

ANNUAL REPORT  
OF THE  
FEDERAL DEPOSIT INSURANCE CORPORATION  
FOR THE YEAR ENDED  
DECEMBER 31, 1945





**LETTER OF TRANSMITTAL**

FEDERAL DEPOSIT INSURANCE CORPORATION  
*Washington, D. C., June 18, 1946.*

SIRS: 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.

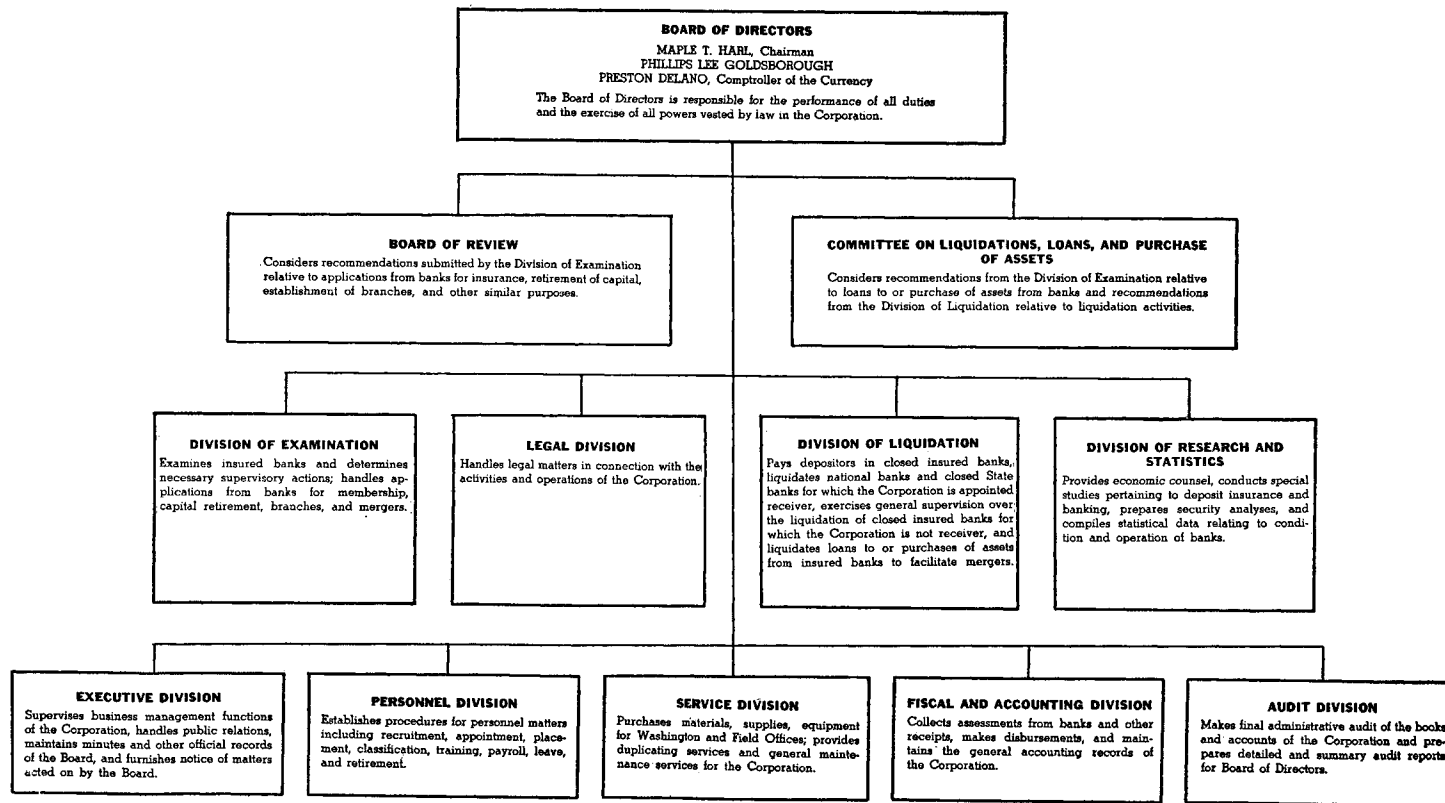
Respectfully,

MAPLE T. HARL, *Chairman*

THE PRESIDENT OF THE SENATE *pro tem*

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES

# FEDERAL DEPOSIT INSURANCE CORPORATION



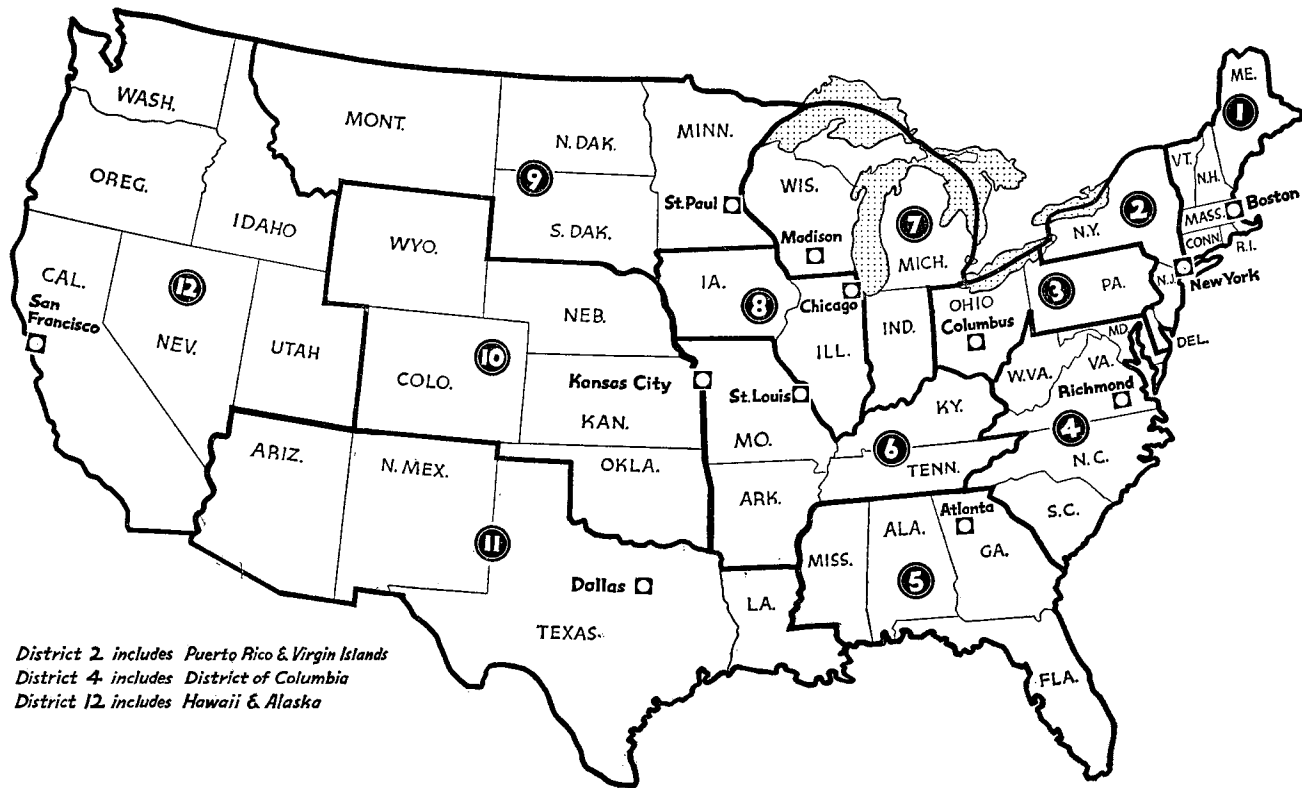
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## DISTRICT OFFICES

<u>DIST.</u> <u>No.</u>	<u>SUPERVISING</u> <u>EXAMINER</u>	<u>ADDRESS</u>	<u>STATES IN DISTRICT</u>
1.	Leo J. Carr (Acting)	Room 765, No. 10 Post Square, Boston 9, Mass.	Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut
2.	Neil G. Greensides	Room 1900, 14 Wall Street, New York 5, N. Y.	New York, New Jersey, Delaware
3.	Leon F. Stroefer	City National Bank Building, 20 East Broad Street, Columbus 15, Ohio	Ohio, Pennsylvania
4.	Lundie W. Barlow	909 State Planters Bank & Trust Company Building, Richmond 19, Va.	District of Columbia, Mary- land, Virginia, West Vir- ginia, North Carolina, South Carolina
5.	W. Clyde Roberts	625 First National Bank Building, Atlanta 3, Ga.	Georgia, Florida, Alabama, Mississippi
6.	E. R. Gover (Assistant)	1059 Arcade Building, St. Louis 1, Mo.	Kentucky, Tennessee, Missouri, Arkansas
7.	Raby L. Hopkins	715 Tenney Building Madison 3, Wis.	Indiana, Michigan, Wisconsin
8.	Carol L. Pitman	741 Federal Reserve Bank Building, 164 W. Jackson Blvd., Chicago 4, Ill.	Illinois, Iowa
9.	Rollin O. Bishop	1200 Minnesota Building, St. Paul 1, Minn.	Minnesota, North Dakota, South Dakota, Montana
10.	Gerhard F. Roetzel	901 Federal Reserve Bank Building, Kansas City 6, Missouri	Nebraska, Kansas, Oklahoma, Colorado, Wyoming
11.	Linton J. Davis	Federal Reserve Bank Building, Station K, Dallas 13, Tex.	Louisiana, Texas, New Mexico, Arizona
12.	William P. Funsten	Suite 1120, 315 Montgomery Street, San Francisco 4, Calif.	Idaho, Utah, Nevada, Washington, Oregon, California

# FEDERAL DEPOSIT INSURANCE CORPORATION DISTRICTS



*District 2 includes Puerto Rico & Virgin Islands*  
*District 4 includes District of Columbia*  
*District 12 includes Hawaii & Alaska*





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**SUMMARY**

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## SUMMARY

No bank failed in the United States in 1945, the twelfth year of Federal insurance of bank deposits. For the first time in several generations, an entire calendar year passed in which the country experienced no bank failures (p. 7). One disbursement of \$2 million was made during the year to protect the depositors in a weak insured bank which was absorbed by a sound insured bank (p. 14). This favorable record has resulted primarily from the continued high level of business activity.

Potential liabilities of the Corporation continued to increase rapidly during the year. Deposits of insured banks rose 17 percent to \$158 billion (p. 32). A survey of deposits in insured banks in the fall of 1945 showed that 46 percent of these deposits were covered by the provision for a \$5,000 maximum insurance for each depositor. Of the 92 million accounts reported, 96.4 percent had balances of \$5,000 or less (p. 63).

The capital of the Corporation together with the surplus which has been accumulated over the past 12 years amounted to \$929 million at the close of the period or 59/100 of 1 percent of the total deposits of insured banks. The Corporation proposes that provision be made for repayment of the \$289 million originally provided the Corporation by Congress (p. 8).

Earnings and profits of insured commercial banks were higher than in many years. Net profits amounted to 11 percent of the total capital accounts of the banks (p. 57). Dividends remained fairly stable and were paid at an average rate of 3.3 percent on total capital accounts. The capital funds of commercial banks were increased 8.4 percent during the year and amounted to 5.5 percent of the total assets of these banks at the end of 1945.



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**PART ONE**

**OPERATIONS AND POLICIES OF THE CORPORATION**

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## DEPOSIT INSURANCE RISK

For the first time in three quarters of a century the banking system of this country has operated for an entire calendar year without a failure. While 245 insured banks have been placed in receivership since 1934 and 90 noninsured banks have failed, the number of bank failures has declined steadily since 1937. The number of receiverships amounted to 9 in 1941, 9 in 1942, 4 in 1943, and 1 in 1944. Since the beginning of its operations the Corporation has extended financial aid to 153 other insured banks in order to facilitate mergers (including consolidations, and sales with assumption of liabilities) of weak banks with sound institutions. However, the need for such aid has also declined since 1940. In each of the years 1943, 1944, and 1945 there was only one such extension of aid.

The decline in the number of banks experiencing financial difficulties is to be ascribed primarily to the highly liquid state of bank assets, increases in prices, full business activity, and the absence of any adverse shifts of deposits. Admittedly this experience of the past few years is both interesting and gratifying, but it does not throw any light on the liabilities which the Corporation may incur in the future. Prices will not always rise, employment and business activity will not always increase, and a time may again come when this Corporation will be required to aid a substantial number of banks.

**Corporation funds and potential liabilities.** The potential liabilities of the Corporation have been increasing rapidly during this period of declining failures. Total deposits of all insured banks amounted to \$158 billion at the end of 1945 as compared with \$57 billion at the end of 1939, an increase of 173 percent. The amount of deposits covered under the \$5,000 maximum insurance of the Corporation has also shown a striking growth. About \$24 billion of deposits were covered in 1939, while it is estimated that \$66 billion of deposits came within the \$5,000 insurance limit at the end of 1945. Both the public interest and the welfare of this Corporation are served by the extension of aid to effect mergers in a large proportion of the cases of insured banks in difficulties. Since this method of providing deposit insurance protection covers all deposits, the total deposit figure may be more significant than the insured deposits as a measure of the Corporation's potential liabilities.

The total capital and surplus of the Corporation have not increased proportionately as fast as have deposits of insured banks. The capital and surplus of the Corporation on December 31, 1945, reached \$929 million, an amount equal to 59/100 of 1 percent of the deposits of all insured banks. This ratio has declined steadily during the war and at the close of 1945 was at the lowest point in the Corporation's history. The peak ratio was 83/100 of 1 percent at the end of 1938.

In examining these factors which bear upon the adequacy or inadequacy of the deposit insurance fund, it is worthwhile to note that the Corporation has several single risks which exceed the total funds of the Corporation. On December 31, 1945, there were 17 banks, each with deposits in excess of the capital and surplus of the Corporation. The deposits of each of 7 banks exceeded the \$929 million capital and surplus of the Corporation plus its maximum statutory borrowing power of approximately \$975 million. The capital and surplus of the Corporation at the end of 1945 were exceeded by the total deposits less government securities and cash held by each of 3 banks. These facts indicate that the funds of the Corporation have not risen to inordinate heights.

It is highly desirable to build up the Corporation's resources during periods of high bank earnings so that these funds will be available when they are needed. As long as the banks are experiencing exceptionally high profits they are in a position to continue their contribution to the insurance fund, thus assuring depositors that an ample deposit insurance fund will be available to meet demands occasioned by a recurrence of serious banking difficulties.

Before the assessment rate on deposits is reduced, consideration should be given to the repayment of the \$289 million capital originally provided to the Corporation by act of Congress at the beginning of deposit insurance. The amount so provided was necessary at that time to give an adequate initial insurance fund. The Corporation has now accumulated a surplus of \$640 million. Repayment of the capital originally provided by Congress would eliminate this subsidy to the banking system and thereafter the deposit insurance fund would be a mutual fund entirely contributed by the insured banks.

**Capital of insured banks.** The degree of protection afforded depositors by the capital of the banks is now materially less than in former years. There has been a downward trend in the ratio of total capital accounts to total assets of the nation's banks for at least three quarters of a century. The ratio for all commercial banks was about 35 percent in 1875, 27 percent in 1895, 18 percent in 1915, 12 percent in 1925, and 11 percent in 1939. During the war the capital ratio decreased rapidly as the growth of bank capital failed to keep pace with the rapid increase in bank assets. On December 31, 1945, the ratio of capital to total assets of all insured banks was 5.7 percent.

The argument is sometimes advanced that the decline in the capital ratio has been counterbalanced by a change in the character and quality of bank assets. One form of this argument is the current emphasis upon the ratio of bank capital to assets other than United States Government obligations and cash (including amounts due from other banks). Over the past five years most of the bank asset expansion went into cash and Government obligations. Assets other than cash and Government obliga-

tions have increased in about the same proportion as bank capital. Consequently this ratio is now at approximately its prewar level. From a level of 25 percent at the close of 1939, this ratio rose to a peak of 28 percent in the middle of 1943 and then declined to about 25 percent at the end of 1945.

Although the ratio of bank capital to assets other than cash and Government obligations needs to be studied in determining general public policy, it is not an appropriate standard for the supervision of individual banks. Bankers may at any time convert a substantial proportion of their holdings of cash and United States Government obligations into other types of assets with a resultant decline in the ratio. The ratio, therefore, is subject to unpredictable fluctuations and for this reason it does not furnish a satisfactory standard for bank supervision. Furthermore, such a standard places a premium upon ultra-conservative banking. It would encourage the banks to freeze their resources in cash and Government obligations, and thus they might be unable to satisfy the legitimate credit needs of their communities. As a result it might become necessary for the Government to assume the responsibility for financing private business enterprise. This Corporation wishes to see the banks so organized that they can meet the needs of their communities without recourse to Government assistance.

The use of the ratio of capital to assets other than Government obligations and cash as a standard focuses attention upon only part of the qualitative picture with respect to bank assets. Other types of bank assets vary significantly in quality. Some loans are guaranteed in whole or in part by Federal agencies so that risk of loss is almost completely eliminated. Many non-measurable factors are also of profound significance in determining risk of bank loss. Quality of bank management, economic situation of the community, character of a bank's clientele, all play a major role in a given bank's situation. However, it has not been found practicable to devise a formula which would take into account all these factors.

Irrespective of the quality of bank assets, capital is required to protect depositors against unforeseeable losses. The quality of bank assets is susceptible to rapid and substantial change. Even with the most careful supervision there remains an irreducible minimum of uncertainty and bank capital must be provided as a protection against this uncertainty.

Not only is bank capital required as a cushion against future asset depreciation no matter how high the quality of assets, but the requirement should be determined by a uniform rule. Banks and the public are assured of equitable treatment only when the many officials making decisions about thousands of banks are obliged to follow known and uniform rules of administration. Such rules may sometimes seem arbitrary but they are necessary in a Government based upon law. The selection

of minimum ratio of capital to total assets provides a standard of capital adequacy that is familiar and can be applied without difficulty to all banks.

This problem of minimum bank capital standards is of great interest to the bankers as well as to the depositors and the general public. Banks cannot serve the credit needs of their communities unless their capital funds are adequate. Maintenance of a really substantial private investment in the banks is necessary in order to insure the perpetuation of a free enterprise banking system.

Enforcement of the traditional 10 percent overall capital ratio would not be wise at this time because the increase in bank assets over the past few years has occurred largely in the non-risk category. Furthermore, there is little likelihood that loans in the next few years will resume their prewar relationship to total assets. A standard substantially below the 10 percent ratio would for the time being seem to be justified. In connection with the establishment of such a standard, the present average ratio of capital to total assets of all commercial banks of between 5 and 6 percent seems relevant. Banks with capital ratios below this average should certainly not be permitted to retire preferred stock without a corresponding increase of common capital. Banks applying for insurance should be required to have a capital ratio in line with anticipated future asset volume. Operating banks with capital below this should be urged by every reasonable means to add to their capital accounts.

New banks should not be permitted to start operations with a capital which promises to result in a capital ratio below the general level of the capital ratios of other banks in the same region. Currently operating banks, the capital ratios of which are far below the average for the country or their section, should add to their capital funds. There are of course special cases in which relief from established standards can properly be granted because of temporary conditions.

The Corporation is particularly interested that the banks shall retire, and replace with common stock, the preferred stock held by the Reconstruction Finance Corporation. This stock was issued in an emergency when banks were working their way out of a great catastrophe. That emergency is over. Bank profits are high. Therefore it is most desirable that private capital supplant Government advances and the banking system be vested entirely in the hands of private investors.

#### ADEQUACY OF BANKING SERVICES

**Growth in number of banks.** The number of new banks chartered in 1945 was greater than in other recent years. A total of 122 commercial banks were admitted to deposit insurance, of which 101 were new banks. For the first time since the inception of deposit insurance the number of



commercial banks admitted exceeded the number which dropped out of the deposit insurance system through merger, liquidation, or suspension. The net increase in the number of insured commercial banks during the year was only 34.

There was also a net increase of 21 in the number of branches of insured commercial banks in 1945. It is significant that the number of branches has increased each year since the beginning of deposit insurance. Substantial increases in 1943 and 1944 were due chiefly to the establishment of a large number of facilities at military camps, hospitals, bases, and defense plants to provide check cashing and deposit services to military personnel and defense workers. These facilities were intended only as a wartime expedient and during the latter part of 1945 a large number of them were liquidated.

As of December 31, 1945, there were 17,198 insured commercial banking offices, including the facilities. This total was the highest since the end of 1936. The number of insured commercial banks and branches at the close of each year is shown in Table 1.

**Table 1.** NUMBER OF BANKS AND BRANCHES, INSURED COMMERCIAL BANKS  
DECEMBER 31, 1935-1945

Year	Total offices	Banks	Branches
1945	17,198	13,302	3,896
1944	17,143	13,268	3,875
1943	17,018	13,274	3,744
1942	16,902	13,347	3,555
1941	16,947	13,430	3,517
1940	16,931	13,442	3,489
1939	16,994	13,538	3,456
1938	17,073	13,661	3,412
1937	17,178	13,797	3,381
1936	17,234	13,973	3,261
1935	17,237	14,125	3,112

Adequately capitalized banks with good management should be chartered whenever those banks will meet a need in the communities in which they will be established. After a period of decline in the number of banks such as has occurred in the last 25 years, there are some opportunities for the establishment of banks on a sound and profitable basis. In the establishment of new banks, private enterprise should be permitted free play within the limits now provided by State and Federal law. In granting insurance the Corporation is required to take account of the following factors as stated in the Federal deposit insurance law:

“The financial history and condition of the bank, the adequacy of its capital structure, its future earnings prospects, the general character of its management, the convenience and needs of the community to be served by the bank, and whether or not its corporate powers are consistent with the purposes of this section.”

**Continuity of banking service.** The power given to the Corporation by Congress in 1935 to make loans and purchase assets in order to facilitate mergers of weak insured banks with strong insured banks has proven to be most desirable both from the standpoint of the Corporation and from the standpoint of the depositors and communities involved. Under the use of the merger procedure, customers of a weak insured bank suffer no disruption of banking service and the shock to the economic life of the community resulting from banking difficulties is reduced to a minimum. The use of this optional provision of law protects *all* the deposits in the weak bank thus eliminating fear and uncertainty on the part of depositors both large and small. The Corporation also benefits because it can hold the assets acquired in the process of facilitating a merger until such time as they can be disposed of most advantageously. Such assets may be held until their sale will not upset or in any way disrupt the economic stability of the community. Consequently, the procedure of making advances to facilitate a merger provides in many ways a more flexible and advantageous method of liquidating the affairs of a weak or insolvent insured bank than does placing it in receivership.

In order that continuity of banking services may be provided in appropriate cases without merger, need exists for some changes in the powers of the Corporation. At times a merger reduces bank competition or creates a monopoly. In some cases of banks in financial difficulties there is no other bank with which a merger can practically be effected. Some means should be provided for maintaining continuity of banking service where there is every indication that, even though the bank is in financial difficulties, a need for banking facilities in the community and the opportunity for profitable operation continue to exist. The suggestion of the Corporation in this regard has been previously stated as follows:

“It is . . . suggested that subsection (e) of the Federal deposit insurance law which provides for the organization of new national banks be amended so that such a bank will be able to provide the community with a complete banking service during a temporary period not in excess of two years, and will be empowered to transfer its business to a suitably capitalized, privately owned and managed State or national bank sometime during the 2-year period. If no acceptable privately capitalized bank takes over the business of the Deposit Insurance National Bank, it would be liquidated at the end of the 2-year period.”<sup>1</sup>

#### GENERAL ECONOMIC POLICY

The Corporation was established on the basis of a philosophy that the country can avoid both rigid Government control of business and economic gyrations such as might result in an epidemic of bank failures. If it were

<sup>1</sup> Annual Report for 1944, p. 10.

assumed that the banking system would be rigidly controlled by the Government so that no bank failures could occur, there would be no need for deposit insurance. On the other hand the Corporation can operate successfully within the financial limits provided by the present law only if the economic and financial affairs of the nation are conducted in such a manner as to avoid serious epidemics of bank failures. It is therefore incumbent upon the Corporation to foster measures designed to prevent any stultification of free enterprise in the field of banking as well as to cooperate in the prevention of any business and economic developments which might lead to economic crises so great that the Corporation could not fulfill its obligations.

The Corporation will continue its efforts to improve banking practices and to encourage banks to meet the needs of our economy. Preventing further deterioration of bank capital in relation to bank assets is only one of the necessary steps. Monopoly in the banking business must be carefully guarded against. Only under competitive conditions will the banking system satisfactorily discharge its function of allocating credit to those who can make the most efficient use of it. Furthermore, the development of monopolistic practices in the banking system contributes to the demand for increased lending activity on the part of the Government, a trend which could easily threaten the existence of our private banking system. Under present conditions the banks are able and anxious to make, both to business and to consumers, loans which are economically sound. At some future time when the demand for goods and services may become less than the supply, Government guarantee of bank credit and Government lending activities may be needed. That condition does not prevail at the present time.

The interest of the Corporation in the continued stability of our economy is, of course, obvious. In the past, periods of serious banking difficulties with large losses to depositors have coincided with severe periods of business depression. Deposit insurance itself now contributes and will continue to contribute to the prevention of epidemics of bank failures. Nevertheless, the banking system must be always on guard against economic developments which may lead to protracted business depressions with serious repercussions upon the condition of the banks. The Corporation is interested that everything possible may be done to maintain a reasonably high and stable level of business activity and employment.

**Immediate economic problem.** The immediate problem of concern to the Corporation is the question of how the transfer from war to a peacetime economy can be completed without either crashing into deep economic depression or experiencing a disruptive inflation. As the war drew to a close and ended, it appeared that the greatest economic danger was one of unemployment, declining income, and business failures. In

large measure subsequent events indicated, however, that the basic trend was one of inflation rather than deflation. The public is in possession of a large volume of liquid assets; there is a tremendous demand for goods; and the immediate problem is one of inadequate production or excessive demand rather than of unemployment. This Corporation recognizes that the most important objective for the time being is to prevent any further increase in the liquid funds of the public as long as those funds which the public desires to spend exceed the available supply of goods.

There can be no objection to the creation of whatever quantity of bank credit is required to meet the needs of the public under conditions of high employment at stable prices. However, sound public policy should not permit creation of a volume of credit which would promote inflationary price rises and lead to maladjustments harmful to the general public and to the deposit insurance system. In order that price control may be gradually eliminated, it is necessary that the potentialities of bank credit expansion be kept under control.

#### DEPOSIT INSURANCE PROTECTION

During 1945 no insured bank was placed in receivership and only one bank received an advance from the Corporation to protect its depositors. When this weak bank was merged with a newly established insured bank, its depositors with balances aggregating nearly \$6 million experienced no loss, not even the inconvenience of a break in banking services. The Corporation advanced about \$2 million which, with the acceptable assets taken over by the absorbing bank, fully covered the liabilities assumed.

**Methods of protecting depositors.** The Federal Deposit Insurance Corporation during its 12 years of operation has used two procedures in fulfilling its responsibility to protect bank depositors from loss. It has paid depositors up to the \$5,000 maximum in insured banks placed in receivership and has made advances to facilitate mergers of weak insured banks with strong institutions. Table 2 shows by years the use which has been made of each method of protecting depositors.

Whenever the Corporation is notified by the Comptroller of the Currency or by a State bank supervisory authority that an insured bank has been closed on account of inability to meet the demands of its depositors, preparations are made to pay depositors up to the \$5,000 maximum provided by law. Payments are started as soon as records can be verified to establish the amount of the claims, usually in a week or ten days after the closing of a bank. A letter is sent to each depositor urging that claims be filed promptly and explaining the simple procedure to be followed; notices are also printed in the local newspapers. Unless the insured deposit is claimed within 18 months, after appropriate notice, the right of the depositor against the Corporation is barred.

Under the Banking Act of 1935 the Corporation was also given the power to make advances to facilitate the merger or consolidation (including sale with assumption of liabilities) of an insured bank with another insured bank. This power may be used only when such action will reduce the risk or avert a threatened loss to the Corporation. In affecting a consolidation, acceptable assets of the merging bank are transferred to the absorbing bank and the Corporation makes available enough cash so that the amount of the assets and the cash equals the amount of liabilities assumed by the absorbing bank. When the transaction is completed, the Corporation sends a letter to each depositor explaining what has happened. There is no interruption in banking service to depositors or customers of either bank.

**Table 2.** DISBURSEMENTS BY THE CORPORATION TO PROTECT DEPOSITORS IN INSURED BANKS PLACED IN RECEIVERSHIP OR MERGED WITH THE FINANCIAL AID OF THE CORPORATION, 1934-1945

Year	Number of banks			Amount of disbursements (in thousands of dollars)		
	Total	Placed in receivership	Merged	Total	Insured deposits paid in receiverships	Loans made and assets purchased in mergers
<b>Total</b> .....	<b>398</b>	<b>245</b>	<b>153</b>	<b>\$261,717</b>	<b>\$87,024</b>	<b>\$174,693</b>
1945 .....	1	.....	1	1,768	.....	1,768
1944 .....	2	1	1	1,498	399	1,099
1943 .....	5	4	1	7,171	5,499	1,672
1942 .....	20	6	14	10,910	1,612	9,298
1941 .....	15	8	7	23,880	12,278	11,602
1940 .....	43	19	24	74,352	4,893	69,459
1939 .....	60	32	28	67,793	26,185	41,608
1938 .....	74	50	24	30,479	9,087	21,392
1937 .....	75	50	25	19,208	12,046	7,157
1936 .....	69	42	27	14,831	8,058	6,773
1935 .....	25	24	1	8,890	6,025	2,865
1934 .....	9	9	.....	942	942	.....

From 1935 to 1940 an advance was usually made by the Corporation through the extension of a loan to the merging bank secured by the unacceptable assets. More than 100 such loans were made. When a loan was being made, outright purchase of assets was resorted to if pledging the assets would delay their liquidation. Also, near the close of a liquidation assets were purchased outright in order to facilitate the termination of the transaction, to permit the holding for a more favorable market of a few assets which had proved difficult to sell, and to end the payment of interest on the balance of the loan. In more than 40 cases assets were purchased in connection with loans. During 1939 and 1940 a new technique for making advances was developed. Assets were purchased under an arrangement whereby additional payment was to be made to the

selling bank should the liquidation of the assets produce an excess over the amount of the advance, expenses incident to liquidation, and a return equivalent to 4 percent. The payment, in the form of an additional cash purchase price, equals the amount of the excess recovery. This method has been used exclusively in the mergers which have taken place since 1941.

During the first 12 years of its operation the Corporation protected over 1,300,000 depositors in 398 insured banks with total deposits of \$505 million. In giving this protection the Corporation made principal disbursements of \$262 million. All of the depositors in the 153 banks which were merged were fully protected. Only about 3,000 depositors in the 245 banks placed in receivership will sustain any loss and their loss will be less than \$2.5 million. Data on deposits and depositors in insured banks placed in receivership or merged with the financial aid of the Corporation are given in Table 3.

