558	548	8	2	4	3	1	1,896,465	1,889,412	1,883,863	5,549	7,053	6,652	401	
Wyoming.....	57	57	56		1				136,009	136,009	136,009					
Possessions																
Alaska.....	17	17	2	15					52,146	52,146	8,637	43,509				
Hawaii.....	9	9	1	3	5				336,720	336,720	9,403	327,317				
Puerto Rico.....	12	12		12					70,191	70,191		70,191				
Virgin Islands.....	2	2	1	1					3,790	3,790	3,710	80				

¹ Includes 11 trust companies not engaged in deposit banking.

² Not engaged in deposit banking.

Back figures—See the following Annual Reports: 1942, p. 76; 1941, p. 108.

ASSETS AND LIABILITIES OF OPERATING BANKS

Table 104. SUMMARY OF ASSETS AND LIABILITIES OF OPERATING BANKS IN THE UNITED STATES AND POSSESSIONS, JUNE 30, 1943
BANKS GROUPED ACCORDING TO INSURANCE STATUS AND TYPE OF BANK

(Amounts in thousands of dollars)

	All banks	Commercial banks			Mutual savings banks		
		Total	Insured	Noninsured	Total	Insured	Noninsured
ASSETS							
Cash, balances with other banks, and cash items in process of collection.....	26,771,369	26,049,517	25,537,614	511,903	721,852	169,811	552,041
Securities—total.....	65,827,541	59,160,654	57,890,123	1,270,531	6,666,887	1,690,650	4,976,237
United States Government obligations, direct and guaranteed.....	57,912,891	52,627,666	51,541,848	1,085,818	5,285,225	1,263,760	4,021,465
Obligations of States and political subdivisions.....	3,748,199	3,508,918	3,441,027	67,891	239,231	82,769	156,512
Other bonds, notes, and debentures.....	3,539,771	2,561,136	2,520,385	40,751	978,635	338,645	639,990
Not classified, including corporate stocks.....	626,680	462,934	386,863	76,071	163,746	5,476	158,270
Loans, discounts, and overdrafts (including rediscounts).....	22,294,293	17,704,857	17,392,157	312,700	4,589,436	1,013,369	3,576,067
Miscellaneous assets—total.....	2,090,378	1,640,118	1,585,570	54,548	450,260	135,120	315,140
Bank premises owned, furniture and fixtures.....	1,153,466	1,041,499	1,022,511	18,988	111,967	32,989	78,978
Other real estate—direct and indirect.....	533,355	267,120	256,794	10,326	266,235	81,807	184,428
All other miscellaneous assets.....	403,557	331,499	306,265	25,234	72,058	20,324	51,734
Total assets.....	116,983,581	104,555,146	102,405,464	2,149,682	12,428,435	3,008,950	9,419,485
LIABILITIES							
Deposits—total.....	107,621,968	96,475,864	94,582,458	1,893,406	11,146,104	2,738,908	8,407,196
Demand deposits of individuals, partnerships, and corporations.....		54,179,572	53,423,385	756,187			
Time deposits of individuals, partnerships, and corporations.....		17,226,852	16,897,124	329,728			
States and political subdivisions.....		4,783,323	4,674,476	108,847			
United States Government.....	107,621,968	8,070,395	7,764,936	305,459	11,146,104	2,738,908	8,407,196
Other banks.....		10,887,482	10,680,944	206,538			
Certified and officers' checks, cash letters of credit, etc.....		1,141,498	1,132,339	9,159			
Not classified, including postal savings.....		186,742	9,254	177,488			
Miscellaneous liabilities—total.....	657,726	617,011	593,666	23,345	40,715	12,419	28,296
Rediscounts and other borrowed money.....	28,047	28,047	24,470	3,577			
All other miscellaneous liabilities.....	629,679	588,964	569,196	19,768	40,715	12,419	28,296
Total liabilities (excluding capital accounts).....	108,279,694	97,092,875	95,176,124	1,916,751	11,186,819	2,751,327	8,435,492
CAPITAL ACCOUNTS							
Capital accounts—total.....	8,703,887	7,462,271	7,229,340	232,931	1,241,616	257,623	983,993
Capital stock, notes, and debentures.....	2,953,843	2,948,200	2,841,304	106,896	5,643	5,643	
Surplus.....	3,858,912	2,969,066	2,886,829	82,237	889,846	207,944	681,902
Undivided profits, including all other capital accounts.....	1,891,132	1,545,005	1,501,207	43,798	346,127	44,036	302,091
Total liabilities and capital accounts.....	116,983,581	104,555,146	102,405,464	2,149,682	12,428,435	3,008,950	9,419,485
Total number of operating banks.....	14,790	14,245	13,302	943	545	61	484
Number of banks included ¹	14,686	14,121	13,302	819	545	61	484
Number of banks not included ²	124	124		124			

¹ Includes 10 insured trust companies not engaged in deposit banking.
² Includes 88 noninsured trust companies not engaged in deposit banking.
 Federal Reserve Bank of St. Louis

Back figures—See the following Annual Reports: 1942, pp. 78 and 79; 1941, pp. 122–125.

Table 105. SUMMARY OF ASSETS AND LIABILITIES OF OPERATING BANKS IN THE UNITED STATES AND POSSESSIONS, DECEMBER 31, 1943

BANKS GROUPED ACCORDING TO INSURANCE STATUS AND TYPE OF BANK

(Amounts in thousands of dollars)

	All banks	Commercial banks			Mutual savings banks		
		Total	Insured	Noninsured	Total	Insured	Noninsured
ASSETS							
Cash, balances with other banks, and cash items in process of collection.....	28,570,225	27,766,100	27,191,292	574,808	804,125	559,031	245,094
Securities—total.....	73,600,656	66,204,506	64,678,099	1,526,407	7,396,150	4,452,016	2,944,134
United States Government obligations, direct and guaranteed.....	66,156,026	60,059,086	58,693,549	1,365,537	6,096,940	3,843,995	2,252,945
Obligations of States and political subdivisions.....	3,552,844	3,343,587	3,287,646	55,941	299,257	141,241	68,016
Other bonds, notes, and debentures.....	3,338,425	2,380,387	2,342,211	38,176	958,038	452,028	506,010
Not classified, including corporate stocks.....	553,361	421,446	354,693	66,753	131,915	14,752	117,163
Loans, discounts, and overdrafts (including rediscounts).....	23,652,670	19,170,886	18,843,488	327,398	4,481,784	3,073,350	1,408,434
Miscellaneous assets—total.....	1,970,908	1,592,666	1,533,112	59,554	378,242	279,468	98,774
Bank premises owned, furniture and fixtures.....	1,112,663	1,010,472	994,269	16,203	102,191	76,762	25,429
Other real estate—direct and indirect.....	420,288	215,092	207,013	8,079	205,196	154,209	50,987
All other miscellaneous assets.....	437,957	367,102	331,830	35,272	70,855	48,497	22,358
Total assets.....	127,794,459	114,734,158	112,245,991	2,488,167	13,060,301	8,363,865	4,696,436
LIABILITIES							
Deposits—total.....	118,099,719	106,349,452	104,115,777	2,233,675	11,750,267	7,534,060	4,216,207
Demand deposits of individuals, partnerships, and corporations.....		59,202,930	58,346,160	856,770			
Time deposits of individuals, partnerships, and corporations.....		18,923,072	18,572,406	350,666			
States and political subdivisions.....		4,847,517	4,748,556	98,961			
United States Government.....	118,099,719	10,426,394	10,067,917	358,477	11,750,267	7,534,060	4,216,207
Other banks.....		11,000,064	10,704,765	295,299			
Certified and officers' checks, cash letters of credit, etc.....		1,678,753	1,668,876	9,877			
Not classified, including postal savings.....		270,722	7,097	263,625			
Miscellaneous liabilities—total.....	733,447	697,676	676,488	21,188	35,771	21,893	13,878
Rediscounts and other borrowed money.....	49,268	49,219	45,679	3,540	49	2	47
All other miscellaneous liabilities.....	684,179	648,457	630,809	17,648	35,722	21,891	13,831
Total liabilities (excluding capital accounts).....	118,833,166	107,047,128	104,792,265	2,254,863	11,786,038	7,555,953	4,230,085
CAPITAL ACCOUNTS							
Capital accounts—total.....	8,961,293	7,687,030	7,453,726	233,304	1,274,263	807,912	466,351
Capital stock, notes, and debentures.....	2,985,343	2,980,160	2,874,548	105,612	5,183	4,874	309
Surplus.....	4,131,370	3,172,427	3,089,817	82,610	958,943	632,409	326,534
Undivided profits, including all other capital accounts.....	1,844,580	1,534,443	1,489,361	45,082	310,137	170,629	139,508
Total liabilities and capital accounts.....	127,794,459	114,734,158	112,245,991	2,488,167	13,060,301	8,363,865	4,696,436
Total number of operating banks.....	14,751	14,206	13,274	932	545	184	361
Number of banks included ¹	14,637	14,092	13,274	818	545	184	361
Number of banks not included ²	114	114		114			

ASSETS AND LIABILITIES OF OPERATING BANKS

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¹ Includes 11 insured trust companies not engaged in deposit banking.

² Includes 85 noninsured trust companies not engaged in deposit banking.

Back figures—See table 104 and the following Annual Reports: 1942, pp. 78 and 79; 1941, pp. 122–125.

Table 106. ASSETS AND LIABILITIES OF OPERATING INSURED COMMERCIAL BANKS, CALL DATES, DECEMBER 31, 1943, TO DECEMBER 31, 1942

(Amounts in thousands of dollars)

ASSETS	Dec. 31,	June 30,	Dec. 31,	LIABILITIES AND CAPITAL	Dec. 31,	June 30,	Dec. 31,
	1943	1943	1942		1943	1943	1942
Cash, balances with other banks, and cash items in process of collection—total.	27,191,292	25,537,614	27,593,375	Deposits of individuals, partnerships, and corporations—total	76,918,566	70,320,569	62,834,608
Currency and coin	1,447,018	1,449,901	1,306,806	Demand	58,346,160	53,423,385	47,128,273
Reserve with Federal Reserve banks	12,834,452	12,092,461	13,071,533	Time	18,572,406	16,897,124	15,706,335
Demand balances with banks in the United States (except private banks and American branches of foreign banks)	8,382,577	8,360,056	8,984,740	Certified and officers' checks, cash letters of credit and travelers' checks outstanding, and amounts due to Federal Reserve banks	1,668,876	1,132,339	1,219,141
Other balances with banks in the United States	68,615	76,252	100,282	Government deposits—total	14,823,570	12,448,666	12,622,191
Balances with banks in foreign countries	20,398	19,381	13,255	United States Government—demand:			
Cash items in process of collection	4,438,232	3,539,563	4,116,759	War loan and Series E bond accounts	9,665,368	7,441,288	} 8,167,459
				Other accounts	285,343	258,383	
Obligations of the United States Government—total	58,693,549	51,541,848	40,711,697	United States Government—time	117,206	65,265	47,875
Direct:				Postal savings	7,097	9,254	13,364
Treasury bills	4,636,858	6,557,043	4,462,419	States and political subdivisions—demand	4,353,497	4,262,454	3,996,701
Treasury certificates of indebtedness	13,220,074	10,315,660	6,728,512	States and political subdivisions—time	395,059	412,022	396,792
Treasury notes	7,673,192	5,716,747	5,800,208	Interbank deposits—total	10,704,765	10,680,944	11,144,487
United States savings bonds	316,032	295,585	284,259	Banks in the United States—demand	9,743,462	9,768,487	10,234,297
Other bonds maturing in 5 years or less	5,790,533	5,497,169	2,864,750	Banks in the United States—time	63,861	73,600	91,892
Other bonds maturing in 5 to 10 years	16,775,686	11,214,936	10,046,540	Banks in foreign countries—demand	893,382	834,043	813,479
Bonds maturing in 10 to 20 years	6,159,925	7,782,107	6,469,547	Banks in foreign countries—time	4,060	4,814	4,819
Bonds maturing after 20 years	1,619,819	1,501,296	1,337,064	Total deposits	104,115,777	94,582,458	87,820,427
Guaranteed obligations	2,501,430	2,661,305	2,718,398	Demand	84,956,088	77,120,379	71,559,350
Other securities—total	5,984,550	6,348,275	6,632,557	Time	19,159,689	17,462,079	16,261,077
Obligations of States and political subdivisions	3,287,646	3,441,027	3,533,486	Miscellaneous liabilities—total	676,488	593,666	582,450
Other bonds, notes, and debentures ¹	2,342,211	2,520,385	2,680,163	Bills payable, rediscounts, and other liabilities for borrowed money	45,679	24,470	9,748
Corporate stocks:				Acceptances outstanding	55,006	61,260	46,478
Federal Reserve banks	153,983	148,530	145,791	Dividends declared but not yet payable	41,695	41,732	39,915
Other corporate stocks	200,710	238,333	273,117	Income collected but not earned	45,449	49,198	58,030
Total securities	64,678,099	57,890,123	47,344,254	Expenses accrued and unpaid	197,759	166,515	127,390
Loans, discounts, and overdrafts (including rediscounts)—total	18,843,488	17,392,157	18,906,869	Other liabilities	290,900	250,491	300,889
Commercial and industrial loans (including open market paper)	7,777,748	6,888,122	7,757,567	Total liabilities (excluding capital accounts)	104,792,265	95,176,124	88,402,877
Loans secured by agricultural commodities, covered by purchase agreements of the Commodity Credit Corporation	598,466	364,155	746,261				
Other agricultural loans (excluding loans on farm land)	906,787	952,238	895,514				

Consumer loans to individuals:				Capital accounts—total	7,453,726	7,229,340	7,056,234
Retail automobile instalment paper	160,456	180,184	280,434	Capital stock, notes, and debentures	2,874,548	2,841,304	2,848,630
Other retail, repair and modernization instalment loans	191,913	230,548	329,306	Surplus	3,089,817	2,886,829	2,801,594
Personal instalment cash loans	310,389	334,549	404,138	Undivided profits	1,006,406	1,039,182	972,256
Single-payment loans to individuals	1,205,670	1,192,109	1,256,594	Reserves	482,955	462,025	433,754
Loans to brokers and dealers in securities	1,414,365	1,134,191	950,213				
Other loans for the purpose of purchasing or carrying securities	921,583	671,023	597,225	Total liabilities and capital accounts.	112,245,991	102,405,464	95,459,111
Real estate loans:							
On farm land	448,577	470,505	476,738				
On residential properties	3,203,587	3,230,433	3,263,112				
On other properties	785,826	847,922	907,343				
Loans to banks	57,939	31,295	27,000				
All other loans (including overdrafts)	860,182	864,833	1,015,424				
				MEMORANDA			
Loans and securities—total	83,521,587	75,282,280	66,251,123	Pledged assets and securities loaned—total	18,541,870	15,177,519	13,296,816
				United States Government obligations, direct and guaranteed, pledged to secure liabilities	17,570,199	14,162,607	12,258,515
Bank premises, furniture and fixtures, and other real estate—total	1,201,282	1,279,305	1,348,246	Other assets pledged to secure liabilities	655,191	707,803	782,197
Bank premises	914,292	936,628	959,147	Assets pledged to qualify for exercise of fiduciary or corporate powers, and for purposes other than to secure liabilities	275,981	245,878	228,575
Furniture and fixtures	79,977	85,833	88,388	Securities loaned	40,499	61,231	27,529
Real estate owned other than bank premises	122,728	164,306	198,800				
Investments and other assets indirectly representing bank premises or other real estate	84,285	92,488	101,911	Secured and preferred liabilities—total	14,852,101	12,344,974	12,647,668
Miscellaneous assets—total	331,830	306,265	266,367	Deposits secured by pledged assets pursuant to requirements of law	13,936,664	11,473,263	11,653,217
Customers' liability on acceptances outstanding	44,625	54,207	40,808	Deposits preferred under provisions of law but not secured by pledge of assets	897,046	856,542	982,060
Income accrued but not collected	179,435	153,958	133,493	Borrowings secured by pledged assets	16,901	12,767	9,704
Prepaid expenses	11,920	12,160	12,498	Other liabilities secured by pledged assets	1,490	2,402	2,687
Other assets	95,850	85,940	79,568				
Total assets	112,245,991	102,405,464	95,459,111				
Number of banks	13,274	13,302	13,347	Number of banks	13,274	13,302	13,347

¹ Includes obligations of United States government corporations and agencies not guaranteed by the United States government.