**Table 3. NUMBER OF DEPOSITORS, AMOUNT OF DEPOSITS, RECOVERIES, AND LOSSES IN INSURED BANKS PLACED IN RECEIVERSHIP OR MERGED WITH THE FINANCIAL AID OF THE CORPORATION, 1934-1945**

Item	Total	Banks placed in receivership	Banks merged with financial aid of FDIC
Number of banks.....	398	245	153
<b>Number of depositors.....</b>	<b>1,309,702</b>	<b>380,511</b>	<b>929,191</b>
Estimated number with no loss.....	1,260,730	331,539	929,191
Estimated number with some loss <sup>1</sup> .....	3,006	3,006	.....
Estimated number with claims barred by termina- tion of insurance or receivership.....	45,966	45,966	.....
<b>Amount of deposits.....</b>	<b>\$504,931,000</b>	<b>\$109,593,000</b>	<b>\$395,338,000</b>
Estimated recovery by depositors.....	502,149,000	106,811,000	395,338,000
Estimated loss by depositors <sup>1</sup> .....	2,341,000	2,341,000	.....
Insurance terminated or claims barred.....	441,000	441,000	.....
Disbursement by FDIC.....	\$261,717,000	\$ 87,024,000	\$174,693,000
Estimated loss to FDIC.....	\$ 31,111,000	\$ 17,004,000	\$ 14,107,000

<sup>1</sup> 1,612 depositors will lose an estimated \$2,299,000 in accounts which exceeded the limit of \$5,000 insurance and were not otherwise protected; and 1,394 depositors will lose about \$42,000 in accounts which had been restricted or deferred prior to 1934 or were otherwise ineligible for insurance protection.

**Receiverships of insured banks.** About 80 percent of the deposits in insured banks placed in receivership were paid by the Corporation. Of the remaining 20 percent of deposits a part was fully covered by the pledge of security or was paid from the first proceeds of the liquidation because of its preferred status. Some depositors owed money to the bank and their deposits were offset against these claims. Less than 10 percent of the deposits were dependent entirely upon a proportionate share of the proceeds of the liquidation for repayment. Table 4 shows the amount of deposits which had been paid by the Corporation or by receivers and the amount remaining unpaid on December 31, 1945.

**Table 4. PAYMENT BY THE CORPORATION AND RECEIVERS OF DEPOSITS IN INSURED BANKS PLACED IN RECEIVERSHIP, 1934-1945**

(Amounts in thousands of dollars)

Status of deposits	Total	Paid by Dec. 31, 1945	Unpaid on Dec. 31, 1945
<b>Deposits—total</b> .....	<b>\$109,593</b>	<b>\$106,062</b>	<b>\$3,531</b>
Insured .....	87,136	87,024	112
Secured, preferred, and subject to offset .....	11,405	11,397	8
In excess of \$5,000, not otherwise protected .....	9,678	6,750	2,928
Other uninsured .....	933	854	79
Insurance terminated or claims barred .....	441	37	404
<b>Deposits, terminated receiverships—total</b> .....	<b>\$53,504</b>	<b>\$52,652</b>	<b>\$852</b>
Insured .....	42,421	42,421	.....
Secured, preferred, and subject to offset .....	6,560	6,560	.....
In excess of \$5,000, not otherwise protected .....	4,196	3,485	711
Other uninsured .....	191	149	42
Insurance terminated or claims barred .....	136	37	99
<b>Deposits, active receiverships—total</b> .....	<b>\$56,089</b>	<b>\$53,410</b>	<b>\$2,679</b>
Insured .....	44,715	44,603	112
Secured, preferred, and subject to offset .....	4,845	4,837	8
In excess of \$5,000, not otherwise protected .....	5,482	3,265	2,217
Other uninsured .....	742	705	37
Insurance terminated or claims barred .....	305	.....	305

<sup>1</sup> In a few cases payments have been made by receivers on deposits on which insurance had terminated either directly to the depositors or into a trust to meet claims presented after termination of receiverships.

The Corporation not only pays insured deposits in banks placed in receivership, but also acts as receiver for all national banks and may be appointed receiver for closed State banks. As receiver it has handled the liquidation of closed insured State banks in Colorado, Florida, Louisiana, Michigan, Mississippi, North Carolina, North Dakota, Ohio, Oklahoma, South Dakota, Vermont, and West Virginia. There is legal authority for the appointment of the Corporation as receiver or liquidator in all but the following States: Connecticut, Indiana, Iowa, Maryland, Missouri, Rhode Island, and Virginia. In the past 12 years the Corporation has served as receiver for 21 national and 56 State banks and has been kept informed on the progress of the liquidation of the 168 State banks for which it was not receiver.

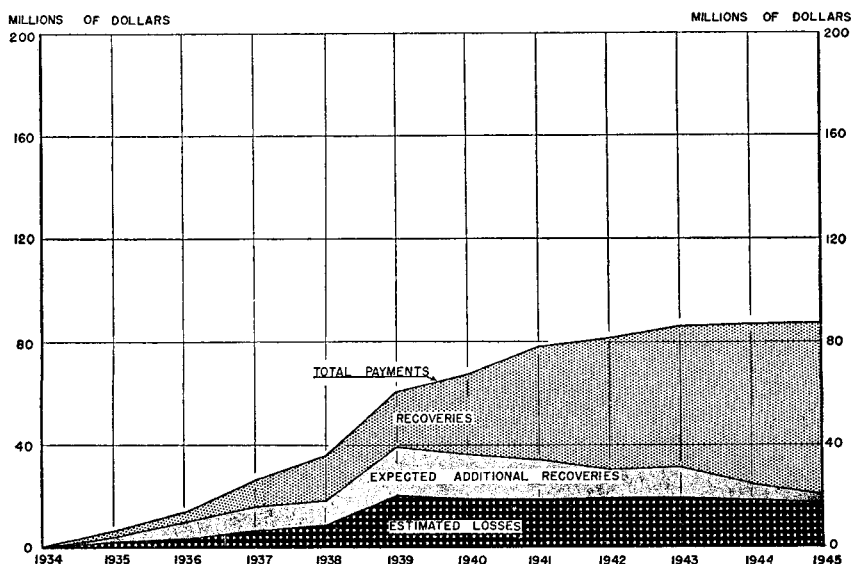
At the close of 1945 the Corporation was receiver for 8 national banks with deposits at closing of \$10 million and for 9 State banks with deposits of \$6 million. By agreement with State bank authorities the Corporation obtained during the year quarterly reports from the receivers or liquidators of the 33 State banks in which deposit insurance payments had been made, but for which the Corporation was not receiver. These 33 banks had deposits of \$40 million.

In order to reduce the expenses of liquidation and to assist in the termination of receiverships, the Corporation under competitive bidding arrangements sometimes buys the last remaining assets from the receiver. At the end of 1945, \$1.2 million had been disbursed to purchase assets from the receivers of 65 banks. Most of these assets had been sold by the Corporation without a net loss.

By December 31, 1945, the Corporation had recovered \$66 million of the \$87 million which had been paid to depositors in insured banks in receivership. It was estimated that about \$4 million additional would be recovered and that losses would amount to \$17 million. In addition, interest amounting to a quarter of a million dollars had been paid to the Corporation on subrogated claims. Chart A shows the total amount of insured deposits which had been paid, the recovery on subrogated claims, and the estimated amount of losses at the end of each year, 1934-1945. Table 5 presents disbursements, recoveries, and losses of the Corporation from insured banks placed in receivership and merged with its financial aid through December 31, 1945.

**Advances to facilitate mergers.** Since August 23, 1935, the Corporation has made advances in connection with 153 banks which have been merged. These 153 banks at the date of their respective mergers showed on their books assets amounting to \$444 million. The successor banks were willing to accept \$220 million of these assets considered suitable for bank investment. To protect the \$395 million of deposits in these banks the Corporation advanced \$175 million. Chart B shows the total amount of advances which had been made, total recoveries, and the estimated amount of losses at the end of each year from 1935 to 1945.

**CHART A**  
**FDIC PAYMENTS OF INSURED DEPOSITS,**  
**RECOVERIES, AND ESTIMATED LOSSES**  
**CUMULATIVE FROM JAN. 1, 1934 TO DEC. 1, 1945**





**Table 5. DISBURSEMENTS TO PROTECT DEPOSITORS, RECOVERIES, AND LOSSES BY THE CORPORATION FROM INSURED BANKS PLACED IN RECEIVERSHIP OR MERGED WITH ITS FINANCIAL AID, 1934-1945**

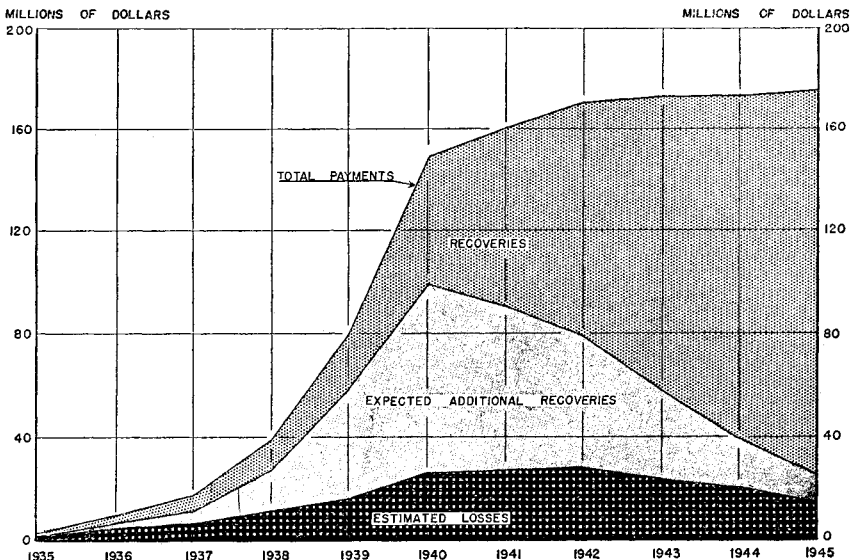
(Amounts in thousands of dollars)

Book entry Dec. 31, 1945	Total	Liquidation terminated	Liquidation active
<b>Disbursements</b> .....	<b>\$261,717</b>	<b>\$60,299</b>	<b>\$201,418</b>
Receiverships .....	87,024	42,421	44,603
Mergers .....	174,693	17,878	156,815
<b>Estimated additional disbursements in receiverships<sup>1</sup></b> .....	<b>\$112</b>		<b>\$112</b>
<b>Recoveries</b> .....	<b>\$215,309</b>	<b>\$51,776</b>	<b>\$163,533</b>
Receiverships .....	66,188	34,516	31,672
Mergers .....	149,121	17,260	131,861
<b>Estimated additional recoveries</b> .....	<b>\$15,409</b>		<b>\$15,409</b>
Receiverships .....	3,944		3,944
Mergers .....	11,465		11,465
<b>Losses by FDIC<sup>2</sup></b> .....	<b>\$31,111</b>	<b>\$8,523</b>	<b>\$22,588</b>
Receiverships .....	17,004	7,905	9,099
Mergers .....	14,107	618	13,489
<b>Number of banks</b> .....	<b>398</b>	<b>264</b>	<b>134</b>
Receiverships .....	245	195	50
Mergers .....	153	69	84

<sup>1</sup> Estimated additional disbursements in receiverships are the insured deposits which have not been paid. See Table 4.

<sup>2</sup> Losses in terminated cases are the established losses; those in active cases are estimated.

**CHART B**  
**FDIC ADVANCES TO FACILITATE MERGERS,**  
**RECOVERIES, AND ESTIMATED LOSSES**  
**CUMULATIVE FROM AUG. 23, 1935, TO DEC. 31, 1945**



As security for repayment of its advances, the Corporation took the \$224 million of assets unacceptable to the successor banks. By December 31, 1945, the Corporation had recovered \$149 million of the \$175 million which had been advanced to facilitate mergers. It was estimated that about \$12 million additional would be recovered and that losses would amount to \$14 million. In addition, expenses amounting to \$37 million had been met in the liquidation and interest amounting to almost \$1 million had been received.

**Liquidation policies.** According to the Federal deposit insurance law the Corporation must liquidate the assets of a closed bank, with "due regard to the condition of credit in the locality".<sup>1</sup> The Corporation, while observing this directive, seeks to dispose of the assets taken over from all closed banks with the least possible delay. When acting as the receiver of a closed bank, the Corporation must consider also the effect of a delay in recovery upon uninsured creditors. Assets acquired in connection with mergers may be held for a favorable market without hardship to others since the Corporation is the only creditor.

The liquidation of loans and discounts depends primarily upon the financial responsibility and earning capacity of the debtor. The Corporation always tries to give due regard to the circumstances surrounding each case in order to avoid imposing undue hardship upon any debtor. When it is apparent that prompt payment in full cannot be made, the Corporation seeks to work out a program of refinancing or of periodic repayments. Compromises may be agreed upon when other methods fail. Legal action to enforce collection of obligations is used only when necessary.

The sale of securities is handled by a staff in the main office of the Corporation. This assures the placing of the securities on markets in an orderly way when a sale is considered advisable. The basic policy is not to speculate but to be guided by general economic and market conditions to secure the most advantageous sale possible.

The liquidation of real estate mortgages and real estate owned has presented special difficulties. However, the market for these assets has widened and the prices of farm and urban real estate have risen in the past few years. These factors have aided in the favorable liquidation of these assets.

In view of the economic conditions prevailing after the crisis of 1933, the Corporation did not force liquidation in the early years of its operation. This delay accomplished two objectives: (1) hardship which would have resulted from the depressing of local markets by forced liquidation was avoided; and (2) the Corporation, holding for a better market, secured a

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<sup>1</sup> See subsection (1) (4) of the Federal deposit insurance law, as amended, Title 12, U. S. C., 1940 ed., sec. 264.

larger recovery. Because of the improved economic conditions accompanying the war, the Corporation has followed a program of prompt liquidation since 1942. An effort was made to place the Corporation in as liquid a position as possible to enable it to meet any demands which might arise during the post-war period.

### SUPERVISORY ACTIVITIES

**Bank examinations.** The policy of the Corporation from its establishment has been to examine annually each insured State bank which is not a member of the Federal Reserve System. National banks are examined by representatives of the Office of the Comptroller of the Currency, and State banks members of the Federal Reserve System by representatives of that System. The information of the Corporation relating to these banks is derived from a review of the reports of examination furnished by those agencies. Only under unusual circumstances, and with the prior consent of the Comptroller of the Currency or the Board of Governors of the Federal Reserve System, has the Corporation examined national banks or State banks members of the Federal Reserve System.

In 1945 the Corporation was again unable to conduct all the examinations called for under its established policy. This was because of continuation of the reduction in the number of examiners experienced during all the war years, the considerable time involved in investigating new bank proposals, and the enlarged examination program resulting from the admission to insurance of a large number of mutual savings banks in 1943. The number of regular examinations completed, 5,284, was less than the 6,378 completed in 1944. While this represented examination of 80 per cent of the number of banks, it is estimated that the program was actually not over 65 percent completed. The banks not examined included many of the larger institutions, for the examination of which it was impractical to assemble the requisite number of examiners.

At the end of the year many of the examining force had not returned to the Corporation from the armed services. Moreover, during the latter half of the year, the Corporation received resignations of examiners and assistants at a higher rate than at any previous time. This was due in most part to attractive offers by banks for the services of these men. It is planned to re-establish the examining force by the end of 1946 at a figure which will thenceforth permit accomplishment of examination programs according to established policies.

During 1945 the Corporation continued its research in a new technique of examination of mutual savings banks. This technique embodies classification and evaluation of assets from a long-term bank investment perspective with a minimum of dependence accorded current market values. Basically, the appraisal approach combines and utilizes the

principles underlying the uniform securities valuation program, made effective with respect to insured commercial banks in 1938,<sup>1</sup> and a program for the gradual reduction in carrying value of "other real estate owned" which was made effective in 1941. It is contemplated that the research in connection with the new examination technique may be concluded in a short time and that regular examinations of mutual savings banks on this basis may be initiated some time in 1946.

**Unsafe and unsound banking practices and violations of law or regulations.** During 1945 proceedings were initiated against one insured bank for engaging in unsafe and unsound banking practices and were continued against five other banks. The bank against which proceedings were initiated was charged with violation of law by retiring capital notes without the consent of this Corporation, operation with inadequate capital, and operation with a management unwilling to correct the unsafe and unsound condition. Of the five cases pending at the beginning of the year, corrections were made in one bank and one was absorbed with the financial aid of the Corporation. The other three cases and the one initiated during 1945 were pending at the close of the year.

The number of banks charged with unsafe and unsound practices since the effective date of the Banking Act of 1935, and the disposition of these cases, are given in Table 6.

**Table 6. ACTION TO TERMINATE INSURED STATUS OF BANKS CHARGED WITH ENGAGING IN UNSAFE OR UNSOUND PRACTICES OR VIOLATIONS OF LAW OR REGULATIONS, 1936-1945**

Disposition or status	Total cases 1936-1945 <sup>1</sup>	Pending beginning of 1945	Started during 1945
<b>Total banks against which action was taken</b> .....	<b>131</b>	<b>5</b>	<b>1</b>
<b>Cases closed:</b>			
Corrections made.....	21	1	.....
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.....	7	.....	.....
Banks continued in operation <sup>2</sup> .....	3	.....	.....
Banks suspended prior to setting of date of termination of insured status by Corporation.....	32	.....	.....
Banks absorbed or succeeded by other banks:			
With financial aid of the Corporation.....	60	1	.....
Without financial aid of the Corporation.....	4	.....	.....
<b>Cases pending December 31, 1945:</b>			
Corrective program pending.....	4	3	1

<sup>1</sup> No action to terminate the insured status of any 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.

<sup>2</sup> One of these suspended 4 months after its insured status was terminated.

*Back data*—See the following Annual Reports of the Corporation: 1941, p. 188; 1942, p. 13; 1943, p. 16; 1944, p. 23.

<sup>1</sup> For a description of the uniform securities evaluation program, see the Annual Report of the Corporation for 1938, pages 61-78.

**Approval of banks for insurance.** During 1945 the Corporation approved the applications of 119 banks for admission to insurance. Of these 86 were new banks, including four which replaced closed banks, six which succeeded discontinued branches of other insured banks, and one which succeeded a finance company. The remaining 33 banks approved for insurance were twenty-one banks or successors thereto which were operating as noninsured banks at the beginning of the year and twelve insured banks obtaining new or revised charters or withdrawing from the Federal Reserve System and applying for insurance as banks not members of that System. Five applications for admission to insurance were disapproved because, in the opinion of the Board of Directors, they did not meet the conditions specified in the deposit insurance law.

The number of banks approved for insurance during the year differs from the number admitted. In some cases new banks are not opened or for other reasons insurance does not become effective until the subsequent year. In a few cases banks alter their plans or do not meet conditions specified by the Corporation. Banks which are chartered as national banks, and State banks which are admitted to the Federal Reserve System, become insured with no action by the Corporation. For changes in the number of insured banks, see pages 38 and 96.

From August 23, 1935, the beginning of the permanent plan of deposit insurance, to the end of 1945, the Corporation acted on 1,171 applications from banks for admission to insurance. Of these, 1,000 were approved, 39 were approved but such approval was later rescinded because the applicant banks failed to meet conditions specified by the Corporation or for other reasons did not become insured, and 132 were disapproved. The figures by years are shown in Table 7.

**Table 7. ACTIONS BY THE FEDERAL DEPOSIT INSURANCE CORPORATION ON APPLICATIONS FROM BANKS FOR ADMISSION TO INSURANCE, 1935-1945**

Year	Number of applications <sup>1</sup>			
	Acted upon	Approved (not rescinded)	Approved but later rescinded	Dis-approved
<b>1935-1945</b> .....	<b>1,171</b>	<b>1,000</b>	<b>39</b>	<b>132</b>
1945 .....	124	118	1	5
1944 .....	108	105	2	1
1943 .....	198	190	4	4
1942 .....	51	42	2	7
1941 .....	81	78	2	1
1940 .....	67	58	3	6
1939 .....	85	72	3	10
1938 .....	82	67	3	12
1937 .....	133	111	8	14
1936 .....	165	114	10	41
1935 .....	77	45	1	31

<sup>1</sup> Figures for years prior to 1942 may differ slightly from those given in the Annual Report of the Corporation for 1941, p. 184, because of later rescissions of cases approved or revision of the data.

**Approval of establishment of branches.** During 1945 the Corporation approved the establishment of 59 branches by insured banks not members of the Federal Reserve System. Of these, 46 were for the establishment of new banking offices, including five facilities at military establishments. The remaining 13 cases related to seven absorbed banks to be converted into branches, four branches to be established at former locations of head offices after the relocation of such offices, one branch to replace a closed bank, and one to replace a branch discontinued by another bank. The Corporation disapproved two applications for permission to establish branches.

The number of branches established by insured banks differs from the number approved by the Corporation. In some cases branches are opened in a subsequent year, and in a few cases the banks change their plans or fail to meet conditions specified by the Corporation. Approval by the Corporation is not required for the establishment of branches by national banks or State banks members of the Federal Reserve System. For changes in the number of branches of insured banks, see pages 39 and 97.

From August 23, 1935, to the end of 1945, the Corporation acted on 684 applications from banks not members of the Federal Reserve System for approval of the establishment of branches or for the continued operation of branches of banks which had been absorbed or operated prior to admission to insurance or relocation. Of these, 619 were approved, 28 were approved but such approval was later rescinded because the applicant banks failed to meet conditions specified by the Corporation or for other reasons did not establish the branch, and 37 were disapproved. The figures by years are shown in Table 8.

**Table 8. ACTIONS BY THE FEDERAL DEPOSIT INSURANCE CORPORATION ON APPLICATIONS FOR APPROVAL OF ESTABLISHMENT OR CONTINUED OPERATION OF BRANCHES, 1935-1945**

Year	Number of applications <sup>1</sup>			
	Acted upon	Approved (not rescinded)	Approved but later rescinded	Dis-approved
<b>1935-1945</b> .....	<b>684</b>	<b>619</b>	<b>28</b>	<b>37</b>
1945 .....	61	59		2
1944 .....	49	46		3
1943 .....	105	101	2	2
1942 .....	36	32	2	2
1941 .....	49	46	3	
1940 .....	44	40	2	2
1939 .....	61	53	3	5
1938 .....	82	71	6	5
1937 .....	89	82	5	2
1936 .....	93	80	5	8
1935 .....	15	9		6

<sup>1</sup> Figures for years prior to 1942 may differ slightly from those given in the Annual Report of the Corporation for 1941, p. 185, because of later rescissions of cases approved or revision of the data.

**Capital and other financial adjustments.** Insured banks examined 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 approval of the retirement of capital were filed by 601 such banks in 1945. Retirement of capital obligations held by the Reconstruction Finance Corporation aggregating \$15,404,000, and those held by others aggregating \$1,940,000, was approved. The Corporation disapproved retirement of capital obligations amounting to \$852,000.

**Reports from banks.** Semi-annual statements of deposits were submitted by each insured bank as required by law for the purpose of determining the amount of the insurance assessment. The Corporation called for reports of assets, liabilities, and capital accounts as of June 30 and December 30, 1945, and for reports of earnings, expenses, and disposition of profits for the calendar year 1945, from each insured bank required by law to submit such reports to the Corporation. The reports are required from all insured banks not members of the Federal Reserve System with the exception of banks in the District of Columbia and Territorial national banks.

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, June 30, 1945, Report No. 23" and "Assets and Liabilities, December 31, 1945, Operating Insured Commercial and Mutual Savings Banks, Report No. 24," and in Table 106 of this report, page 112. Summaries of the reports of earnings, expenses, and disposition of profits are given in Tables 113-118, pages 128-139 of this report.

**Federal credit unions.** Supervision of Federal credit unions by the Federal Deposit Insurance Corporation continued throughout 1945. By Executive Order of the President, No. 9148, of April 27, 1942, all functions, powers, and duties of the Farm Credit Administration under the Federal Credit Union Act, as amended, were transferred to this Corporation for the duration of the war.<sup>1</sup> These cooperative associations, organized to encourage thrift among their members and to provide a limited source of credit for productive purposes, are chartered and examined by the Corporation. Their shares, however, are not insured.

On December 31, 1945, 3,759 Federal credit unions were in operation and 200 were inactive or in liquidation. During the year 96 charters were granted to new groups and 185 charters were canceled or revoked at the completion of the liquidation of credit unions which had ceased operation. About 2,300 operating credit unions were examined during the year; shortage of personnel again prevented the examination of all credit unions within the twelve months.

<sup>1</sup> Part VI of Reorganization Plan No. 1 of 1946 which was transmitted by the President to the Congress on May 16, 1946, provides for the permanent transfer of the administration of the Federal Credit Union Act to the Federal Deposit Insurance Corporation.

Federal credit unions submit statements of operations to the Corporation on June 30 and December 31 of each year, and a summary of their operations is published annually by the Corporation. The "1944 Annual Report of Operations, Federal Credit Unions" was published in 1945.

### LEGAL DEVELOPMENTS

Except for legislation concerned primarily with monetary control and Government financing, the 1945 session of Congress did not deal specifically with the Federal banking laws. Save for the Government Corporation Control Act and the Reorganization Act of 1945, the operations of the Corporation were not directly affected by legislation enacted during the first session of the 79th Congress.

**G.I. loans.** The Servicemen's Readjustment Act of 1944 was broadly amended by Public Law 268, approved December 28, 1945. Not only were the purposes for which guaranteed loans may be made, broadened and extended, and the aggregate guaranty of real estate loans increased from \$2,000 to \$4,000, but the Act provided for an automatic guaranty, and national banks were authorized to make such real estate loans on an equality with other financial institutions notwithstanding the restrictions and limitations contained in section 24 of the Federal Reserve Act, as amended.

**Reorganization.** On December 20, 1945, the President approved the Reorganization Act of 1945 (Public Law 263) which, in the interests of greater efficiency and economy, authorizes the President to effect substantial reorganization in the executive agencies of the Government. The authority so vested in the President would enable him to abolish agencies or functions, to consolidate and to coordinate them, and, in general, affords a broad basis for such reorganization. A reorganization plan proposed by the President becomes effective, under the law, unless within sixty days after transmittal thereof to the Congress, both Houses of Congress adopt a concurrent resolution disapproving of the plan. The Corporation is specifically made subject to the provisions of the Act, but no plan may provide for a reorganization of the Corporation if it also provides for a reorganization which does not affect it. Under this exemption any plan of reorganization affecting the Corporation must be submitted separately, and not as part of, or included in, a plan containing reorganizations of other agencies, except that transfers to the Corporation of any functions of another agency need not be separately proposed.

**Audit.** Public Law 4, approved February 24, 1945, required the financial transactions of "all Government corporations" to be audited by the General Accounting Office. Heretofore the Corporation's financial transactions have been audited annually by a private firm of auditors



engaged for that purpose by the Board of Directors of the Corporation.<sup>1</sup> Since the new law applied to "all Government corporations," and in the absence of any definition of that term it was not entirely clear whether it was intended to include "mixed-ownership" Government corporations, the Comptroller General of the United States was requested by the Corporation to advise it whether he considered the Act to be applicable to the Corporation. The question was of particular importance because the First Deficiency Appropriation Act, 1945 (Public Law 40, approved April 25, 1945), prohibited Government corporations from paying for private audits except such as had been contracted for and undertaken prior to the date of the Act's approval.

The conclusion which the Comptroller General reached was that "the law requires an audit to be made by the General Accounting Office of all true Government corporations, including the mixed-ownership group of which the Federal Deposit Insurance Corporation is one . . ." The text of section 5 of the Act, containing the audit provisions, appears on page 83 of this report.

Except as to the year 1945, the question whether the audit provisions of Public Law 4 were applicable to the Corporation became academic upon the enactment of the Government Corporation Control Act, Public Law 248, approved December 6, 1945. Under the latter Act the Corporation is classified as a "mixed-ownership" Government corporation and its financial transactions are required to be audited annually by the General Accounting Office. The audit so prescribed is to be a commercial-type audit as distinguished from the regular government-type of audit which is applicable to Government departments and executive establishments. Since the Act provides that the audit so required shall be in lieu of any audit required to be made by the General Accounting Office under existing law, it supersedes the provisions of Public Law 4, and hereafter, beginning with the fiscal year commencing July 1, 1946, the Corporation will be audited by the General Accounting Office and not, as in the past, by private auditors.

In addition to the audit provisions, Public Law 248 requires the Corporation to maintain all its banking and checking accounts with the Treasurer of the United States, or, with the approval of the Secretary of the Treasury, with a Federal reserve bank, or with a bank designated as a depository or fiscal agent of the United States. An exception is made for banking and checking accounts which do not exceed \$50,000 in any one bank and which are established and maintained for a temporary period. The Act further requires that obligations of the Corporation (notes, bonds, debentures, and other similar obligations), hereafter issued by the Corporation and offered for sale to the public, must be in such forms and denominations, have such maturities and bear such

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<sup>1</sup>See the Annual Report for 1944, pp. 29-32.

rates of interest, be subject to such terms and conditions, be issued in such manner and at such times, and be sold at such prices, as shall have been approved by the Secretary of the Treasury. Finally, the Act forbids the Corporation to purchase or sell for the Corporation's own account and in its own right and interest, any direct obligations of the United States, or obligations guaranteed as to principal or interest, or both, aggregating at any one time in excess of \$100,000, without the approval of the Secretary of the Treasury.

Insofar as they affect the Corporation, the provisions of the Government Corporation Control Act remain applicable so long as Government capital continues to be invested therein. The full text of Titles II and III of this Act, which alone are applicable to the Corporation, appears on pages 84-86 of this report.

**Lost Government checks.** Public Law 243, approved December 3, 1945, serves to simplify the procedure for the replacement of lost, stolen, destroyed, or mutilated Government checks and expedites the issuance of a substitute therefor. Since the definition of the term "original check," as used in the Act, includes instruments issued by any corporation owned or controlled by the United States, the funds of which are deposited with the Treasurer of the United States, checks issued by the Corporation and drawn upon its account with the Treasurer of the United States, are covered by the Act and the provisions for the issuance of substitute checks appear to be applicable to the Corporation. The full text of this Act appears on pages 87-89 of this report.

**State legislation.** A summary of State legislation in 1945 relating to banking is given on pages 89-92 of this report.

#### ORGANIZATION AND FINANCIAL STATEMENTS OF THE CORPORATION

**Organization and staff of the Corporation.** Mr. Leo T. Crowley, Chairman of the Corporation, and Mr. Phillips Lee Goldsborough, Director, whose appointments expired on September 6, 1945, were reappointed for 6-year terms. Effective October 15, 1945, Mr. Crowley resigned as a member of the Board of Directors and Chairman. Mr. Maple T. Harl was nominated by the President for the unexpired term of the Chairman. His appointment was confirmed by the Senate on December 7, 1945, and he became Chairman of the Board of Directors of the Corporation on January 5, 1946. Mr. Preston Delano, Comptroller of the Currency, continued as *ex officio* member of the Board of Directors throughout the year.

On December 31, 1945, the personnel of the Corporation consisted of 1,184 officers and employees, compared with 1,546 at the beginning of the year and 2,538 at the close of 1941. The reduction in personnel has been due in part to the difficulties of retaining an adequate force under

wartime conditions, and in part to a reduced volume of work in connection with the liquidation of assets acquired from closed banks. The number of officers and employees in each Division of the Corporation as of December 31, 1945, is given in Table 9.