² Revised.

Back figures—See the following Annual Reports: 1942, p. 80; 1941, p. 126; 1940, p. 144; 1938, p. 164.

ANALYSIS OF EXAMINATIONS OF INSURED COMMERCIAL BANKS

Table 107. ANALYSIS OF ASSETS, CAPITAL, AND LIABILITIES OF INSURED COMMERCIAL BANKS EXAMINED IN 1943
BANKS GROUPED ACCORDING TO AMOUNT OF DEPOSITS
 (Amounts in thousands of dollars)

	All banks	Banks with deposits of—							
		\$250,000 or less	\$250,000 to \$500,000	\$500,000 to \$1,000,000	\$1,000,000 to \$2,000,000	\$2,000,000 to \$5,000,000	\$5,000,000 to \$10,000,000	\$10,000,000 to \$50,000,000	More than \$50,000,000
Total assets—book value	102,021,738	121,792	807,389	2,649,125	4,978,609	8,434,825	6,366,953	14,613,858	64,049,187
Examiners' deductions—net.....	70,798	209	308	1,047	4,477	10,029	7,919	20,188	26,621
Appraised value.....	101,950,940	121,583	807,081	2,648,078	4,974,132	8,424,796	6,359,034	14,593,670	64,022,566
<i>Substandard</i>	1,260,097	3,185	15,736	46,833	98,205	162,126	118,446	218,111	602,505
<i>Not criticized</i>	100,690,843	118,448	791,345	2,601,245	4,880,927	8,262,670	6,240,588	14,375,559	63,420,061
Cash and due from banks	25,342,868	53,036	311,385	929,382	1,606,297	2,500,812	1,759,108	3,962,864	14,219,984
Total securities—book value	56,122,560	32,471	284,145	1,069,234	2,213,444	4,142,253	3,335,076	7,910,391	37,135,546
Examiners' deductions—net.....	8,024	-35	-445	-1,177	-782	327	1,127	1,740	7,269
Appraised value.....	56,114,536	32,506	284,590	1,070,411	2,214,226	4,141,926	3,333,949	7,908,651	37,128,277
<i>Substandard</i>	462,154	731	4,385	14,336	27,066	49,896	37,230	61,515	266,995
<i>Not criticized</i>	55,652,382	31,775	280,205	1,056,075	2,187,160	4,092,030	3,296,719	7,847,136	36,861,282
Loans—book value	18,290,697	33,970	206,228	611,769	1,073,398	1,630,321	1,136,757	2,403,460	11,206,794
Examiners' deductions.....	39,579	139	615	1,791	3,740	5,791	4,409	9,591	13,503
Appraised value.....	18,251,118	33,831	199,613	609,978	1,069,658	1,624,530	1,132,348	2,393,869	11,187,291
<i>Substandard</i>	541,117	1,904	9,750	27,418	51,632	83,463	56,755	93,138	212,007
<i>Not criticized</i>	17,710,001	31,927	189,863	582,560	1,018,026	1,541,067	1,075,593	2,295,681	10,975,284
Fixed and miscellaneous assets—book value	2,265,613	2,315	11,631	38,740	85,470	161,439	136,012	337,143	1,492,863
Examiners' deductions—net.....	23,195	105	138	433	1,519	3,911	2,383	8,857	5,849
Appraised value.....	2,242,418	2,210	11,493	38,307	83,951	157,528	133,629	328,286	1,487,014
<i>Substandard</i>	266,826	500	1,601	5,079	14,507	28,767	24,461	58,408	123,503
<i>Not criticized</i>	1,985,592	1,710	9,892	33,228	69,444	128,761	109,168	269,878	1,363,511
Capital accounts—book value	7,139,222	17,896	86,145	242,159	429,181	695,733	517,816	1,027,043	4,123,249
<i>R. F. C.—book value</i>	248,565	1,186	4,395	10,110	19,018	31,878	27,815	60,147	94,016
<i>Private—book value</i>	6,890,657	16,710	81,750	232,049	410,163	663,855	490,001	966,896	4,029,233
Examiners' deductions—net.....	75,289	234	397	1,247	4,771	10,404	8,198	22,305	27,733
Net sound capital—total.....	7,063,933	17,662	85,748	240,912	424,410	685,329	509,618	1,004,738	4,095,516
<i>R. F. C.—retirable value</i>	298,113	1,186	4,482	10,481	19,940	34,771	29,196	81,668	116,449
<i>Private—net sound capital</i>	6,765,820	16,476	81,266	230,431	404,470	650,618	480,422	923,070	3,979,067
Adjusted liabilities (exclusive of capital accounts)—total	94,887,007	163,921	721,333	2,407,166	4,549,722	7,739,467	5,849,416	13,588,932	59,927,050
Deposits.....	94,087,113	103,272	719,911	2,401,771	4,538,191	7,715,652	5,827,507	13,517,540	59,263,269
Other liabilities.....	799,894	649	1,422	5,395	11,531	23,815	21,909	71,392	663,781
Number of banks	13,207	543	1,899	3,300	3,208	2,501	851	682	223

Table 108. ASSET AND NET SOUND CAPITAL RATIOS OF INSURED COMMERCIAL BANKS EXAMINED IN 1943

BANKS GROUPED ACCORDING TO AMOUNT OF DEPOSITS

(Amounts per \$100 of book value)

	All banks	Banks with deposits of—							
		\$250,000 or less	\$250,000 to \$500,000	\$500,000 to \$1,000,000	\$1,000,000 to \$2,000,000	\$2,000,000 to \$5,000,000	\$5,000,000 to \$10,000,000	\$10,000,000 to \$50,000,000	More than \$50,000,000
Total assets—book value	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Examiners' deductions—net.....	.07	.17	.04	.04	.09	.12	.12	.14	.04
Appraised value.....	99.93	99.83	99.96	99.96	99.91	99.88	99.88	99.86	99.96
<i>Substandard</i>	<i>1.23</i>	<i>2.57</i>	<i>1.95</i>	<i>1.77</i>	<i>1.87</i>	<i>1.92</i>	<i>1.86</i>	<i>1.49</i>	<i>.94</i>
<i>Not criticized</i>	<i>98.70</i>	<i>97.26</i>	<i>98.01</i>	<i>98.19</i>	<i>98.04</i>	<i>97.96</i>	<i>98.02</i>	<i>98.37</i>	<i>99.02</i>
Cash and due from banks	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Securities—book value	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Examiners' deductions—net.....	.02	-.11	-.16	-.11	-.04	.01	.03	.02	.02
Appraised value.....	99.98	100.11	100.16	100.11	100.04	99.99	99.97	99.98	99.98
<i>Substandard</i>	<i>.82</i>	<i>2.25</i>	<i>1.54</i>	<i>1.34</i>	<i>1.22</i>	<i>1.20</i>	<i>1.12</i>	<i>.78</i>	<i>.72</i>
<i>Not criticized</i>	<i>99.16</i>	<i>97.86</i>	<i>98.62</i>	<i>98.77</i>	<i>98.82</i>	<i>98.79</i>	<i>98.85</i>	<i>99.20</i>	<i>99.26</i>
Loans—book value	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Examiners' deductions.....	.22	.41	.31	.29	.35	.36	.39	.40	.12
Appraised value.....	99.78	99.59	99.69	99.71	99.65	99.64	99.61	99.60	99.88
<i>Substandard</i>	<i>2.96</i>	<i>5.60</i>	<i>4.87</i>	<i>4.48</i>	<i>4.81</i>	<i>5.12</i>	<i>4.99</i>	<i>4.09</i>	<i>1.89</i>
<i>Not criticized</i>	<i>96.82</i>	<i>93.99</i>	<i>94.82</i>	<i>95.23</i>	<i>94.84</i>	<i>94.52</i>	<i>94.62</i>	<i>95.51</i>	<i>97.99</i>
Fixed and miscellaneous assets—book value	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Examiners' deductions—net.....	1.02	4.54	1.19	1.12	1.78	2.42	1.75	2.63	.39
Appraised value.....	98.98	95.46	98.81	98.88	98.22	97.58	98.25	97.37	99.61
<i>Substandard</i>	<i>11.34</i>	<i>21.60</i>	<i>13.76</i>	<i>13.11</i>	<i>16.97</i>	<i>17.82</i>	<i>17.98</i>	<i>17.32</i>	<i>8.27</i>
<i>Not criticized</i>	<i>87.64</i>	<i>73.86</i>	<i>85.05</i>	<i>85.77</i>	<i>81.25</i>	<i>79.76</i>	<i>80.27</i>	<i>80.05</i>	<i>91.34</i>
Capital accounts—book value	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
<i>R.F.C.—book value</i>	<i>8.48</i>	<i>6.63</i>	<i>5.10</i>	<i>4.17</i>	<i>4.43</i>	<i>4.58</i>	<i>5.37</i>	<i>5.86</i>	<i>2.23</i>
<i>Private—book value</i>	<i>96.52</i>	<i>93.37</i>	<i>94.90</i>	<i>95.83</i>	<i>95.57</i>	<i>95.42</i>	<i>94.63</i>	<i>94.14</i>	<i>97.72</i>
Examiners' deductions—net.....	1.05	1.31	.46	.51	1.11	1.50	1.58	2.17	.67
Net sound capital—total.....	98.95	98.69	99.54	99.49	98.89	98.50	98.42	97.83	99.33
<i>R.F.C.—retirable value</i>	<i>4.18</i>	<i>6.63</i>	<i>5.20</i>	<i>4.33</i>	<i>4.65</i>	<i>4.99</i>	<i>5.64</i>	<i>7.95</i>	<i>2.82</i>
<i>Private—net sound capital</i>	<i>94.77</i>	<i>92.06</i>	<i>94.34</i>	<i>95.16</i>	<i>94.24</i>	<i>98.51</i>	<i>92.78</i>	<i>89.88</i>	<i>96.51</i>
Net sound capital per \$100 of—									
Appraised value of assets.....	6.93	14.53	10.62	9.10	8.53	8.13	8.01	6.88	6.40
Deposits.....	7.51	17.10	11.91	10.03	9.35	8.88	8.75	7.43	6.91
Number of banks	13,207	543	1,899	3,300	3,208	2,501	851	682	223

NOTE: For banks included and explanation of terms, see pages 63-65.

Back figures—See the following Annual Reports: 1942, p. 83; 1941, pp. 135, 145, and 147; 1940, pp. 163, 173, and 175; 1939, pp. 153, 163, and 165.

Table 109. ANALYSIS OF ASSETS, CAPITAL, AND LIABILITIES OF INSURED COMMERCIAL BANKS EXAMINED IN 1943

BANKS GROUPED ACCORDING TO NET SOUND CAPITAL RATIO

(Amounts in thousands of dollars)