**Table 9. OFFICERS AND EMPLOYEES OF THE CORPORATION, DECEMBER 31, 1945**

Division and office	Total	Officers and administrative, supervisory, and technical employees	Clerical, stenographic, and custodial employees
<b>Total</b> .....	<b>1,184</b>	<b>633</b>	<b>551</b>
<i>Washington office</i> .....	227	89	138
<i>Chicago office</i> .....	212	102	140
<i>Field offices</i> .....	715	442	273
Directors.....	3	3	.....
Executive Division.....	26	16	10
<i>Washington office</i> .....	26	16	10
Legal Division.....	35	19	16
<i>Washington office</i> .....	16	9	7
<i>Chicago office</i> .....	19	10	9
Division of Examination.....	497	348	149
<i>Washington office</i> .....	42	21	21
<i>District and field</i> .....	455	327	128
Division of Liquidation.....	342	153	189
<i>Chicago office</i> .....	84	40	44
<i>District and field</i> .....	258	113	145
Division of Research and Statistics.....	46	24	22
<i>Washington office</i> .....	44	22	22
<i>Field offices</i> .....	2	2	.....
Personnel Division.....	27	12	15
<i>Washington office</i> .....	22	10	12
<i>Chicago office</i> .....	5	2	3
Service Division.....	112	11	101
<i>Washington office</i> .....	74	3	66
<i>Chicago office</i> .....	38	3	35
Audit Division.....	25	19	6
<i>Chicago office</i> .....	25	19	6
Fiscal and Accounting Division.....	71	28	43
<i>Chicago office</i> .....	71	28	43

No changes were made in the divisional organization of the Corporation during 1945. Effective January 1, 1946, the State of Louisiana, previously in the fifth supervisory district of the Corporation, was transferred to the eleventh district. The organization chart of the Corporation as of the close of the year is shown on page iv. A map showing the supervisory districts is on page vii.

**Income and expenses.** The income of the Corporation in 1945 was \$121.2 million, of which \$93.7 million was from assessments upon insured banks and \$27.5 million from investments and other sources.

Total expenses of the Corporation in 1945 amounted to \$4.0 million, of which \$0.1 million were insurance losses and \$3.9 million were administrative expenses and other charges.

The surplus of the Corporation was increased by \$124.8 million during the year. Of this increase, \$117.2 million was income in excess of expenses and \$7.6 million was an adjustment in surplus applicable to prior periods. The surplus adjustment resulted from reduction in the Corporation's reserve for loss on assets acquired from banks placed in receivership or merged with the aid of the Corporation.

A detailed statement of the income and expenses of the Corporation for the year 1945 is given in Table 10. A summary statement for each year since its organization is given in Table 11.

**Assets and liabilities.** On December 31, 1945, the total assets of the Corporation were \$931.1 million. These assets included the following items:

Assets acquired through bank receiverships and mergers amounting to a face value to \$37.7 million which were carried on the books of the Corporation at an appraised value of \$15.1 million;

United States Government obligations valued at \$899.9 million;

Cash amounting to \$15.7 million; and

Other assets amounting to \$0.3 million.

Liabilities of the Corporation at the end of 1945 were \$1.9 million. Total capital of the Corporation consisted of \$289.3 million capital stock issued at its organization and \$639.9 million accumulated surplus. A summary of the assets and liabilities of the Corporation at the close of each year since its organization is given in Table 12. A more detailed statement of assets and liabilities at the beginning, middle, and end of the year is given in Table 13.

**Audit.** In the past the Corporation has followed the policy of having an annual independent audit of the accounts of the Corporation as of June 30 each year. All Government corporations are now required to be audited by the General Accounting Office. Reports of such audits are submitted to Congress.

The audit of the Corporation as of June 30, 1945, was made by George Rossiter and Company under the general direction of the Comptroller General. The report of this audit was not received by the Corporation in time for publication in this Annual Report.

**Table 10. INCOME AND EXPENSES OF THE FEDERAL DEPOSIT INSURANCE CORPORATION, CALENDAR YEAR 1945**

Income or expense item	Amount
<b>Income:</b>	
Deposit insurance assessments.....	\$ 93,662,042.37
Interest earned (less provision for amortization of premiums) and profit on Government obligations sold.....	27,163,628.82
Other income.....	375,741.61
<b>Total income.....</b>	<b>\$121,201,412.80</b>
<b>Expenses:</b>	
Deposit insurance losses and expenses.....	\$ 105,933.57
Administrative expenses (see below).....	3,812,510.86
Furniture, fixtures and equipment purchased and charged off.....	54,439.01
Other operating expenses.....	958.72
<b>Total expenses.....</b>	<b>3,973,842.16</b>
<b>Net income added to surplus.....</b>	<b>\$117,227,570.64</b>
<b>Surplus December 31, 1944:</b>	
As previously reported.....	\$515,041,697.84
Plus—net adjustments applicable to periods prior to January 1, 1945.....	7,582,390.59
<b>Surplus December 31, 1944, as adjusted.....</b>	<b>\$522,624,088.43</b>
<b>Surplus December 31, 1945.....</b>	<b>\$639,851,659.07</b>
<b>DISTRIBUTION OF ADMINISTRATIVE EXPENSES</b>	
Salaries.....	\$ 2,864,780.93
Professional services.....	34,376.68
Services of other governmental agencies.....	15.00
Transportation.....	99,088.36
Subsistence.....	369,500.30
Office rental.....	308,178.42
Printing, stationery and supplies.....	65,762.13
Postage, telephone and telegraph.....	70,870.80
Insurance and fidelity bond premiums.....	1,698.17
Subscriptions.....	11,197.50
Equipment rental.....	8,653.36
Repairs and alterations.....	19,124.55
Transportation of things.....	7,463.11
Miscellaneous.....	7,365.74
	<b>\$ 3,868,075.05</b>
<b>Less:</b>	
Inter-departmental expense transfers.....	38,119.68
Fees for services rendered.....	17,444.51
	<b>\$ 55,564.19</b>
<b>Administrative expenses for the year ended December 31, 1945.....</b>	<b>\$ 3,812,510.86</b>

**Table 11. INCOME AND EXPENSES OF THE FEDERAL DEPOSIT INSURANCE CORPORATION SINCE BEGINNING OPERATIONS<sup>1</sup>**

(In millions of dollars)

Year	Income			Expenses			Net income added to surplus
	Total	Deposit insurance assessments <sup>2</sup>	Investment and other income	Total	Deposit insurance losses and expenses	Administrative expenses <sup>3</sup>	
1933-1945 . . . . .	713.3	563.6	149.7	73.4	31.8	41.6	639.9
1945 . . . . .	121.2	93.7	27.5	4.0	.1	3.9	117.2
1944 . . . . .	99.5	80.9	18.6	3.9	.1	3.8	95.6
1943 . . . . .	86.7	70.0	16.7	4.7	.4	4.3	82.0
1942 . . . . .	69.4	56.5	12.9	4.6	.7	3.9	64.8
1941 . . . . .	62.0	51.4	10.6	4.5	.8	3.7	57.5
1940 . . . . .	55.9	46.2	9.7	10.7	7.1	3.6	45.2
1939 . . . . .	51.2	40.7	10.5	13.8	10.4	3.4	37.4
1938 . . . . .	47.8	38.3	9.5	5.6	2.6	3.0	42.2
1937 . . . . .	48.1	38.8	9.3	6.5	3.8	2.7	41.6
1936 . . . . .	43.8	35.6	8.2	5.2	2.7	2.5	38.6
1935 . . . . .	20.7	11.5	9.2	5.5	2.8	2.7	15.2
1933-34 <sup>4</sup> . . . . .	7.0	.....	7.0	4.4	.3	4.1 <sup>5</sup>	2.6

<sup>1</sup> Figures of total expenses, deposit insurance losses and expenses, and net income added to surplus for years prior to 1945 differ from those shown in previous Annual Reports because of revisions in estimates of losses allocated to the different years.

<sup>2</sup> Assessments collected from banks insured in the temporary insurance funds were credited in full to their accounts at the termination of the temporary funds, and were applied toward subsequent assessments under the permanent insurance fund. This procedure resulted in no income to the Corporation from assessments for the term of the temporary insurance funds.

<sup>3</sup> Includes furniture, fixtures and equipment purchased and charged off.

<sup>4</sup> Includes expenses from date of organization, September 11, 1933, to December 31, 1934.

<sup>5</sup> After deducting portion of expenses and losses charged to banks withdrawing from the temporary funds on June 30, 1934.

**Table 12. ASSETS AND LIABILITIES OF THE FEDERAL DEPOSIT INSURANCE CORPORATION, 1934-1945**

(In millions of dollars)

Dec. 31	Cash	U. S. Government obligations	Insurance assets	Other assets	Total assets and liabilities	Liabilities	Capital and surplus	Total deposits in insured banks	Ratio—FDIC capital and surplus to deposits in insured banks
1945 . . . . .	15.7	900.0	15.1	.3	931.1	1.9	929.2	158,174.1	.59%
1944 . . . . .	17.8	762.0	26.1	.3	806.2	1.9	804.3	134,662.1	.60
1943 . . . . .	20.0	638.8	46.2	.5	705.5	2.4	703.1	111,649.8	.63
1942 . . . . .	19.4	536.8	62.0	.5	618.7	1.8	616.9	89,868.7	.69
1941 . . . . .	20.0	453.9	81.7	.1	555.7	2.2	553.5	71,209.3	.78
1940 . . . . .	20.4	384.5	92.2	.1	497.2	1.2	496.0	65,287.4	.76
1939 . . . . .	28.3	363.5	64.2	.1	456.1	3.4	452.7	57,485.8	.79
1938 . . . . .	22.2	372.8	26.5	.1	421.6	1.1	420.5	50,790.2	.83
1937 . . . . .	20.6	348.5	16.1	.1	385.3	2.2	383.1	48,227.8	.79
1936 . . . . .	9.1	332.6	11.4	.1	353.2	9.8	343.4	50,280.9	.68
1935 . . . . .	33.5	298.2	5.4	.1	337.2	31.2	306.0	45,125.1	.68
1934 . . . . .	16.0	316.7	.5	.1	333.3	41.6	291.7	40,059.9	.73

**Table 13. ASSETS AND LIABILITIES OF THE FEDERAL DEPOSIT INSURANCE CORPORATION, DECEMBER 31, 1945, JUNE 30, 1945, AND DECEMBER 31, 1944**

Asset, liability, or capital item	Dec. 31, 1945	June 30, 1945	Dec. 31, 1944
<b>ASSETS</b>			
<b>Assets acquired through bank suspensions and mergers:</b>			
Subrogated claims of depositors against closed insured banks	\$ 12,929,038.88	\$ 14,271,794.00	\$ 17,448,278.33
Net balances of depositors in closed insured banks pending settlement or not claimed, to be subrogated when paid—contra	111,997.59	131,619.45	158,676.40
Loans to merging insured banks, to avert deposit insurance losses, and recoverable liquidation expenses	11,851,807.69	15,775,744.65	19,744,575.59
Assets purchased from merging insured banks, to avert deposit insurance losses, under agreements to return any excess recovery to selling banks	12,250,284.39	16,133,866.42	18,849,778.67
Assets purchased from merging insured banks and receivers of closed insured banks to avert deposit insurance losses	539,278.45	564,435.37	581,623.15
<b>Total at face value</b>	<b>\$ 37,682,407.00</b>	<b>\$ 46,877,459.89</b>	<b>\$ 56,782,932.14</b>
Less: Reserve for losses	22,560,230.48	25,998,452.92	30,714,169.10
<b>Total at book value</b>	<b>\$ 15,122,176.52</b>	<b>\$ 20,879,006.97</b>	<b>\$ 26,068,763.04</b>
<b>Cash on hand and on deposit</b>	<b>15,722,797.69</b>	<b>10,774,475.57</b>	<b>17,804,318.72</b>
<b>United States Government obligations (cost less reserve for amortization of premiums) and accrued interest receivable</b>	<b>899,944,277.33</b>	<b>838,070,544.62</b>	<b>762,064,352.35</b>
<b>Due from Governmental agencies</b>	<b>200,512.01</b>	<b>286,139.60</b>	<b>192,217.91</b>
<b>Miscellaneous receivables</b>	<b>24,739.28</b>	<b>31,935.04</b>	<b>32,338.78</b>
<b>Furniture, fixtures and equipment</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>
<b>Deferred charges</b>	<b>75,808.69</b>	<b>69,292.53</b>	<b>84,161.45</b>
<b>Total assets</b>	<b>\$931,090,312.52</b>	<b>\$870,111,395.33</b>	<b>\$806,246,153.25</b>
<b>LIABILITIES</b>			
<b>Current liabilities:</b>			
Accounts and assessment rebates payable	\$ 317,706.90	\$ 330,061.88	\$ 329,611.43
Earnest money deposits and collections in suspense	983,505.64	792,376.43	1,220,847.00
Net balances of depositors in closed insured banks pending settlement or not claimed—contra	111,997.59	131,619.45	158,676.40
<b>Deferred credits</b>	<b>481,939.54</b>	<b>337,813.29</b>	<b>143,772.35</b>
<b>Reserve for deposit insurance expenses</b>	<b>43,946.79</b>	<b>50,535.18</b>	<b>51,991.24</b>
<b>Total liabilities</b>	<b>\$ 1,939,096.46</b>	<b>\$ 1,642,405.73</b>	<b>\$ 1,904,898.42</b>
<b>CAPITAL</b>			
<b>Capital stock:</b>			
United States	\$150,000,000.00	\$150,000,000.00	\$150,000,000.00
Federal Reserve banks	139,299,556.99	139,299,556.99	139,299,556.99
<b>Total capital stock</b>	<b>\$289,299,556.99</b>	<b>\$289,299,556.99</b>	<b>\$289,299,556.99</b>
<b>Surplus (see Table 10)</b>	<b>639,851,659.07</b>	<b>579,169,432.61</b>	<b>515,041,697.84</b>
<b>Total capital</b>	<b>\$929,151,216.06</b>	<b>\$868,468,989.60</b>	<b>\$804,341,254.83</b>
<b>Total liabilities and capital</b>	<b>\$931,090,312.52</b>	<b>\$870,111,395.33</b>	<b>\$806,246,153.25</b>





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**PART TWO**  
**BANKING DEVELOPMENTS**

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## BANKS AND BRANCHES

**Banks and banking offices.** At the close of 1945, 14,725 banks were operating in the United States and possessions. With branches, these banks were doing business in 18,893 offices.<sup>1</sup> The number of operating banks increased by 15 during the year. This was the first year since the banking holiday of 1933 in which the number of operating banks increased, with the exception of 1934 when several hundred banks which had been closed were reopened or reorganized.

Branches of operating banks increased in number during 1945. However, this increase was smaller than in any previous year since the banking holiday. During the war years several hundred banking offices, termed "facilities," were opened at military establishments. A substantial number of these were closed in the latter part of 1945.

Changes in the number of operating banks and branches during each year since December 31, 1941, and the number at the close of each year, are given in Table 14.

**Table 14. NUMBER OF OPERATING BANKS AND BRANCHES IN UNITED STATES AND POSSESSIONS, DECEMBER 31, 1941-45**

Year	Number of banking offices at end of year			Net change during the year		
	Total	Banks	Branches	Total	Banks	Branches
1945.....	18,893	14,725	4,168	+ 42	+ 15	+ 27
1944.....	18,851	14,710	4,141	+100	- 41	+141
1943.....	18,751	14,751	4,000	+ 85	-102	+187
1942.....	18,666	14,853	3,813	-103	-147	+ 44
1941.....	18,769	15,000	3,769	.....	.....	.....

**Insured and noninsured banks.** The number of insured banks at the close of 1945 was 13,494. This number represents a larger proportion of all operating banks than at any previous time. A substantial number of the banks which were not insured at the time the permanent insurance plan went into effect in August 1935 have since been admitted to insurance, and most of the banks beginning business since that time have become insured.

The number of operating banks, both insured and noninsured, has also been affected by absorptions, mergers, and voluntary liquidations. Bank failures have been comparatively few in recent years. The number of insured and noninsured banks at the close of each of the years since 1940 is given in Table 15.

<sup>1</sup> The Corporation's statistics of banks and banking offices include those possessions where banks are eligible for admission to insurance. The statistics cover commercial and mutual savings banks and trust companies in continental United States, Alaska, Hawaii, Puerto Rico, and the Virgin Islands.

**Table 15. NUMBER OF INSURED AND NONINSURED BANKS IN THE UNITED STATES AND POSSESSIONS, 1941-1945**

Dec. 31	Total number of banks	Insured	Noninsured	Percentage insured
1945	14,725	13,494	1,231	91.6
1944	14,710	13,460	1,250	91.5
1943	14,751	13,458	1,293	91.2
1942	14,853	13,403	1,450	90.2
1941	15,000	13,482	1,518	89.9

**Admissions to and terminations of insurance.** During 1945, 122 banks were admitted to insurance. Of these, 103 were banks beginning deposit operations during the year, including two former loan companies which became banks of deposit, and 19 were previously operating banks or successors to such banks which were admitted to insurance. Of the 122 banks admitted, 96 were banks which had been approved for insurance by the directors of the Corporation; the other 26 were banks which were granted charters by the Comptroller of the Currency or were admitted to the Federal Reserve System and therefore became insured without any action by the Directors of the Corporation.

**Table 16. CHANGES IN THE NUMBER OF INSURED BANKS IN THE UNITED STATES AND POSSESSIONS, 1936-1945**

EXCLUDING BANKS SUCCEEDING OTHER INSURED BANKS

Type of change	1936-45	1945	1944	1943	1942	1936-41
<b>Net change in number of insured banks.</b>	-688	+ 34	+ 2	+ 55	- 79	-700
<b>Admission of banks—total</b> .....	823	122	100	180	40	381
By action of the Corporation: <sup>1</sup>						
Banks beginning deposit operations. ....	335	78	48	29	13	167
Banks previously in operation or suc- cessors thereto .....	380	18	39	143	18	162
Without action of the Corporation: <sup>2</sup>						
Banks beginning deposit operations. ....	79	25	13	7	2	32
Banks previously in operation or suc- cessors thereto .....	29	1	.....	1	7	20
<b>Terminations of insurance—total</b> .....	1511	88	98	125	119	1081
Banks ceasing operations:						
Suspended banks not reopened or suc- ceeded .....	207	.....	1	4	6	196
Mergers with aid of the Corporation—net decrease .....	126	.....	1	1	13	111
Other mergers, consolidations and ab- sorptions—net decrease .....	852	72	67	76	63	574
Other liquidations .....	308	15	27	43	36	187
Other terminations of insurance:						
Insured status terminated by FDIC .....	3	.....	.....	.....	.....	3
Withdrawals from insurance .....	5	.....	.....	1	.....	4
Successions or absorptions by noninsured banks .....	10	1	2	.....	1	6

<sup>1</sup> The number of banks admitted to insurance in each year by action of the Corporation differs from the number approved for insurance (see page 23 of this report) because of differences between the dates of approval and the dates of opening of new banks or the effective date of deposit insurance.

<sup>2</sup> National banks and State banks admitted to the Federal Reserve System become insured without action by the Corporation.

These admissions to insurance were partially offset by 88 banks which ceased operation without being replaced by other insured banks. The character of changes in the number of insured banks during 1945, during each of the preceding three years, and during the 6-year period from the beginning of 1936 to the end of 1941, is given in Table 16.

**Changes among branches of insured banks.** In 1945 insured banks opened 169 branches, excluding cases of transfer or sale of a branch by one bank to another. Of these, 38 were branches which were approved by the Corporation and 131 were established by national banks and State banks members of the Federal Reserve System. Similar figures for each of the preceding three years and for the 6-year period, 1936-1941, are shown in Table 17. This table also shows how many of the branches which were opened were "facilities" at military establishments, and the number of "facilities" and of other branches which were discontinued.

**Table 17. CHANGES AMONG BRANCHES OF INSURED BANKS, 1936-1945**

Type of change	1936-45	1945	1944	1943	1942	1936-41
<b>Net change</b> .....	<b>+ 851</b>	<b>+ 23</b>	<b>+ 135</b>	<b>+ 249</b>	<b>+ 41</b>	<b>+ 403</b>
<b>Branches opened for business—total</b> .....	<b>1335</b>	<b>169</b>	<b>166</b>	<b>231</b>	<b>88</b>	<b>681</b>
Approved by the Corporation: <sup>1</sup>						
Facilities approved as agents of the Government.....	33	8	9	14	2	.....
Absorbed banks converted into branches or replacing other offices closed or relocated.....	226	10	15	11	18	172
Other branches opened.....	234	20	25	10	16	163
Without action by the Corporation: <sup>2</sup>						
Facilities approved as agents of the Government.....	339	56	86	174	23	.....
Absorbed banks converted into branches or replacing other offices closed or relocated.....	280	34	19	16	11	200
Other branches opened.....	223	41	12	6	18	146
<b>Branches of banks admitted to insurance—total</b> .....	<b>95</b>	.....	<b>2</b>	<b>62</b>	<b>2</b>	<b>29</b>
Approved by the Corporation <sup>1</sup> .....	94	.....	2	62	2	28
Without action of the Corporation <sup>2</sup> .....	1	.....	.....	.....	.....	1
<b>Branches of bank withdrawing from Federal Reserve System and insurance</b> .....	<b>2</b>	.....	.....	.....	.....	<b>2</b>
<b>Branches discontinued—total</b> .....	<b>577</b>	<b>146</b>	<b>33</b>	<b>44</b>	<b>49</b>	<b>305</b>
Facilities approved as agents of the Government.....	147	131	16	.....	.....	.....
Other branches discontinued.....	430	15	17	44	49	305

<sup>1</sup> The number of branches established with the approval of the Corporation in any given year differs from the number approved by the Corporation during the same year because of differences between dates of approval and dates of establishment of branches.

<sup>2</sup> Approval by the Corporation is not required for establishment of branches by national banks or State banks members of the Federal Reserve System.

## ASSETS, DEPOSITS, AND CAPITAL ACCOUNTS

**Assets of all banks.** The end of hostilities in August 1945 did not halt the upward trend in bank assets. During the year, assets of all

commercial and mutual savings banks increased almost \$26 billion to a total of \$178 billion. This was the largest dollar increase reported for any calendar year. While the 17 percent increase in bank assets in 1945 was below the 19 percent rise in 1944, it was the same as in 1943.

Total bank assets on December 31, 1945, were nearly double the \$91 billion total at the end of 1941 and nearly three times the total of \$60 billion at the end of 1934. From 1934 to 1941 the growth in bank assets accompanied the economic recovery from the depression of the early 1930's. The war in Europe and our own defense activities contributed to the growth in bank assets in the period 1939-1941.

After our entrance into the war, large scale war financing of the Federal Government was the major factor contributing to the rise in bank assets. From the end of 1941 to the end of 1945, increased holdings of United States Government obligations accounted for 88 percent of the rise in total bank assets. Most of the remainder of the increase in bank assets during the war period is accounted for by the increase in cash and amounts due from other banks. As shown in Table 18, the volume of loans outstanding was slightly lower at the end of 1944 than three years earlier. However, in 1945 there was a \$4 billion increase in loans and discounts.

**Table 18. ASSETS AND LIABILITIES OF ALL BANKS IN THE UNITED STATES AND POSSESSIONS**

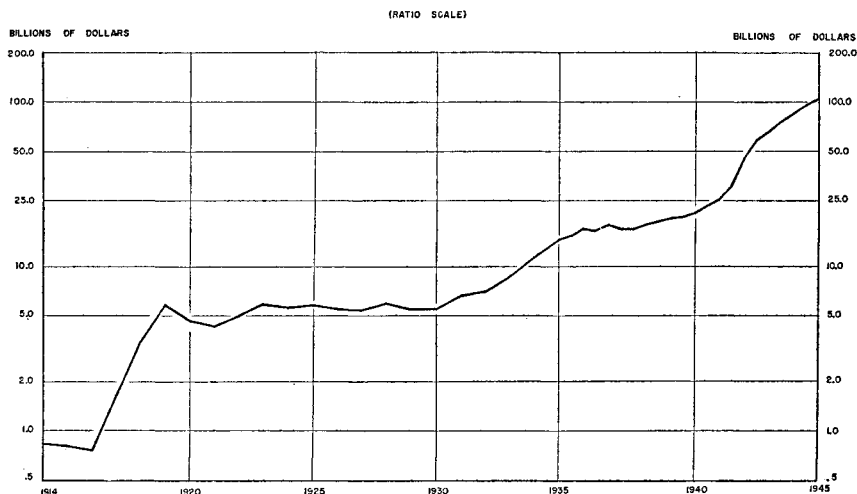
(Amounts in millions of dollars)

Asset, liability, or capital item	Dec. 31, 1945	Dec. 30, 1944	Dec. 31, 1941	Percentage change to Dec. 31, 1945, from—	
				Dec. 30, 1944	Dec. 31, 1941
<b>Total assets</b> .....	<b>\$178,203</b>	<b>\$152,618</b>	<b>\$91,037</b>	<b>+16.8%</b>	<b>+ 95.7%</b>
Cash and amounts due from other banks .....	35,585	30,910	27,397	+15.1	+ 29.9
United States Government obligations .....	101,822	86,281	25,539	+18.0	+298.7
Other securities .....	8,595	7,563	9,027	+13.6	- 4.8
Loans, discounts, and overdrafts .....	30,473	26,080	26,640	+16.8	+ 14.4
Miscellaneous assets .....	1,728	1,784	2,434	- 3.1	- 29.0
<b>Total liabilities and capital accounts</b> ..	<b>178,203</b>	<b>152,618</b>	<b>91,037</b>	<b>+16.8</b>	<b>+ 95.7</b>
Total deposits .....	166,474	142,077	82,045	+17.2	+102.9
Miscellaneous liabilities .....	1,203	926	624	+29.9	+ 92.8
Total capital accounts .....	10,526	9,615	8,368	+ 9.5	+ 25.8
Number of banks included.....	14,621	14,597	14,845	+ 0.2	- 1.5

#### **Bank holdings of United States Government obligations.**

During the four war years from the close of 1941 to the end of 1945, the amount of United States Government obligations held by all commercial and mutual savings banks rose from \$26 billion to \$102 billion. This compares with an increase from a little less than \$1 billion to nearly \$6 billion during the three years of the First World War, from the middle of 1916 to the middle of 1919, as shown in Chart C.

CHART C  
UNITED STATES GOVERNMENT OBLIGATIONS  
HELD BY ALL BANKS, 1914 - 1945



Commercial and mutual savings banks carried a smaller share of the Federal Government financing in the First than in the Second World War. Banks acquired over one-third of the growth in the interest-bearing debt from the end of 1941 to the end of 1945, as compared with about one-fifth from the middle of 1916 to the middle of 1919. When the holdings of the Federal Reserve banks are included, the net acquisition of United States Government obligations by the banking system amounted to 46 percent of the increase in the Federal interest-bearing debt during World War II as compared with 22 percent during World War I.

Government obligations have become the most important type of bank assets. At the end of 1945 holdings of those obligations accounted for 57 percent of total bank assets as compared with only 12 percent on June 30, 1919. The amount and proportion of the interest-bearing debt held by commercial and mutual savings banks and the Federal Reserve banks at the beginning and end of the two wars are shown in Table 19.

The proportion of the debt held by commercial and mutual savings banks remained nearly constant over the war period. These banks held about 37 percent of the interest-bearing debt at the end of 1945 as compared with 40 percent at the end of 1941. In the middle of 1919, the proportion of the debt held by the banks was 23 percent. This was a sharp decline from the 79 percent held in the middle of 1916, when banks held United States Government obligations chiefly for the purpose of issuing national bank notes.

Direct bank financing of the wartime expenditures of the Federal Government through purchase of and loans on Government obligations was of much less significance in the expansion of bank assets during the First than during the Second World War. Increased bank holdings of United States Government obligations and loans on them amounted to about 90 percent of the increase in the total assets of commercial and mutual savings banks from the end of 1941 to the end of 1945. In contrast, during World War I the increase in business financing contributed more to the expansion of bank assets than did the increase in holdings of United States Government obligations and loans on them. These differences are in part a reflection of the fact that in this war nearly all of the funds for plant expansion and some of the increases in working capital were furnished directly by the Government and only indirectly by the banks. The increased productive facilities during the First World War were largely financed privately. The banks participated to a great extent in this financing.

**Table 19. COMPARISON OF BANK HOLDINGS OF UNITED STATES GOVERNMENT OBLIGATIONS IN TWO WORLD WAR PERIODS**

(Amounts in millions of dollars)

Type of holder	World War I				World War II			
	June 30, 1916		June 30, 1919		Dec. 31, 1941		Dec. 31, 1945	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
<b>Total interest-bearing debt outstanding.....</b>	<b>\$972</b>	<b>100.0%</b>	<b>\$25,234</b>	<b>100.0%</b>	<b>\$63,768</b>	<b>100.0%</b>	<b>\$276,247</b>	<b>100.0%</b>
Banking system—total.....	820	84.4	6,105	24.2	27,793	43.6	126,084	45.7
<i>Commercial banks.....</i>	763	78.5	5,813	23.0	21,839	34.2	91,150	33.0
<i>Mutual savings banks.....</i>					3,700	5.8	10,672	3.9
<i>Federal Reserve banks.....</i>					57	5.9	292	1.2
Non-bank holdings.....	152	15.6	19,129	75.8	35,975	56.4	150,163	54.3

**Change in total assets of commercial banks.** On December 31, 1945, assets of all commercial banks reached a total of \$161 billion. This was more than twice the total at the end of 1941, as shown in Table 20. The \$23 billion increase in 1945 was the same as in 1944 and higher than the increases of \$17 billion in 1943 and \$18 billion in 1942.

One of the most interesting developments during 1945 was the \$4 billion rise in the volume of loans and discounts outstanding. After rising during the two years prior to our entry into the war to \$22 billion at the end of 1941, commercial bank loans declined to \$18 billion by the middle of 1943. The volume outstanding then rose and again reached a total of nearly \$22 billion at the end of 1944. The total of \$26 billion on December 31, 1945, was the highest since 1931.



**Table 20. ASSETS AND LIABILITIES OF ALL COMMERCIAL BANKS**

(Amounts in millions of dollars)

Asset, liability, or capital item	Dec. 31, 1945	Dec. 30, 1944	Dec. 31, 1941	Percentage change to Dec. 31, 1945, from—	
				Dec. 30, 1944	Dec. 31, 1941
<b>Total assets</b> . . . . .	<b>\$161,182</b>	<b>\$137,830</b>	<b>\$79,215</b>	<b>+16.9%</b>	<b>+103.5%</b>
Cash and amounts due from other banks . . . . .	34,975	30,327	26,603	+15.3	+ 31.5
United States Government obligations . . . . .	91,149	77,953	21,839	+16.9	+317.4
Other securities . . . . .	7,340	6,331	7,230	+16.0	+ 1.5
Loans, discounts, and overdrafts . . . . .	26,193	21,708	21,738	+20.7	+ 20.5
Miscellaneous assets . . . . .	1,525	1,511	1,805	+ .9	- 15.5
<b>Total liabilities and capital accounts</b> . . . . .	<b>161,182</b>	<b>137,830</b>	<b>79,215</b>	<b>+16.9</b>	<b>+103.5</b>
Total deposits . . . . .	151,089	128,702	71,512	+17.4	+111.3
Miscellaneous liabilities . . . . .	1,160	891	592	+30.2	+ 95.9
Total capital accounts . . . . .	8,933	8,237	7,111	+ 8.4	+ 25.6
Number of banks included . . . . .	14,079	14,054	14,297	+ 0.2	- 1.5

Increased holdings of United States Government obligations accounted for most of the growth of total assets in 1945 as in each of the three previous years. Net acquisitions of United States Government obligations by commercial banks amounted to \$13 billion during the year, as compared with \$18 billion in 1944, \$19 billion in 1943, and nearly \$20 billion in 1942.

An increase of almost \$5 billion in cash and amounts due from other banks also contributed substantially to the growth in total assets during 1945. Commercial bank holdings of securities other than obligations of the Federal Government increased \$1 billion. This substantial increase together with the small increase during 1944 counter-balanced the declines in 1942 and 1943. Holdings of over \$7 billion at the end of 1945 were slightly higher than at the end of 1941.

**Changes in types of commercial bank loans.** Total loans and discounts of insured commercial banks were the same at the end of 1944 as at the end of 1941, as shown in Table 21<sup>1</sup>. However, there were significant changes in the volume of the major types of loans between these two dates. Loans on securities rose substantially while the volume of commercial and industrial loans and consumer loans declined.

Loans on securities rose from a little more than \$1 billion at the end of 1941 to nearly \$5 billion at the end of 1944 and to \$7 billion on December 31, 1945. These loans began to expand in the last half of 1942, reflecting bank borrowing by businesses and individuals for the purpose of purchasing United States Government obligations offered in the war loan drives.

<sup>1</sup> More detailed data by type of loan are available for insured commercial banks than for the non-insured group. Since, however, the insured commercial banks account for approximately 98 percent of the commercial bank volume, the data for this group are representative of the total.

**Table 21. CHANGE IN LOANS AND DISCOUNTS OF INSURED COMMERCIAL BANKS**

(Amounts in millions of dollars)

Type of loan	Dec. 31, 1945	Dec. 30, 1944	Dec. 31, 1941	Change to Dec. 31, 1945, from—			
				Dec. 30, 1944		Dec. 31, 1941	
				Amount	Percent	Amount	Percent
<b>Loans and discounts—total . . .</b>	<b>\$25,769</b>	<b>\$21,355</b>	<b>\$21,262</b>	<b>\$+4,414</b>	<b>+20.7%</b>	<b>\$+4,507</b>	<b>+21.2%</b>
Commercial and industrial loans	9,462 <sup>1</sup>	7,921	9,215	+1,541	+19.4	+247	2.7
Agricultural loans (excluding loans on farm land) . . . . .	1,314 <sup>1</sup>	1,723	1,450	-409	-23.7	-136	-9.4
Consumer loans to individuals . .	2,361	1,888	3,225 <sup>2</sup>	+473	+25.0	-864	-26.8
Loans to brokers and dealers in securities . . . . .	3,164	2,269	614	+895	+39.4	+2,550	+415.3
Other loans for the purpose of purchasing or carrying se- curities . . . . .	3,607	2,265	662	+1,342	+59.2	+2,945	+444.9
Real estate loans:							
On farm land . . . . .	507	450	535	+57	+12.7	-28	-5.2
On residential properties . . . .	2,332	3,157	3,209	+175	+5.5	+123	+3.8
On other properties . . . . .	841	738	1,031	+103	+14.0	-190	-18.4
All other loans (including over- drafts) . . . . .	1,181	944	1,321	+237	+25.1	-140	-10.6

<sup>1</sup> Loans to dealers, processors and farmers' cooperatives, directly or indirectly guaranteed by the Commodity Credit Corporation and formerly included in agricultural loans are now classified as commercial and industrial loans.

<sup>2</sup> Partially estimated.

The volume of commercial and industrial loans declined from \$9 billion at the end of 1941 to under \$8 billion in 1942 and remained close to that level during the next three years. In the last half of 1945 commercial and industrial loans rose 26 percent and reached a total of \$9.5 billion at the end of the year.<sup>1</sup> The available evidence indicates that substantial loan volume resulted from an increase in term loans many of which have been made for the purpose of refinancing corporate bonded indebtedness. The increase in commercial and industrial loans during the last six months of 1945 was fairly general both on a regional basis and among large and small banks. Apparently bank loans have been used for the reconversion and expansion of small as well as large business establishments.

Another significant development in the bank loan field during 1945 was the 25 percent increase in consumer loans of insured commercial banks. These loans declined sharply from 1941 to the middle of 1943 and remained at a relatively low level until the latter part of 1945 as a result of the unavailability of consumer durable goods and the restrictions imposed upon consumer credit. With the end of hostilities and the return to the market of some consumer durable goods the demand for this type of credit has increased.

**Maturities of commercial bank holdings of Government obligations.** The increase in commercial bank holdings of United States

<sup>1</sup> A minor revision in the loan classification was made December 31, 1945, with the result that the change in commercial and industrial loans in the last half of 1945 is overstated. It is not possible to determine the extent of this overstatement but it is believed to be slight.

Government obligations in the last four years has brought a marked change in the maturity distribution of these holdings. Most of the \$69 billion increase during this period has been in the short and intermediate term issues, while the amount of the long term issues held by banks has remained almost constant.

Treasury bills, certificates of indebtedness, and treasury notes made up more than 40 percent of insured commercial bank holdings of United States Government obligations at the end of 1945 as compared with less than 20 percent at the end of 1941, as shown in Table 22.<sup>1</sup> Conversely, bonds maturing in more than 10 years amounted to only 10 percent of total holdings at the end of 1945, as compared with one-third four years earlier. Intermediate term issues, maturing in 5 to 10 years, have also increased substantially. They amounted to \$32 billion or more than one-third of the total at the end of 1945 and only \$4 billion, or 19 percent of the total, at the end of 1941.

**Table 22. MATURITIES OF UNITED STATES GOVERNMENT OBLIGATIONS, DIRECT AND GUARANTEED, HELD BY INSURED COMMERCIAL BANKS, 1945, 1944, AND 1941**

(Amounts in millions of dollars)

Type and maturity	December 31, 1945		December 30, 1944		December 31, 1941	
	Amount	Percent of total	Amount	Percent of total	Amount	Percent of total
<b>Total U. S. Government obligations.....</b>	<b>\$88,933</b>	<b>100.0%</b>	<b>\$75,896</b>	<b>100.0%</b>	<b>\$21,047</b>	<b>100.0%</b>
Marketable issues:						
Direct:						
Treasury bills <sup>1</sup> .....	2,456	2.8	3,972	5.2	988	4.7
Certificates of indebtedness <sup>1</sup> .....	19,075	21.5	15,303	20.2	.....	.....
Treasury notes <sup>1</sup> .....	16,047	18.0	15,781	20.8	3,159	15.0
Bonds maturing in: <sup>2</sup>						
5 years or less.....	9,030	10.2	5,918	7.8	1,551	7.4
5 to 10 years.....	32,230	36.2	25,467	33.6	3,970	18.8
10 to 20 years.....	6,092	6.9	5,796	7.6	5,930	28.2
Over 20 years.....	2,787	3.1	1,917	2.5	1,347	6.4
Guaranteed issues.....	22	.....	978	1.3	4,102	19.5
Non-marketable issues.....	1,194	1.3	764	1.0	.....	.....

<sup>1</sup> Treasury bills are generally issued with maturities of 91 days; certificates of indebtedness have maturities of approximately one year; and Treasury notes are issued with maturities of from one to five years.

<sup>2</sup> Based upon number of years to final maturity.

This development is largely the result of the policy of concentrating Government security flotations during the war in the short-term issues in order to hold down the interest charges. Of the \$157 billion net increase in marketable Government securities between the end of 1941 and the end of 1945, short-term bills, notes, and certificates accounted for \$70 billion.

<sup>1</sup> Insured commercial bank data are here used because it is only for these banks that detailed data on the maturity of Government obligations are available.

This is in sharp contrast with the method of financing the increase in the Government debt during the First World War. The bulk of the debt expansion from 1916 to 1919 was financed through issues maturing in 10 years or more. Certificates of indebtedness and treasury notes were used to meet temporary current needs in anticipation of the receipt of income and profits taxes and receipts from the loan drives. The intention was to have the banks take these short-term issues only as a temporary expedient, and an effort was made to get the banks to distribute them to non-bank investors. A relatively high rate of interest was paid in order to secure their distribution among non-bank investors.<sup>1</sup>

**Deposits in commercial banks.** Total deposits in commercial banks increased \$22 billion, or 17 percent, during the year and amounted to \$151 billion on December 31, 1945. Deposits of individuals and business enterprises constituted \$104 billion.

The increase in deposits of individuals and business enterprises accounted for two-thirds of the 1945 increase in commercial bank deposits, as shown in Table 23. Early in the war, demand deposits of individuals and businesses in commercial banks grew at a more rapid rate than did time deposits. In 1944 and 1945, however, time deposits increased more rapidly.

**Table 23.** INCREASE IN DEPOSITS IN ALL COMMERCIAL BANKS DURING 1945

(Amounts in millions of dollars)

Type of deposit	Amount of deposits		Increase	Percentage increase
	Dec. 31, 1945	Dec. 30, 1944		
<b>Total deposits</b> .....	<b>\$151,089</b>	<b>\$128,702</b>	<b>\$22,387</b>	<b>17.4%</b>
Demand deposits of individuals, partnerships, and corporations .....	73,867	65,132	8,735	13.4
Time deposits of individuals, partnerships, and corporations .....	29,917	23,815	6,102	25.6
States and political subdivisions .....	5,784	5,061	723	14.3
United States Government .....	24,767	20,828	3,939	18.9
Interbank .....	14,072	12,229	1,843	15.1
Other deposits .....	2,682	1,637	1,045	63.8

Deposits of the United States Government totaled \$25 billion at the end of 1945. This was only slightly above the mid-year total but almost \$4 billion, or 19 percent, above the total at the beginning of the year. The bulk of these deposits were in war loan deposit accounts which are reduced as the Government makes use of the funds accumulated during the war loan drives. Interbank deposits and deposits of State and local governments increased moderately during the year.

The results of a special survey of deposits in all insured banks, grouped by size of account, are to be found in Part Three of this report.

<sup>1</sup> Annual Report of the Secretary of the Treasury, 1919, pp. 54-60; 1920, p. 7.

**Capital accounts of commercial banks.** Total capital accounts of all commercial banks have increased steadily in amount since 1933. At the end of 1945, total capital accounts amounted to \$8.9 billion, slightly below the peak of \$9.2 billion reached in the middle of 1930 and 45 percent above the total in 1933.

Most of the increase in commercial bank capital accounts since the banking crisis of 1933 occurred during the war years. Total capital accounts of all commercial banks have increased \$2 billion since 1941. Nearly all of this increase has been due to retained profits. Bank profits have increased substantially while dividends have been held almost constant, with the result that substantial additions have been made to capital from profits in each of the recent years.

In contrast to the large amount of retained profits, there has been only a moderate increase in the outstanding capital stock of commercial banks since the end of 1941. Additions to common stock of insured commercial banks in the four years, from the end of 1941 to the end of 1945, amounted to \$368 million while preferred stock and capital notes and debentures were reduced \$185 million, as shown in Table 24. Most of the preferred stock and capital notes and debentures represented the investment of the Reconstruction Finance Corporation made to assist the banks during the severe banking crisis of the early 1930's. Investment of the Reconstruction Finance Corporation in insured commercial banks reached a peak of about \$1 billion in 1935. Approximately three-fourths of this investment has been repaid by the banks and the retirable value of the remainder at the end of 1945 was \$253 million.

**Table 24. CHANGE IN CAPITAL ACCOUNTS OF INSURED COMMERCIAL BANKS**  
(Amounts in millions of dollars)

Type of capital account	Dec. 31, 1945	Dec. 30, 1944	Dec. 31, 1941	Percentage distribution		
				Dec. 31, 1945	Dec. 30, 1944	Dec. 31, 1941
<b>Total</b> .....	<b>\$8,672</b>	<b>\$7,990</b>	<b>\$6,845</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Capital stock, notes, and debentures—total.....	3,033	2,913	2,850	35.0	36.4	41.6
<i>Common stock</i> .....	<i>2,838</i>	<i>2,660</i>	<i>2,470</i>	<i>32.7</i>	<i>33.3</i>	<i>36.0</i>
<i>Preferred stock</i> .....	<i>152</i>	<i>202</i>	<i>306</i>	<i>1.8</i>	<i>2.5</i>	<i>4.5</i>
<i>Capital notes and debentures</i>	<i>43</i>	<i>50</i>	<i>74</i>	<i>0.5</i>	<i>0.6</i>	<i>1.1</i>
Surplus.....	3,784	3,402	2,687	43.6	42.6	39.3
Undivided profits.....	1,293	1,169	896	14.9	14.7	13.1
Reserves.....	562	506	412	6.5	6.3	6.0

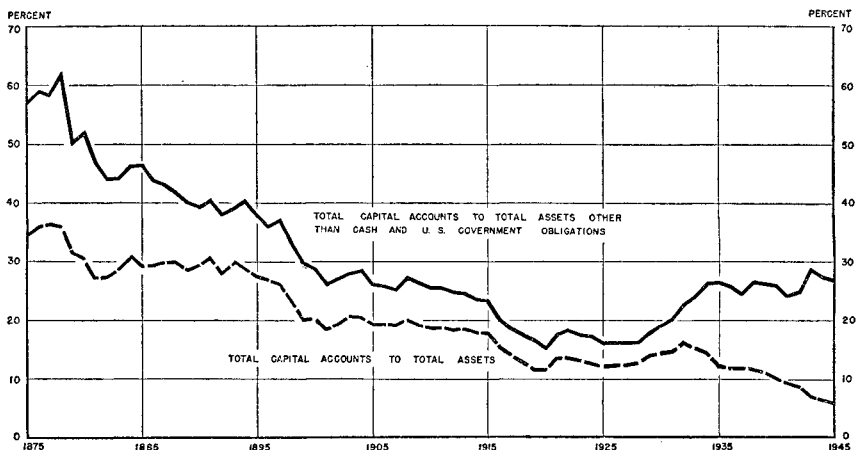
**Ratio of capital to assets.** The average ratio of total capital accounts to total assets of all commercial banks at the end of 1945 had declined to 5.5 percent, the lowest point in at least three-quarters of a century.

Chart D shows the trend since 1875 in the ratios of total capital accounts to total assets and of total capital accounts to assets other than United States Government obligations and cash.

A general downward trend in the ratio of capital to total assets has prevailed since 1875. However, most of the decline in the capital ratio during this period occurred in the years 1878-1881, 1898-1899, 1915-1919, and 1939-1944. In each of these periods there were sharp increases in the volume of bank assets with less rapid increases in bank capital. From the middle of 1878 to the middle of 1881, assets of all commercial banks rose about 36 percent while bank capital increased only 2 percent. During the brief period of the Spanish-American War and the longer periods of the First and Second World Wars bank assets increased much more rapidly than did bank capital.

The movement of the ratio of bank capital to assets other than United States Government obligations and cash closely paralleled the movement of the ratio of capital to total assets until the early 1930's. The substantial liquidation of bank loans which occurred from 1929 to 1934 resulted in an increase in this ratio from 18 percent in the middle of 1929 to 26 percent in the middle of 1934. Since that time, most of the increase in bank assets has been in United States Government obligations and cash and amounts due from other banks so that the ratio of capital to other assets has remained nearly constant. It rose slightly during the war but at the end of 1945 the ratio of 25.5 percent was about the same as the average for the period from 1935 to 1939.

CHART D  
RATIOS OF TOTAL CAPITAL ACCOUNTS TO TOTAL ASSETS  
AND TO TOTAL ASSETS OTHER THAN CASH AND  
U. S. GOVERNMENT OBLIGATIONS  
ALL COMMERCIAL BANKS, 1875-1945



**Examiners' appraisal of assets of insured commercial banks.**

The general high level of business activity during the war has been accompanied by a decline both in the amount and proportion of assets of insured commercial banks classified as substandard by the examiners. In 1945, the 12,473 banks examined showed substandard assets of \$619 million as compared with \$825 million in 1944 and \$2,031 million in 1941.

This decline in the volume of assets classified as substandard is the result of several factors. The rising prices of securities and real estate have given the banks an opportunity to dispose of their less desirable holdings on favorable terms. As prices have risen, the collateral supporting loans has increased in value and, thus, loans which were formerly classified as substandard because of insufficient collateral have now become acceptable bank investments. The statistical position of bank loans and investments tends to improve as long as prices continue to advance.

The volume of substandard assets was 0.45 percent of the appraised value of the total assets of insured commercial banks examined in 1945. This compares with a ratio of 0.69 percent in 1944 and 2.84 percent in 1941, as shown in Table 25. The decline in the ratio of substandard assets to the volume of appraised assets has, of course, accompanied the decline in the volume of substandard assets. However, another factor has also been of importance. Criticized assets have formed a smaller proportion of total assets simply because the increase in bank assets during the war period has been confined almost entirely to United States Government obligations and cash.

**Table 25. SUBSTANDARD ASSET RATIOS OF INSURED COMMERCIAL BANKS EXAMINED IN 1939-1945**

Year	Ratio of substandard assets to—		
	Appraised value of total assets	Appraised value of assets other than cash and U. S. Government obligations	Adjusted capital accounts
1945.....	0.45%	2.06%	7.53%
1944.....	.69	2.98	10.92
1943.....	1.24	4.75	17.84
1942.....	2.13	5.93	25.26
1941.....	2.84	(1)	31.12
1940.....	3.93	(1)	40.35
1939.....	5.12	(1)	48.21

<sup>1</sup> United States Government obligations are not available separately prior to 1942.

Fixed and substandard assets are lower in relation to adjusted capital accounts than at any time since the beginning of deposit insurance.<sup>1</sup> In 1945, fixed and substandard assets amounted to less than 10 percent

<sup>1</sup> Adjusted capital accounts represent the difference between total bank assets and total bank liabilities as appraised by the examiners, (see page 121).

of adjusted capital accounts in 34 percent of the insured banks examined as compared with 26 percent of the banks examined in 1944, as shown in Table 26. However, there are still a number of banks in which fixed and substandard assets constitute a substantial proportion of adjusted capital accounts. In 1945, fixed and substandard assets amounted to 50 percent or more of adjusted capital accounts in 5 percent of the banks as compared with 9 percent in 1944.

**Table 26. DISTRIBUTION OF INSURED COMMERCIAL BANKS ACCORDING TO RATIO OF FIXED AND SUBSTANDARD ASSETS TO ADJUSTED CAPITAL ACCOUNTS EXAMINATIONS IN 1944 AND 1945**

Bank group	Number of banks		Percentage distribution	
	1945	1944	1945	1944
<b>All banks</b> .....	<b>12,473</b>	<b>12,983</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Banks with a ratio of fixed and substandard assets to adjusted capital accounts of--</b>				
0.0% to 9.9%.....	4,277	3,309	34.3	25.5
10.0% to 19.9%.....	3,837	3,699	30.7	28.5
20.0% to 29.9%.....	2,130	2,429	17.1	18.7
30.0% to 39.9%.....	1,064	1,522	8.5	11.7
40.0% to 49.9%.....	508	849	4.1	6.5
50.0% to 99.9%.....	584	1,046	4.7	8.1
100.0% or more.....	73	129	.6	1.0

**Mutual savings banks.** Total assets of all mutual savings banks in the United States amounted to \$17 billion on December 31, 1945. The 15 percent increase during 1945 was almost as large as that for commercial banks. However, over the 4-year period since December 31, 1941, assets of mutual savings banks rose only 44 percent, substantially below the 104 percent increase in commercial bank assets during the same period.

All of the growth of mutual savings bank assets from the end of 1941 to the end of 1945 was accounted for by increased holdings of United States Government obligations. Each of the other major categories of assets declined over the 4-year period (see Table 27). Most substantial was the 30 percent decrease in holdings of securities other than United States Government obligations. Loans, most of which are on real estate, showed a moderate decrease. Real estate loans of commercial banks also declined from the end of 1941 to the end of 1944. However, during 1945 real estate loans of commercial banks increased 8 percent while mutual savings bank loans declined 2 percent.

Deposits in mutual savings banks rose 15 percent in 1945 and totaled \$15 billion at the end of the year. Most of these deposits are time deposits of individuals. Their movement followed the pattern of time deposits in commercial banks—a relatively small increase in the earlier war years



and a more rapid growth in the latter part of the war period. However, in each of the last two years, deposits in mutual savings banks have grown less rapidly than time deposits in commercial banks. In 1945, the deposits in mutual savings banks increased 15 percent while commercial bank time deposits increased about 25 percent.

**Table 27. ASSETS AND LIABILITIES OF ALL MUTUAL SAVINGS BANKS**

(Amounts in millions of dollars)

Asset, liability, or capital item	Dec. 31, 1945	Dec. 30, 1944	Dec. 31, 1941	Percentage change to Dec. 31, 1945, from—	
				Dec. 30, 1944	Dec. 31, 1941
<b>Total assets</b> .....	<b>\$17,021</b>	<b>\$14,788</b>	<b>\$11,822</b>	<b>+15.1%</b>	<b>+44.0%</b>
Cash and amounts due from other banks .....	610	583	794	+4.6	-23.2
United States Government obligations .....	10,673	8,328	3,700	+28.2	+188.5
Other securities .....	1,255	1,232	1,797	+1.9	-30.2
Loans, discounts, and overdrafts .....	4,280	4,372	4,902	-2.1	-12.7
Miscellaneous assets .....	203	273	629	-25.6	-67.7
<b>Total liabilities and capital accounts</b> .....	<b>17,021</b>	<b>14,788</b>	<b>11,822</b>	<b>+15.1</b>	<b>+44.0</b>
Total deposits .....	15,385	13,375	10,533	+15.0	+46.1
Miscellaneous liabilities .....	43	35	32	+22.8	+34.4
Surplus and capital accounts .....	1,593	1,378	1,257	+15.6	+26.7
Number of banks included .....	542	543	548	- 0.2	- 1.1

Total surplus and capital funds of mutual savings banks have grown as rapidly during the war as the total capital accounts of commercial banks. Since the growth in assets has been at a lower rate, the ratio of surplus and capital funds to total assets of mutual savings banks has declined much less than has the capital ratio of the commercial banks. On December 31, 1945, surplus and capital funds of mutual savings banks were 9.4 percent of total assets as compared with 10.6 percent at the end of 1941.

#### EARNINGS OF INSURED COMMERCIAL BANKS

Net current earnings and net profits of insured commercial banks were both considerably higher in 1945 than in any other year of Federal insurance of deposits. The increase in net current earnings reflected chiefly a growth in total current earnings for the fifth successive year. The larger net profits in 1945 reflected also a drop in net charge-offs to the lowest figure on record and an increase in profits on securities sold to the highest figure since 1936. Dividends paid to stockholders, while slightly higher in amount than in any previous year of deposit insurance, absorbed a smaller proportion of net profits after taxes. It is probable that the resultant net additions to total capital accounts from profits represented a greater amount and were higher proportionately than in any year since the formation of the dual banking system in 1863.

Total current operating earnings of insured banks, at \$2,482 million, were 12 percent larger in 1945 than in 1944, and 67 percent larger than the low figure reported in 1935. Operating expenses, at \$1,523 million, also increased by 12 percent over 1944, and were 41 percent larger than the low of a decade earlier. Net earnings, at \$960 million, were 12 percent larger than in 1944, and exceeded the 1935 figure by 135 percent. Net profits after taxes, at \$906 million, were 21 percent larger than in 1944, and double the 1941 figure. The 1945 net profits represented a rate of 10.9 percent of total capital accounts. Major items of earnings and expenses are shown in Table 28.

**Table 28. EARNINGS, EXPENSES, AND PROFITS OF INSURED COMMERCIAL BANKS, 1934-1945**

(In millions of dollars)

Year	Total current operating earnings	Total current operating expenses <sup>1</sup>	Net current operating earnings <sup>1</sup>	Profits on securities sold	Net charge-offs <sup>2</sup> on assets	Income taxes <sup>3</sup>	Net profits available for stockholders <sup>4</sup>	Cash dividends declared and interest paid on capital
1945..	2,482	1,523	960	267	22	299	906	274
1944..	2,215	1,357	858	180	34	203	751	253
1943..	1,959	1,256	703	103	41	128	638	233
1942..	1,790	1,222	569	66	114	79	441	228
1941..	1,730	1,216	514	145	154	50	455	253
1940..	1,631	1,170	461	178	215	23	401	237
1939..	1,605	1,148	457	215	272	12	388	232
1938..	1,584	1,148	436	173	299	10	300	222
1937..	1,634	1,156	478	117	203	11	381	226
1936..	1,567	1,114	453	268	185	12	524	223
1935..	1,486	1,078	408	231 <sup>5</sup>	426 <sup>5</sup>	5	207	208
1934..	1,518	1,114	404	148 <sup>5</sup>	890 <sup>5</sup>	3	-340 <sup>5</sup>	188

<sup>1</sup> Figures for 1934-1941 are estimates and differ from reported figures by the amount of estimated income taxes excluded from total current operating expenses. See footnote 3.

<sup>2</sup> Book value of assets charged off minus recoveries on assets previously charged off.

<sup>3</sup> Includes surtax and excess profits tax. Figures for 1934-1941 are estimates, based upon *Bureau of Internal Revenue* figures of income taxes paid by national banks for 1934-1937, and paid by "all banks and trust companies" for 1938-1941. Income taxes paid by insured banks not members of the Federal Reserve System have been reported separately since 1936.

<sup>4</sup> Available for dividends or additions to the stockholders' investment in the banks.

<sup>5</sup> Estimated; profits on securities sold were not reported separately from recoveries on securities by banks not submitting reports to the FDIC.

<sup>6</sup> Net loss.

*Detailed figures for 1941-1945—See Table 113, pages 128-129.*

**Sources of current earnings.** The substantial increase in the volume of earning assets in recent years, almost all of which has consisted of United States Government obligations, has been accompanied by a reversal in the importance of the various types of assets as sources of income. From 1934 through 1941, income on loans accounted for about 45 percent of total current earnings. Beginning in 1942, both the amount of, and the proportion represented by, income on loans declined until 1944; in 1945 the amount increased slightly but the proportion declined further, and amounted to only 29 percent of total earnings. The amount of income on loans and on securities, 1934-1945, is presented in Table 29.

**Table 29.** AMOUNTS AND RATES OF INCOME RECEIVED AND INTEREST PAID  
BY INSURED COMMERCIAL BANKS, 1934-1945

Year	Income on loans (in millions of dollars)	Income on securities (in millions of dollars)	Income on loans per \$100 of loans <sup>1</sup>	Income on securities per \$100 of securities <sup>1</sup>	Interest paid per \$100 of time & savings deposits <sup>1</sup>
1945 .....	\$726	\$1,300	\$3.09	\$1.46	\$0.87
1944 .....	698	1,090	3.44	1.49	.87
1943 .....	706	861	3.85	1.52	.93
1942 .....	817	610	4.08	1.69	1.10
1941 .....	848	509	4.27	1.95	1.20
1940 .....	769	500	4.41	2.16	1.30
1939 .....	727	522	4.46	2.38	1.43
1938 .....	705	532	4.36	2.56	1.55
1937 .....	710	572	4.28	2.68	1.62
1936 .....	663	574	4.34	2.66	1.72
1935 .....	643	548	4.40	2.87	2.01
1934 .....	691	550	4.63	3.17	2.40

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

*Detailed figures for 1945—See Tables 113 and 114, pages 128-131.*

Income on securities, which provided one-third or less of total earnings before World War II, has steadily increased in significance. In 1945 it accounted for more than one-half of total operating earnings for the first time. The amount of interest income on securities has increased in each year since 1940; the \$1,300 million received in 1945 was more than 2½ times the amount received in the earlier year. Interest on United States Government obligations, which was reported separately for the first time in 1945, accounted for \$1,133 million against an estimated \$923 million in 1944.

The decrease in the average rate of return on loans (as well as the increase in security holdings) has been a factor in the decreased importance of income on loans as a source of current earnings. From 4.5 percent in 1939, the rate of return on loans has decreased in each year to 4.1 percent in 1942 and 3.1 percent in 1945, as shown in Table 29. The very rapid drop over the last three years has reflected both a reduction in rates charged and a change in composition of the loan portfolio. During the war there was a relative decline in the proportion of high-income-producing loans, such as consumer instalment loans, and a growth in low-income-producing loans, such as those made for the purpose of purchasing and carrying United States Government obligations.

From 3.2 percent in 1934, the rate of interest income on securities has decreased in every year, except one, to 1.5 in 1945. In the last two years the decline has been small in contrast to the more pronounced declines from 1934 to 1936 and from 1937 to 1943. Three separate factors have contributed to the reduction in the average interest yield on securities since 1934:

- (1) A general decline in interest rates;
- (2) Concentration of the increase in security holdings in obligations

of the United States Government; and

- (3) Concentration of the expansion in security holdings in short and medium term issues.

The remaining part of current operating earnings—somewhat less than one-fifth—is derived from various sources. The dollar amount of commissions, fees, and collection, exchange, and service charges has increased in every year of deposit insurance, reflecting chiefly increased amounts derived from service charges on deposit accounts. Income from the latter has more than quadrupled since 1934, and in 1945 accounted for about 5 percent of total current earnings. Other current earnings, including safe deposit vault and real estate rentals, and income from trust, foreign, and title departments, have increased about 25 percent in amount since 1934, but decreased from about 13 to 10 percent of total current earnings.

**Current operating expenses.** Two-thirds of the increase in current expenses of banks since 1934 has occurred in the last two years, and may be attributed to higher wartime costs of operations, a larger volume of operations requiring more employees, and a substantial increase in the volume of time deposits.

Salaries and wages, the most important item of bank expense in recent years, increased by 10 percent in 1945 to \$691 million and continued to absorb almost 30 percent of total current earnings. The average number of employees other than officers of insured commercial banks increased by 33,000 or about 16 percent from 1941 to 1945. Over the same period the average annual salary of employees increased about 21 percent. The number of officers increased by 1,400 or about 2.5 percent; the average annual salary by 23 percent over the same period. The figures are shown in Table 30.

**Table 30. AVERAGE NUMBER AND AVERAGE SALARY OF EMPLOYEES OF INSURED COMMERCIAL BANKS, 1941-1945**

Salary item	1941	1942	1943	1944	1945
<b>Number of banks, December 31.....</b>	<b>13,427</b>	<b>13,347</b>	<b>13,274</b>	<b>13,268</b>	<b>13,302</b>
<b>Average number of employees (full and part-time):</b>					
Officers.....	56,392	55,996	55,117	55,902	57,806
Others.....	204,319	213,974	221,060	227,512	237,326
<b>Salaries and wages (in thousands of dollars):</b>					
Officers.....	\$211,311	\$219,388	\$225,142	\$240,354	\$266,018
Others.....	302,627	333,171	356,958	386,346	424,881
<b>Average salary per—<sup>1</sup></b>					
Officer.....	\$ 3,747	\$ 3,918	\$ 4,085	\$ 4,300	\$ 4,602
Other.....	1,481	1,557	1,615	1,698	1,790

<sup>1</sup> These are crude averages derived by dividing the total salary payment by the average of the number of full- and part-time employees at the beginning and end of the year.