	All banks	Banks with net sound capital per \$100 of appraised value of assets of—							
		\$0.01 to \$4.99	\$5.00 to \$9.99	\$10.00 to \$14.99	\$15.00 to \$19.99	\$20.00 to \$24.99	\$25.00 to \$29.99	\$30.00 to \$34.99	\$35.00 or more
Total assets—book value	102,021,738	9,907,939	75,339,728	13,448,793	2,084,904	597,562	544,249	51,186	47,377
Examiners' deductions—net.....	70,798	5,813	42,912	18,997	7,689	1,896	6,671	141	21
Appraised value.....	101,950,940	9,902,126	75,296,816	13,429,796	2,077,215	595,666	550,920	51,045	47,356
<i>Substandard</i>	1,260,097	35,056	787,002	290,612	97,759	23,143	18,666	4,775	3,084
<i>Not criticized</i>	100,690,843	9,867,070	74,509,814	13,139,184	1,979,456	572,523	532,254	46,270	44,272
Cash and due from banks	25,342,868	2,834,549	18,238,464	3,481,569	510,998	134,339	124,705	6,752	11,492
Total securities—book value	56,122,560	5,660,423	41,594,609	7,106,673	1,083,496	322,451	295,690	33,123	26,095
Examiners' deductions—net.....	8,024	858	1,839	4,439	410	257	127	97	—3
Appraised value.....	56,114,536	5,659,565	41,592,770	7,102,234	1,083,086	322,194	295,563	33,026	26,098
<i>Substandard</i>	462,154	10,870	282,251	111,414	30,607	7,916	14,971	1,702	2,423
<i>Not criticized</i>	55,652,382	5,648,695	41,310,519	6,990,820	1,052,479	314,278	280,592	31,324	23,675
Loans—book value	18,290,697	1,308,958	13,787,167	2,546,589	397,564	120,022	113,868	8,011	8,518
Examiners' deductions.....	39,579	2,581	24,077	9,322	2,304	1,097	151	28	19
Appraised value.....	18,251,118	1,306,377	13,763,090	2,537,267	395,260	118,925	113,717	7,993	8,499
<i>Substandard</i>	541,117	16,665	348,452	126,002	34,945	11,051	2,850	752	400
<i>Not criticized</i>	17,710,001	1,289,712	13,414,638	2,411,265	360,315	107,874	110,867	7,241	8,099
Fixed and miscellaneous assets—book value	2,265,613	104,009	1,719,488	313,962	92,846	20,750	9,986	3,300	1,272
Examiners' deductions—net.....	23,195	2,374	16,996	5,236	4,975	542	6,949	16	5
Appraised value.....	2,242,418	101,635	1,702,492	308,726	87,871	20,208	16,935	3,284	1,267
<i>Substandard</i>	256,826	7,521	156,299	53,196	32,207	4,176	845	2,321	261
<i>Not criticized</i>	1,985,592	94,114	1,546,193	255,530	55,664	16,032	16,090	963	1,006
Capital accounts—book value	7,139,222	383,532	4,767,971	1,392,195	320,373	120,560	127,217	17,339	10,035
<i>R. F. C.—book value</i>	248,565	22,433	165,960	44,722	11,494	2,568	696	271	118
<i>Private—book value</i>	6,890,657	361,099	4,602,011	1,347,473	308,879	117,992	126,521	17,065	9,917
Examiners' deductions—net.....	75,289	6,028	45,486	19,443	8,862	1,978	6,671	141	22
Net sound capital—total.....	7,063,933	371,504	4,722,485	1,372,752	311,511	118,582	133,888	17,198	10,013
<i>R. F. C.—retirable value</i>	293,113	25,723	193,402	62,279	12,453	2,868	696	274	118
<i>Private—net sound capital</i>	6,765,820	351,781	4,529,083	1,310,473	299,058	115,714	133,192	16,924	9,895
Adjusted liabilities (exclusive of capital accounts)—total	94,887,007	9,524,622	70,574,331	12,057,044	1,765,704	477,084	417,032	33,847	37,343
Deposits.....	94,087,113	9,495,167	69,880,266	12,004,996	1,748,555	474,185	413,925	33,263	36,756
Other liabilities.....	799,894	29,455	694,065	52,048	17,149	2,899	3,107	584	587
Number of banks	13,207	367	7,226	4,206	1,037	266	63	15	27

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 NOTE: For banks included and explanation of terms, see pages 63-65.
 Back figures—See the following Annual Reports: 1942, p. 84; 1941, pp. 132, 140, and 142; 1940, pp. 160, 168, and 170; 1939, pp. 150, 153, and 160.
 Federal Reserve Bank of St. Louis

Table 110. ASSET AND NET SOUND CAPITAL RATIOS OF INSURED COMMERCIAL BANKS EXAMINED IN 1943

BANKS GROUPED ACCORDING TO NET SOUND CAPITAL RATIO

(Amounts per \$100 of book value)

	All banks	Banks with net sound capital per \$100 of appraised value of assets of—							
		\$0.01 to \$4.99	\$5.00 to \$9.99	\$10.00 to \$14.99	\$15.00 to \$19.99	\$20.00 to \$24.99	\$25.00 to \$29.99	\$30.00 to \$34.99	\$35.00 or more
Total assets—book value	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Examiners' deductions—net.....	.07	.06	.06	.14	.37	.32	-1.23	.28	.04
Appraised value.....	99.93	99.94	99.94	99.86	99.63	99.68	101.23	99.72	99.96
Substandard.....	1.23	.35	1.04	2.16	4.69	3.37	3.43	9.33	6.51
Not criticized.....	98.70	99.59	98.90	97.70	94.94	95.81	97.80	90.39	93.45
Cash and due from banks	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Securities—book value	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Examiners' deductions—net.....	.02	.02	.00	.06	.04	.08	.04	.29	-.01
Appraised value.....	99.98	99.98	100.00	99.94	99.96	99.92	99.96	99.71	100.01
Substandard.....	.82	.19	.68	1.57	2.32	2.15	5.06	5.14	9.28
Not criticized.....	99.16	99.79	99.32	98.37	97.14	97.47	94.90	94.57	90.73
Loans—book value	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Examiners' deductions.....	.22	.20	.17	.37	.58	.91	.13	.35	.22
Appraised value.....	99.78	99.80	99.83	99.63	99.42	99.09	99.87	99.65	99.78
Substandard.....	2.96	1.27	2.53	4.96	8.79	9.21	2.50	9.39	4.70
Not criticized.....	96.82	98.53	97.30	94.68	90.63	89.88	97.37	90.26	95.08
Fired and miscellaneous assets—book value	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Examiners' deductions—net.....	1.02	2.28	.99	1.67	5.36	2.61	-69.59	.48	.39
Appraised value.....	98.98	97.72	99.01	98.33	94.64	97.39	169.59	99.52	99.61
Substandard.....	11.34	7.23	9.09	16.94	34.69	20.13	8.46	70.34	20.52
Not criticized.....	87.64	90.49	89.92	81.39	59.95	77.26	161.13	29.18	79.09
Capital accounts—book value	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
R.F.C.—book value.....	3.48	5.35	3.48	3.21	3.59	2.13	.55	1.53	4.17
Private—book value.....	96.52	94.65	96.52	96.79	96.41	97.87	99.45	98.47	95.83
Examiners' deductions—net.....	1.05	1.57	.95	1.40	2.77	1.64	-5.24	.81	.22
Net sound capital—total.....	98.95	98.43	99.05	98.60	97.23	98.36	105.24	99.19	99.78
R.F.C.—retirable value.....	4.18	6.71	4.06	4.47	3.89	2.38	.55	1.53	4.17
Private—net sound capital.....	94.77	91.72	94.99	94.13	93.34	95.98	104.69	97.61	95.61
Net sound capital per \$100 of—									
Appraised value of assets.....	6.93	3.81	6.27	10.22	15.00	19.91	24.30	33.69	21.14
Deposits.....	7.51	3.98	6.76	11.43	17.82	25.00	32.35	51.70	27.24
Number of banks	13,207	367	7,226	4,206	1,037	266	63	15	27

ANALYSIS OF EXAMINATIONS OF INSURED BANKS

For explanation of the apparent irregularity in this item, see page 65.

NOTE: For banks included and explanation of terms, see pages 63-65.

Back figures—See the following Annual Reports: 1942, p. 85; 1941, pp. 134, 144, and 146; 1940, pp. 162, 172, and 174; 1939, pp. 152, 162, and 164.

Table III. ANALYSIS OF ASSETS, CAPITAL, AND LIABILITIES OF INSURED COMMERCIAL BANKS EXAMINED IN 1943

BANKS GROUPED ACCORDING TO FIXED AND SUBSTANDARD ASSETS RATIO

(Amounts in thousands of dollars)

	All banks	Banks with fixed and substandard assets per \$100 of appraised value of assets of—							
		\$0.00	\$0.01 to \$4.99	\$5.00 to \$9.99	\$10.00 to \$14.99	\$15.00 to \$19.99	\$20.00 to \$24.99	\$25.00 to \$29.99	\$30.00 or more
Total assets—book value	102,021,738	2,325,595	89,220,171	8,539,341	1,414,845	303,608	113,069	33,415	71,694
Examiners' deductions—net.....	70,798	1,671	25,507	25,167	9,027	3,770	1,850	2,510	2,510
Appraised value.....	101,950,940	2,323,924	89,194,664	8,514,174	1,405,818	299,838	111,219	32,119	69,184
<i>Substandard</i>	1,260,097	8,601	720,156	327,972	120,148	58,247	13,274	6,857	19,862
<i>Not criticized</i>	100,690,843	2,315,323	88,474,528	8,186,202	1,285,670	261,591	92,945	25,262	49,322
Cash and due from banks	25,342,868	643,260	22,248,906	2,058,938	283,462	65,121	21,559	7,823	13,799
Total securities—book value	56,122,560	1,171,765	49,546,273	4,434,246	750,463	134,639	50,289	13,091	21,794
Examiners' deductions—net.....	8,024	-176	3,280	3,373	789	433	46	260	19
Appraised value.....	56,114,536	1,171,941	49,542,993	4,430,873	749,674	134,206	50,243	12,831	21,775
<i>Substandard</i>	462,154	2,523	298,102	103,012	36,954	11,146	4,254	1,130	5,028
<i>Not criticized</i>	55,652,382	1,169,418	49,244,891	4,327,861	712,720	123,060	45,989	11,701	16,747
Loans—book value	18,290,697	483,218	15,638,941	1,727,673	306,370	81,798	27,329	7,921	17,447
Examiners' deductions.....	39,579	49	21,613	11,011	4,103	1,689	541	191	382
Appraised value.....	18,251,118	483,169	15,617,328	1,716,662	302,267	80,109	26,788	7,730	17,065
<i>Substandard</i>	541,117	2,513	309,311	144,411	61,688	17,458	6,157	3,201	6,373
<i>Not criticized</i>	17,710,001	480,651	15,308,017	1,572,251	250,579	62,651	20,631	4,529	10,692
Fixed and miscellaneous assets—book value	2,265,613	27,352	1,786,051	318,484	74,550	22,050	13,892	4,580	18,654
Examiners' deductions—net.....	23,195	1,798	614	10,783	4,135	1,648	1,263	845	2,109
Appraised value.....	2,242,418	25,554	1,785,437	307,701	70,415	20,402	12,629	3,735	16,545
<i>Substandard</i>	256,326	3,555	112,723	80,549	31,506	9,643	6,157	2,526	8,461
<i>Not criticized</i>	1,985,992	21,999	1,672,714	227,152	38,909	10,759	4,766	1,209	8,084
Capital accounts—book value	7,139,222	120,553	5,957,879	802,819	180,466	42,679	15,690	4,739	14,457
<i>R.F.C.—book value</i>	248,565	276	164,848	57,095	16,715	5,354	2,507	1,278	492
<i>Private—book value</i>	6,890,657	120,277	5,793,031	745,724	163,691	37,325	13,183	3,461	13,965
Examiners' deductions—net.....	75,289	1,685	27,668	25,868	9,509	3,793	1,857	1,296	3,613
Net sound capital—total.....	7,063,933	118,868	5,930,211	776,951	170,897	38,886	13,833	3,443	10,844
<i>R.F.C.—retirable value</i>	298,113	276	184,088	81,724	21,129	5,694	3,017	1,578	607
<i>Private—net sound capital</i>	6,765,820	118,592	5,746,123	695,227	149,768	33,192	10,316	1,865	10,237
Adjusted liabilities (exclusive of capital accounts)—total	94,887,007	2,205,056	83,264,453	7,737,223	1,234,921	260,952	97,386	28,676	58,340
Deposits.....	94,087,113	2,195,554	82,521,505	7,706,635	1,229,557	258,604	96,968	23,560	49,730
Other liabilities.....	799,894	9,502	742,948	30,588	5,364	2,348	418	116	8,610
Number of banks	13,207	211	10,511	1,939	388	95	37	12	14

NOTE: For banks included and explanation of terms, see pages 63-65.

Back figures—See the following Annual Reports: 1942, p. 86; 1941, pp. 132, 140, and 142; 1940, pp. 160, 168, and 170; 1939, pp. 150, 158, and 160.

Table 112. ASSET AND NET SOUND CAPITAL RATIOS OF INSURED COMMERCIAL BANKS EXAMINED IN 1943

BANKS GROUPED ACCORDING TO FIXED AND SUBSTANDARD ASSETS RATIO

(Amounts per \$100 of book value)

	All banks	Banks with fixed and substandard assets per \$100 of appraised value of assets of—							
		\$0.00	\$0.01 to \$4.99	\$5.00 to \$9.99	\$10.00 to \$14.99	\$15.00 to \$19.99	\$20.00 to \$24.99	\$25.00 to \$29.99	\$30.00 or more
Total assets—book value	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00
Examiners' deductions—net.....	.07	.07	.03	.29	.64	1.24	1.64	3.88	3.50
Appraised value.....	99.93	99.93	99.97	99.71	99.36	98.76	98.36	96.12	96.50
Substandard.....	1.23	.37	.81	3.34	3.49	12.60	16.16	20.52	27.70
Not criticized.....	98.70	99.56	99.16	95.37	90.37	86.16	82.20	75.60	68.80
Cash and due from banks	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Securities—book value	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Examiners' deductions—net.....	.02	-.02	.01	.08	.11	.32	.09	1.99	.09
Appraised value.....	99.98	100.02	99.99	99.92	99.89	99.68	99.91	98.01	99.91
Substandard.....	.32	.22	.60	2.32	4.92	3.23	3.46	8.63	23.07
Not criticized.....	99.16	99.80	99.39	97.60	94.97	91.40	91.45	89.38	76.84
Loans—book value	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Examiners' deductions.....	.22	.01	.14	.64	1.34	2.06	1.98	2.41	2.19
Appraised value.....	99.78	99.99	99.86	99.36	98.66	97.94	98.02	97.59	97.81
Substandard.....	2.96	.52	1.93	3.36	16.87	21.34	22.53	40.41	36.53
Not criticized.....	96.32	99.47	97.83	91.00	81.79	76.60	75.49	67.18	61.23
Fixed and miscellaneous assets—book value	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Examiners' deductions—net.....	1.02	6.57	.03	3.39	5.55	7.47	9.09	18.45	11.31
Appraised value.....	98.98	93.43	99.97	96.61	94.45	92.53	90.91	81.55	88.69
Substandard.....	11.34	13.00	6.31	25.29	42.26	43.73	56.60	65.15	45.35
Not criticized.....	87.64	80.43	93.66	71.32	52.19	48.80	34.31	26.40	43.34
Capital accounts—book value	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
R.F.C.—book value.....	3.48	.23	2.77	7.11	9.27	12.54	15.98	26.97	3.40
Private—book value.....	96.52	99.77	97.23	92.89	90.73	87.46	84.02	73.03	96.60
Examiners' deductions—net.....	1.05	1.40	.46	3.22	5.27	3.89	11.84	27.35	24.99
Net sound capital—total.....	98.95	98.60	99.54	96.78	94.73	91.11	88.16	72.65	75.01
R.F.C.—retirable value.....	4.18	.23	3.09	10.18	11.71	13.34	19.23	33.30	4.20
Private—net sound capital.....	94.77	98.37	96.45	86.60	83.02	77.77	68.93	39.35	70.81
Net sound capital per \$100 of—									
Appraised value of assets.....	6.93	5.11	6.65	9.13	12.16	12.97	12.44	10.72	15.67
Deposits.....	7.51	5.41	7.19	10.08	13.90	15.04	14.27	12.06	21.81
Number of banks	13,207	211	10,511	1,939	388	95	37	12	14

NOTE: For banks included and explanation of terms, see pages 63-65.