After declining in every year from 1934 through 1943, interest on time and savings deposits increased from \$164 million in 1943 to \$233 million in 1945, or by 42 percent. This increase accounts for one-fourth of the increase in total operating expenses over that period. It is attributable entirely to the sharp growth in such deposits in each of the years 1943, 1944, and 1945. The decline in the rate of interest paid on time and savings deposits, which was responsible for the reduction in the amount of interest expense mentioned above, occurred from 1934 through 1944. There are indications that the 1944-45 rate may represent the low point, and that some reversal of the trend may be expected. Annual rates of interest paid on time and savings deposits, 1934-1945, are presented in Table 29.

Taxes (other than those based upon or measured by net income) and recurring depreciation have fluctuated slightly from year to year but have shown no increase during the war period. Other expenses at \$459 million in 1945 absorbed 18 percent of total earnings and have increased in recent years at about the same rate as total operating expenses.

**Charge-offs, recoveries, and profits on assets sold.** In 1945 reported profits on securities (chiefly United States Government obligations) sold by insured commercial banks amounted to \$267 million, more than double the 1944 figure. This was the highest amount reported in any year since 1936, and compared with an annual average for the 1936-1945 period of \$166 million. The high amount of profits on securities sold, together with the low amount of net charge-offs on assets, contributed materially to the high rate of net profits before income taxes in 1945.

In 1945, insured commercial banks made provision for losses by charge-offs or by additions to valuation allowances at the rate of about one-fifth of 1 percent of total assets or \$264 million. This may be compared with an annual average of about one-half of 1 percent for the preceding eight years, and an average of 1.5 percent per year during the first three years of deposit insurance. The very low rate of charge-offs in 1945 reflected the high rate and profitable character of business activity during that year. The high rate of charge-offs during the first three years of deposit insurance was due to the elimination of assets upon which losses had accumulated prior to and during the depression.

Recoveries in 1945 on losses previously charged off were almost as large as charge-offs. As a result the rate of net charge-offs in 1945 was only one one-hundredth of 1 percent compared with an average of about one-fifth of one percent for the preceding eight years and about 1 percent during the first three years of deposit insurance.

The rates of charge-offs on total assets, and on significant groups of assets, are shown in Table 31. (These may be compared with the gross rates of income on loans and on securities shown in Table 29.) In 1945,

as in the two preceding years, recoveries on loans previously charged off and reductions in valuation allowances exceeded the charge-offs, thus resulting in net recoveries in each of these years. During the period, 1937-1944, average charge-offs on loans amounted to three-fifths of 1 percent, and net charge-offs to one-fifth of 1 percent.

**Table 31. RATES OF CHARGE-OFFS ON ASSETS OF INSURED COMMERCIAL BANKS, 1934-1945<sup>1</sup>**

Period	On total assets	On total loans	On total securities	On securities other than U. S. Government	On fixed assets <sup>2</sup>
<b>1945</b>					
Charge-offs .....	\$0.18	\$0.24	\$0.15	\$2.01	\$7.28
Recoveries .....	.17	.29	.14	1.85	5.12
Net charge-offs .....	.01	.05 <sup>3</sup>	.01	.16	2.16
<b>1937-1944</b>					
Charge-offs .....	0.46	0.60	0.47	2.43	5.40
Recoveries .....	.24	.40	.20	1.06	2.85
Net charge-offs .....	.22	.20	.27	1.37	2.55
<b>1934-1936</b>					
Charge-offs .....	1.47	2.51	1.36	3.90	4.99
Recoveries <sup>4</sup> .....	.45	.55	.55	1.58	1.93
Net charge-offs .....	1.02	1.96	.81	2.32	3.06

<sup>1</sup>Amounts of gross losses, recoveries, and net losses per \$100 of the corresponding asset averages for beginning, middle and end of each year.

<sup>2</sup> Banking house, furniture and fixtures, and other real estate.

<sup>3</sup> Net recoveries, i.e., excess of recoveries over charge-offs.

<sup>4</sup> Recoveries on securities of banks not submitting reports to FDIC were not reported separately from profits on securities sold in 1934 and 1935. Recoveries on securities were estimated to be about 38 percent of total recoveries and profits on securities.

Charge-offs on securities, though somewhat higher than in the preceding war years, were almost completely offset by recoveries. Figures as reported by the banks do not segregate losses and charge-offs, or recoveries, on United States Government obligations from those on other securities. It is probable that the high rate of losses and charge-offs in the early years of deposit insurance were sustained largely on securities other than United States Government obligations. In 1945, however, it is probable that a significant proportion of the charge-offs on securities represented lump-sum charge-offs or additions to valuation allowances to cover premiums on Government obligations purchased at prices above par.

Other charge-offs and losses amounted to 7 percent of fixed assets and were at a higher rate than in any other year since 1934 except in 1943 and 1944. The high rates in the last three years were in part due to lump-sum charge-offs on banking house and furniture and fixtures made possible by the high rate of bank profits during this period. The high rate of other recoveries was affected by sales at current favorable prices of "other" real estate which had been previously partially charged-off.

**Net profits before income taxes.** Net profits before income taxes of insured commercial banks, at \$1,205 million, were 26 percent larger than in 1944, and amounted to 14.5 percent of total capital accounts.

Both the amount and the rate for 1945 were more than double the estimated amount and rate for each of the pre-war years since the inception of deposit insurance, except 1936.

**Income taxes.** Total Federal and State taxes calculated on net income, at \$299 million, were 47 percent larger than in 1944, more than 3½ times the amount paid in 1942, and 12 times the estimated amount paid in 1940. In 1945 income taxes absorbed 25 percent of net profits before such taxes, as compared with 21 percent in 1944, and an estimated 5 percent in 1940.

Taxes were higher in 1945 than in 1944 as a result both of higher taxable gains on securities sold and higher net operating earnings less net charge-offs. Taxes paid by banks have also been larger in recent years than before the war as a result of the higher Federal income tax rates since 1940, and the imposition of excess profits taxes in 1940 and of surtaxes in 1941. Significant also has been the fact that United States Government obligations acquired by banks during the war have not had all the tax-exemption features of such securities held during the pre-war period. The amount of income taxes for the years 1934-1945 are presented in Table 28, page 52.

**Net profits after taxes.** Net profits of insured commercial banks were higher in amount, and represented a higher rate on total capital accounts, than in any year since the inception of deposit insurance. The amount of net profits, 1934-1945, is presented in Table 28. The rate of net profits is shown in Table 32.

**Table 32. RATES OF NET PROFITS, BEFORE AND AFTER INCOME TAXES, AND OF CASH DIVIDENDS TO AVERAGE TOTAL CAPITAL ACCOUNTS, ALL INSURED COMMERCIAL BANKS, 1934-1945**

Year	Amounts per \$100 of total capital accounts <sup>1</sup>			
	Net profit before income taxes <sup>2</sup>	Net profit after taxes	Cash dividends declared and interest paid on capital	Net profits after cash dividends
1945 .....	\$14.46	\$10.87	\$3.29	\$7.58
1944 .....	12.36	9.73	3.28	6.45
1943 .....	10.57	8.82	3.23	5.59
1942 .....	7.48	6.34	3.28	3.06
1941 .....	7.47	6.72	3.75	2.97
1940 .....	6.42	6.08	3.59	2.49
1939 .....	6.16	5.99	3.58	2.41
1938 .....	4.84	4.68	3.46	1.22
1937 .....	6.15	5.97	3.54	2.43
1936 .....	8.54	8.35	3.56	4.79
1935 .....	8.42	3.35	3.35	*
1934 .....	-5.44	-5.49	3.03	-8.52

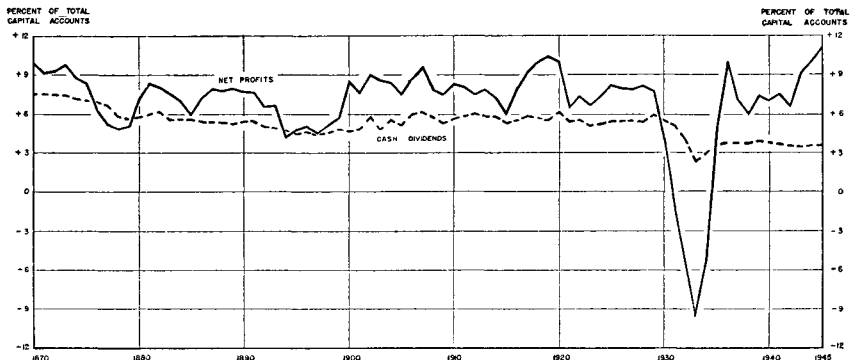
<sup>1</sup> Total capital accounts are averages of figures for beginning, mid-year, and year-end call dates.

<sup>2</sup> But after taxes, other than income taxes, the amount of which is estimated for the years prior to 1942.

\* Less than \$0.005.

Available evidence indicates further that the rate of net profits of commercial banks was higher in 1945 than in any other year for three-quarters of a century. Over the period 1870-1945, national banks—which are the only banks for which satisfactory figures extending over this period of time are available and which may be considered representative of all commercial banks—reported an average rate of net profits of 7.0 percent of net worth. Chart E shows that throughout most of the period net profits have fluctuated between 6 and 9 percent of net worth. The rate of profits was lower throughout the late 1870s and most of the 1890s. In the early 1930s the rate of net profits reported by operating national banks was negative for four years, reaching a low of minus 10 percent in 1933. The drastic drop in the net profit rate at that time was the result of the huge increase in the rate of gross and net charge-offs on loans, securities, and other assets.<sup>1</sup>

CHART E  
RATES OF NET PROFITS AND OF CASH DIVIDENDS  
ON TOTAL CAPITAL ACCOUNTS  
NATIONAL BANKS, 1870-1945<sup>1</sup>



<sup>1</sup> For 1870-1915, net profits and dividends are for fiscal years and total capital accounts are as of June 30 or nearest available date; for 1916, net profits are for 18 months' period ended December 31, 1916, adjusted to an annual basis, and total capital accounts are averages of figures for June 30, 1915, June 30, 1916, and December 31, 1916; for 1917-1945, net profits and dividends are for calendar years, and total capital accounts are averages of figures for call dates during the year.

Net profits exceeded 9 percent of total capital accounts in only 11 years prior to the current war period. Four of these were the years 1870-1873, the earliest for which profit figures of national banks are available. The only other period of sustained profits covered the four year period, 1917-1920, during and after World War I.

The profitability of banking operations, characteristic of the current period, has been general throughout the banking system. In 1945, over 55 percent of all insured banks reported net profits after taxes of more

<sup>1</sup> The operating losses sustained by national banks which were placed in receivership and liquidated are not reflected in these figures, since reports of earnings are submitted by operating banks only.



than 10 percent of total capital accounts, as compared with 51 percent in 1944, 37 percent in 1943, and 23 percent in 1938. In 1938, the earliest year for which comparable figures are available, 16 percent of the banks sustained a net loss, whereas in the last two years less than 1 percent of the banks have reported a net loss. The improvement in rates of net profits over the last three years, and as compared with 1938, is shown in Table 33.

**Table 33. PERCENTAGE DISTRIBUTION OF INSURED COMMERCIAL BANKS ACCORDING TO RATE OF NET PROFITS ON TOTAL CAPITAL ACCOUNTS, 1938, 1942-1945**

Rate of profit	1945	1944	1943	1942	1938
Number of banks <sup>1</sup> .....	13,149	13,141	13,145	13,226	13,487
<b>All banks<sup>1</sup>.....</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Banks with net loss.....	0.6	0.9	2.0	5.7	16.0
<b>Banks with net profits after taxes per \$100 of total capital accounts of—<sup>2</sup></b>					
\$0.00 to \$4.99.....	8.1	9.8	17.4	30.0	29.3
5.00 to 9.99.....	36.0	38.5	43.2	42.7	32.0
10.00 to 14.99.....	34.6	34.1	26.0	16.1	15.4
15.00 to 19.99.....	14.2	12.3	8.1	3.9	5.2
20.00 or more.....	6.5	4.4	3.3	1.6	2.1

<sup>1</sup> Excludes banks submitting reports covering less than the full year's operations or materially affected by mergers.

<sup>2</sup> Total capital accounts are averages of figures at beginning, mid-year, and year-end call dates; except in 1938 when total capital accounts for banks members of Federal Reserve System are averages of figures for four call dates.

**Dividends and additions to profits.** Notwithstanding the unprecedented growth in net profits over the last three years, the rate of cash dividends declared and interest paid on capital by insured commercial banks has remained practically unchanged over that period. The \$274 million paid in 1945 was 3.3 percent of total capital accounts. The proportion of net profits retained for addition to net worth has been higher during this war period than during any previous period, and the 1945 amount of \$631 million represented the exceptionally high proportion of 70 percent of net profits. The amount of cash dividends is shown in Table 28, page 52. The rate of dividends, and the rate of net profit after dividends, 1934-1945, are shown in Table 32.

Available records indicate that the cash dividends declared in 1945 represented a lower proportion of net profit than in any previous year in the last seventy-five. Dividends paid by national banks, which may be considered representative, amounted to 75 percent of total net profits over the period 1870-1945. Dividends were much more stable in relation to net worth than profits, as shown in Chart E; as a result the proportion of net profit paid out in dividends fluctuated greatly from year to year.

Prior to 1930, dividends exceeded net profits in five of the sixty years, stood between 80 and 100 percent of net profits in 15 years, and between

60 and 80 percent in 36 years, and were less than 60 percent in only 4 years. Large net charge-offs resulted in sharply reduced net profits in 1930 and in net losses in 1931-1934, but the payment of dividends was reduced much less drastically.

Dividends have amounted to less than 4 percent of total capital account in each of the eleven years since 1934. This represents a lower level than in any of the preceding 65 years except 1933. Dividends paid have amounted to less than 60 percent of net profits in nine of the eleven years. It appears clear that dividend payments have been on a more conservative basis since the banking crisis of 1933 than theretofore.

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**PART THREE**  
**SURVEY OF DEPOSITS IN INSURED BANKS, 1945**

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## SURVEY OF DEPOSITS IN INSURED BANKS, 1945

From time to time the Federal Deposit Insurance Corporation has called for special reports from all insured banks to aid in estimating its contingent liability in insuring bank deposits. These reports have shown the distribution of accounts and deposits by size of account. The first of these surveys was made on October 1, 1934, and was used in reporting deposits for purposes of assessment; under the temporary deposit insurance plan, assessments were based on insured deposits only. Under the permanent plan assessments are based on total deposits. However, in order to determine the protection given in operating banks by the provision for a maximum coverage of \$5,000 to each depositor, surveys were made as of May 13, 1936, September 21, 1938, September 24, 1941, and October 10, 1945.<sup>1</sup> The lapse of four years between the last two calls resulted from the desire of the Corporation to avoid imposing extra work on the banks during the war.

On October 10, 1945, 13,481 insured commercial and mutual savings banks reported total deposits amounting to \$141 billion. Of these deposits, \$66 billion or 46 percent were covered by the provision for a \$5,000 maximum insurance for each depositor. The banks reported 92 million accounts, of which 89 million or 96.4 percent had balances of \$5,000 or less. Table 34 shows deposits and accounts as reported in the five surveys which have been made.<sup>2</sup>

**Table 34. INSURANCE PROTECTION WITH A MAXIMUM COVERAGE OF \$5,000 IN ALL INSURED BANKS, SPECIAL CALL DATES, 1934-1945**

Account or deposit item	Oct. 10, 1945	Sept. 24, 1941	Sept. 21, 1938	May 13, 1936	Oct. 1, 1934
<b>Number of banks</b> .....	13,481	13,487	13,754	14,141	14,128
<b>Accounts (in thousands)</b>					
Total number .....	92,333	69,495	62,731	58,785	51,246
Number of \$5,000 or less .....	88,988	68,165	61,690	57,817	50,423
Percent of \$5,000 or less .....	96.4%	98.1%	98.3%	98.4%	98.4%
<b>Deposits (in millions)</b>					
Total amount .....	\$140,603	\$69,566	\$49,224	\$46,168	\$37,026
Amount insured .....	\$65,859	\$27,639	\$22,610	\$20,456	\$16,455
Percent insured .....	46%	39%	45%	44%	44%

Only slight changes occurred in the percent of deposits covered by the \$5,000 provision as shown in the special calls, although the amount of

<sup>1</sup> On the average, the number of depositors in each bank, as defined for insurance purposes, is about 10 percent less than the number of accounts. However, the percent of depositors fully protected is about the same as the percent of accounts with balances not in excess of \$5,000. The percent of deposits stated to be insured in all insured banks according to these surveys is estimated to be higher by about 1 percent of total deposits than the percent actually covered by the \$5,000 provision. A detailed discussion of these differences and of the limitations of the data is contained in the Appendix, page 78.

<sup>2</sup> For information concerning the earlier calls, see the following annual reports: 1934, pp. 59-67, pp. 140-147, pp. 184-193, and p. 244; 1936, pp. 65-77, and pp. 93-94; 1938, pp. 79-99, and pp. 109-111; 1941, pp. 63-78.

deposits more than trebled. From October 1, 1934, to October 10, 1945, total deposits in insured commercial and mutual savings banks increased from \$37 billion to \$141 billion. Deposits increased in every year except 1937, but the growth was especially rapid from 1941 to 1945. The proportion of accounts fully covered by the \$5,000 provision showed little change, although the number of accounts almost doubled between October 1934 and October 1945, increasing from 51 million to 92 million.

**Number of insured banks.** Of the 13,481 banks insured on October 10, 1945, 13,289 were commercial banks and 192 were mutual savings banks. Table 35 shows the number of each type of bank distributed according to the population of the center in which the head office of the bank was located. The various centers enjoyed more banking services than is indicated by the table, since more than 4,000 branches are operated by insured banks but are not included in the count of banks.

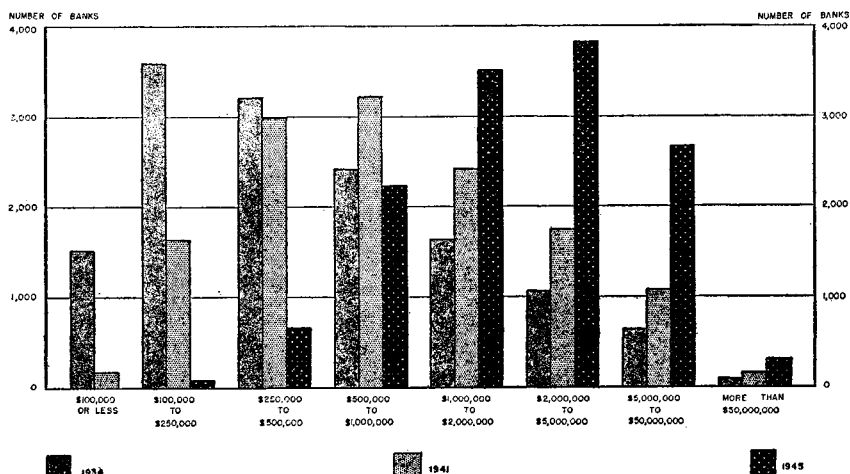
**Table 35. NUMBER OF INSURED COMMERCIAL AND MUTUAL SAVINGS BANKS  
OCTOBER 10, 1945**  
GROUPED BY POPULATION OF CENTER IN WHICH LOCATED

Size of center	All insured banks	Commercial banks	Mutual savings banks
<b>Total</b> .....	<b>13,481</b>	<b>13,289</b>	<b>192</b>
<b>Banks in centers with population of—</b>			
Less than 250.....	554	554	.....
250 to 500.....	1,387	1,387	.....
500 to 1,000.....	2,266	2,263	3
1,000 to 2,500.....	2,944	2,935	9
2,500 to 5,000.....	1,758	1,749	9
5,000 to 10,000.....	1,438	1,427	11
10,000 to 15,000.....	650	640	10
15,000 to 25,000.....	570	551	19
25,000 to 50,000.....	558	531	27
50,000 to 100,000.....	375	365	10
100,000 to 500,000.....	571	543	28
500,000 or more.....	410	344	66

A large number of the commercial banks were located in the smaller centers. Almost one-third of the banks were in centers with population of less than 1,000, more than one-half in centers with population of from 1,000 to 25,000, and less than one-sixth were located in cities with population of 25,000 or more. The 344 insured commercial banks located in cities with population of 500,000 or more held nearly one-half of the total deposits, one-fourth of the insured deposits, and one-fourth of the total number of accounts in all insured commercial banks. Figures showing deposits and accounts in insured commercial banks grouped according to the population of the centers in which they are located are given in Tables 41 and 42, pages 74 and 75.

Mutual savings banks for the most part are operated in the larger centers. Sixty-six of the 192 were located in cities with a population of 500,000 or more. No mutual savings banks were located in centers with a population of less than 500. About one-third were in centers with population of from 500 to 25,000 and another one-third in those with population of from 25,000 to 500,000. Data on accounts and deposits of mutual savings banks grouped by population of center are given in Tables 45 and 46, pages 78 and 79.

CHART F  
 NUMBER OF INSURED COMMERCIAL BANKS  
 GROUPED BY AMOUNT OF DEPOSITS  
 1934, 1941, 1945



The rapid growth in deposits in insured commercial banks, combined with reorganizations, consolidations, and other similar changes, has resulted in a substantial shift in the distribution of banks when grouped by the amount of their deposits. The shifts which have occurred are shown in Table 36 and Chart F. Between October 1, 1934, and October 10, 1945, the number of insured commercial banks each with deposits of \$250,000 or less decreased from 5,106 to 89. Only a few of these banks ceased operations. Most of them increased in size and at the later date appeared as banks with greater amounts of deposits. In 1934 only 96 banks had deposits amounting to more than \$50,000,000 each, while in 1945 there were 299 banks in this group. The number of insured mutual savings banks has changed so radically during the past four years and the number prior to 1941 was so small, that figures showing changes in their size distribution are of no significance.

**Table 36. NUMBER OF INSURED COMMERCIAL BANKS  
SPECIAL CALL DATES, 1934-1945  
GROUPED BY AMOUNT OF DEPOSITS**

Size of bank	Oct. 10, 1945	Sept. 24, 1941	Sept. 21, 1938	May 13, 1936	Oct. 1, 1934
<b>All banks.....</b>	<b>13,289</b>	<b>13,434</b>	<b>13,705</b>	<b>14,085</b>	<b>14,060</b>
<b>Banks with deposits of—</b>					
\$100,000 or less.....	89	188	570	917	1,513
\$100,000 to \$250,000.....		1,649	2,592	3,028	3,593
\$250,000 to \$500,000.....	663	2,986	3,203	3,300	3,115
\$500,000 to \$1,000,000.....	2,235	3,226	2,913	2,751	2,421
\$1,000,000 to \$2,000,000.....	3,510	2,413	2,052	1,926	1,631
\$2,000,000 to \$5,000,000.....	3,829	1,747	1,411	1,282	1,060
\$5,000,000 to \$10,000,000.....	1,553	589	484	441	631
\$10,000,000 to \$50,000,000.....	1,111	478	360	331	
More than \$50,000,000.....	299	158	120	109	

#### DEPOSITS IN INSURED COMMERCIAL BANKS

On October 10, 1945, the 13,289 insured commercial banks reported total deposits amounting to \$130 billion, of which \$57 billion or 43 percent were covered by the provision of a \$5,000 maximum insurance for each depositor. The banks reported 82 million accounts, 79 million or 96.5 percent of which did not exceed \$5,000. On September 24, 1941, the 13,434 insured commercial banks had total deposits amounting to \$68 billion, of which \$26 billion or 38 percent were covered by the \$5,000 maximum. The banks reported 67 million accounts, of which 66 million or 98.1 percent did not exceed \$5,000.

Between 1941 and 1945, the amount of deposits in insured commercial banks increased by \$62 billion or 93 percent and the number of accounts by 15 million or 22 percent, notwithstanding a decrease of 145 in the number of these banks. The average size of accounts increased from \$1,013 in 1941 to \$1,598 in 1945. The amount of deposits in accounts of \$5,000 or less increased by 113 percent while the number of such accounts increased by only 20 percent. As a result the average size of these accounts increased from \$301 to \$535, an increase of 78 percent. The number of accounts in excess of \$5,000 increased at a more rapid rate than the deposits in these accounts, bringing about a decline during the 4-year period in the average size of these accounts. This decline was only slight in the average balances in accounts of between \$5,000 and \$10,000 and of between \$10,000 and \$25,000, but accounts of over \$25,000 showed average balances of \$153,452 in 1945 as compared with \$161,665 in 1941, or a decline of 5 percent.

During the war period many new accounts were opened and many accounts increased in size. Individuals who in 1941 had not kept an account with a bank opened savings or checking accounts when their



liquid funds accumulated. About 13 million of the 15 million increase in the number of accounts was in those with balances not in excess of \$5,000. However, relatively fewer accounts were fully covered by the \$5,000 provision than at any time since the beginning of deposit insurance in 1934. Increases in income combined with wartime restrictions on expenditures resulted in the accumulation of larger balances by many depositors. Some accounts which before the war were less than \$5,000 grew to exceed that amount. In 1945, 2.1 percent of the accounts had balances of between \$5,000 and \$10,000 as compared with 1.0 percent in 1941. There were relative increases also in the number of accounts in excess of \$10,000 and of \$25,000.

Deposits in the smaller accounts made up a larger proportion of the total in 1945 than before the war. Deposits in accounts of \$5,000 or less were 32 percent of the total as compared with 29 percent in 1941. On the other hand, deposits in accounts of over \$25,000 made up only 51 percent as compared with 57 percent in 1941. Figures are shown in Table 37.

**Table 37. ACCOUNTS AND DEPOSITS IN INSURED COMMERCIAL BANKS  
OCTOBER 10, 1945, AND SEPTEMBER 24, 1941**

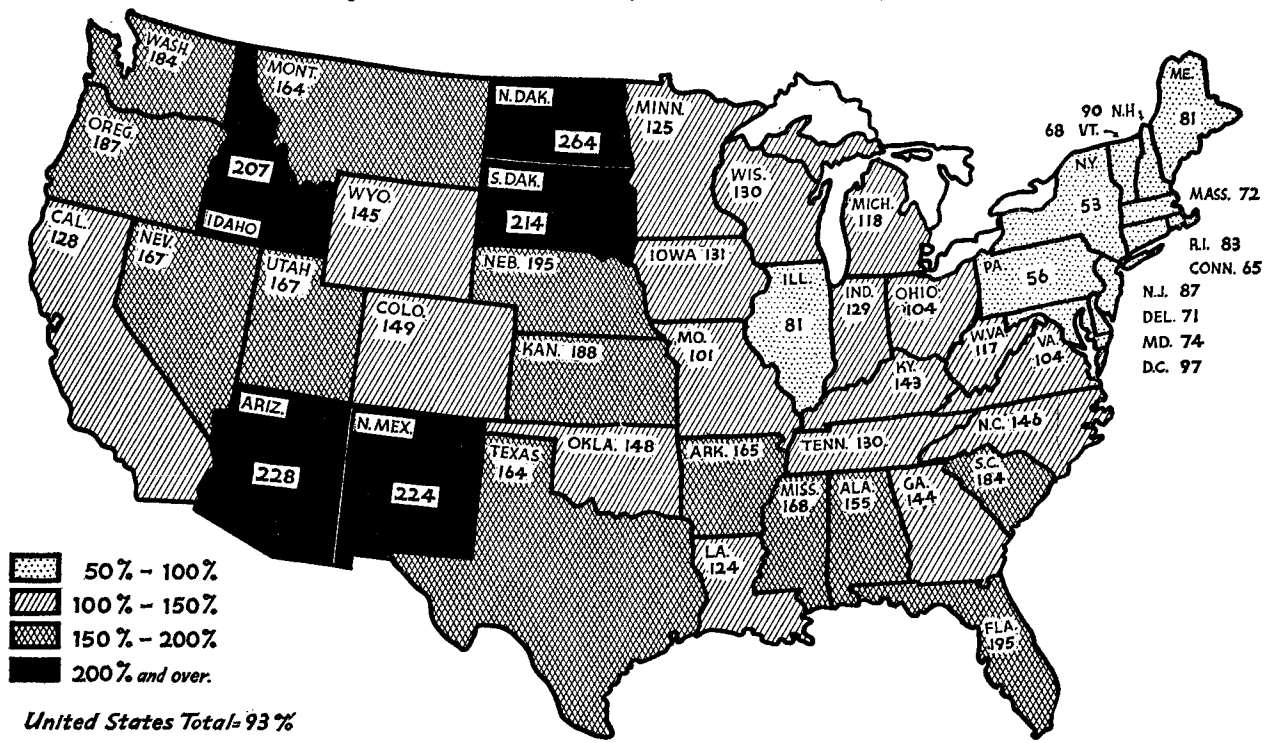
GROUPED BY SIZE OF ACCOUNT

Account or deposit item	Total	Accounts of—			
		\$5,000 or less	\$5,000 to \$10,000	\$10,000 to \$25,000	More than \$25,000
<b>Accounts</b>					
<b>Number</b> (in thousands).....					
1945.....	81,655	78,773	1,729	722	431
1941.....	66,918	65,668	698	314	238
<b>Percent of total</b>					
1945.....	100.0%	96.5%	2.1%	0.9%	0.5%
1941.....	100.0	98.1	1.0	0.5	0.4
<b>Deposits</b>					
<b>Amount</b> (in thousands)					
1945.....	\$130,476,724	\$42,104,903	\$11,485,916	\$10,781,722	\$66,104,183
1941.....	67,777,691	19,793,513	4,657,552	4,778,657	38,547,969
<b>Percent of total</b>					
1945.....	100.0%	32.3%	8.8%	8.2%	50.7%
1941.....	100.0	29.2	6.9	7.0	56.9
<b>Average size of accounts</b>					
1945.....	\$1,598	\$535	\$6,643	\$14,930	\$153,452
1941.....	1,013	301	6,676	15,235	161,665
<b>Percentage changes, 1941-1945</b>					
Number of accounts.....	22%	20%	148%	130%	81%
Amount of deposits.....	93	113	147	126	71
Average size of accounts..	58	78	-1	-2	-5

NOTE: Percentages were calculated from the original figures before rounding.

The percentage of accounts with balances of \$5,000 or less declined only slightly during the early years of deposit insurance from 98.5 percent in 1934 to 98.1 percent in 1941. No great differences appeared among various size groups of banks. However, since 1941 the percentage has

CHART G  
**PERCENTAGE INCREASE IN DEPOSITS OF  
 INSURED COMMERCIAL BANKS**  
 September 24, 1941, to October 10, 1945



declined somewhat in all size groups of banks and in 1945, 96.5 percent of accounts in all banks had balances of \$5,000 or less. Figures for insured commercial banks grouped by amount of deposits are shown in Table 38 for each of the special call dates.