Back figures—See the following Annual Reports: 1942, p. 87; 1941, pp. 134, 144, and 146; 1940, pp. 162, 172, and 174; 1939, pp. 152, 162, and 164.

Table 113. ANALYSIS OF ASSETS, CAPITAL, AND LIABILITIES OF INSURED COMMERCIAL BANKS EXAMINED IN 1943
BANKS GROUPED ACCORDING TO FEDERAL DEPOSIT INSURANCE CORPORATION DISTRICT
 (Amounts in thousands of dollars)

	Federal Deposit Insurance Corporation District—											
	1	2	3	4	5	6	7	8	9	10	11	12
Total assets—book value	5,810,044	32,261,049	12,291,034	5,161,472	4,387,825	5,537,509	6,984,185	9,795,979	2,535,668	3,353,919	3,786,781	10,116,273
Examiners' deductions—net.....	8,773	35,153	16,264	2,460	1,924	1,619	566	44	-298	-584	845	4,032
Appraised value.....	5,801,271	32,225,896	12,274,770	5,159,012	4,385,901	5,535,890	6,983,619	9,795,935	2,535,966	3,354,503	3,785,936	10,112,241
Substandard.....	102,819	420,251	305,479	50,186	51,683	69,706	47,080	53,441	13,147	15,231	16,806	109,268
Not criticized.....	5,698,452	31,805,645	11,969,291	5,108,826	4,334,218	5,466,184	6,936,539	9,737,494	2,522,819	3,339,272	3,769,130	10,002,973
Cash and due from banks	1,280,052	6,077,853	3,112,976	1,507,887	1,508,416	1,717,703	1,869,416	2,515,444	727,981	1,283,007	1,428,848	2,313,285
Total securities—book value	3,207,795	19,483,169	6,688,364	2,643,529	2,108,628	2,716,568	3,993,717	5,667,513	1,285,085	1,441,001	1,619,653	5,267,538
Examiners' deductions—net.....	1,165	5,673	3,721	171	56	-319	-690	-746	-843	-749	-292	877
Appraised value.....	3,206,630	19,477,496	6,684,643	2,643,358	2,108,572	2,716,887	3,994,407	5,668,259	1,285,928	1,441,750	1,619,945	5,266,661
Substandard.....	31,738	133,912	107,142	19,798	21,872	32,935	14,683	29,847	3,335	2,664	5,214	14,164
Not criticized.....	3,174,842	19,293,584	6,577,501	2,623,560	2,086,700	2,682,952	3,979,724	5,644,612	1,282,593	1,439,086	1,614,731	5,252,497
Loans—book value	1,187,610	5,764,888	2,167,296	907,567	683,225	1,029,398	1,029,909	1,510,718	489,094	590,961	676,039	2,254,052
Examiners' deductions.....	5,513	14,012	8,945	1,957	1,481	1,631	887	503	861	887	860	1,942
Appraised value.....	1,182,097	5,750,876	2,158,351	905,550	681,744	1,027,767	1,029,022	1,509,757	488,591	590,074	675,179	2,252,110
Substandard.....	50,344	147,179	114,523	21,527	19,818	26,177	23,948	27,488	8,894	11,837	8,333	80,999
Not criticized.....	1,131,753	5,603,697	2,043,828	884,023	661,926	1,001,590	1,005,074	1,482,269	479,697	578,187	666,846	2,171,111
Fixed and miscellaneous assets—book value	134,587	935,139	322,398	102,549	87,556	73,840	91,143	102,304	33,508	38,950	62,241	281,398
Examiners' deductions—net.....	2,095	15,468	3,598	332	387	307	369	-171	42	-722	277	1,213
Appraised value.....	132,492	919,671	318,800	102,217	87,169	73,533	90,774	102,475	33,466	39,672	61,964	280,185
Substandard.....	20,637	89,160	33,314	9,993	9,634	8,449	7,306	918	630	3,259	14,105	
Not criticized.....	111,805	830,511	284,986	92,266	77,176	63,939	82,325	95,169	32,548	38,992	58,705	266,080
Capital accounts—book value	469,702	2,399,200	1,162,677	355,685	268,959	340,817	404,081	562,296	162,445	216,226	220,526	576,608
R.F.C.—book value.....	15,690	68,351	48,522	14,400	14,921	15,233	33,504	6,276	4,114	4,475	8,312	14,762
Private—book value.....	454,012	2,330,849	1,114,155	341,285	254,038	325,579	370,577	556,020	158,331	211,751	212,214	561,846
Examiners' deductions—net.....	8,779	38,426	16,363	2,572	2,148	1,724	783	199	-282	-378	880	4,055
Net sound capital—total.....	460,923	2,360,774	1,146,314	353,113	266,811	339,093	403,298	562,097	162,707	216,604	219,646	572,553
R.F.C.—retirable value.....	17,743	114,940	48,668	14,459	14,921	15,752	33,594	6,276	4,129	4,558	8,312	14,761
Private—net sound capital.....	443,180	2,245,834	1,097,646	338,654	251,890	323,341	369,704	555,821	158,578	212,046	211,334	557,792
Adjusted liabilities (exclusive of capital accounts)—total	5,340,348	29,865,122	11,128,456	4,805,899	4,119,090	5,196,797	6,580,321	9,233,838	2,373,259	3,137,899	3,566,290	9,539,688
Deposits.....	5,309,452	29,343,569	11,077,408	4,782,837	4,094,966	5,178,902	6,564,646	9,200,545	2,365,421	3,131,222	3,556,501	9,481,654
Other liabilities.....	30,896	521,553	51,048	23,062	24,124	17,895	15,675	33,293	7,838	6,677	9,789	58,034
Number of banks	484	1,073	1,677	1,012	977	1,417	1,420	1,892	1,057	1,369	855	474

NOTE: For banks included and explanation of terms, see pages 63-65. For States included in FDIC districts, see page vi.
 Back figures—See the following Annual Reports: 1942, p. 88; 1941, pp. 136, 148, and 150; 1940, pp. 164, 176, and 178; 1939, pp. 154, 166, and 168.

Table 114. ASSET AND NET SOUND CAPITAL RATIOS OF INSURED COMMERCIAL BANKS EXAMINED IN 1943
BANKS GROUPED ACCORDING TO FEDERAL DEPOSIT INSURANCE CORPORATION DISTRICT
 (Amounts per \$100 of book value)

	Federal Deposit Insurance Corporation District—											
	1	2	3	4	5	6	7	8	9	10	11	12
Total assets—book value	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00
Examiners' deductions—net.....	.15	.11	.13	.05	.04	.03	.01	.00	-.01	-.01	.02	.04
Appraised value.....	99.85	99.89	99.87	99.95	99.96	99.97	99.99	100.00	100.01	100.01	99.98	99.96
<i>Substandard</i>	<i>1.77</i>	<i>1.30</i>	<i>2.49</i>	<i>.97</i>	<i>1.18</i>	<i>1.26</i>	<i>.67</i>	<i>.60</i>	<i>.52</i>	<i>.45</i>	<i>.44</i>	<i>1.08</i>
<i>Not criticized</i>	<i>98.08</i>	<i>98.59</i>	<i>97.38</i>	<i>98.98</i>	<i>98.78</i>	<i>98.71</i>	<i>99.32</i>	<i>99.40</i>	<i>99.49</i>	<i>99.56</i>	<i>99.54</i>	<i>98.88</i>
Cash and due from banks	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Securities—book value	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Examiners' deductions—net.....	.04	.03	.06	.01	.00	-.01	-.02	-.01	-.07	-.05	-.02	.02
Appraised value.....	99.96	99.97	99.94	99.99	100.00	100.01	100.02	100.01	100.07	100.05	100.02	99.98
<i>Substandard</i>	<i>.99</i>	<i>.94</i>	<i>1.60</i>	<i>.75</i>	<i>1.04</i>	<i>1.25</i>	<i>.37</i>	<i>.42</i>	<i>.26</i>	<i>.18</i>	<i>.32</i>	<i>.27</i>
<i>Not criticized</i>	<i>98.97</i>	<i>99.03</i>	<i>98.34</i>	<i>99.24</i>	<i>98.96</i>	<i>98.76</i>	<i>99.65</i>	<i>99.59</i>	<i>99.81</i>	<i>99.87</i>	<i>99.70</i>	<i>99.71</i>
Loans—book value	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Examiners' deductions.....	.46	.24	.41	.22	.22	.16	.08	.06	.10	.15	.13	.09
Appraised value.....	99.54	99.76	99.59	99.78	99.78	99.84	99.92	99.94	99.90	99.85	99.87	99.91
<i>Substandard</i>	<i>4.24</i>	<i>2.55</i>	<i>5.29</i>	<i>2.37</i>	<i>2.90</i>	<i>2.54</i>	<i>2.33</i>	<i>1.32</i>	<i>1.82</i>	<i>2.01</i>	<i>1.23</i>	<i>3.59</i>
<i>Not criticized</i>	<i>95.30</i>	<i>97.21</i>	<i>94.30</i>	<i>97.41</i>	<i>96.88</i>	<i>97.30</i>	<i>97.59</i>	<i>98.12</i>	<i>98.08</i>	<i>97.84</i>	<i>98.64</i>	<i>96.32</i>
Fixed and miscellaneous assets—book value	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Examiners' deductions—net.....	1.56	1.65	1.12	.32	.44	.42	.40	-.17	.13	-1.85	.45	.43
Appraised value.....	98.44	98.35	98.88	99.68	99.56	99.58	99.60	100.17	99.87	101.85	99.55	99.57
<i>Substandard</i>	<i>15.37</i>	<i>9.54</i>	<i>26.00</i>	<i>8.64</i>	<i>11.41</i>	<i>12.99</i>	<i>9.27</i>	<i>7.14</i>	<i>2.74</i>	<i>1.74</i>	<i>5.23</i>	<i>5.01</i>
<i>Not criticized</i>	<i>83.07</i>	<i>88.81</i>	<i>72.88</i>	<i>91.04</i>	<i>88.15</i>	<i>86.59</i>	<i>90.33</i>	<i>93.03</i>	<i>97.13</i>	<i>100.11</i>	<i>94.32</i>	<i>94.56</i>
Capital accounts—book value	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
<i>R.F.C.—book value</i>	<i>3.34</i>	<i>2.85</i>	<i>4.17</i>	<i>4.05</i>	<i>5.55</i>	<i>4.47</i>	<i>8.29</i>	<i>1.12</i>	<i>2.53</i>	<i>2.07</i>	<i>3.77</i>	<i>2.56</i>
<i>Private—book value</i>	<i>96.66</i>	<i>97.15</i>	<i>95.83</i>	<i>95.95</i>	<i>94.45</i>	<i>95.53</i>	<i>91.71</i>	<i>98.88</i>	<i>97.47</i>	<i>97.98</i>	<i>96.23</i>	<i>97.44</i>
Examiners' deductions—net.....	1.87	1.60	1.41	.72	.80	.51	.19	.03	-.16	-.18	.40	.70
Net sound capital—total.....	98.13	98.40	98.59	99.28	99.20	99.49	99.81	99.97	100.16	100.18	99.60	99.30
<i>R.F.C.—retirable value</i>	<i>3.73</i>	<i>4.79</i>	<i>4.19</i>	<i>4.07</i>	<i>5.55</i>	<i>4.62</i>	<i>8.32</i>	<i>1.12</i>	<i>2.54</i>	<i>2.11</i>	<i>3.77</i>	<i>2.56</i>
<i>Private—net sound capital</i>	<i>94.35</i>	<i>93.61</i>	<i>94.40</i>	<i>95.21</i>	<i>93.65</i>	<i>94.87</i>	<i>91.49</i>	<i>98.85</i>	<i>97.62</i>	<i>98.07</i>	<i>95.83</i>	<i>96.74</i>
Net sound capital per \$100 of—												
Appraised value of assets.....	7.95	7.33	9.34	6.84	6.08	6.13	5.77	5.74	6.42	6.46	5.80	5.66
Deposits.....	8.68	8.05	10.35	7.38	6.52	6.55	6.14	6.11	6.88	6.92	6.18	6.04
Number of banks	484	1,073	1,677	1,012	977	1,417	1,420	1,392	1,057	1,369	855	474

NOTE: For banks included and explanation of terms, see pages 63-65. For States included in FDIC districts, see page vi.

Back figures—See the following Annual Reports: 1942, p. 89; 1941, pp. 138, 152, and 154; 1940, pp. 166, 180, and 182; 1939, pp. 156, 170, and 172.

Table 115. ANALYSIS OF SECURITIES HELD BY INSURED COMMERCIAL BANKS EXAMINED IN 1942 AND 1943

BANKS GROUPED ACCORDING TO AMOUNT OF DEPOSITS

	All banks	Banks with deposits of—							
		\$250,000 or less	\$250,000 to \$500,000	\$500,000 to \$1,000,000	\$1,000,000 to \$2,000,000	\$2,000,000 to \$5,000,000	\$5,000,000 to \$10,000,000	\$10,000,000 to \$50,000,000	More than \$50,000,000
Amounts 1943 (thousands of dollars)									
U. S. Government obligations—book value ¹	50,067,210	27,083	237,405	873,095	1,797,490	3,355,997	2,779,310	6,922,206	34,074,624
Other securities—book value	6,055,350	5,388	46,740	196,139	415,954	786,256	555,766	988,185	3,060,922
Examiners' deductions ²	14,453	25	120	408	1,062	1,868	1,558	2,049	7,363
Appraised value	6,040,897	5,363	46,620	195,731	414,892	784,388	554,208	986,136	3,053,559
Substandard	462,154	781	4,885	14,336	27,066	49,896	37,230	61,515	266,995
Not criticized	5,578,743	4,632	42,235	181,395	387,826	734,492	516,978	924,621	2,786,564
Amounts 1942 (thousands of dollars)									
U.S. Government obligations—book value ¹	26,799,729	39,547	184,008	487,902	842,422	1,550,405	1,371,164	3,227,882	19,096,399
Other securities—book value	6,682,798	19,046	97,052	283,095	499,172	795,629	576,034	912,934	3,499,836
Examiners' deductions ²	30,847	99	449	1,378	3,547	5,108	4,495	5,425	10,346
Appraised value	6,651,951	18,947	96,603	281,717	495,625	790,521	571,539	907,509	3,489,490
Substandard	617,898	2,695	10,038	25,464	44,698	72,217	51,772	77,740	332,769
Not criticized	6,034,658	16,252	86,565	256,253	450,927	718,304	519,767	829,769	3,156,721
Per \$100 of book value 1943									
U.S. Government obligations	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00
Other securities—book value	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Examiners' deductions .....	.24	.46	.26	.21	.25	.24	.28	.21	.24
Appraised value	99.76	99.54	99.74	99.79	99.75	99.76	99.72	99.79	99.76
Substandard	7.63	13.57	9.38	7.31	6.51	6.55	6.70	6.22	8.72
Not criticized	92.13	85.97	90.36	92.48	93.24	93.41	93.02	93.57	91.04
Per \$100 of book value 1942									
U.S. Government obligations	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Other securities—book value	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Examiners' deductions ² .....	.46	.52	.46	.49	.71	.64	.78	.59	.29
Appraised value ³	99.54	99.48	99.54	99.51	99.29	99.36	99.22	99.41	99.71
Substandard	9.24	14.15	10.34	8.99	8.96	9.08	8.89	8.52	9.51
Not criticized	90.30	85.33	89.20	90.52	90.33	90.28	90.23	90.89	90.20
Number of banks 1943	13,207	543	1,899	3,300	3,208	2,501	851	682	223
Number of banks 1942	13,308	1,425	2,697	3,408	2,600	1,857	645	492	179

¹ Appraised value for all banks was \$6,429,000 in excess of book value due to the excess of redemption value of U. S. Savings bonds not shown on the books over examiners' deductions of unamortized premiums on U. S. Government obligations purchased above par.

² Exceeds, by \$6,429,000, "examiners' deductions—net" under total securities for all banks in Tables 107-114 due to the difference between book and appraised value of U. S. Government obligations referred to in footnote 1.

³ For all banks redemption value of U. S. Savings bonds not shown on the books was \$8,126,000. Examiners' deductions of unamortized premiums on U. S. Government obligations purchased above par were not reported separately and are included in "examiners' deductions" from book value of other securities.

⁴ Includes examiners' deductions of unamortized premiums on U. S. Government obligations purchased above par. Exceeds, by \$8,126,000, "examiners' deductions—net" under total securities for all banks in Tables 107-114 of the Annual Report for 1942 due to redemption value of U. S. Savings bonds not shown on the books.

⁵ Ratios are not significantly affected by inclusion of examiners' deductions of unamortized premiums on U. S. Government obligations.

Table 116. ANALYSIS OF SECURITIES HELD BY INSURED COMMERCIAL BANKS EXAMINED IN 1942 AND 1943

BANKS GROUPED ACCORDING TO NET SOUND CAPITAL RATIO

	All banks	Banks with net sound capital per \$100 of appraised value of assets of—							
		\$0.01 to \$4.99	\$5.00 to \$9.99	\$10.00 to \$14.99	\$15.00 to \$19.99	\$20.00 to \$24.99	\$25.00 to \$29.99	\$30.00 to \$34.99	\$35.00 or more
Amounts 1943 (thousands of dollars)									
U.S. Government obligations—book value ¹	50,067,210	5,205,414	37,496,978	5,977,168	855,163	249,502	241,789	20,772	20,424
Other securities—book value.....	6,055,350	455,009	4,097,631	1,129,505	228,333	72,949	53,901	12,351	5,671
Examiners' deductions ²	14,453	1,059	5,710	6,391	758	303	132	97	8
Appraised value.....	6,040,897	453,950	4,091,921	1,123,114	227,575	72,646	53,769	12,254	5,668
Substandard.....	462,154	10,870	282,251	111,414	30,607	7,916	14,971	1,702	2,423
Not criticized.....	5,578,743	443,080	3,809,670	1,011,700	196,968	64,730	38,798	10,552	3,245
Amounts 1942 (thousands of dollars)									
U.S. Government obligations—book value ¹	26,799,729	732,157	18,386,969	6,518,339	620,031	266,290	240,759	32,109	3,075
Other securities—book value.....	6,682,798	91,644	4,284,060	1,754,041	355,508	110,959	62,396	18,284	5,906
Examiners' deductions ²	30,847	777	10,635	14,104	3,739	824	415	346	7
Appraised value.....	6,651,951	90,867	4,273,425	1,739,937	351,769	110,135	61,981	17,938	5,899
Substandard.....	617,393	4,632	329,117	191,577	55,999	13,292	16,995	2,954	2,827
Not criticized.....	6,034,558	86,235	3,944,308	1,548,360	295,770	96,843	44,986	14,984	3,072
Per \$100 of book value 1943									
U.S. Government obligations.....	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00
Other securities—book value.....	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Examiners' deductions.....	.24	.23	.14	.57	.33	.42	.24	.79	.05
Appraised value.....	99.76	99.77	99.86	99.43	99.67	99.58	99.76	99.21	99.95
Substandard.....	7.63	2.39	6.39	9.86	13.40	10.35	27.77	13.79	42.74
Not criticized.....	92.13	97.38	92.97	89.57	86.27	88.73	71.99	85.42	57.21
Per \$100 of book value 1942									
U.S. Government obligations.....	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Other securities—book value.....	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Examiners' deductions ³.....	.46	.35	.25	.80	1.05	.74	.67	1.89	.12
Appraised value ³	99.54	99.15	99.75	99.20	98.95	99.26	99.33	98.11	99.88
Substandard.....	9.24	5.05	7.68	10.92	15.75	11.98	27.24	16.16	47.87
Not criticized.....	90.30	94.10	92.07	88.28	83.20	87.28	72.09	81.95	52.01
Number of banks 1943.....	13,207	367	7,226	4,206	1,037	266	63	15	27
Number of banks 1942.....	13,303	64	4,315	6,002	2,058	577	191	60	36

¹ Appraised value for all banks was \$6,429,000 in excess of book value due to the excess of redemption value of U. S. Savings bonds not shown on the books over examiners' deductions of unamortized premiums on U. S. Government obligations purchased above par.

² Exceeds, by \$6,429,000, "examiners' deductions—net" under total securities for all banks in Tables 107-114 due to the difference between book and appraised value of U. S. Government obligations referred to in footnote 1.

³ For all banks redemption value of U. S. Savings bonds not shown on the books was \$8,126,000. Examiners' deductions of unamortized premiums on U. S. Government obligations purchased above par were not reported separately and are included in "examiners' deductions" from book value of other securities.

⁴ Includes examiners' deductions of unamortized premiums on U. S. Government obligations purchased above par. Exceeds, by \$8,126,000, "examiners' deductions—net" under total securities for all banks in Tables 107-114 of the Annual Report for 1942 due to redemption value of U. S. Savings bonds not shown on the books.

⁵ Ratios are not significantly affected by inclusion of examiners' deductions of unamortized premiums on U. S. Government obligations.

Table 117. ANALYSIS OF SECURITIES HELD BY INSURED COMMERCIAL BANKS EXAMINED IN 1942 AND 1943

BANKS GROUPED ACCORDING TO FIXED AND SUBSTANDARD ASSETS RATIO

	All banks	Banks with fixed and substandard assets per \$100 of appraised value of assets of—							
		\$0.00	\$0.01 to \$4.99	\$5.00 to \$9.99	\$10.00 to \$14.99	\$15.00 to \$19.99	\$20.00 to \$24.99	\$25.00 to \$29.99	\$30.00 or more
Amounts 1943 (thousands of dollars)									
U.S. Government obligations—book value ¹	50,067,210	1,103,474	44,604,516	3,627,129	576,772	96,983	34,947	9,673	13,716
Other securities—book value.....	6,055,350	68,291	4,941,757	807,117	173,691	37,656	15,342	3,418	8,078
Examiners' deductions ²	14,453	1	8,844	3,973	886	433	41	252	23
Appraised value.....	6,040,897	68,290	4,932,913	803,144	172,805	37,223	15,301	3,166	8,055
Substandard.....	462,154	2,528	298,102	103,012	36,954	11,146	4,254	1,130	5,028
Not criticized.....	5,578,743	65,762	4,634,811	700,132	135,851	26,077	11,047	2,036	3,027
Amounts 1942 (thousands of dollars)									
U.S. Government obligations—book value ¹	26,799,729	50,840	22,296,507	3,283,143	830,354	266,316	38,066	16,524	17,979
Other securities—book value.....	6,682,798	7,159	4,662,545	1,379,899	423,823	142,739	39,378	13,664	13,591
Examiners' deductions ²	30,847	1	11,128	9,523	5,689	2,374	1,140	447	545
Appraised value.....	6,651,951	7,158	4,651,417	1,370,376	418,134	140,365	38,238	13,217	13,046
Substandard.....	617,393	.....	291,377	149,375	93,136	58,531	12,032	5,478	7,114
Not criticized.....	6,034,558	7,158	4,359,740	1,221,001	324,998	81,784	26,206	7,739	5,932
Per \$100 of book value 1943									
U.S. Government obligations.....	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00
Other securities—book value.....	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Examiners' deductions.....	.24	.00	.18	.49	.51	1.15	.27	7.37	.28
Appraised value.....	99.76	100.00	99.82	99.51	99.49	98.85	99.73	92.63	99.72
Substandard.....	7.63	3.70	6.03	12.76	21.23	29.60	27.72	33.09	62.26
Not criticized.....	92.13	96.30	93.79	86.75	78.21	69.25	72.01	59.54	37.46
Per \$100 of book value 1942									
U.S. Government obligations.....	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Other securities—book value.....	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Examiners' deductions ².....	.46	.01	.24	.69	1.34	1.66	2.90	3.27	4.01
Appraised value ³	99.54	99.99	99.76	99.31	98.66	98.34	97.10	96.73	95.99
Substandard.....	9.24	.....	6.25	10.83	21.98	41.04	30.55	40.09	52.34
Not criticized.....	90.30	99.99	93.51	88.48	76.68	57.30	66.55	56.64	43.65
Number of banks 1943.....	13,207	211	10,511	1,939	388	95	37	12	14
Number of banks 1942.....	13,303	59	8,226	3,516	1,025	293	118	32	34

¹ Appraised value for all banks was \$6,429,000 in excess of book value due to the excess of redemption value of U. S. Savings bonds not shown on the books over examiners' deductions of unamortized premiums on U. S. Government obligations purchased above par.

² Exceeds, by \$6,429,000, "examiners' deductions—net" under total securities for all banks in Tables 107-114 due to the difference between book and appraised value of U. S. Government obligations referred to in footnote 1.

³ For all banks redemption value of U. S. Savings bonds not shown on the books was \$8,126,000. Examiners' deductions of unamortized premiums on U. S. Government obligations purchased above par were not reported separately and are included in "examiners' deductions" from book value of other securities.

Includes examiners' deductions of unamortized premiums on U. S. Government obligations purchased above par. Exceeds, by \$8,126,000, "examiners' deductions—net" under total securities for all banks in Tables 107-114 of the Annual Report for 1942 due to redemption value of U. S. Savings bonds not shown on the books.

* Ratios are not significantly affected by inclusion of examiners' deductions of unamortized premiums on U. S. Government obligations.

Table 118. ANALYSIS OF SECURITIES HELD BY INSURED COMMERCIAL BANKS EXAMINED IN 1942 AND 1943

BANKS GROUPED ACCORDING TO FEDERAL DEPOSIT INSURANCE CORPORATION DISTRICT

	Federal Deposit Insurance Corporation District—											
	1	2	3	4	5	6	7	8	9	10	11	12
Amounts 1943 (thousands of dollars)												
U.S. Gov't. obligations—book value ¹ ..	2,950,835	17,909,392	5,622,222	2,397,030	1,802,314	2,382,124	3,498,937	4,991,161	1,170,728	1,256,403	1,462,565	4,623,499
Other securities—book value	256,960	1,573,777	1,066,142	246,499	306,314	334,444	494,780	676,352	114,357	184,598	157,088	644,039
Examiners' deductions ²	1,295	5,826	4,082	498	429	398	291	440	43	39	86	1,026
Appraised value	255,665	1,567,951	1,062,060	246,001	305,885	334,046	494,489	675,912	114,314	184,559	157,002	643,013
<i>Substandard</i>	31,788	183,912	107,142	19,798	21,872	33,935	14,683	23,647	3,335	2,664	5,214	14,164
<i>Not criticized</i>	223,877	1,384,039	954,918	226,203	284,013	300,111	479,806	652,265	110,979	181,895	151,788	628,849
Amounts 1942 (thousands of dollars)												
U.S. Gov't. obligations—book value ³ ..	1,395,798	11,317,807	3,091,626	1,160,360	659,410	1,033,462	1,716,768	2,570,285	477,792	465,358	561,736	2,349,327
Other securities—book value	293,715	2,081,309	1,273,583	237,017	292,889	334,471	486,051	652,994	118,348	179,639	166,337	566,445
Examiners' deductions ⁴	3,613	12,574	9,551	1,084	721	459	792	515	123	89	170	1,156
Appraised value	290,102	2,068,735	1,264,032	235,933	292,168	334,012	485,259	652,479	118,225	179,550	166,167	565,289
<i>Substandard</i>	43,337	214,158	163,391	25,488	19,910	60,945	22,219	26,623	4,872	3,764	7,621	25,065
<i>Not criticized</i>	246,765	1,854,577	1,100,641	210,445	272,258	273,067	463,040	625,856	113,353	175,786	158,546	540,224
Per \$100 of book value 1943												
U.S. Government obligations	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00
Other securities—book value	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Examiners' deductions .....	.50	.37	.38	.20	.14	.12	.06	.07	.04	.02	.05	.18
Appraised value	99.50	99.63	99.62	99.80	99.86	99.88	99.94	99.93	99.96	99.98	99.95	99.84
<i>Substandard</i>	12.37	11.69	10.05	8.03	7.14	10.15	2.97	3.50	2.92	1.44	3.32	2.20
<i>Not criticized</i>	87.13	87.94	89.57	91.77	92.72	89.73	96.97	96.43	97.04	98.54	96.63	97.64
Per \$100 of book value 1942												
U.S. Government obligations	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Other securities—book value	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Examiners' deductions ⁵	1.23	.60	.75	.46	.25	.14	.16	.08	.10	.05	.10	.20
Appraised value ⁶	98.77	99.40	99.25	99.54	99.75	99.86	99.84	99.92	99.90	99.95	99.90	99.80
<i>Substandard</i>	14.75	10.29	12.83	10.75	6.80	18.22	4.57	4.08	4.12	2.10	4.53	4.42
<i>Not criticized</i>	84.02	89.11	86.42	88.79	92.95	81.64	95.27	95.84	95.78	97.85	95.32	95.38
Number of banks 1943	484	1,073	1,677	1,012	977	1,417	1,420	1,392	1,057	1,369	855	474
Number of banks 1942	481	1,093	1,705	1,012	970	1,437	1,421	1,401	1,056	1,383	836	508

ANALYSIS OF EXAMINATIONS OF INSURED BANKS

¹ Appraised value for all banks was \$6,429,000 in excess of book value due to the excess of redemption value of U. S. Savings bonds not shown on the books over examiners' deductions of unamortized premiums on U. S. Government obligations purchased above par.