**Table 38. PERCENT OF TOTAL NUMBER OF ACCOUNTS WITH BALANCES OF \$5,000 OR LESS, SPECIAL CALL DATES, 1934-1945**

INSURED COMMERCIAL BANKS GROUPED BY AMOUNT OF DEPOSITS

Size of bank	Oct. 10, 1945	Sept. 24, 1941	Sept. 21, 1938	May 13, 1936	Oct. 1, 1934
<b>All banks</b> .....	<b>96.5%</b>	<b>98.1%</b>	<b>98.4%</b>	<b>98.4%</b>	<b>98.5%</b>
<b>Banks with deposits of—</b>					
\$100,000 or less.....	} 98.7	{ 99.8	99.8	99.8	99.7
\$100,000 to \$250,000.....		{ 99.6	99.6	99.6	99.6
\$250,000 to \$500,000.....		{ 99.3	99.4	99.4	99.4
\$500,000 to \$1,000,000.....	98.0	99.1	99.2	99.2	99.3
\$1,000,000 to \$2,000,000.....	97.5	98.9	99.0	99.0	99.1
\$2,000,000 to \$5,000,000.....	97.2	98.7	98.8	98.8	98.8
\$5,000,000 to \$50,000,000.....	96.8	98.1	98.3	98.2	98.3
More than \$50,000,000.....	95.3	96.9	97.1	97.0	97.2

The percent of deposits covered by the \$5,000 maximum showed more variation than the percent of accounts fully protected. The variation was especially great when banks were grouped by amount of deposits, ranging in 1945 from 89 percent in the smallest banks to 27 percent in the group of banks with deposits of more than \$50,000,000 each. The coverage was less in 1941 than at any other call. Increases in coverage between 1941 and 1945 were greatest in the various groups of banks with deposits in excess of \$1,000,000 each. Table 39 shows the coverage of deposits given by the \$5,000 provision on the various call dates with banks grouped by amount of deposits.

**Table 39. PERCENT OF DEPOSITS INSURED WITH A MAXIMUM COVERAGE OF \$5,000, SPECIAL CALL DATES, 1934-1945**

INSURED COMMERCIAL BANKS GROUPED BY AMOUNT OF DEPOSITS

Size of bank	Oct. 10, 1945	Sept. 24, 1941	Sept. 21, 1938	May 13, 1936	Oct. 1, 1934
<b>All banks</b> .....	<b>43%</b>	<b>38%</b>	<b>45%</b>	<b>43%</b>	<b>43%</b>
<b>Banks with deposits of—</b>					
\$100,000 or less.....	} 89	{ 96	95	95	91
\$100,000 to \$250,000.....		{ 92	91	90	86
\$250,000 to \$500,000.....		{ 88	87	86	83
\$500,000 to \$1,000,000.....	85	84	84	82	78
\$1,000,000 to \$2,000,000.....	81	79	79	78	74
\$2,000,000 to \$5,000,000.....	75	72	74	72	69
\$5,000,000 to \$50,000,000.....	60	53	55	52	49
More than \$50,000,000.....	27	21	26	25	25

In every State the percentage of accounts in commercial banks which exceeded \$5,000 was greater in 1945 than in any previous call. The percent of deposits protected with the \$5,000 maximum increased in 27 States and decreased in 21 States, in the District of Columbia, and in the possessions. The increases occurred particularly in the States where the coverage was low and the decreases in the States where the coverage was high. Variation among States in the proportion of deposits covered was wide, ranging from 79 percent in Vermont to 20 percent in New York. In 1941, the coverage ranged from 84 percent in North Dakota to 17 percent in New York. Figures relating to accounts and deposits in insured commercial banks in 1945 in each State are presented in Tables 43 and 44, pages 76 and 77.

During the 4-year period, 1941-1945, deposits in insured commercial banks of the United States increased by 93 percent. The growth was not uniform throughout the country, however, ranging from 53 percent in New York to 264 percent in North Dakota. The rate of increase was less than the national average in all of the 11 New England and Middle Atlantic States and in Illinois. Banks in these States held more than one-half of the deposits of the country. The percentage increases in deposits in each State are shown in Chart G.

A \$5,000 maximum coverage gave full protection to all of the deposits in only 11 banks. Insurance protection with banks grouped by percent of deposits insured is shown in Tables 40 and 41. If a limit of \$10,000 or \$25,000 had been in effect on October 10, 1945, full protection would have been given to the deposits in 163 banks by the former provision and in 1,889 banks by the latter. Under a \$10,000 or \$25,000 limit deposit coverage would have been increased from the present 43 percent to 49 percent and 57 percent respectively. The percentage of accounts fully covered would have been increased from 96.5 percent to 98.6 percent and 99.5 percent respectively.

#### DEPOSITS IN INSURED MUTUAL SAVINGS BANKS

On October 10, 1945, the 192 insured mutual savings banks held total deposits amounting to \$10.1 billion, of which \$9.3 billion or 92 percent were covered by the provision of a \$5,000 maximum insurance for each depositor. The banks reported 10.7 million accounts, 10.2 million or 95.7 percent of which did not exceed \$5,000. On September 24, 1941, the 53 mutual savings banks which were then insured held total deposits amounting to \$1.8 billion, of which 89 percent were covered by the \$5,000 maximum. The banks reported 2.6 million accounts, 96.9 percent of which did not exceed \$5,000.

During the four years between September 24, 1941, and October 10, 1945, the number of mutual savings banks which were insured increased

by 139 as a result of the admission to insurance of 141 banks and the absorption of 2 banks. The 141 banks admitted were located as follows: 128 in New York; 9 in New Jersey; 2 in Connecticut; 1 in Maryland; and 1 in Pennsylvania. The 2 banks which were absorbed were located in the States of New York and Washington. It is estimated that the admission to insurance of these 141 banks accounted for an increase of 8 million in the number of accounts, of \$8 billion in the amount of total deposits, and of \$7.5 billion in the amount of insured deposits. Figures for mutual savings banks on the two dates appear in Table 40.

**Table 40. ACCOUNTS AND DEPOSITS IN INSURED MUTUAL SAVINGS BANKS**  
OCTOBER 10, 1945, AND SEPTEMBER 24, 1941  
GROUPED BY SIZE OF ACCOUNT

Account or deposit item	Total	Accounts of—			
		\$5,000 or less	\$5,000 to \$10,000	\$10,000 to \$25,000	More than \$25,000
<b>Accounts</b>					
Number (in thousands)					
1945 .....	10,678	10,215	441	21	1
1941 .....	2,577	2,497	71	9	1
Percent of total					
1945 .....	100.0%	95.7%	4.1%	0.2%	2
1941 .....	100.0	96.9	2.8	0.3	2
<b>Deposits</b>					
Amount (in thousands)					
1945 .....	\$10,125,977	\$7,031,470	\$2,797,045	\$268,101	\$29,361
1941 .....	1,788,236	1,197,303	457,145	116,511	17,277
Percent of total					
1945 .....	100.0%	69.4%	27.6%	2.7%	0.3%
1941 .....	100.0	66.9	25.6	6.5	1.0
<b>Average size of accounts</b>					
1945 .....	\$948	\$688	\$6,347	\$12,608	\$40,666
1941 .....	694	480	6,473	13,431	36,996
<b>Percentage changes, 1941-1945</b>					
Number of accounts .....	314%	309%	524%	145%	55%
Amount of deposits .....	466	487	512	130	70
Average size of accounts .....	37	43	-2	-6	10

<sup>1</sup> Less than 500.

<sup>2</sup> Less than 0.05%.

NOTE: Percentages were calculated from the original figures before rounding.

During the four years the coverage under the \$5,000 provision increased from 89 percent to 92 percent and the percent of accounts which did not exceed \$5,000 decreased from 96.9 to 95.7 percent. These changes resulted from the extraordinary deposit growth which occurred in all mutual savings banks, especially during 1944 and 1945, rather than from the admission of the 141 banks. The distribution of accounts and deposits was much the same in the newly insured banks as in the banks insured in 1941.

Deposits in mutual savings banks were 92 percent covered by the \$5,000 provision as compared with 43 percent coverage in commercial

banks. However, time and savings deposits of individuals, partnerships, and corporations in commercial banks were about 90 percent covered. Only 95.7 percent of the accounts in mutual savings banks were fully protected in 1945 as compared with 96.5 percent of the accounts in commercial banks.

While the chief factor in the large increase in the number of accounts and the amount of deposits in insured mutual savings banks was the admission of the 141 banks, there was also an unusually high rate of growth in the individual banks. The most rapid growth was in accounts of between \$5,000 and \$10,000 where the increase was more than 500 percent. The average size of all accounts increased from \$694 to \$948. The average size of accounts of \$5,000 or less and of more than \$25,000 increased, while the average size of accounts in the two intermediate size groups declined.

A grouping of mutual savings banks by amount of deposits showed a higher percentage of accounts fully protected by the \$5,000 provision in small banks than in large banks. In the one bank with deposits of \$500,000 or less, 98.6 percent of the accounts were fully covered and in the group of 30 banks each with deposits of over \$100,000,000, 95.1 percent. A similar tendency was found in commercial banks.

The percentage of deposits covered did not vary according to the size of mutual savings banks. Deposits were 92 percent covered by the \$5,000 provision in both the smallest bank and in the group of banks each with deposits in excess of \$100,000,000, while in the seven intermediate size groups coverage ranged from 89 to 96 percent. In commercial banks coverage ranged from 89 percent in the smallest banks to 26 percent in the largest banks.

Greater variations were found when banks were grouped by State than when grouped by size. Some State laws place limitations upon the amounts which may be deposited in mutual savings banks. The limitations vary from \$4,000 to \$25,000, although in some States accumulated dividends may be added. No limitations are contained in the laws of Maine, Maryland, Ohio, Pennsylvania, and Vermont. Individual banks may place restrictions upon the amounts they will accept as deposits irrespective of any legal limitations imposed by the States.

In all but one of the 13 States in which the insured mutual savings banks were located the banks reported less than 5 percent of their accounts in excess of \$5,000; in Maryland less than 1 percent were reported as exceeding that amount. Oregon was the one State in which more than 5 percent of the accounts were in excess of \$5,000; 10 percent of the accounts were between \$5,000 and \$10,000, but none exceeded \$10,000. Only 722 accounts in all insured mutual savings banks exceeded \$25,000. Of these, 392 were in banks in Pennsylvania and 165 in Ohio. There

were 21,273 accounts between \$10,000 and \$25,000 and 440,720 between \$5,000 and \$10,000. The provision for a \$5,000 maximum insurance covered about 85 percent of the deposits in insured mutuals of Connecticut, Ohio, and Pennsylvania and 90 percent or more in banks of the other 10 States. Figures for mutual savings banks grouped by amount of deposits, by population of the center in which the banks were located, and by State are shown in Tables 45 and 46.

The reports made by the banks indicated that the \$5,000 insurance limit did not fully protect the deposits in any insured mutual savings bank. It afforded 90 percent or more coverage to the deposits in 148 banks, 80 to 89 percent to the deposits in 43 banks, and less than 80 percent (79 percent) to the deposits in only 1 bank. A change in the insurance maximum to \$10,000 or \$25,000 for each depositor would give full protection to all deposits in 8 and 136 banks, respectively, and would give 90 percent or more protection in all the remaining banks. Under either limit, deposit coverage would be increased from the present 92 percent to 99 percent. The percent of accounts fully protected would be increased from the present 95.7 percent to 99.8 percent by a \$10,000 limit, while a \$25,000 limit would fully protect all but 722 of the 10,678,296 accounts in these banks.

**Table 41. DISTRIBUTION OF ACCOUNTS ACCORDING TO SIZE**  
OCTOBER 10, 1945

INSURED COMMERCIAL BANKS GROUPED BY CLASS, AMOUNT OF DEPOSITS, POPULATION OF CENTER IN WHICH LOCATED, AND PERCENT OF DEPOSITS INSURED

Classification	Number of banks	Number of accounts (in thousands)					Percent of accounts of \$5,000 or less
		Total	\$5,000 or less	\$5,000 to \$10,000	\$10,000 to \$25,000	More than \$25,000	
<b>Total</b> .....	<b>13,289</b>	<b>81,655</b>	<b>78,773</b>	<b>1,729</b>	<b>722</b>	<b>431</b>	<b>96.5%</b>
<b>Class of bank</b>							
National banks members F. R. System.....	5,014	44,161	42,553	944	407	257	96.4
State banks members F. R. System.....	1,846	18,973	18,206	438	196	133	96.0
Banks not members F. R. System.....	6,429	18,521	18,014	347	119	41	97.3
<b>Banks with deposits of—</b>							
\$250,000 or less.....	89	31	31				98.7
\$250,000 to \$500,000.....	663	438	431	5	2		98.5
\$500,000 to \$1,000,000.....	2,235	2,390	2,342	35	11	2	98.0
\$1,000,000 to \$2,000,000.....	3,510	6,431	6,272	113	36	10	97.5
\$2,000,000 to \$5,000,000.....	3,829	13,920	13,539	261	91	29	97.2
\$5,000,000 to \$10,000,000.....	1,553	11,487	11,154	219	82	32	97.1
\$10,000,000 to \$25,000,000.....	847	11,739	11,361	236	96	46	96.8
\$25,000,000 to \$50,000,000.....	264	6,684	6,442	143	63	36	96.4
\$50,000,000 to \$100,000,000.....	134	5,410	5,196	120	55	39	96.1
More than \$100,000,000.....	165	23,125	22,005	597	286	237	95.2
<b>Banks in center with population of—</b>							
Less than 250.....	554	527	513	10	3	1	97.3
250 to 500.....	1,387	1,582	1,544	28	8	2	97.6
500 to 1,000.....	2,263	3,357	3,269	63	20	5	97.4
1,000 to 2,500.....	2,935	6,676	6,498	125	42	11	97.3
2,500 to 5,000.....	1,749	6,108	5,937	116	41	14	97.2
5,000 to 10,000.....	1,427	6,976	6,775	133	50	18	97.1
10,000 to 15,000.....	640	4,252	4,128	81	31	12	97.1
15,000 to 25,000.....	551	4,858	4,709	96	37	16	96.9
25,000 to 50,000.....	531	6,363	6,164	125	50	24	96.9
50,000 to 100,000.....	365	6,176	5,978	117	51	30	96.8
100,000 to 500,000.....	543	14,025	13,506	294	129	96	96.3
500,000 or more.....	344	20,755	19,752	541	260	202	95.2
<b>Banks with percent of deposits insured of—</b>							
100 percent.....	11	4	4				100.0
90 to 99 percent.....	1,697	2,769	2,729	33	6	1	98.6
80 to 89 percent.....	4,729	12,853	12,568	211	60	14	97.8
70 to 79 percent.....	3,640	16,512	16,051	317	109	35	97.2
60 to 69 percent.....	1,796	17,715	17,151	366	142	56	96.8
50 to 59 percent.....	768	11,944	11,478	289	118	59	96.1
40 to 49 percent.....	300	6,005	5,752	143	69	41	95.8
30 to 39 percent.....	165	4,484	4,288	102	53	41	95.6
20 to 29 percent.....	110	5,831	5,536	143	79	73	94.9
Less than 20 percent.....	73	3,538	3,216	125	86	111	90.9

NOTE: Percentages were calculated from the original figures before rounding.



**Table 42. DISTRIBUTION OF DEPOSITS ACCORDING TO SIZE OF ACCOUNT  
OCTOBER 10, 1945**

INSURED COMMERCIAL BANKS GROUPED BY CLASS, AMOUNT OF DEPOSITS, POPULATION OF CENTER IN WHICH LOCATED, AND PERCENT OF DEPOSITS INSURED

Classification	Deposits (in millions)					Deposits insured with \$5,000 maximum coverage	
	Total	In accounts of—				Amount (in millions)	Percent
		\$5,000 or less	\$5,000 to \$10,000	\$10,000 to \$25,000	More than \$25,000		
<b>Total</b> .....	<b>\$130,477</b>	<b>\$42,105</b>	<b>\$11,486</b>	<b>\$10,782</b>	<b>\$66,104</b>	<b>\$56,514</b>	<b>43%</b>
<b>Class of bank</b>							
National banks members F. R. System.....	74,124	22,542	6,289	6,115	39,178	30,583	41
State banks members F. R. System.....	39,659	10,014	2,904	2,985	23,806	13,852	34
Banks not members F. R. System.....	16,694	9,549	2,293	1,732	3,120	12,079	72
<b>Banks with deposits of—</b>							
\$250,000 or less.....	17	13	2	1	1	15	89
\$250,000 to \$500,000.....	266	204	32	22	8	236	88
\$500,000 to \$1,000,000.....	1,684	1,209	231	150	94	1,446	85
\$1,000,000 to \$2,000,000.....	5,113	3,373	754	526	460	4,169	81
\$2,000,000 to \$5,000,000.....	11,956	7,089	1,725	1,335	1,807	8,993	75
\$5,000,000 to \$10,000,000.....	10,738	5,707	1,446	1,206	2,379	7,370	68
\$10,000,000 to \$25,000,000.....	12,924	5,842	1,562	1,432	4,088	7,733	59
\$25,000,000 to \$50,000,000.....	9,044	3,391	953	944	3,756	4,602	50
\$50,000,000 to \$100,000,000.....	9,398	2,755	801	839	5,003	3,827	40
More than \$100,000,000.....	69,337	12,522	3,980	4,327	48,508	18,123	26
<b>Banks in centers with population of—</b>							
Less than 250.....	526	295	66	43	122	365	69
250 to 500.....	1,244	858	186	119	81	1,047	84
500 to 1,000.....	2,781	1,850	420	284	227	2,287	82
1,000 to 2,500.....	5,607	3,553	834	601	619	4,444	79
2,500 to 5,000.....	5,416	3,144	770	612	890	4,001	73
5,000 to 10,000.....	6,412	3,515	885	733	1,279	4,522	70
10,000 to 15,000.....	4,050	2,094	534	461	961	2,717	67
15,000 to 25,000.....	5,034	2,406	632	553	1,443	3,155	62
25,000 to 50,000.....	6,808	3,088	822	743	2,155	4,082	60
50,000 to 100,000.....	7,679	2,950	775	761	3,193	3,937	51
100,000 to 500,000.....	24,355	7,047	1,948	1,955	13,405	9,642	39
500,000 or more.....	60,565	11,305	3,614	3,917	41,729	16,315	26
<b>Banks with percent of deposits insured of—</b>							
100 percent.....	3	3	.....	.....	.....	3	100
90 to 99 percent.....	1,711	1,384	212	89	26	1,585	92
80 to 89 percent.....	9,518	6,594	1,379	872	673	8,021	84
70 to 79 percent.....	14,301	8,417	2,092	1,596	2,196	10,723	75
60 to 69 percent.....	17,939	8,745	2,431	2,071	4,692	11,563	64
50 to 59 percent.....	16,129	6,608	1,914	1,750	5,857	8,938	55
40 to 49 percent.....	9,880	3,176	950	1,033	4,721	4,440	44
30 to 39 percent.....	9,244	2,257	688	805	5,494	3,237	35
20 to 29 percent.....	17,390	2,961	970	1,223	12,236	4,439	25
Less than 20 percent.....	34,362	1,960	850	1,343	30,209	3,565	10

NOTE: Percentages were calculated from the original figures before rounding.

**Table 43. DISTRIBUTION OF ACCOUNTS ACCORDING TO SIZE  
OCTOBER 10, 1945**

## INSURED COMMERCIAL BANKS GROUPED BY STATE

State	Number of banks	Number of accounts (in thousands)					Percent of accounts of \$5,000 or less
		Total	\$5,000 or less	\$5,000 to \$10,000	\$10,000 to \$25,000	More than \$25,000	
<b>United States and possessions—total.....</b>	<b>13,289</b>	<b>81,655</b>	<b>78,773</b>	<b>1,729</b>	<b>722</b>	<b>431</b>	<b>96.5%</b>
<b>United States—total..</b>	<b>13,284</b>	<b>81,621</b>	<b>78,741</b>	<b>1,728</b>	<b>721</b>	<b>431</b>	<b>96.5%</b>
Alabama.....	212	1,159	1,131	17	7	4	97.5
Arizona.....	11	241	230	7	3	1	95.6
Arkansas.....	208	629	610	11	5	3	97.0
California.....	189	8,191	7,835	233	88	35	95.7
Colorado.....	132	604	576	17	7	4	95.4
Connecticut.....	99	959	931	17	7	4	97.0
Delaware.....	39	192	184	5	2	1	95.6
District of Columbia.....	21	693	672	12	6	3	96.8
Florida.....	166	995	950	27	12	6	95.5
Georgia.....	290	1,310	1,273	21	10	6	97.2
Idaho.....	45	260	248	8	3	1	95.2
Illinois.....	832	5,221	5,008	126	52	35	95.9
Indiana.....	471	2,117	2,052	42	15	8	96.9
Iowa.....	591	1,560	1,509	34	12	5	96.7
Kansas.....	446	1,013	975	23	10	5	96.3
Kentucky.....	362	1,200	1,168	20	8	4	97.3
Louisiana.....	150	1,113	1,079	19	9	6	97.0
Maine.....	56	498	487	7	3	1	97.7
Maryland.....	169	1,201	1,166	21	9	5	97.0
Massachusetts.....	183	2,142	2,061	42	22	17	96.2
Michigan.....	413	3,361	3,259	67	23	12	96.9
Minnesota.....	646	1,752	1,702	31	11	8	97.2
Mississippi.....	197	685	667	11	5	2	97.3
Missouri.....	561	2,430	2,356	42	18	14	96.9
Montana.....	111	296	280	10	4	2	94.8
Nebraska.....	351	742	712	18	8	4	95.9
Nevada.....	8	87	82	3	1	1	94.2
New Hampshire.....	57	215	210	3	1	1	97.3
New Jersey.....	344	4,183	4,073	75	24	11	97.3
New Mexico.....	41	187	179	5	2	1	95.8
New York.....	679	8,001	7,583	208	112	98	94.8
North Carolina.....	223	1,241	1,206	20	9	6	97.2
North Dakota.....	146	323	310	9	3	1	96.0
Ohio.....	663	4,611	4,458	96	36	21	96.7
Oklahoma.....	371	1,118	1,085	19	9	5	97.1
Oregon.....	69	822	787	23	8	4	95.8
Pennsylvania.....	1,010	7,010	6,802	126	52	30	97.0
Rhode Island.....	16	477	463	9	3	2	97.0
South Carolina.....	121	525	508	10	5	2	96.8
South Dakota.....	165	345	333	8	3	1	96.7
Tennessee.....	286	1,432	1,393	23	10	6	97.3
Texas.....	799	3,474	3,344	73	36	21	96.3
Utah.....	57	383	370	8	3	2	96.9
Vermont.....	71	308	302	5	1	1	97.9
Virginia.....	313	1,866	1,825	26	10	5	97.8
Washington.....	119	1,200	1,149	32	13	6	95.7
West Virginia.....	173	974	954	12	5	3	97.9
Wisconsin.....	546	2,118	2,054	43	14	7	97.0
Wyoming.....	56	157	150	4	2	1	95.9
<b>Possessions—total....</b>	<b>5</b>	<b>34</b>	<b>32</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>95.9%</b>

NOTE: Percentages were calculated from the original figures before rounding.

**Table 44. DISTRIBUTION OF DEPOSITS ACCORDING TO SIZE OF ACCOUNT  
OCTOBER 10, 1945**

## INSURED COMMERCIAL BANKS GROUPED BY STATE

State	Deposits (in millions)					Deposits insured with \$5,000 maximum coverage	
	Total	In accounts of—				Amount (in millions)	Percent
		\$5,000 or less	\$5,000 to \$10,000	\$10,000 to \$25,000	More than \$25,000		
<b>United States and possessions—total.....</b>	<b>\$130,477</b>	<b>\$42,105</b>	<b>\$11,486</b>	<b>\$10,782</b>	<b>\$66,104</b>	<b>\$56,514</b>	<b>43%</b>
<b>United States—total..</b>	<b>\$130,438</b>	<b>\$42,083</b>	<b>\$11,479</b>	<b>\$10,778</b>	<b>\$66,098</b>	<b>\$56,485</b>	<b>43%</b>
<b>State</b>							
Alabama.....	1,147	490	112	111	434	633	55
Arizona.....	335	143	44	43	105	196	58
Arkansas.....	688	328	74	72	214	421	61
California.....	11,393	4,685	1,548	1,257	3,903	6,464	56
Colorado.....	1,002	370	112	106	414	506	50
Connecticut.....	1,171	466	112	108	485	608	51
Delaware.....	390	96	31	35	228	138	35
District of Columbia..	953	318	84	90	461	427	44
Florida.....	1,523	533	179	182	629	756	49
Georgia.....	1,576	572	140	145	719	756	48
Idaho.....	365	171	54	47	93	233	63
Illinois.....	10,395	2,765	837	789	6,004	3,831	36
Indiana.....	2,534	1,127	276	231	900	1,454	57
Iowa.....	1,792	855	231	178	528	1,116	62
Kansas.....	1,321	571	157	146	447	759	57
Kentucky.....	1,352	619	135	120	478	782	57
Louisiana.....	1,421	487	125	136	673	655	46
Maine.....	404	203	49	42	110	261	64
Maryland.....	1,412	515	142	137	618	693	49
Massachusetts.....	4,196	1,018	284	335	2,559	1,421	33
Michigan.....	4,460	1,864	441	346	1,809	2,378	53
Minnesota.....	2,437	954	203	166	1,114	1,203	49
Mississippi.....	685	340	74	75	196	432	63
Missouri.....	3,830	1,207	285	230	2,058	1,580	41
Montana.....	465	203	66	59	137	280	60
Nebraska.....	1,132	436	124	114	458	586	51
Nevada.....	139	57	20	19	43	82	59
New Hampshire.....	196	87	23	22	64	116	59
New Jersey.....	3,965	1,962	482	358	1,163	2,515	63
New Mexico.....	243	107	32	34	70	147	60
New York.....	31,313	4,361	1,390	1,713	23,849	6,452	20
North Carolina.....	1,668	578	131	139	820	753	45
North Dakota.....	382	228	63	41	50	293	76
Ohio.....	6,240	2,447	627	530	2,636	3,207	51
Oklahoma.....	1,382	527	130	129	596	691	50
Oregon.....	1,225	560	151	119	395	733	59
Pennsylvania.....	9,255	3,226	831	771	4,427	4,265	46
Rhode Island.....	574	196	57	50	271	267	46
South Carolina.....	585	250	67	70	198	333	57
South Dakota.....	377	213	52	39	73	270	71
Tennessee.....	1,708	665	153	147	743	860	50
Texas.....	4,986	1,766	498	541	2,181	2,410	48
Utah.....	499	190	48	40	221	249	49
Vermont.....	212	135	30	19	28	168	79
Virginia.....	1,662	749	169	153	591	955	57
Washington.....	1,893	765	213	191	724	1,022	54
West Virginia.....	803	400	83	73	247	499	62
Wisconsin.....	2,561	1,190	283	204	884	1,509	58
Wyoming.....	191	88	27	26	50	120	62
<b>Possessions—total...</b>	<b>\$39</b>	<b>\$22</b>	<b>\$7</b>	<b>\$4</b>	<b>\$6</b>	<b>\$29</b>	<b>73%</b>

NOTE: Percentages were calculated from the original figures before rounding.

**Table 45. DISTRIBUTION OF ACCOUNTS ACCORDING TO SIZE**  
OCTOBER 10, 1945

INSURED MUTUAL SAVINGS BANKS GROUPED BY AMOUNT OF DEPOSITS,  
POPULATION OF CENTER IN WHICH LOCATED, AND STATE

Classification	Number of banks	Number of accounts					Percent of accounts of \$5,000 or less
		Total	\$5,000 or less	\$5,000 to \$10,000	\$10,000 to \$25,000	More than \$25,000	
<b>United States—total</b> .....	<b>192</b>	<b>10,678,296</b>	<b>10,215,581</b>	<b>440,720</b>	<b>21,273</b>	<b>722</b>	<b>95.7%</b>
<b>Banks with deposits of—</b>							
\$250,000 to \$500,000 .....	1	1,359	1,340	15	4		98.6
\$500,000 to \$1,000,000 .....	2	2,270	2,231	36	3		98.3
\$1,000,000 to \$2,000,000 .....	6	19,219	18,812	343	62	2	97.9
\$2,000,000 to \$5,000,000 .....	25	119,006	115,397	3,440	159	10	97.0
\$5,000,000 to \$10,000,000 .....	31	295,308	285,241	9,639	417	11	96.6
\$10,000,000 to \$25,000,000 .....	45	845,475	812,057	31,459	1,875	84	96.1
\$25,000,000 to \$50,000,000 .....	26	1,155,001	1,111,620	41,631	1,718	32	96.3
\$50,000,000 to \$100,000,000 .....	26	2,186,746	2,114,354	68,866	3,305	221	96.7
More than \$100,000,000 .....	30	6,053,912	5,754,529	285,291	13,730	362	95.1
<b>Banks in centers with population of—</b>							
500 to 1,000 .....	3	17,333	16,180	1,112	40	1	93.4
1,000 to 2,500 .....	9	44,104	41,643	2,372	88	1	94.4
2,500 to 5,000 .....	9	33,469	31,763	1,655	51		94.9
5,000 to 10,000 .....	11	109,532	105,101	4,231	195	5	95.9
10,000 to 15,000 .....	10	78,158	75,252	2,738	164	4	96.3
15,000 to 25,000 .....	19	257,410	247,745	8,912	731	22	96.2
25,000 to 50,000 .....	27	476,719	460,211	15,438	1,023	47	96.6
50,000 to 100,000 .....	10	289,491	279,660	9,347	452	32	96.6
100,000 to 500,000 .....	28	1,625,063	1,572,876	50,044	2,106	37	96.8
500,000 or more .....	66	7,747,017	7,385,150	344,871	16,423	573	95.3
<b>State</b>							
Connecticut .....	2	23,781	22,854	745	177	5	96.1
Indiana .....	3	23,117	22,266	734	96	21	96.3
Maine .....	6	36,591	35,865	633	90	3	98.0
Maryland .....	3	198,042	196,445	1,392	187	18	99.2
Minnesota .....	1	239,531	235,434	4,084	13		98.3
New Jersey .....	22	634,366	619,856	12,536	1,897	77	97.7
New York .....	131	7,811,796	7,431,285	371,758	8,727	26	95.1
Ohio .....	3	198,531	189,569	7,294	1,503	165	95.5
Oregon .....	1	4,353	3,884	469			89.2
Pennsylvania .....	7	1,130,433	1,090,551	31,178	8,312	392	96.5
Vermont .....	8	101,415	99,140	2,080	184	11	97.8
Washington .....	2	251,803	244,190	7,560	52	1	97.0
Wisconsin .....	3	24,537	24,242	257	35	3	98.8

NOTE: Percentages were calculated from the original figures before rounding.

### Appendix

#### LIMITATIONS OF DATA ON INSURED DEPOSITS

##### SPECIAL SURVEYS, 1936-1945

The deposit insurance law provides that in any insured bank closed on account of inability to meet the demands of its depositors, each depositor shall have insurance protection to a maximum of \$5,000 upon his deposits therein maintained in the same right and capacity.<sup>1</sup> If a depositor has more than one account, for example, a personal

<sup>1</sup> For these provisions, see subsections (c) (13) and (l) (6) of the Federal deposit insurance law, as amended, Title 12, U.S.C., 1940 ed., sec. 264.

**Table 46. DISTRIBUTION OF DEPOSITS ACCORDING TO SIZE OF ACCOUNT  
OCTOBER 10, 1945**

INSURED MUTUAL SAVINGS BANKS GROUPED BY AMOUNT OF DEPOSITS,  
POPULATION OF CENTER IN WHICH LOCATED, AND STATE

Classification	Deposits (in thousands)					Deposits insured with \$5,000 maximum coverage	
	Total	In accounts of—				Amount (in thousands)	Per cent
		\$5,000 or less	\$5,000 to \$10,000	\$10,000 to \$25,000	More than \$25,000		
<b>United States—total . . . . .</b>	<b>\$10,125,977</b>	<b>\$7,031,470</b>	<b>\$2,797,045</b>	<b>\$268,101</b>	<b>\$29,361</b>	<b>\$9,345,045</b>	<b>92%</b>
<b>Banks with deposits of—</b>							
\$250,000 to \$500,000 . . . . .	443	315	87	41	.....	410	92
\$500,000 to \$1,000,000 . . . . .	1,340	1,096	203	41	.....	1,291	96
\$1,000,000 to \$2,000,000 . . . . .	9,847	6,758	2,210	826	53	8,793	89
\$2,000,000 to \$5,000,000 . . . . .	87,394	63,069	22,015	2,011	299	81,114	92
\$5,000,000 to \$10,000,000 . . . . .	230,705	164,418	60,605	5,177	505	214,753	93
\$10,000,000 to \$25,000,000 . . . . .	716,187	486,231	202,757	23,939	3,260	653,320	91
\$25,000,000 to \$50,000,000 . . . . .	938,726	649,843	266,791	21,102	990	866,748	92
\$50,000,000 to \$100,000,000 . . . . .	1,757,666	1,265,325	438,669	43,307	10,365	1,627,286	92
More than \$100,000,000 . . . . .	6,383,669	4,394,415	1,803,708	171,657	13,889	5,891,330	92
<b>Banks in centers with population of—</b>							
500 to 1,000 . . . . .	21,346	13,476	7,355	487	28	19,241	90
1,000 to 2,500 . . . . .	43,384	26,764	15,582	1,009	29	39,068	90
2,500 to 5,000 . . . . .	33,706	22,201	10,863	642	.....	30,731	91
5,000 to 10,000 . . . . .	95,640	65,529	27,545	2,396	170	87,684	91
10,000 to 15,000 . . . . .	58,444	38,584	17,712	2,039	109	53,114	90
15,000 to 25,000 . . . . .	205,429	137,152	57,967	9,360	950	185,477	90
25,000 to 50,000 . . . . .	353,247	238,919	99,565	13,047	1,716	321,459	91
50,000 to 100,000 . . . . .	232,750	166,386	59,395	5,611	1,358	215,542	92
100,000 to 500,000 . . . . .	1,173,104	830,877	315,574	25,367	1,236	1,091,812	93
500,000 or more . . . . .	7,908,927	5,491,582	2,185,487	208,143	23,715	7,300,917	92
<b>State</b>							
Connecticut . . . . .	21,249	13,747	4,933	2,383	186	18,382	86
Indiana . . . . .	25,971	19,257	4,458	1,318	938	23,512	90
Maine . . . . .	22,318	16,984	3,947	1,168	219	20,614	92
Maryland . . . . .	72,747	60,942	8,613	2,545	647	68,927	94
Minnesota . . . . .	124,883	103,286	21,384	213	.....	123,771	99
New Jersey . . . . .	405,406	300,573	77,819	24,820	2,194	373,123	92
New York . . . . .	8,098,861	5,636,629	2,363,024	97,742	1,466	7,539,184	93
Ohio . . . . .	200,632	125,625	46,768	20,722	7,517	170,435	84
Oregon . . . . .	8,384	5,945	2,439	.....	.....	8,290	98
Pennsylvania . . . . .	907,872	575,748	202,990	113,733	15,401	775,158	85
Vermont . . . . .	73,813	58,504	12,191	2,442	676	69,879	94
Washington . . . . .	153,563	106,083	46,894	559	27	144,148	93
Wisconsin . . . . .	10,278	8,147	1,585	456	90	9,622	93

NOTE: Percentages were calculated from the original figures before rounding.

checking account and a savings account, the accounts are combined in determining what amount shall be paid to him by the Corporation. The total net amount, after deducting the amount he owes the bank, is paid up to a maximum of \$5,000. If a deposit is protected in part by pledge of security, by priority, or by offsetting claims, only such part, up to a maximum of \$5,000, as is not thus protected is paid by the Corporation.

The term "insured deposits", when used in connection with such closed banks, includes only those claims which the Federal Deposit Insurance Corporation has paid or expects to pay and does not include claims settled or expected to be settled by offset, by sale of security, or by the receiver as preferred claims, even though those claims were covered by the provision for a \$5,000 maximum. Table 4, page 17,

shows that in the 245 insured banks placed in receivership, 80 percent of the deposits were protected by insurance and 10 percent by pledge of security, priority of claims, or by offsetting claims. In banks merged with the financial aid of the Federal Deposit Insurance Corporation, full protection is given all depositors.

The term "insured deposits", as used in connection with the special surveys, includes balances in accounts of \$5,000 or less and the first \$5,000 in accounts with balances in excess of that amount. In submitting the reports of their deposits on October 10, 1945, the operating banks were instructed to report on the basis of accounts as they stood on their books without combining the accounts standing to the credit of a depositor in the same right and capacity and without deducting offsetting indebtedness.<sup>1</sup> This method was used in order to lessen the work required in the preparation of the report by the banks. The same method was used in the surveys of September 24, 1941, September 21, 1938, and May 13, 1936.

Studies made by the Corporation indicate that, although there are substantial differences among banks, on the average the number of depositors in a given bank is about 10 percent less than the number of accounts. It is also estimated that in these special surveys the aggregates of deposits in accounts of not more than \$5,000 each and in the first \$5,000 of accounts with balances in excess of that amount were about 2 percent higher than the corresponding figures for deposits standing to the credit of depositors after combining accounts. As a consequence, the percent of deposits "insured" in all insured banks, as computed from the reports submitted, was higher than the proportion actually protected by the \$5,000 provision by about 1 percent of total deposits.

In the special surveys, banks were instructed also to report deposits to agree with the amounts shown on their certified statements which include uninvested trust funds and outstanding drafts as well as the items usually reported as deposits in statements of assets and liabilities. War loan deposits need not be reported on certified statements and it is estimated that the amount not reported on October 10, 1945, was about \$7 billion. The inclusion of this amount probably would have reduced the percentage of deposits covered by the \$5,000 provision from 46 percent to 44 percent in all insured banks and from 43 percent to 41 percent in insured commercial banks.

The tabulation of deposits by type was not completed in time to be included in this report.

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<sup>1</sup> The form used for the reports on October 10, 1945, was similar to that used on September 21, 1938. See the Annual Report of the Corporation for 1938, pp. 109-111, for the instructions and form used in that year.

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**PART FOUR**  
**LEGISLATION**

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**FEDERAL LEGISLATION RELATING TO INSURED BANKS  
OR THE CORPORATION**

**AUDIT OF CORPORATION**

[PUBLIC LAW 4—79TH CONGRESS]

[CHAPTER 4—1ST SESSION]

[S. 375]

AN ACT

To provide for the effective administration of certain lending agencies of the Federal Government.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, . . .*

SEC. 5. (a) The financial transactions of all Government corporations shall be audited by the General Accounting Office in accordance with the principles and procedures applicable to commercial corporate transactions and under such rules and regulations as may be prescribed by the Comptroller General of the United States. The audit shall be conducted at the place or places where the accounts of the respective corporations are normally kept. The representatives of the General Accounting Office shall have access to all books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the respective corporations and necessary to facilitate the audit, and they shall be afforded full facilities for verifying transactions with the balances or securities held by depositaries, fiscal agents, and custodians. The audit shall begin with the current fiscal year.

(b) A report of each such audit for each fiscal year ending on June 30 shall be made by the Comptroller General to the Congress not later than January 15 following the close of the fiscal year for which such audit is made. The report shall set forth the scope of the audit of each corporation and shall include a statement (showing inter-corporate relations) of assets and liabilities, capital and surplus, or deficit; a statement of surplus or deficit analysis; a statement of income and expense; and such comments and information as may be deemed necessary to keep Congress informed of the operations and financial condition of the several corporations, together with such recommendations with respect thereto as the Comptroller General may deem advisable, including a report of any impairment of capital noted in the audit and recommendations for the return of such Government capital or the payment of such dividends as, in his judgment, should be accomplished. The report shall also show specifically every program, expenditure, or other financial transaction or undertaking, which, in the opinion of the Comptroller General, has been carried on or made without authority of law. A copy of each report shall be furnished to the President and to the corporation concerned at the time submitted to the Congress.

(c) The expenses of auditing the financial transactions of all Government corporations as provided in section 5 (a) of this Act may be paid out of appropriations to the General Accounting Office and appropriations in such sums as may be necessary are hereby authorized for the purpose: *Provided*, That by agreement between the General Accounting Office and said corporation the expenses of said audit may be paid from funds of such corporation.

Approved, February 24, 1945.

## GOVERNMENT CORPORATION CONTROL ACT

[PUBLIC LAW 248—79TH CONGRESS]

[CHAPTER 557—1ST SESSION]

[H. R. 3660]

### AN ACT

To provide for financial control of Government corporations.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Government Corporation Control Act".*

#### DECLARATION OF POLICY

SEC. 2. It is hereby declared to be the policy of the Congress to bring Government corporations and their transactions and operations under annual scrutiny by the Congress and provide current financial control thereof.

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#### TITLE II—MIXED-OWNERSHIP GOVERNMENT CORPORATIONS

SEC. 201. As used in this Act the term "mixed-ownership Government corporations" means (1) the Central Bank for Cooperatives and the Regional Banks for Cooperatives, (2) Federal Land Banks, (3) Federal Home Loan Banks, and (4) Federal Deposit Insurance Corporation.

SEC. 202. The financial transactions of mixed-ownership Government corporations for any period during which Government capital has been invested therein shall be audited by the General Accounting Office in accordance with the principles and procedures applicable to commercial corporate transactions and under such rules and regulations as may be prescribed by the Comptroller General of the United States. The audit shall be conducted at the place or places where the accounts of the respective corporations are normally kept. The representatives of the General Accounting Office shall have access to all books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the respective corporations and necessary to facilitate the audit, and they shall be afforded full facilities for verifying transactions with the balances or securities held by depositaries, fiscal agents, and custodians. The audit shall begin with the first fiscal year commencing after the enactment of this Act.

SEC. 203. A report of each such audit for each fiscal year ending on June 30 shall be made by the Comptroller General to the Congress not later than January 15, following the close of the fiscal year for which such audit is made. The report shall set forth the scope of the audit and shall include a statement (showing intercorporate relations) of assets and liabilities, capital and surplus or deficit; a statement of surplus or deficit analysis; a statement of income and expense; a statement of sources and application of funds; and such comments and information as may be deemed necessary to keep Congress informed of the operations and financial condition of, and the use of Government capital by, each such corporation, together with such recommendations with respect thereto as the Comptroller General may deem advisable, including a report of any impairment of capital or lack of sufficient capital noted in the audit and recommendations for the return of such Government capital or the payment of such dividends as, in his judgment, should be accomplished. The report shall also show specifically any program, expenditure, or other financial transaction or undertaking observed in the course of the audit, which, in the opinion of the Comptroller General, has been carried on or made without authority of law. A copy of each report shall be

furnished to the President, to the Secretary of the Treasury, and to the corporation concerned at the time submitted to the Congress.

SEC. 204. The President shall include in the annual Budget any recommendations he may wish to make as to the return of Government capital to the Treasury by any mixed-ownership corporation.

### TITLE III—GENERAL PROVISIONS

SEC. 301. (a) The expenses of auditing the financial transactions of wholly owned and mixed-ownership Government corporations as provided in sections 105 and 202 of this Act shall be borne out of appropriations to the General Accounting Office, and appropriations in such sums as may be necessary are hereby authorized: *Provided*, That each such corporation shall reimburse the General Accounting Office for the full cost of any such audit as billed therefor by the Comptroller General, and the General Accounting Office shall deposit the sums so reimbursed into the Treasury as miscellaneous receipts: *Provided further*, That in making the audits provided in said sections the Comptroller General shall, to the fullest extent deemed by him to be practicable, utilize reports of examinations of Government corporations made by a supervising administrative agency pursuant to law.

(b) For the purpose of conducting such audit the Comptroller General is authorized in his discretion to employ not more than ten persons without regard to the Classification Act of 1923, as amended, only one of whom may be compensated at a rate of as much as but not more than \$10,000 per annum, and to employ by contract, without regard to section 3709 of the Revised Statutes, professional services of firms and organizations for temporary periods or for special purposes.

(c) The audit provided in sections 105 and 202 of this Act shall be in lieu of any audit of the financial transactions of any Government corporation required to be made by the General Accounting Office for the purpose of a report to the Congress or to the President under any existing law.

(d) Unless otherwise expressly provided by law, no funds of any Government corporation shall be used to pay the cost of any private audit of the financial records of the offices of such corporation, except the cost of such audits contracted for and undertaken prior to April 25, 1945.

SEC. 302. The banking or checking accounts of all wholly owned and mixed-ownership Government corporations shall be kept with the Treasurer of the United States, or, with the approval of the Secretary of the Treasury, with a Federal Reserve bank, or with a bank designated as a depository or fiscal agent of the United States: *Provided*, That the Secretary of the Treasury may waive the requirements of this section under such conditions as he may determine: *And provided further*, That this section will not apply to the establishment and maintenance in any bank for a temporary period of banking and checking accounts not in excess of \$50,000 in any one bank. The provisions of this section shall not be applicable to Federal Intermediate Credit Banks, Production Credit Corporations, the Central Bank for Cooperatives, the Regional Banks for Cooperatives, or the Federal Land Banks, except that each such corporation shall be required to report annually to the Secretary of the Treasury the names of the depositories in which such corporation keeps a banking or checking account, and the Secretary of the Treasury may make a report in writing to the corporation, to the President, and to the Congress which he deems advisable upon receipt of any such annual report.

SEC. 303. (a) All bonds, notes, debentures, and other similar obligations which are hereafter issued by any wholly owned or mixed-ownership Government corporation and offered to the public shall be in such forms and denominations, shall have such

maturities, shall bear such rates of interest, shall be subject to such terms and conditions, shall be issued in such manner and at such times and sold at such prices as have been or as may be approved by the Secretary of the Treasury.

(b) Hereafter, no wholly owned or mixed-ownership Government corporation shall sell or purchase any direct obligation of the United States or obligation guaranteed as to principal or interest, or both, for its own account and in its own right and interest, at any one time aggregating in excess of \$100,000, without the approval of the Secretary of the Treasury: *Provided*, That the Secretary of the Treasury may waive the requirement of his approval with respect to any transaction or classes of transactions subject to the provisions of this subsection for such period of time and under such conditions as he may determine.

(c) The Secretary of the Treasury is hereby authorized to exercise any of the functions vested in him by this section through any officer, or employee of any Federal agency whom he may designate, with the concurrence of the head of the agency concerned, for such purpose.

(d) Any mixed-ownership Government corporation from which Government capital has been entirely withdrawn shall not be subject to the provisions of section 302 or of this section during the period such corporation remains without Government capital. The provisions of subsections (a) and (b) of this section shall not be applicable to Federal Intermediate Credit Banks, Production Credit Corporations, the Central Bank for Cooperatives, the Regional Banks for Cooperatives, or the Federal Land Banks, except that each such corporation shall be required to consult with the Secretary of the Treasury prior to taking any action of the kind covered by the provisions of subsections (a) and (b) of this section, and in the event an agreement is not reached, the Secretary of the Treasury may make a report in writing to the corporation, to the President, and to the Congress stating the grounds for his disagreement.

SEC. 304. (a) No corporation shall be created, organized, or acquired hereafter by any officer or agency of the Federal Government or by any Government corporation for the purpose of acting as an agency or instrumentality of the United States, except by Act of Congress or pursuant to an Act of Congress specifically authorizing such action.

(b) No wholly owned Government corporation created by or under the laws of any State, Territory, or possession of the United States or any political subdivision thereof, or under the laws of the District of Columbia, shall continue after June 30, 1948, as an agency or instrumentality of the United States, and no funds of, or obtained from, the United States or any agency thereof, including corporations, shall be invested in or employed by any such corporation after that date, except for purposes of liquidation. The proper corporate authority of every such corporation shall take the necessary steps to institute dissolution or liquidation proceedings on or before that date: *Provided*, That prior thereto any such corporation may be reincorporated by Act of Congress for such purposes and term of existence and with such powers, privileges, and duties as authorized by such Act, including the power to take over the assets and assume the liabilities of its respective predecessor corporation.

Approved December 6, 1945.

## LOST GOVERNMENT CHECKS

[PUBLIC LAW 243—79TH CONGRESS]

[CHAPTER 515—1ST SESSION]

[H. R. 4350]

## AN ACT

To amend section 3646 of the Revised Statutes, as amended, relating to the issuance of checks in replacement of lost, stolen, destroyed, mutilated, or defaced checks of the United States, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 3646 of the Revised Statutes of the United States, as amended (U. S. C., title 31, sec. 528), is further amended to read as follows:

“(a) Except as hereinafter provided, whenever it is clearly proved to the satisfaction of the Secretary of the Treasury that any original check of the United States is lost, stolen, or wholly or partly destroyed, or is so mutilated or defaced as to impair its value to its owner or holder, the Secretary of the Treasury is authorized, before the close of the fiscal year following the fiscal year in which the original check was issued to transfer the amount of the original check from the account of the drawer to a special deposit account carried in the name of the Secretary of the Treasury on the books of the Treasurer of the United States, and to issue against such special deposit account to the owner or holder thereof a substitute under current date showing such information as may be necessary to identify the original check, upon the receipt and approval by the Secretary of the Treasury of an undertaking to indemnify the United States, in such form and amount and with such surety, sureties, or security, if any, as the Secretary of the Treasury may require; but no such substitute shall be payable if the original check shall first have been paid: *Provided*, That nothing herein contained shall be deemed to relieve any certifying officer or his sureties or any disbursing officer or his sureties of any liability to the United States on account of any payment resulting from the erroneous issuance of the original check: *And provided further*, That the authority herein conferred to issue substitute checks may, in the case of checks issued on account of public-debt obligations and transactions regarding the administration of banking and currency laws, be exercised without limitation of time.

“(b) An undertaking of indemnity shall not be required under subsection (a) of this section in any of the following classes of cases except as provided in this subsection: (1) If the Secretary of the Treasury is satisfied that the loss, theft, destruction, mutilation, or defacement, as the case may be, occurred without fault of the owner or holder and while the check was in the custody or control of the United States (including the postal service when carrying mail for any officer, employee, agent, or agency of the United States when performing services in connection with an official function of the United States, but not including the postal service when otherwise acting solely in its capacity as a public carrier of the mail), or of a person thereunto duly authorized as lawful agent of the United States, or while it was in the course of shipment effected pursuant to and in accordance with the regulations issued under the provisions of the Government Losses in Shipment Act; (2) if substantially the entire check is presented and surrendered by the owner or holder and the Secretary of the Treasury is satisfied as to the identity of the check presented and that any missing portions are not sufficient to form the basis of a valid claim against the United States; (3) if the Secretary of the Treasury is satisfied that the original check is not negotiable and cannot be made the basis of a valid claim against the United States; (4) if the amount of the check is not more than \$200; (5) if the owner or holder is the United States or an officer or employee thereof in his official capacity, a State, the District of Columbia, a Territory or possession of the United States, including the

Commonwealth of the Philippine Islands, a municipal corporation or political subdivision of any of the foregoing, a corporation, the whole of whose capital is owned by the United States, a foreign government, or a Federal Reserve bank: *Provided, however,* That in any of the foregoing classes of cases the Secretary of the Treasury may require an undertaking of indemnity if he deems it essential to the public interest.

“(c) Notwithstanding the provisions of subsections (a) and (b) of this section whenever it is clearly proved to the satisfaction of the Secretary of the Treasury that any original check of the United States drawn on a depository in a foreign country or a Territory or possession of the United States, including the Panama Canal Zone and the Philippine Islands, is lost, stolen, or wholly or partly destroyed, or is so mutilated or defaced as to impair its value to its owner or holder, the drawer of the original check or such other officer or employee of the United States as may be authorized by the Secretary of the Treasury with the concurrence of the head of the department or agency upon whose behalf the original check was issued is authorized, before the close of the fiscal year following the fiscal year in which the original check was issued, to issue to the owner or holder thereof a substitute under current date showing such information as may be necessary to identify the original check, drawn against the account of the drawer of the original check or such other account as may be available for the payment of such substitute, upon the receipt and approval by the Secretary of the Treasury of an undertaking, to indemnify the United States, in such form and amount and with such surety, sureties, or security, if any, as the Secretary of the Treasury may require; but no such substitute shall be payable if the original check shall first have been paid. Nothing herein contained shall be deemed to relieve any certifying officer or his sureties or any disbursing officer or his sureties of any liability to the United States on account of any payment resulting from the erroneous issuance of the original check.

“(d) The Secretary of the Treasury shall have the power to make such rules and regulations as he may deem necessary for the administration of the provisions of this section.

“(e) Notwithstanding the provisions of subsections (a), (b), (c), and (d) of this section, whenever any original check of the Post Office Department has been lost, stolen, or destroyed, the Postmaster General may authorize the issuance of a substitute, marked ‘duplicate’ and showing the number, date, and payee of the original check, before the close of the fiscal year following the fiscal year in which the original check was issued, upon the execution by the owner thereof of such bond of indemnity as the Postmaster General may prescribe: *Provided,* That when such original check does not exceed in amount the sum of \$100 and the payee or owner is, at the date of the application, an officer or employee in the service of the Post Office Department, whether by contract, designation, or appointment, the Postmaster General may, in lieu of an indemnity bond, authorize the issuance of a substitute check or warrant upon such an affidavit as he may prescribe, to be made before any postmaster by the payee or owner of an original check.

“(f) Substitutes issued under this section, drawn on the Treasurer of the United States, except those for checks issued on account of public-debt obligations and transactions regarding the administration of banking and currency laws, shall be deemed to be original checks and shall be payable under the conditions set forth in section 21 of the Permanent Appropriation Repeal Act, 1934 (U. S. C., title 31, sec. 725t). Substitutes for checks issued on account of public-debt obligations and transactions regarding the administration of banking and currency laws shall be payable without limitation of time.

“(g) The term ‘original check’ wherever used in this section means any check, warrant, or other order for the payment of money, payable upon demand and not

bearing interest, drawn by a duly authorized officer or agent of the United States, the District of Columbia, or the District Unemployment Compensation Board, on their behalf against an account or funds of the United States, the District of Columbia, or the District Unemployment Compensation Board, including instruments issued by any corporation or other entity owned or controlled by the United States, the funds of which are deposited and covered into the Treasury of the United States or deposited with the Treasurer of the United States, but does not include money, coins, or currency of the United States; as used in subsection (e) of this section it means such an instrument drawn by a duly authorized officer or employee of the Post Office Department.

“(h) Any power, authority, or discretion conferred upon the Secretary of the Treasury by this section may be delegated by him, in whole or in part, subject to such terms and conditions as he may prescribe, to such individuals as he may designate within the Treasury Department or to the head of any other department or agency of the Government or of any Federal Reserve bank, and the head of such department or agency or Federal Reserve bank may, when such action is not inconsistent with the terms and conditions of the delegation by the Secretary of the Treasury, redelegate any power, authority, or discretion conferred upon him pursuant to this subsection to any officer or employee within such department, agency, or Federal Reserve bank.”

Sec. 2. Sections 300 and 3647 of the Revised Statutes, as amended (U. S. C., title 31, sec. 119), are hereby repealed.

Sec. 3. This Act shall become effective on December 1, 1945.

Approved December 3, 1945.

### STATE BANKING LEGISLATION

All States except Mississippi held regular, extra, or special legislative sessions during 1945. Forty-four legislatures held regular sessions. Eleven legislatures held extra or special sessions.

Some of the more important subjects dealt with in State banking legislation during 1945 are listed below:

#### SUPERVISORY AUTHORITY

Powers and duties of banking boards.....	North Dakota (Ch. 143)
Appointment.....	Washington (Ch. 123)
Compensation.....	.. Colorado (Ch. 81), Georgia (Act 378), Maine (Ch. 364), South Dakota (Ch. 26)
Periodic reports by banks.....	Kansas (Ch. 91), Washington (Ch. 204)
Examination of banks.....	Georgia (Acts 273, 317)
Fees for examinations.....	..... Delaware (Ch. 162), North Carolina (Ch. 467), Vermont (Ch. 154)
Confidential nature of examination reports.....	New York (Ch. 225)

#### ORGANIZATION OF BANKS

Organization of banks.....	North Carolina (Ch. 743)
Change of powers to permit general banking.....	South Carolina (Act 61)
Par value of capital stock.....	..... Connecticut (P. A. 108), Florida (Ch. 22608), Oregon (Ch. 43)

Issuance of capital stock.....	Pennsylvania (Act 96), Vermont (Ch. 154)
Promotion commission on original capital prohibited and 2½% brokerage fee permitted on increase of capital.....	Wisconsin (Ch. 65)
Branch banks.....	Michigan (Act 73), New York (Ch. 11,298)
Transfer of bank franchise.....	Connecticut (P. A. 113)
Authorization for national banks to become State banks.....	Colorado (Ch. 86)
Definition of word "bank".....	.....Colorado (Ch. 82), North Carolina (Ch. 743), Ohio (House Bill 236)
Currency exchanges.....	Illinois (Senate Bill 106)
Check cashers.....	New York (Ch. 151)
Reorganization.....	Indiana (Ch. 240)

## OPERATIONS

Capital and surplus requirements.....	California (Ch. 503, 504), Maryland (Ch. 216), Massachusetts (Ch. 97), Minnesota (Ch. 73), Missouri (Senate Bill 293), Nebraska (Ch. 7), Oregon (Ch. 44), Vermont (Ch. 154)
Reserve requirements.....	Alabama (Act 121), Delaware (Ch. 163), Maine (Ch. 81), Pennsylvania (Act 126), Vermont (Ch. 154)
Deposits:	
Deposits payable to survivors.....	Alabama (Act 232), Florida (Ch. 22849), New York (Ch. 533), Oklahoma (Ch. 6A)
Deposit withdrawals by minors.....	Florida (Ch. 22591), Oklahoma (Ch. 6A)
Voluntary trust deposits.....	New York (Ch. 533)
Payment of deposits without administration of depositors' estate.....	.....New Mexico (Ch. 114)
Deposits of and security for public funds.....	.....California (Ch. 120, 486), Maryland (Ch. 386), Washington (Ch. 70)
Directors posted regulations on payment of deposits and interest binding on depositors.....	Washington (Ch. 69)
Limitation on bank deposits in other banks.....	New York (Ch. 20)
Loans:	

## Loans pursuant to Servicemen's Readjustment Act:

Authorization.....	Arkansas (Act 36), Connecticut (P. A. 14), Kansas (Ch. 260), Maine (Ch. 72,360), Massachusetts (Ch. 46), Minnesota (Ch. 62), New Jersey (Ch. 81), New York (Ch. 18), New Mexico (Ch. 122), North Dakota (Ch. 144), Ohio (House Bill 7), Rhode Island (Ch. 1656), South Carolina (Act 4), Utah (Ch. 12), Vermont (Ch. 152), Wisconsin (Ch. 455)
Modification of loan limitations.....	Arkansas (Act 36), California (Ch. 26), Colorado (Ch. 84, 85), Connecticut (P. A. 14), Florida (Ch. 23092), Georgia (Act 255), Idaho (Ch. 41), Indiana (Ch. 45,104), Maine (Ch. 82), Massachusetts (Ch. 46), Michigan (Act 118), Minnesota (Ch. 62), Missouri (Senate Bills 189,245), Montana (Ch. 90), New Hampshire (Ch. 84), New Jersey (Ch. 81,257), New York (Ch. 18), New Mexico (Ch. 122), North Dakota (Ch. 144), Ohio (House Bills 71,236), Oklahoma (Ch. 5,15), Oregon (Ch. 45), Pennsylvania (Act 5), Rhode Island (Ch. 1656), Tennessee (Ch. 147), Texas (Ch. 99), Vermont (Ch. 152, 153), Virginia (Ch. 6), West Virginia (Ch. 27), Wyoming (Ch. 98)



Authorization of loans to minor veterans . . . . . Alabama (Act 116), Arizona (Ch. 48), Colorado (Senate Bill 2X (1st Spec. Sess.)), Connecticut (P. A. 14), Kentucky (House Bill 6 XXX (3rd Spec. Sess.)), Maine (Ch. 207), New Mexico (Ch. 122), New York (Ch. 18), Ohio (House Bill 461), Pennsylvania (Act 73), South Dakota (Ch. 185), Utah (Ch. 12), Vermont (Ch. 153)

Loan limitations enlarged or made inapplicable to loans secured by obligations or guarantee of United States or its agencies . . . . . California (Ch. 256), Maine (Ch. 82), Minnesota (Ch. 62), New York (Ch. 21), Oklahoma (Ch. 15), Tennessee (Ch. 147), West Virginia (Ch. 27)

Real estate loans . . . . . Colorado (Ch. 84), Connecticut (P. A., 54, 206), Massachusetts (Ch. 162), New Jersey (Ch. 179), Ohio (House Bill 236), Oklahoma (Ch. 5), Oregon (Ch. 45), Pennsylvania (Act 96), Rhode Island (Ch. 1656), Wyoming (Ch. 98)

Commodity and livestock loans . . . . . Colorado (Ch. 83), Florida (Ch. 22789), New Hampshire (Ch. 175), Tennessee (Ch. 147)

Installment personal loans . . . . . Iowa (Ch. 213), Maine (Ch. 95), Massachusetts (Ch. 197, 407), Minnesota (Ch. 544), New Jersey (Ch. 208), New York (Ch. 20), Pennsylvania (Act 70)

#### Investments:

Savings bank investments . . . . . Connecticut (P. A. 308, 328), Indiana (Ch. 27), Massachusetts (Ch. 114, 184, 377), New York (Ch. 319), Oregon (Ch. 376), Pennsylvania (Act 126), Wisconsin (Ch. 434)

Industrial banks or banking companies . . . . . Connecticut (P. A. 372), Massachusetts (Ch. 192), North Carolina (Ch. 127)

In savings and loan association shares . . . . . Kansas (Ch. 239)

Loans insured by F. H. A. . . . . Massachusetts (Ch. 66)

Extension and modification of mortgage investments . . . . . New York (Ch. 230)

Holding of real estate . . . . . Minnesota (Ch. 63)

#### Trust activities:

Common trust funds . . . . . Connecticut (P. A. 309), Maryland (Ch. 252), Massachusetts (Ch. 67), New Jersey (Ch. 190), Pennsylvania (Act 96), West Virginia (Ch. 4)

Holding trust assets in name of nominee . . . . . Delaware (Ch. 160), North Carolina (Ch. 292), Ohio (Senate Bill 180), Pennsylvania (Act 96, 221), Vermont (Ch. 154), West Virginia (Ch. 28)

No bond required to be filed in court by trust company unless ordered by court . . . . . Indiana (Ch. 248)

Sale of assets between trusts of same trustee if authorized by trust instrument of selling trust or directors of trustee . . . . . North Carolina (Ch. 127)

Prudent man investment rule authorized . . . . . Illinois (House Bill 280), Maine (Ch. 80), Texas (Sec. 13, Ch. 77)

Deposit of securities by trust company with State officials or with other safekeeping institutions . . . . . Florida (Ch. 23131), Massachusetts (Ch. 164), Oklahoma (Ch. 15)

#### Directors, officers, and employees:

Qualifications of directors . . . . . California (Ch. 291), Ohio (House Bill 236)

- Restrictions on business activities of officers.....  
 ..... Pennsylvania (Act 54,96), South Dakota (Ch. 130)
- Indemnification of directors, officers, and employees.....  
 ..... Michigan (Act 101), Pennsylvania (Act 114)
- Directors and officers required to report banking law violations to Commissioner  
 of Finance..... Idaho (Ch. 71)
- Directors' examination of bank..... Minnesota (Ch. 94)
- Checks and collections:
- Limitation on stop payment orders on checks and drafts.....  
 ..... Arkansas (Act 182), Maryland (Ch. 798)
- Authorization for the payment or acceptance of checks or drafts received for pay-  
 ment or collection, or the revocation of provisional credit given therefor, on day  
 following receipt of item..... Florida (Ch. 22609), Oklahoma (Ch. 6b),  
 Pennsylvania (Act 196), Utah (Ch. 13), Wisconsin (Ch. 281)
- Clearance of checks at par by bank on which drawn..... Nebraska (Ch. 11)
- Exchange or other fees for collecting State warrant prohibited.....  
 ..... North Carolina (Ch. 644)
- Liability for payment of checks on forged or unauthorized indorsements.....  
 ..... Georgia (Act 285)
- Miscellaneous:
- Uniform Trust Receipt Act..... Idaho (Ch. 73), Montana (Ch. 147), North  
 Dakota (Ch. 320), South Dakota (Ch. 169), Utah (Ch. 131)
- Assignment of accounts receivable..... Arkansas (Act 118), California  
 (Ch. 295), Connecticut (P. A. 442), Idaho (Ch. 176), Indiana (Ch. 107), Maine  
 (Ch. 100), Massachusetts (Ch. 141), Michigan (Act 309), Minnesota (Ch. 503),  
 North Carolina (Ch. 196), New Hampshire (Ch. 19), Oregon (Ch. 405), South  
 Dakota (Ch. 213), Texas (Ch. 293), Utah (Ch. 11), Wisconsin (Ch. 204,528)
- Expenditure for membership in associations and contributions to charities.....  
 ..... Massachusetts (Ch. 61), Pennsylvania (Act 249)
- Borrowings of bank secured by United States obligations..... Nebraska (Ch. 8)
- Disposition of unclaimed contents of safe deposit boxes and unclaimed items left  
 for safekeeping..... California (Ch. 989), New York (Ch. 825)
- Dormant accounts..... California (Ch. 1080), Colorado (Ch. 87), Connecticut  
 (P. A. 429), Massachusetts (Ch. 365), Wisconsin (Ch. 70)
- Destruction of obsolete records..... Wisconsin (Ch. 315)

## LIQUIDATION

- Forfeiture of right to continue banking business..... Connecticut (P. A. 109)
- Receivership..... California (Ch. 447), Connecticut (P. A. 180), Minnesota  
 (Ch. 128), Ohio (House Bill 236), Wisconsin (Ch. 65,330, 445,528)
- Stockholders additional liability.....  
 ..... Oregon (Sec. 3, Art XI, Constitution), Wisconsin (Ch. 65)
- Preference in distribution of deposits.....  
 ..... California (Ch. 293), Delaware (Ch. 161, 164), Pennsylvania (Act 197)
- Disposition of funds of unknowns upon liquidation of bank... California (Ch. 589)

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**PART FIVE**

**STATISTICS OF BANKS AND DEPOSIT INSURANCE**

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## NUMBER, OFFICES, AND DEPOSITS OF ALL OPERATING BANKS

Table 101. Changes in number and classification of operating banks and branches in the United States and possessions during 1945

Table 102. Number of operating banks and branches, December 31, 1945  
*Grouped according to insurance status and class of bank, and by State and type of office*

Table 103. Number and deposits of operating commercial and mutual savings banks, December 31, 1945  
*Banks grouped according to insurance status and by District and State*

The line of demarcation between banks and other types of financial institutions is not always clear. In these tables provision of deposit facilities for the general public is the chief criterion. However, trust companies not engaged in deposit banking are included because uninvested trust funds may be insured by the Federal Deposit Insurance Corporation, and credit unions which accept deposits are excluded. A more detailed statement of institutions included and excluded is given in the Annual Report of the Corporation for 1943, pages 59-60.