² Exceeds, by \$6,429,000, "examiners' deductions—net" under total securities for all banks in Tables 107-114 due to the difference between book and appraised value of U. S. Government obligations referred to in footnote 1.

³ For all banks redemption value of U. S. Savings bonds not shown on the books was \$8,126,000. Examiners' deductions of unamortized premiums on U. S. Government obligations purchased above par were not reported separately and are included in "examiners' deductions" from book value of other securities.

⁴ Includes examiners' deductions of unamortized premiums on U. S. Government obligations purchased above par. Exceeds, by \$8,126,000, "examiners' deductions—net" under total securities for all banks in Tables 107-114 of the Annual Report for 1942 due to redemption value of U. S. Savings bonds not shown on the books.

⁵ Ratios are not significantly affected by inclusion of examiners' deductions of unamortized premiums on U. S. Government obligations.

Table 119. DISTRIBUTION OF INSURED COMMERCIAL BANKS EXAMINED IN 1943 ACCORDING TO NET SOUND CAPITAL RATIO
BANKS GROUPED BY FIXED AND SUBSTANDARD ASSETS RATIO, RATE OF NET EARNINGS, AND AMOUNT OF DEPOSITS

	All banks	Banks with net sound capital per \$100 of appraised value of assets of—							
		\$0.01 to \$4.99	\$5.00 to \$9.99	\$10.00 to \$14.99	\$15.00 to \$19.99	\$20.00 to \$24.99	\$25.00 to \$29.99	\$30.00 to \$34.99	\$35.00 or more
All banks	13,207	367	7,226	4,206	1,037	266	63	15	27
Banks with fixed and substandard assets per \$100 of appraised value of assets of—									
\$0.00.....	211	21	115	58	12	4	.....	.....	1
\$0.01 to \$4.99.....	10,511	330	6,302	3,076	615	139	33	6	10
\$5.00 to \$9.99.....	1,939	11	681	858	274	85	18	4	8
\$10.00 to \$14.99.....	388	3	91	162	98	22	6	2	4
\$15.00 to \$19.99.....	95	.....	19	36	24	10	4	2	.....
\$20.00 to \$24.99.....	37	.....	9	13	10	3	1	.....	1
\$25.00 to \$29.99.....	12	1	4	2	2	2	1	.....	.....
\$30.00 or more.....	14	1	5	1	2	1	.....	1	3
Banks with net current operating earnings per \$100 of total assets of—									
\$-0.50 or less.....	16	1	7	6	1	1	.....	.....	.....
\$-0.01 to \$-0.49.....	123	8	69	37	4	4	.....	1	.....
\$0.00 to \$0.49.....	2,780	185	1,745	674	131	35	6	1	3
\$0.50 to \$0.99.....	6,400	152	3,728	1,981	433	82	19	2	3
\$1.00 to \$1.49.....	2,806	17	1,300	1,072	307	81	19	4	6
\$1.50 to \$1.99.....	742	2	277	297	109	40	12	4	1
\$2.00 to \$2.49.....	203	.....	62	95	28	8	5	1	4
\$2.50 to \$2.99.....	65	1	15	25	11	9	2	1	1
\$3.00 or more.....	43	.....	9	14	8	2	.....	1	9
Not available.....	29	1	14	5	5	4	.....	.....	.....
Banks with deposits of—									
\$250,000 or less.....	543	4	66	214	159	56	24	4	16
\$250,000 to \$500,000.....	1,899	7	600	946	255	72	11	4	4
\$500,000 to \$1,000,000.....	3,300	23	1,820	1,140	245	51	13	4	4
\$1,000,000 to \$2,000,000.....	3,208	73	1,915	976	192	46	3	2	1
\$2,000,000 to \$5,000,000.....	2,501	99	1,623	619	124	26	9	.....	1
\$5,000,000 to \$10,000,000.....	851	46	563	186	45	9	2	.....	.....
\$10,000,000 to \$50,000,000.....	682	73	482	106	14	5	.....	1	1
More than \$50,000,000.....	223	42	157	19	3	1	1	.....	.....

NOTE: For banks included and explanation of terms, see pages 63-65.

Back figures—See the following Annual Reports: 1942, p. 90; 1941, p. 156; 1940, p. 184; 1939, p. 174.

Table 120. DISTRIBUTION OF DEPOSITS OF INSURED COMMERCIAL BANKS EXAMINED IN 1943
BANKS GROUPED ACCORDING TO NET SOUND CAPITAL RATIO AND BY FIXED AND SUBSTANDARD ASSETS RATIO,
RATE OF NET EARNINGS, AND AMOUNT OF DEPOSITS
 (Amounts in thousands of dollars)

	All banks	Banks with net sound capital per \$100 of appraised value of assets of—							
		\$0.01 to \$4.99	\$5.00 to \$9.99	\$10.00 to \$14.99	\$15.00 to \$19.99	\$20.00 to \$24.99	\$25.00 to \$29.99	\$30.00 to \$34.99	\$35.00 or more
All banks	94,087,113	9,495,167	69,880,266	12,004,996	1,748,555	474,185	413,925	33,263	36,756
Banks with fixed and substandard assets per \$100 of appraised value of assets of—									
\$0.00.....	2,195,554	555,168	1,556,549	72,151	9,237	2,436			13
\$0.01 to \$4.99.....	82,521,505	8,760,026	63,650,037	8,763,161	719,350	249,815		1,950	4,139
\$5.00 to \$9.99.....	7,706,635	157,531	4,140,344	2,665,654	586,312	108,016		2,865	26,549
\$10.00 to \$14.99.....	1,229,557	12,664	421,880	353,731	321,637	81,499		25,928	2,244
\$15.00 to \$19.99.....	258,604		49,363	124,934	45,057	27,671		1,873	
\$20.00 to \$24.99.....	96,968		35,257	19,597	40,320	1,175			112
\$25.00 to \$29.99.....	28,560	4,828	12,593	4,464	1,517	3,311			
\$30.00 or more.....	49,730	4,950	14,243	1,304	24,625	262		647	3,699
Banks with net current operating earnings per \$100 of total assets of—									
\$-0.50 or less.....	13,376	686	6,424	5,093	1,040	133			
\$-0.01 to \$-0.49.....	289,190	48,617	193,151	20,050	25,805	1,166		401	
\$0.00 to \$0.49.....	35,458,109	7,276,487	25,972,462	1,887,084	258,504	34,572		2,531	25,822
\$0.50 to \$0.99.....	49,931,536	2,121,633	39,964,314	6,922,568	811,764	92,219		17,297	843
\$1.00 to \$1.49.....	6,798,056	39,400	3,036,076	2,711,196	482,598	150,306		374,771	2,087
\$1.50 to \$1.99.....	1,202,909	4,734	521,306	338,467	132,252	187,188		13,436	1,616
\$2.00 to \$2.49.....	209,688		96,782	85,846	17,836	2,592		4,844	573
\$2.50 to \$2.99.....	72,652	2,538	11,552	16,186	9,232	4,639		1,046	25,838
\$3.00 or more.....	56,789		30,060	15,018	8,311	468			400
Not available.....	54,808	1,066	48,139	3,488	1,213	902			2,532
Banks with deposits of—									
\$250,000 or less.....	103,272	714	13,796	43,255	29,906	9,595		3,664	387
\$250,000 to \$500,000.....	719,911	2,556	241,150	352,463	90,778	25,947		4,064	1,400
\$500,000 to \$1,000,000.....	2,401,771	17,679	1,346,821	810,575	175,668	36,297		9,264	2,612
\$1,000,000 to \$2,000,000.....	4,538,191	104,894	2,704,095	1,388,872	267,653	63,504		4,526	3,026
\$2,000,000 to \$5,000,000.....	7,715,652	315,239	5,033,936	1,893,606	369,061	73,165		27,593	
\$5,000,000 to \$10,000,000.....	5,827,507	338,479	3,852,414	1,258,555	299,425	65,027		13,607	3,052
\$10,000,000 to \$50,000,000.....	13,517,540	1,592,828	9,717,700	1,814,686	252,317	88,451			25,838
More than \$50,000,000.....	59,263,269	7,122,778	46,970,354	4,442,984	263,747	112,199		351,207	

NOTE: For banks included and explanation of terms, see pages 63-65.

Back figures—See the following Annual Reports: 1942, p. 91; 1941, p. 157; 1940, p. 185; 1939, p. 175.

EARNINGS OF INSURED BANKS

Table 121. EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED BANKS, 1943

BY CLASS OF BANK

(Amounts in thousands of dollars)

	Insured commercial banks						Insured mutual savings banks ³	All insured commercial banks	
	Total	Banks not submitting reports to FDIC			State banks submitting reports to FDIC			Operating throughout the year	Operating less than full year ⁴
		Members F. R. System		Other ¹	On par list ²	Other			
		National	State						
Current operating earnings—total	1,959,481	1,057,459	591,623	1,248	243,444	65,707	273,479	1,954,131	5,350
Interest and dividends on securities.....	861,412	501,999	263,413	199	78,391	17,410	101,117	860,370	1,042
Interest and discount on loans.....	692,305	364,388	187,248	627	112,335	27,707	139,191	691,544	761
Service charges and other fees on bank's loans.....	13,513	6,538	4,307	8	2,302	358	.....	13,504	9
Service charges on deposit accounts.....	95,332	53,282	23,073	182	14,886	3,909	.....	95,134	198
Other service charges, commissions, fees, and collection and exchange charges.....	67,533	29,425	15,685	173	8,510	13,740	321	67,309	224
Trust department.....	104,710	34,295	62,027	.....	8,201	187	.....	102,132	2,578
Other current operating earnings.....	124,676	67,532	35,870	59	18,819	2,396	32,850	124,138	538
Current operating expenses, excluding taxes—total	1,156,110	611,883	341,824	896	159,839	41,668	70,832	1,152,287	3,823
Salaries—officers.....	225,142	114,179	60,522	149	36,441	13,851	9,467	224,233	909
Salaries and wages—employees.....	356,958	193,173	118,792	294	37,725	6,974	19,792	355,857	1,101
Fees paid to directors and members of executive, discount, and other committees.....	11,775	5,865	2,836	9	2,290	775	1,704	11,738	37
Interest on time deposits (including savings deposits).....	163,900	83,734	39,736	157	33,520	6,753	^(b)	163,639	261
Interest and discount on borrowed money.....	502	169	184	.....	138	11	.....	500	2
Recurring depreciation on banking house, furniture and fixtures.....	40,008	23,703	9,754	21	5,420	1,110	3,046	39,942	66
Other current operating expenses.....	357,825	191,060	110,000	266	44,305	12,194	36,323	356,378	1,447
Net current operating earnings, before taxes	803,371	445,576	249,799	352	83,605	24,039	202,647	801,844	1,527

Taxes—total	227,780	131,194	68,512	149	21,658	6,267	17,360	227,224	556
Other than on net income.....	(⁶)	(⁶)	(⁶)	(⁶)	12,592	3,041	17,015	(⁶)	(⁶)
On net income.....	(⁶)	(⁶)	(⁶)	(⁶)	9,066	3,226	345	(⁶)	(⁶)
Net current operating earnings, after taxes	575,591	314,382	181,287	203	61,947	17,772	185,287	574,620	971
Recoveries and profits—total	353,015	186,998	124,979	63	34,654	6,321	129,160	352,534	481
Recoveries on securities.....	91,891	59,524	22,167	14	9,133	1,053	40,402	91,828	63
Profits on securities sold or redeemed.....	103,143	54,042	39,738	14	7,980	1,369	31,376	103,085	58
Recoveries on loans.....	85,664	52,786	19,676	32	10,724	2,446	11,094	85,590	74
All other.....	72,317	20,646	43,398	3	6,817	1,453	46,288	72,031	286
Losses and charge-offs—total	290,645	151,875	98,846	83	34,747	5,094	168,891	289,980	665
On securities.....	116,383	65,786	35,591	33	12,764	2,209	32,818	116,044	339
On loans.....	75,223	43,031	20,284	40	10,321	1,547	74,327	75,116	107
All other.....	99,039	43,058	42,971	10	11,662	1,338	61,746	98,820	219
Non-operating profit	62,370	35,123	26,133	-20	-93	1,227	-39,731	62,554	-184
Net profits after taxes	637,961	349,505	207,420	183	61,854	18,999	145,556	637,174	787
Dividends and interest on capital—total	233,490	131,107	77,219	99	19,243	5,822	118,279	232,857	633
Dividends declared on preferred stock and interest paid on capital notes and debentures.....	14,324	6,141	4,673	11	3,076	423	294	14,315	9
Cash dividends declared on common stock.....	219,166	124,966	72,546	88	16,167	5,399	7117,985	218,542	624
Net additions to capital from profits	404,471	218,398	130,201	84	42,611	13,177	27,277	404,317	154
Number of active officers, December 31.....	55,809	25,788	10,600	38	12,669	6,214	1,209	54,986	323
Number of other employees, December 31.....	225,647	121,092	69,244	188	28,190	6,933	9,581	224,563	1,084
Number of banks	13,274	5,040	1,695	7	4,185	2,347	184	13,191	83

¹ National banks in the possessions and State banks in the District of Columbia, not members of the Federal Reserve System.

² For explanation of banks on par list, see page 66.

³ Includes 3 mutual savings banks, members of the Federal Reserve System.

⁴ Banks submitting reports covering less than the full year's operations or materially affected by mergers. Also includes 11 trust companies not engaged in deposit banking. Includes, in addition, data for national banks which reported for the first half of the year only.

⁵ Interest and dividends paid depositors of mutual savings banks are included as a deduction from net profits.

⁶ Income taxes published separately only for banks submitting reports to FDIC.

⁷ Interest and dividends paid depositors. See footnote 5.

NOTE: Minus (-) indicates non-operating loss.

Back figures—See the following Annual Reports: 1942, p. 92; 1941, p. 162; 1940, p. 194; 1939, p. 182; 1938, p. 214; 1937, p. 141 and p. 144; 1936, p. 165; 1935, p. 198.

Table 122. RATIOS OF EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS, 1943
BY CLASS OF BANK

	Insured commercial banks						Insured mutual savings banks ²
	Total	Banks not submitting reports to FDIC			State banks submitting reports to FDIC		
		Members F. R. System		Other ¹	On par list ²	Other	
		National	State				
Amounts per \$100 of current earnings	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00
Current operating earnings—total	43.96	47.47	44.52	15.95	32.20	26.50	36.97
Interest and dividends on securities.....	35.33	34.46	31.65	50.24	46.14	42.17	50.90
Interest and discount on loans.....	.69	.62	.73	.64	.95	.54	.....
Service charges and other fees on bank's loans.....	4.87	5.04	3.90	14.58	6.12	5.95	.....
Service charges on deposit accounts.....	3.45	2.78	2.65	13.86	3.50	20.91	.12
Other service charges, commissions, fees, and collection and exchange charges.....	5.34	3.24	10.48	.....	3.37	.....	.....
Trust department.....	6.36	6.39	6.07	4.73	7.72	3.65	12.01
Other current operating earnings.....							
Current operating expenses, excluding taxes—total ...	59.00	57.86	57.78	71.79	65.66	63.41	25.90
Salaries—officers.....	11.49	10.80	10.23	11.94	14.97	21.08	3.46
Salaries and wages—employees.....	18.22	18.27	20.08	23.56	15.50	10.61	7.24
Fees paid to directors and members of executive, discount, and other committees.....	.60	.55	.48	.72	.94	1.18	.62
Interest on time deposits (including savings deposits).....	8.36	7.92	6.72	12.58	13.77	10.28	(⁴)
Interest and discount on borrowed money.....	.03	.02	.03	.....	.06	.02	.....
Recurring depreciation on banking house, furniture and fixtures.....	2.04	2.24	1.65	1.68	2.23	1.69	1.11
Other current operating expenses.....	18.26	18.06	18.59	21.31	18.19	18.55	13.47
Net current operating earnings, before taxes	41.00	42.14	42.22	28.21	34.34	36.59	74.10
Taxes	11.62	12.41	11.58	11.94	8.90	9.54	6.35
Net current operating earnings, after taxes	29.38	29.73	30.64	16.27	25.44	27.05	67.75

Amounts per \$100 of total assets ⁵								
Current operating earnings—total	1.90	1.78	1.82	3.54	2.71	2.68	3.44	
Current operating expenses, excluding taxes—total	1.12	1.03	1.05	2.54	1.78	1.70	.89	
Net current operating earnings, before taxes	.78	.75	.77	1.00	.93	.98	2.55	
Taxes	.22	.22	.21	.42	.24	.25	.22	
Net current operating earnings, after taxes	.56	.53	.56	.58	.69	.73	.33	
Non-operating profit	.06	.06	.08	-.06	.00	.05	-.50	
Net profits after taxes	.62	.59	.64	.52	.69	.78	1.83	
Amounts per \$100 of total capital accounts ⁵								
Current operating earnings—total	27.10	27.60	24.21	50.77	31.42	37.01	34.67	
Current operating expenses, excluding taxes—total	15.99	15.97	13.99	36.45	20.63	23.47	8.98	
Net current operating earnings, before taxes	11.11	11.63	10.22	14.32	10.79	13.54	25.69	
Taxes	3.15	3.42	2.80	6.06	2.80	3.53	2.20	
Net current operating earnings, after taxes	7.96	8.21	7.42	8.26	7.99	10.01	23.49	
Non-operating profit	.86	.91	1.07	-.81	-.01	.69	-5.03	
Net profits after taxes	8.82	9.12	8.49	7.45	7.98	10.70	18.46	
Cash dividends declared	3.23	3.42	3.16	4.03	2.48	3.28	\$15.00	
Net profits after dividends	5.59	5.70	5.33	3.42	5.50	7.42	3.46	
Special ratios ⁵								
Income on loans per \$100 of loans	3.85	3.78	3.24	6.00	5.51	5.73	4.44	
Income on securities per \$100 of securities	1.52	1.53	1.44	1.47	1.78	1.78	2.54	
Income on service charges per \$100 of demand deposits	.12	.12	.09	1.04	.29	.22	.....
Interest paid per \$100 of time and savings deposits	.93	.89	.86	1.05	1.11	1.39	1.65	
Assets and liabilities per \$100 of total assets ⁵								
Assets—total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	
Cash and due from banks	25.91	26.65	23.64	30.03	25.60	39.11	6.22	
U. S. Government securities	48.70	49.47	50.89	36.38	40.37	31.87	41.80	
Other securities	6.11	5.91	5.65	1.91	8.62	7.96	8.35	
Loans and discounts	17.75	16.59	18.19	30.00	23.20	20.00	39.43	
All other assets	1.53	1.38	1.63	1.68	2.21	1.06	4.20	
Liabilities and capital—total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	
Demand deposits	75.39	77.02	77.68	49.59	57.19	72.64	.....
Time deposits	17.00	15.84	14.24	42.55	33.75	19.90	89.79	
Total deposits	92.39	92.86	91.92	92.14	90.94	92.54	89.79	
Borrowings and other liabilities	.60	.67	.55	.89	.42	.21	.28	
Total capital accounts	7.01	6.47	7.53	6.97	8.64	7.25	9.93	
Number of banks	13,274	5,040	1,695	7	4,185	2,347	184	

¹ National banks in the possessions and State banks in the District of Columbia, not members of the Federal Reserve System.

² For explanation of banks on par list, see page 66.

³ Includes 3 mutual savings banks; members of the Federal Reserve System.

⁴ Interest and dividends paid depositors of mutual savings banks are included as a deduction from net profits.

⁵ Asset and liability items are averages of figures reported at beginning, middle, and end of year.

⁶ Interest and dividends paid depositors. See footnote 4.

NOTE: Minus (-) indicates non-operating loss.

Table 123. RATIOS OF EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS, 1943
BANKS GROUPED ACCORDING TO AMOUNT OF DEPOSITS

	All banks	Banks with deposits of—1							
		\$250,000 or less	\$250,000 to \$500,000	\$500,000 to \$1,000,000	\$1,000,000 to \$2,000,000	\$2,000,000 to \$5,000,000	\$5,000,000 to \$10,000,000	\$10,000,000 to \$50,000,000	More than \$50,000,000
Amounts per \$100 of current earnings									
Current operating earnings—total	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00
Interest and dividends on securities	44.03	17.11	22.83	27.78	31.79	35.71	39.41	41.03	49.76
Interest and discount on loans	35.39	58.12	56.12	51.70	48.71	44.69	39.18	35.15	30.45
Service charges and other fees on bank's loans	.69	2.48	.90	.67	.63	.62	.51	.59	.76
Service charges on deposit accounts	4.87	4.13	4.96	5.96	6.36	7.55	7.78	6.95	8.11
Other service charges, commissions, fees, and collection and exchange charges	3.44	12.43	11.70	9.95	7.75	5.26	3.98	3.04	2.17
Trust department	5.23	1.24	.05	.10	.37	.98	2.65	5.05	7.34
Other current operating earnings	6.35	4.49	3.44	3.84	4.39	5.19	6.49	8.19	6.41
Current operating expenses, excluding taxes—total	\$58.97	\$71.79	\$67.38	\$66.56	\$65.18	\$65.10	\$65.59	\$64.37	\$54.01
Salaries—officers	11.47	32.43	27.58	24.28	20.38	16.61	13.73	11.59	8.18
Salaries and wages—employees	18.21	6.93	7.26	8.34	10.73	14.29	17.39	20.09	20.06
Fees paid to directors and members of executive, discount, and other committees	.60	1.51	1.45	1.51	1.42	1.24	.95	.66	.26
Interest on time deposits (including savings deposits)	8.37	8.30	10.69	12.69	13.21	13.02	12.51	10.14	5.59
Interest and discount on borrowed money	.03	.14	.01	.02	.01	.01	.02	.06	.03
Recurring depreciation on banking house, furniture and fixtures	2.04	2.48	2.24	2.28	2.30	2.59	2.71	2.38	1.70
Other current operating expenses	18.25	20.00	18.15	17.44	17.13	17.34	18.28	19.45	18.19
Net current operating earnings, before taxes	\$41.03	\$28.21	\$32.62	\$33.44	\$34.82	\$34.90	\$34.41	\$35.63	\$45.99
Taxes	\$11.63	\$ 9.40	\$ 9.09	\$ 8.58	\$ 8.72	\$ 8.94	\$ 8.83	\$ 9.88	\$13.58
Net current operating earnings, after taxes	\$29.40	\$18.81	\$23.53	\$24.86	\$26.10	\$25.96	\$25.58	\$25.75	\$32.41
Amounts per \$100 of total assets¹									
Current operating earnings—total	\$ 1.74	\$ 3.06	\$ 2.60	\$ 2.39	\$ 2.24	\$ 2.15	\$ 2.06	\$ 1.94	\$ 1.54
Current operating expenses, excluding taxes—total	1.03	2.20	1.75	1.59	1.46	1.40	1.35	1.25	.83
Net current operating earnings, before taxes	.71	.86	.85	.80	.78	.75	.71	.69	.71
Taxes	.20	.28	.24	.21	.19	.19	.18	.19	.21
Net current operating earnings, after taxes	.51	.58	.61	.59	.56	.56	.53	.50	.50
Non operating profit	.05	.16	.15	.11	.07	.04	.02	.02	.07
Net profits after taxes	.56	.74	.76	.70	.66	.60	.55	.52	.57

Amounts per \$100 of total capital accounts¹									
Current operating earnings—total	\$26.33	\$22.33	\$26.06	\$28.50	\$28.73	\$28.65	\$28.30	\$29.26	\$24.65
Current operating expenses, excluding taxes—total	15.53	16.03	17.56	18.97	18.73	18.65	18.56	18.83	13.31
Net current operating earnings, before taxes	10.80	6.30	8.50	9.53	10.00	10.00	9.74	10.43	11.34
Taxes	3.06	2.10	2.37	2.44	2.50	2.56	2.50	2.90	3.35
Net current operating earnings, after taxes	7.74	4.20	6.13	7.09	7.50	7.44	7.24	7.53	7.99
Non operating profit	.84	1.21	1.47	1.31	.92	.53	.28	.23	1.08
Net profits after taxes	8.58	5.41	7.60	8.40	8.42	7.97	7.52	7.76	9.07
Cash dividends declared	3.13	1.73	2.47	2.70	2.67	2.63	2.54	2.59	3.51
Net profits after dividends	5.45	3.68	5.13	5.70	5.75	5.34	4.98	5.17	5.56
Special ratios¹									
Income on loans per \$100 of loans	\$ 3.75	\$ 7.95	\$ 6.94	\$ 6.40	\$ 5.93	\$ 5.67	\$ 5.24	\$ 4.53	\$ 2.84
Income on securities per \$100 of securities	1.33	1.55	1.46	1.43	1.43	1.43	1.42	1.38	1.29
Income on service charges per \$100 of demand deposits	.11	.18	.18	.21	.22	.26	.26	.20	.06
Interest paid per \$100 of time and savings deposits	.86	1.63	1.40	1.24	1.10	.97	.86	.82	.75
Assets and liabilities per \$100 of total assets¹									
Assets—total	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00
Cash and due from banks	24.22	41.72	36.94	33.03	30.13	27.51	25.78	25.08	22.52
U. S. Government securities	52.30	29.81	35.98	40.33	42.95	45.81	49.60	51.57	54.93
Other securities	5.33	3.98	4.80	6.14	7.09	8.13	7.47	6.23	4.36
Loans and discounts	16.78	23.37	21.35	19.55	18.68	17.21	15.60	15.33	16.89
All other assets	1.37	1.12	.93	.95	1.15	1.34	1.55	1.79	1.30
Liabilities and capital—total	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00
Demand deposits	75.73	70.29	70.00	67.08	65.14	63.24	62.60	68.99	81.53
Time deposits	17.04	15.60	19.88	24.38	26.90	29.06	29.89	24.00	11.41
Total deposits	92.77	85.89	89.88	91.46	92.04	92.30	92.49	92.99	92.94
Borrowings and other liabilities	.60	.39	.15	.16	.15	.18	.23	.36	.82
Total capital accounts	6.63	13.72	9.97	8.38	7.81	7.52	7.28	6.65	6.24
Number of banks²	13,191	317	1,522	3,107	3,414	2,831	984	774	242

¹ Asset and liability items are as of December 31. For ratios computed from average asset and liability items, for all insured commercial banks, see the total column in Table 122.

² For banks excluded see footnote 4 of Table 121.

SUSPENSIONS, RECEIVERSHIPS, AND MERGERS

Table 124. NUMBER AND DEPOSITS OF BANKS SUSPENDING OPERATIONS, PLACED IN RECEIVERSHIP, AND MERGED WITH THE FINANCIAL AID OF THE FEDERAL DEPOSIT INSURANCE CORPORATION, 1934-1943

BANKS GROUPED BY CLASS, YEAR, AMOUNT OF DEPOSITS, AND STATE

	Banks suspending operations						Banks involving FDIC disbursement					
	Number			Deposits (in thousands of dollars) ¹			Number			Deposits (in thousands of dollars) ¹		
	Total	Insured	Non-insured ²	Total	Insured	Non-insured ²	Total	Placed in receivership	Merged	Total	Placed in receivership	Merged
All banks	337	247	90	154,739	113,425	41,314	395	244	151	495,149	106,964	388,185
Class of bank												
National banks.....	22	22		22,990	22,990		64	21	43	93,179	19,396	73,783
State banks members F. R. System.....	6	6		26,548	26,548		20	6	14	179,089	26,548	152,541
Banks not members F. R. System.....	309	219	90	105,201	63,887	41,314	311	217	94	222,881	61,020	161,861
Calendar year												
1934.....	57	9	48	36,937	1,952	34,985	9	9		1,952	1,952	
1935.....	34	26	8	9,852	9,005	847	25	24	1	12,931	8,702	4,229
1936.....	44	41	3	11,412	10,820	592	69	42	27	27,323	11,037	16,286
1937.....	59	53	6	19,722	19,242	480	75	50	25	33,100	14,715	18,385
1938.....	56	49	7	13,172	11,969	1,203	74	50	24	59,550	10,121	49,429
1939.....	42	32	10	34,997	32,558	2,439	60	32	28	157,599	32,558	125,041
1940.....	23	19	4	5,958	5,600	358	43	19	24	142,331	5,600	136,731
1941.....	9	8	1	14,705	14,626	79	15	8	7	29,617	14,626	14,991
1942.....	9	6	3	1,710	1,379	331	20	6	14	18,574	1,379	17,195
1943.....	4	4		6,274	6,274		5	4	1	12,172	6,274	5,898
Banks with deposits of—¹												
\$100,000 or less.....	128	88	40	7,367	5,213	2,154	109	86	23	6,422	5,010	1,412
\$100,000 to \$250,000.....	109	84	25	17,084	13,283	3,801	106	84	22	16,827	13,136	3,691
\$250,000 to \$500,000.....	51	34	17	17,567	11,549	6,018	57	35	22	20,021	11,827	8,194
\$500,000 to \$1,000,000.....	26	23	3	18,898	16,554	2,344	48	23	25	35,770	16,554	19,216
\$1,000,000 to \$2,000,000.....	10	10		13,774	13,774		35	10	25	49,884	13,774	36,110
\$2,000,000 to \$5,000,000.....	9	6	3	30,275	20,394	9,881	24	4	20	75,295	14,005	61,290
\$5,000,000 to \$10,000,000.....	2		2	17,116		17,116	8		8	51,793		51,793
\$10,000,000 to \$50,000,000.....	2	2		32,658	32,658		8	2	6	239,137	32,658	206,479
More than \$50,000,000.....												

State																		
Alabama	2	1	1	286	100	186	2	1	1	528	100	428						
Arkansas	5	5		1,081	1,081		5			1,081	1,081							
California	1		1	84		84	1	5	1	1,078		1,078						
Colorado	1			8		8	1			8		8						
Connecticut	2	2		1,514	1,514		2	2		1,514	1,514							
Florida	1	1		140	140		2	1	1	414	140	274						
Georgia	9	7	2	1,013	967	46	8	7	1	996	967	29						
Illinois	10	7	3	4,624	4,382	242	14	6	8	6,359	1,587	4,772						
Indiana	31	14	17	5,704	3,416	2,288	17	14	3	9,192	3,415	5,777						
Iowa	8	4	4	4,805	4,097	708	6	3	3	5,522	503	5,019						
Kansas	10	5	5	944	552	392	9	5	4	1,247	552	695						
Kentucky	23	19	4	6,445	4,639	1,806	22	18	4	8,431	4,434	3,997						
Louisiana	4	3	1	1,697	1,654	43	3	3		1,654	1,654							
Maryland	2	2		828	828		2	2	3	4,569	828	3,741						
Massachusetts							2		2	3,019		3,019						
Michigan	4	2	2	294	81	213	7	3	4	12,388	145	12,243						
Minnesota	5	5		640	640		5	5		640	640							
Mississippi	3	3		332	332		3	3		332	332							
Missouri	48	34	14	7,081	5,033	2,048	45	34	11	6,917	5,032	1,885						
Montana	3	3		213	213		4	3	1	296	213	83						
Nebraska	9	4	5	1,009	532	477	4	4		532	532							
New Hampshire							1		1	296		296						
New Jersey	19	11	8	59,031	30,917	22,114	37	11	26	184,514	30,917	153,597						
New York	5	3	2	20,335	13,276	7,059	25	3	22	138,816	13,276	125,540						
North Carolina	2	2		850	850		6	2	4	1,719	850	869						
North Dakota	19	18	1	1,524	1,509	15	20	18	11	3,788	1,509	2,279						
Ohio	5	2	3	2,964	2,242	722	2	2		2,242	2,242							
Oklahoma	8	6	2	1,614	1,550	64	7	5	2	2,032	1,465	567						
Oregon							1		1	1,114		1,114						
Pennsylvania	10	8	2	14,537	14,070	467	24	8	16	65,700	14,070	51,630						
South Carolina	3	1	2	347	136	211	1	1		136	136							
South Dakota	22	22		2,759	2,759		23	22	1	2,885	2,759	126						
Tennessee	10	8	2	1,679	1,389	290	12	8	4	1,867	1,545	322						
Texas	19	16	3	3,724	3,071	653	17	16	1	3,148	3,071	77						
Vermont	2	2		3,341	3,341		3	2	1	3,691	3,341	350						
Virginia	5	3	2	1,025	558	467	6	3	3	4,664	558	4,106						
Washington							1		1	1,538		1,538						
West Virginia	3	3		1,649	1,649		3	3		1,649	1,649							
Wisconsin	24	20	4	6,618	5,899	719	30	20	10	8,633	5,899	2,734						

¹ Deposits of insured banks are as of date of suspension or merger; deposits of noninsured banks are as of latest report prior to suspension. Figures for each bank are rounded to thousands of dollars.

² Excludes noninsured banks operating under restrictions or moratoria which were placed in receivership or liquidation.

NOTE: For reconciliation of figures relating to number of suspensions, receiverships, and mergers, see the Annual Report for 1941, p. 99.

Table 125. ASSETS AND LIABILITIES OF INSURED BANKS PLACED IN RECEIVERSHIP, 1934-1943

AS SHOWN BY BOOKS OF BANK AT DATE OF SUSPENSION

	Assets							Total	Liabilities and capital accounts				
	Cash and due from banks	U. S. Government obligations	Other securities	Loans, discounts, and overdrafts	Banking house, furniture & fixtures	Other real estate	Other assets		Total deposits	Other liabilities	R. F. C. capital	Private capital stock	Other capital accounts ¹
Total	\$22,424,162	\$10,036,378	\$15,905,472	\$65,485,187	\$5,373,316	\$12,293,686	\$8,325,073	\$139,843,274	\$106,969,354	\$10,121,892	\$5,891,646	\$12,226,999	\$4,633,383
Year													
1934	185,056	603,519	273,638	1,329,865	79,365	120,319	69,565	2,661,327	1,951,992	104,963	90,000	432,100	82,272
1935	1,974,181	698,440	510,479	6,842,116	459,055	242,274	1,597,403	12,323,948	8,700,485	2,111,886	223,000	950,000	338,577
1936	2,194,712	902,215	1,955,104	6,454,624	459,700	734,874	273,559	12,974,788	11,039,098	93,695	788,000	1,069,350	-15,355
1937	2,238,648	1,293,683	2,307,696	11,107,699	486,995	837,966	1,010,689	19,283,376	14,715,286	1,132,738	755,250	2,498,815	181,267
1938	1,610,297	451,570	2,215,638	6,574,061	412,911	2,125,022	530,408	13,919,907	10,124,255	1,213,354	1,052,900	1,059,200	470,198
1939	3,329,557	1,052,424	4,855,519	21,839,422	1,845,901	7,221,558	3,781,385	43,925,766	32,557,805	4,695,820	2,249,996	2,775,001	1,647,144
1940	1,018,215	452,574	1,519,677	3,314,762	694,900	435,526	523,899	7,959,553	5,599,438	455,788	422,750	1,045,533	436,044
1941	6,462,157	3,493,431	1,810,346	5,398,218	91,311	106,615	449,458	17,811,536	14,627,158	298,526	195,500	1,582,000	1,108,352
1942	500,513	119,650	52,364	777,953	70,685	55,222	25,030	1,601,417	1,379,526	1,520	81,750	140,000	-1,379
1943	2,910,826	968,872	405,011	1,846,467	772,493	414,310	63,677	7,381,656	6,274,311	13,582	32,500	675,000	386,263
1943													
Case number													
241	205,875	187,300	14,863	490,806	9,726	6,450	4,165	919,185	862,458	1,104	25,000	25,000	5,623
242	412,270	77,309	56,107	264,361	3,112	6,149	35,403	854,711	767,197	1,415	7,500	25,000	53,599
243	99,158	284,132	.....	52,838	2,655	.....	72	438,855	474,085	447	.....	25,000	-60,677
244	2,193,523	420,131	334,041	1,038,462	757,000	401,711	24,037	5,168,905	4,170,571	10,616	.....	600,000	387,718

¹ Includes surplus, undivided profits, and reserve funds minus operating deficit, if any, as shown by books. Minus (-) indicates net operating deficit.

NOTE: Two banks placed in receivership in 1943 were national banks and two were commercial banks not members of the Federal Reserve System. The FDIC is receiver for cases 241, 242, and 244; the Illinois State banking authority for case 243. Case 241—The Poutney National Bank, Poutney, Vermont; 242—Bank of Black Mountain, North Carolina; 243—Farmers State Bank of Cullom, Illinois; 244—First National Bank and Trust Company of Easton, Pennsylvania.

Back figures—See the Annual Report for 1942, p. 98, and earlier reports.

Table 126. DEPOSITORS AND DEPOSITS OF INSURED BANKS PLACED IN RECEIVERSHIP, 1934-1943

AS SHOWN BY BOOKS OF FDIC, DECEMBER 31, 1943

	Number of depositors					Amount of deposits							
	Total	Eligible for insurance protection			Not eligible for insurance protection ²	Total ³	Insured ⁴			Secured and preferred ⁵	Subject to offset	Uninsured, unsecured, not preferred, and not subject to offset	
		Paid by FDIC	Fully paid by other methods ¹	Unpaid			Total	Paid	Unpaid			In excess of insurance maximum	Other ⁶
Total	378,019	286,298	35,811	17,875	38,035	\$109,078,626	\$86,849,919	\$86,007,991	\$841,928	\$4,801,569	\$6,264,863	\$9,802,687	\$1,359,588
Year													
1934	15,545	11,262	937	2,761	585	1,966,373	944,764	941,008	3,756	831,832	91,005	30,607	68,165
1935	32,273	23,420	2,985	4,614	1,254	9,088,525	6,042,799	6,024,617	18,182	539,559	561,289	1,933,585	11,293
1936	41,831	30,924	4,677	23	6,207	11,240,970	8,055,840	8,055,563	277	659,382	660,362	1,048,034	817,352
1937	74,151	56,812	7,761	85	9,493	14,961,270	12,049,319	12,044,523	4,791	1,140,812	1,084,311	642,707	44,121
1938	43,699	31,765	7,389	24	4,521	10,295,741	9,087,562	9,032,444	5,118	340,557	525,663	252,043	89,916
1939	90,191	72,210	6,221	3,951	7,809	32,739,801	26,273,452	26,193,983	89,469	573,176	1,910,809	3,951,245	31,119
1940	20,671	15,680	2,935	11	2,045	5,656,748	4,895,319	4,893,487	2,332	182,440	341,745	221,323	15,421
1941	38,591	29,883	1,668	919	6,121	14,729,744	12,280,788	12,275,773	5,015	375,883	793,058	997,814	282,201
1942	5,715	4,203	560	952	.....	1,816,309	1,614,848	1,611,574	3,274	59,809	80,961	60,691	.....
1943	15,352	10,139	678	4,535	.....	6,583,145	5,604,728	4,895,014	709,714	93,119	215,660	664,638	.....
1943 Case number													
241	2,677	1,960	295	422	.....	895,764	825,061	814,395	10,666	.....	64,365	6,338	.....
242	2,683	2,192	286	205	.....	1,011,971	813,317	801,810	11,507	61,323	73,959	63,372	.....
243	876	763	50	63	.....	502,442	395,314	377,964	17,350	11,796	12,777	82,555	.....
244	9,116	5,224	47	3,845	.....	4,172,968	3,571,036	2,900,845	670,191	25,000	64,559	512,373	.....

¹ Includes all depositors whose claims have been fully paid by counterclaim, by sale of security, or directly by the receiver because of preferred status.

² Includes depositors holding only uninsured deposits. See footnote 6.

³ Includes deposits discovered or reclassified subsequent to date of suspension, and for this reason the figures differ from those in Table 125.

⁴ Includes all deposits paid or to be paid by FDIC.

⁵ Includes only the portions of secured deposits met or to be met by sale of security and of preferred deposits paid by the receiver.

⁶ Includes (a) deposits barred from insurance because not claimed before the expiration of the period set by law, (b) restricted and deferred deposits not eligible for insurance, and (c) deposits made after termination of insured status in 1 bank which suspended after its insured status had been terminated.

Note: See Note to Table 125.

Back figures—See the Annual Report for 1942, p. 99, and earlier reports.

Table 127. ASSETS AND LIABILITIES OF INSURED BANKS MERGED WITH THE FINANCIAL AID OF THE FEDERAL DEPOSIT INSURANCE CORPORATION, 1935-1943
AS SHOWN BY BOOKS OF BANK AT DATE OF MERGER

	Assets							Total	Liabilities and capital accounts				
	Cash and due from banks	U. S. Government securities	Other securities	Loans, discounts, and overdrafts	Banking house, furniture & fixtures	Other real estate	Other assets		Total deposits	Other liabilities	R. F. C. capital	Private capital stock	Other capital accounts ¹
Total	\$82,588,788	\$64,183,789	\$57,300,736	\$163,311,523	\$16,850,000	\$47,178,876	\$4,998,141	\$436,411,853	\$388,183,484	\$1,346,751	\$19,234,218	\$24,691,662	\$2,955,738
Year													
1935	404,834	233,395	1,403,807	2,256,417	608,467	.....	10,808	4,917,728	4,228,816	140	.....	315,000	373,772
1936	3,109,830	2,071,296	2,080,059	8,917,554	1,277,605	1,184,658	325,362	18,966,364	16,287,262	19,769	310,000	1,664,000	685,333
1937	4,717,074	2,495,254	3,520,186	8,678,629	562,181	926,359	186,497	21,086,180	18,384,923	262,651	609,200	1,808,400	21,006
1938	8,133,887	7,018,796	10,377,037	20,896,236	2,873,257	3,913,009	2,380,489	55,592,711	49,428,383	168,674	3,726,463	2,697,650	-428,459
1939	27,451,442	27,929,162	16,266,036	44,289,765	5,142,882	15,459,743	1,049,600	137,588,630	125,038,946	679,659	6,103,500	6,381,000	-614,475
1940	30,227,874	17,183,076	17,987,527	60,687,428	4,553,388	22,840,095	458,831	153,938,219	136,731,549	157,766	7,186,655	8,666,162	1,196,087
1941	3,167,243	801,273	2,835,309	8,178,623	798,028	1,014,582	197,669	16,992,727	14,990,768	57,508	289,000	1,111,250	544,201
1942	4,159,617	3,547,766	2,275,392	7,731,137	759,861	1,824,586	354,362	20,652,721	17,195,146	584	913,400	1,748,200	795,391
1943	1,216,987	2,903,771	555,383	1,675,734	274,331	15,844	34,523	6,676,573	5,897,691	.....	96,000	300,000	382,882

¹ Includes surplus, undivided profits, and reserve funds minus operating deficit, if any, as shown by books. Minus (-) indicates net operating deficit.

NOTE: On September 25, 1943, The Jefferson County National Bank of Watertown, New York, with 10,455 accounts, was absorbed by The Watertown National Bank with the aid of a disbursement by FDIC amounting to \$1,672,101. For names of banks merged prior to 1943, with number of accounts and amount of disbursement by FDIC, see the Annual Report for 1942, p. 100, and earlier reports. Power to make loans or purchase assets was contained in Banking Act of 1935.

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