The data in the tables which follow relate to banks operating in the continental United States and in Alaska, Hawaii, Puerto Rico, and the Virgin Islands, including branches of foreign banks which engage in a general deposit business in this area.

Banks are classified on the following bases:

- Insurance status
- Commercial and mutual savings
- Membership in the Federal Reserve System

A bank is classified as an insured bank when its deposits are insured by the Federal Deposit Insurance Corporation. All banks members of the Federal Reserve System are required by law to be insured banks. Other banks may be admitted to deposit insurance upon meeting conditions prescribed by law.

The traditional distinction between commercial banks and mutual savings banks has been followed. Mutual savings banks, with a few

exceptions, accept only savings deposits, while most banks classified as commercial banks also accept checking accounts and other deposits subject to withdrawal on demand. However, a few banks included in the commercial group hold only savings and time deposits. Trust companies are included with commercial banks since most institutions known as trust companies accept checking accounts.

Banks members of the Federal Reserve System are separated into two groups: national and State. All national banks in the continental United States are required to be members of the Federal Reserve System; State chartered banks may become members of the Federal Reserve System upon meeting certain conditions. None of the six national banks in the possessions is a member of the Federal Reserve System; four have been admitted to deposit insurance.

**Sources of data:**

Insured banks: records of the Federal Deposit Insurance Corporation; Office of the Comptroller of the Currency; and Board of Governors of the Federal Reserve System.

Noninsured banks: Board of Governors of the Federal Reserve System; State banking authorities; *Rand McNally Bankers Directory*; and *Polk's Bankers Encyclopedia*.

**Table 101. CHANGES IN NUMBER AND CLASSIFICATION OF OPERATING BANKS AND BRANCHES  
IN THE UNITED STATES AND POSSESSIONS DURING 1945**

Type of change	All banks			Commercial banks and trust companies							Mutual savings banks		
	Total	In- sured	Non- insured	Total	Insured <sup>1</sup>				Noninsured		Total	In- sured <sup>2</sup>	Non- insured
					Total	Members F. R. System		Not mem- bers F. R. System	Banks of de- posit	Trust com- panies not ac- cepting deposits			
						National	State						
<b>BANKS</b>													
Number of banks, December 31, 1945.....	14,725	13,494	1,231	14,183	13,302	5,017	1,864	6,421	798	83	542	192	350
Number of banks, December 31, 1944.....	14,710	13,460	1,250	14,167	13,268	5,025	1,786	6,457	816	83	543	192	351
Net change during year.....	+15	+34	-19	+16	+34	-8	+78	-36	-18	.....	-1	.....	-1
<b>Changes resulting from—</b>													
<b>Banks beginning deposit operations.....</b>	<b>119</b>	<b>103</b>	<b>16</b>	<b>119</b>	<b>103</b>	<b>17</b>	<b>8</b>	<b>78</b>	<b>15</b>	<b>1</b>	.....	.....	.....
New banks.....	115	101	14	115	101	17	8	76	13	1	.....	.....	.....
Financial institutions becoming banks of deposit.....	4	2	2	4	2	.....	.....	2	2	.....	.....	.....	.....
<b>Banks ceasing deposit operations.....</b>	<b>104</b>	<b>87</b>	<b>17</b>	<b>103</b>	<b>87</b>	<b>36</b>	<b>8</b>	<b>43</b>	<b>15</b>	<b>1</b>	<b>1</b>	.....	<b>1</b>
Mergers and absorptions (without FDIC aid)—net decrease.....	77	72	5	76	72	34	8	30	4	.....	1	.....	1
Other liquidations.....	27	15	12	27	15	2	.....	13	11	1	.....	.....	.....
<b>Noninsured banks becoming insured.....</b>	.....	<b>+19</b>	<b>-19</b>	.....	<b>+19</b>	.....	<b>+1</b>	<b>+18</b>	<b>-19</b>	.....	.....	.....	.....
Successions to noninsured banks.....	.....	+7	-7	.....	+7	.....	.....	+7	-7	.....	.....	.....	.....
Admission to insurance, operating banks <sup>3</sup> .....	.....	+11	-11	.....	+11	.....	.....	+11	-11	.....	.....	.....	.....
Admission to F. R. System.....	.....	+1	-1	.....	+1	.....	+1	.....	-1	.....	.....	.....	.....
<b>Insured banks becoming noninsured.....</b>	.....	<b>-1</b>	<b>+1</b>	.....	<b>-1</b>	.....	.....	<b>-1</b>	<b>+1</b>	.....	.....	.....	.....
Succession to insured bank.....	.....	-1	+1	.....	-1	.....	.....	-1	+1	.....	.....	.....	.....
<b>Other changes in classification among banks.....</b>	.....	.....	.....	.....	.....	<b>+11</b>	<b>+77</b>	<b>-88</b>	.....	.....	.....	.....	.....
National banks succeeding State banks.....	.....	.....	.....	.....	.....	+16	-7	-9	.....	.....	.....	.....	.....
State banks succeeding national banks.....	.....	.....	.....	.....	.....	-5	.....	+5	.....	.....	.....	.....	.....
Admissions to F. R. System.....	.....	.....	.....	.....	.....	.....	+86	-86	.....	.....	.....	.....	.....
Withdrawals from F. R. System.....	.....	.....	.....	.....	.....	.....	-2	+2	.....	.....	.....	.....	.....
<b>Changes not involving number in any class:</b>	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Successions.....	8	7	1	8	7	2	.....	5	1	.....	.....	.....	.....
Changes in title, location, or name of location.....	72	68	4	71	67	20	7	40	4	.....	1	1	.....
Changes in corporate powers.....	2	2	.....	2	2	.....	.....	2	.....	.....	.....	.....	.....

BRANCHES													
Number of branches, December 31, 1945.....	4,168	3,997	171	4,025	3,896	1,814	1,099	983	128	1	143	101	42
Number of branches, December 31, 1944.....	4,141	3,974	167	4,001	3,875	1,815	1,080	980	125	1	140	99	41
Net change during year.....	+27	+23	+4	+24	+21	-1	+19	+3	+3		+3	+2	+1
Changes resulting from—													
<b>Branches opened for business.....</b>	<b>173</b>	<b>169</b>	<b>4</b>	<b>170</b>	<b>167</b>	<b>100</b>	<b>31</b>	<b>36</b>	<b>3</b>		<b>3</b>	<b>2</b>	<b>1</b>
Facilities provided as agents of the government.....	65	64	1	65	64	46	10	8	1				
Absorbed banks converted into branches.....	40	39	1	39	39	23	10	6			1		1
Branches replacing offices closed or relocated.....	5	5		5	5		1	4					
Other branches opened.....	63	61	2	61	59	31	10	18	2		2	2	
<b>Branches discontinued.....</b>	<b>146</b>	<b>146</b>		<b>146</b>	<b>146</b>	<b>100</b>	<b>21</b>	<b>25</b>					
Facilities provided as agents of the government.....	131	131		131	131	100	16	15					
Other branches discontinued.....	15	15		15	15		5	10					
<b>Other changes in classification among branches.....</b>						-1	+9	-8					
Branches transferred as result of absorption.....						-1	+3	-2					
Admissions to F. R. System.....							+1	-1					
Sale of branch to another bank.....													
<b>Changes not involving number in any class.....</b>													
Branches transferred as result of absorptions.....	3	3		3	3		3						
Changes in title, location, or name of location.....	59	58	1	59	58	14	23	21	1				
Sale of branch to another bank.....	1	1		1	1			1					
ALL BANKING OFFICES													
Number of offices, December 31, 1945.....	18,893	17,491	1,402	18,208	17,198	6,831	2,963	7,404	926	84	685	293	392
Number of offices, December 31, 1944.....	18,851	17,434	1,417	18,168	17,143	6,840	2,866	7,437	941	84	683	291	392
Net change during year.....	+42	+57	-15	+40	+55	-9	+97	-33	-15		+2	+2	
<b>Offices opened.....</b>	<b>292</b>	<b>272</b>	<b>20</b>	<b>289</b>	<b>270</b>	<b>117</b>	<b>39</b>	<b>114</b>	<b>18</b>	<b>1</b>	<b>3</b>	<b>2</b>	<b>1</b>
Banks.....	119	103	16	119	103	17	8	78	15	1			
Branches.....	173	169	4	170	167	100	31	36	3		3	2	1
<b>Offices closed.....</b>	<b>250</b>	<b>233</b>	<b>17</b>	<b>249</b>	<b>233</b>	<b>136</b>	<b>29</b>	<b>68</b>	<b>15</b>	<b>1</b>	<b>1</b>		<b>1</b>
Banks.....	104	87	17	103	87	36	8	43	15	1	1		1
Branches.....	146	146		146	146	100	21	25					
<b>Changes in classification.....</b>		+18	-18		+18	+10	+87	-79	-18				
Noninsured banks to insured banks.....		+19	-19		+19		+1	+18	-19				
Insured banks to noninsured banks.....		-1	+1		-1			-1	+1				
Among insured banks.....						+11	+77	-88					
Among branches of insured banks.....						-1	+9	-8					

<sup>1</sup> Includes 9 trust companies not engaged in deposit banking on December 31, 1945, and 10 on December 31, 1944.

<sup>2</sup> Includes three mutual savings banks, members of the Federal Reserve System, for December 31, 1945, and December 31, 1944.

<sup>3</sup> Operating at beginning of year.

Back figures—See the Annual Report for 1944, pp. 110-111, and earlier reports.

**Table 102. NUMBER OF OPERATING BANKS AND BRANCHES, DECEMBER 31, 1945**  
 GROUPED ACCORDING TO INSURANCE STATUS AND CLASS OF BANK, AND BY STATE AND TYPE OF OFFICE

State and type of bank or office	All banks			Commercial banks and trust companies						Mutual savings banks			Insured banks as percentages of—			
	Total	Insured	Non-insured	Total	Insured <sup>1</sup>		Not members F. R. System	Noninsured		Total	In-sured <sup>2</sup>	Non-insured	All banks	Commercial banks	Mutual savings banks	
					Total	Members F. R. System		National	State							Banks of deposit
<b>United States and possessions.</b>	<b>18,893</b>	<b>17,491</b>	<b>1,462</b>	<b>18,268</b>	<b>17,198</b>	<b>6,831</b>	<b>2,963</b>	<b>7,404</b>	<b>926</b>	<b>84</b>	<b>685</b>	<b>293</b>	<b>392</b>	<b>92.6</b>	<b>94.5</b>	<b>42.8</b>
All banks	14,725	13,494	1,231	14,183	13,302	5,017	1,864	6,421	798	83	542	192	350	91.6	93.8	35.4
Unit banks	13,502	12,350	1,152	13,045	12,210	4,706	1,663	5,841	753	82	457	140	317	91.5	93.6	30.6
Banks operating branches	1,223	1,144	79	1,138	1,092	311	201	580	45	1	85	52	33	93.5	96.0	61.2
Branches	4,168	3,997	171	4,025	3,896	1,814	1,099	983	123	1	143	101	42	95.9	96.8	70.6
<b>United States.</b>	<b>18,781</b>	<b>17,484</b>	<b>1,297</b>	<b>18,096</b>	<b>17,191</b>	<b>6,831</b>	<b>2,963</b>	<b>7,397</b>	<b>826</b>	<b>79</b>	<b>685</b>	<b>293</b>	<b>392</b>	<b>93.1</b>	<b>95.0</b>	<b>42.8</b>
All banks	14,684	13,489	1,195	14,142	13,297	5,017	1,864	6,416	767	78	542	192	350	91.9	94.0	35.4
Unit banks	13,472	12,347	1,125	13,015	12,207	4,706	1,663	5,838	731	77	457	140	317	91.6	93.8	30.6
Banks operating branches	1,212	1,142	70	1,127	1,090	311	201	578	36	1	85	52	33	94.2	96.7	61.2
Branches	4,097	3,995	102	3,954	3,894	1,814	1,099	981	59	1	143	101	42	97.5	98.5	70.6
<b>Possessions.</b>	<b>112</b>	<b>7</b>	<b>105</b>	<b>112</b>	<b>7</b>			<b>7</b>	<b>100</b>	<b>5</b>				<b>6.3</b>	<b>6.3</b>	
All banks	41	5	36	41	5			5	31	5				12.2	12.2	
Unit banks	30	3	27	30	3			3	22	5				10.0	10.0	
Banks operating branches	11	2	9	11	2			2	9					18.2	18.2	
Branches	71	2	69	71	2			2	69					2.8	2.8	
<b>State</b>																
<b>Alabama.</b>	<b>241</b>	<b>237</b>	<b>4</b>	<b>241</b>	<b>237</b>	<b>88</b>	<b>19</b>	<b>130</b>	<b>4</b>					<b>98.3</b>	<b>98.3</b>	
All banks	216	212	4	216	212	65	18	129	4					98.1	98.1	
Unit banks	208	204	4	208	204	59	17	128	4					98.1	98.1	
Banks operating branches	8	8		8	8	6	1	1						100.0	100.0	
Branches	25	25		25	25	23	1	1						100.0	100.0	
<b>Arizona.</b>	<b>47</b>	<b>45</b>	<b>2</b>	<b>47</b>	<b>45</b>	<b>31</b>	<b>2</b>	<b>12</b>		<b>2</b>				<b>95.7</b>	<b>95.7</b>	
All banks	13	11	2	13	11	4	2	5		2				84.6	84.6	
Unit banks	8	6	2	8	6	2	2	2		2				75.0	75.0	
Banks operating branches	5	5		5	5	2		3						100.0	100.0	
Branches	34	34		34	34	27		7						100.0	100.0	
<b>Arkansas.</b>	<b>249</b>	<b>230</b>	<b>19</b>	<b>249</b>	<b>230</b>	<b>53</b>	<b>16</b>	<b>161</b>	<b>16</b>	<b>3</b>				<b>92.4</b>	<b>92.4</b>	
All banks	227	208	19	227	208	50	16	142	16	3				91.6	91.6	
Unit banks	208	189	19	208	189	47	16	126	16	3				90.9	90.9	
Banks operating branches	19	19		19	19	3		16						100.0	100.0	
Branches	22	22		22	22	3		19						100.0	100.0	



<b>California</b>	1,090	1,075	15	1,090	1,075	816	148	111	6	9					98.6	98.6
All banks	202	188	14	202	188	91	22	75	5	9					93.1	93.1
Unit banks	149	156	13	149	156	81	14	61	4	9					92.3	92.3
Banks operating branches	33	32	1	33	32	10	3	14	1						97.0	97.0
Branches	888	887	1	888	887	725	126	36	1						99.9	99.9
<b>Colorado</b>	153	137	16	153	137	81	15	41	16						89.5	89.5
All banks	149	133	16	149	133	77	15	41	16						89.3	89.3
Unit banks	145	129	16	145	129	73	15	41	16						89.0	89.0
Banks operating branches	4	4		4	4	4									100.0	100.0
Branches	4	4		4	4	4									100.0	100.0
<b>Connecticut</b>	205	109	96	133	107	56	16	35	25	1	72	2	70	53.2	80.5	2.8
All banks	189	101	88	117	99	51	13	35	17	1	72	2	70	53.4	84.6	2.8
Unit banks	183	96	87	111	94	43	11	35	16	1	72	2	70	52.5	84.7	2.8
Banks operating branches	6	5	1	6	5	2									83.3	83.3
Branches	16	8	8	16	8	5	3		1	8					50.0	50.0
<b>Delaware</b>	56	52	4	53	52	13	7	32	1		3		3	92.9	98.1	
All banks	42	39	3	40	39	13	4	22	1		2		2	92.9	97.5	
Unit banks	34	32	2	33	32	13	1	18	1		1		1	94.1	97.0	
Banks operating branches	3	7	1	7	7						1		1	87.5	100.0	
Branches	14	13	1	13	13	3	3	10			1		1	92.9	100.0	
<b>District of Columbia</b>	55	55		55	55	27	24	4						100.0	100.0	
All banks	21	21		21	21	9	9	3						100.0	100.0	
Unit banks	9	9		9	9	4	3	2						100.0	100.0	
Banks operating branches	12	12		12	12	5	6	1						100.0	100.0	
Branches	34	34		34	34	18	15	1						100.0	100.0	
<b>Florida</b>	186	179	7	186	179	66	8	105	4	3				96.2	96.2	
All banks	173	167	6	173	167	58	8	101	3	3				96.5	96.5	
Unit banks	161	156	5	161	156	50	8	98	2	3				96.9	96.9	
Banks operating branches	12	11	1	12	11	8		3	1					91.7	91.7	
Branches	13	12	1	13	12	8		4	1					92.3	92.3	
<b>Georgia</b>	393	322	71	393	322	71	17	234	71					81.9	81.9	
All banks	360	291	69	360	291	48	11	232	69					80.8	80.8	
Unit banks	346	279	67	346	279	40	9	230	67					80.6	80.6	
Banks operating branches	14	12	2	14	12	3	2	2	2					85.7	85.7	
Branches	33	31	2	33	31	23	6	2	2					93.9	93.9	
<b>Idaho</b>	86	85	1	86	85	54	10	21	1					98.8	98.8	
All banks	46	45	1	46	45	16	10	19	1					97.8	97.8	
Unit banks	39	38	1	39	38	10	10	18	1					97.4	97.4	
Banks operating branches	7	7		7	7	6		1						100.0	100.0	
Branches	40	40		40	40	38		2						100.0	100.0	
<b>Illinois</b>	861	845	16	861	845	367	129	349	11	5				98.1	98.1	
All banks	856	840	16	856	840	362	129	349	11	5				98.1	98.1	
Unit banks	851	835	16	851	835	357	129	349	11	5				98.1	98.1	
Banks operating branches	5	5		5	5	5								100.0	100.0	
Branches	5	5		5	5	5								100.0	100.0	

**Table 102. NUMBER OF OPERATING BANKS AND BRANCHES, DECEMBER 31, 1945—Continued**  
 GROUPED ACCORDING TO INSURANCE STATUS AND CLASS OF BANK, AND BY STATE AND TYPE OF OFFICE

State and type of bank or office	All banks			Commercial banks and trust companies						Mutual savings banks			Insured banks as percentages of—			
	Total	Insured	Non-insured	Total	Insured <sup>1</sup>		Not members F. R. System	Noninsured		Total	Insured <sup>2</sup>	Non-insured	All banks	Commercial banks	Mutual savings banks	
					Total	Members F. R. System		Banks of deposit	Trust companies not accepting deposits							
						National										State
<b>Indiana</b> .....	574	552	22	570	549	139	122	288	18	3	4	3	1	96.2	96.3	75.0
All banks .....	495	474	21	491	471	125	108	238	17	3	4	3	1	95.8	95.9	75.0
Unit banks .....	446	426	20	442	423	117	105	201	16	3	4	3	1	95.5	95.7	75.0
Banks operating branches .....	49	48	1	49	48	8	3	37	1					93.0	93.0	
Branches .....	79	78	1	79	78	14	14	50	1					98.7	98.7	
<b>Iowa</b> .....	812	743	69	812	743	97	65	581	69					91.5	91.5	
All banks .....	656	593	63	656	593	97	65	431	63					90.4	90.4	
Unit banks .....	539	481	58	539	481	97	65	319	58					89.2	89.2	
Banks operating branches .....	117	112	5	117	112			112	5					95.7	95.7	
Branches .....	156	150	6	156	150			150	6					96.2	96.2	
<b>Kansas</b> .....	618	449	169	618	449	177	39	233	167	2				72.7	72.7	
All banks .....	615	446	169	615	446	174	39	233	167	2				72.5	72.5	
Unit banks .....	612	443	169	612	443	171	39	233	167	2				72.4	72.4	
Banks operating branches .....	3	3		3	3	3								100.0	100.0	
Branches .....	3	3		3	3	3								100.0	100.0	
<b>Kentucky</b> .....	427	398	29	427	398	111	27	260	23	6				93.2	93.2	
All banks .....	391	363	28	391	363	93	20	250	23	5				92.8	92.8	
Unit banks .....	373	346	27	373	346	90	16	240	23	4				92.8	92.8	
Banks operating branches .....	18	17	1	18	17	3	4	10						94.4	94.4	
Branches .....	36	35	1	36	35	18	7	10		1				97.2	97.2	
<b>Louisiana</b> .....	212	211	1	212	211	66	13	132	1					99.5	99.5	
All banks .....	151	150	1	151	150	33	10	107	1					99.3	99.3	
Unit banks .....	120	119	1	120	119	26	7	86	1					99.2	99.2	
Banks operating branches .....	31	31		31	31	7	3	21						100.0	100.0	
Branches .....	61	61		61	61	33	3	25						100.0	100.0	
<b>Maine</b> .....	164	120	44	130	114	39	34	41	16		34	6	28	73.2	87.7	17.6
All banks .....	96	61	35	64	55	33	5	17	9		32	6	26	63.5	85.9	18.8
Unit banks .....	71	43	28	41	37	29	1	7	4		30	6	24	60.6	90.2	20.0
Banks operating branches .....	25	18	7	23	18	4	4	10	5		2	2	2	72.0	78.3	
Branches .....	68	59	9	66	59	6	29	24	7		2	2	2	86.8	89.4	

<b>Maryland</b> .....	285	271	14	260	256	76	64	116	3	1	25	15	10	95.1	98.5	63.0
All banks.....	180	170	10	170	167	64	16	87	2	1	10	3	7	94.4	98.2	30.0
Unit banks.....	152	145	7	145	143	61	10	72	1	1	7	2	5	95.4	98.6	28.6
Banks operating branches.....	28	25	3	25	24	3	6	15	1		3	1	2	89.3	96.0	33.3
Branches.....	105	101	4	90	89	12	48	29	1		15	12	3	96.2	98.9	80.0
<b>Massachusetts</b> .....	554	320	234	331	320	194	83	43	11		223		223	57.8	96.7	
All banks.....	382	183	199	192	183	121	29	33	9		190		190	47.9	95.3	
Unit banks.....	313	141	172	149	141	101	13	27	8		164		164	45.0	94.6	
Banks operating branches.....	69	42	27	43	42	20	16	6	1		26		26	60.9	97.7	
Branches.....	172	137	35	139	137	73	54	10	2		33		33	79.7	98.6	
<b>Michigan</b> .....	627	585	42	627	585	141	237	207	34	8				93.3	93.3	
All banks.....	448	415	33	448	415	77	154	184	25	8				92.6	92.6	
Unit banks.....	398	368	30	398	368	65	141	162	22	8				92.5	92.5	
Banks operating branches.....	50	47	3	50	47	12	13	22	3					94.0	94.0	
Branches.....	179	170	9	179	170	64	83	23	9					95.0	95.0	
<b>Minnesota</b> .....	685	654	31	684	653	191	25	437	29	2	1	1		95.5	95.5	100.0
All banks.....	679	648	31	678	647	185	25	437	29	2	1	1		95.4	95.4	100.0
Unit banks.....	677	646	31	676	645	183	25	437	29	2	1	1		95.4	95.4	100.0
Banks operating branches.....	2	2		2	2	2								100.0	100.0	
Branches.....	6	6		6	6	6								100.0	100.0	
<b>Mississippi</b> .....	253	248	5	253	248	24	5	219	5					98.0	98.0	
All banks.....	202	197	5	202	197	23	5	169	5					97.5	97.5	
Unit banks.....	174	169	5	174	169	22	5	142	5					97.1	97.1	
Banks operating branches.....	28	28		28	28	1		27						100.0	100.0	
Branches.....	51	51		51	51	1		50						100.0	100.0	
<b>Missouri</b> .....	597	567	30	597	567	85	102	380	28	2				95.0	95.0	
All banks.....	592	562	30	592	562	80	102	380	28	2				94.9	94.9	
Unit banks.....	533	553	30	533	553	76	102	380	28	2				94.9	94.9	
Banks operating branches.....	4	4		4	4	4								100.0	100.0	
Branches.....	5	5		5	5	5								100.0	100.0	
<b>Montana</b> .....	111	111		111	111	40	38	33						100.0	100.0	
All banks.....	111	111		111	111	40	38	33						100.0	100.0	
Unit banks.....	111	111		111	111	40	38	33						100.0	100.0	
Banks operating branches.....																
Branches.....																
<b>Nebraska</b> .....	420	358	62	420	358	130	18	210	54	8				85.2	85.2	
All banks.....	418	356	62	418	356	128	18	210	54	8				85.2	85.2	
Unit banks.....	416	354	62	416	354	126	18	210	54	8				85.1	85.1	
Banks operating branches.....	2	2		2	2	2								100.0	100.0	
Branches.....	2	2		2	2	2								100.0	100.0	
<b>Nevada</b> .....	25	25		25	25	18	4	3						100.0	100.0	
All banks.....	8	8		8	8	5	1	2						100.0	100.0	
Unit banks.....	8	8		8	8	2		1						100.0	100.0	
Banks operating branches.....	5	5		5	5	3		1						100.0	100.0	
Branches.....	17	17		17	17	13	3	1						100.0	100.0	

NUMBER, OFFICES, AND DEPOSITS OF OPERATING BANKS 101

**Table 102. NUMBER OF OPERATING BANKS AND BRANCHES, DECEMBER 31, 1945—Continued**  
**GROUPED ACCORDING TO INSURANCE STATUS AND CLASS OF BANK, AND BY STATE AND TYPE OF OFFICE**

State and type of bank or office	All banks			Commercial banks and trust companies							Mutual savings banks			Insured banks as percentages of—					
	Total	Insured	Non-insured	Total	Insured <sup>1</sup>			Noninsured				Total	Insured <sup>2</sup>	Non-insured	All banks	Com-mercial banks	Mutual savings banks		
					Total	Members F. R. System		Not members F. R. System	Banks of deposit	Trust companies not accepting deposits	Total							Insured <sup>2</sup>	Non-insured
						National	State												
<b>New Hampshire</b> .....	<b>111</b>	<b>59</b>	<b>52</b>	<b>68</b>	<b>59</b>	<b>54</b>	<b>1</b>	<b>4</b>	<b>9</b>	<b>3</b>	<b>3</b>	<b>43</b>	<b>43</b>	<b>53.2</b>	<b>86.8</b>	<b>.....</b>			
All banks.....	107	57	50	65	57	52	1	4	8	3	3	42	42	53.3	87.7	.....			
Unit banks.....	102	55	48	62	55	50	1	4	7	.....	.....	41	41	53.4	88.7	.....			
Banks operating branches.....	4	2	2	3	2	2	.....	.....	1	.....	.....	1	1	50.0	66.7	.....			
Branches.....	4	2	2	3	2	2	.....	.....	1	.....	.....	1	1	50.0	66.7	.....			
<b>New Jersey</b> .....	<b>509</b>	<b>501</b>	<b>8</b>	<b>481</b>	<b>475</b>	<b>261</b>	<b>142</b>	<b>72</b>	<b>3</b>	<b>3</b>	<b>28</b>	<b>26</b>	<b>2</b>	<b>98.4</b>	<b>98.8</b>	<b>92.9</b>			
All banks.....	373	365	8	349	343	218	76	49	3	3	24	22	2	97.9	98.3	91.7			
Unit banks.....	312	304	8	291	285	194	50	41	3	3	21	19	2	97.4	97.9	90.5			
Banks operating branches.....	61	61	.....	58	58	24	26	8	.....	.....	3	3	.....	100.0	100.0	100.0			
Branches.....	136	136	.....	132	132	43	66	23	.....	.....	4	4	.....	100.0	100.0	100.0			
<b>New Mexico</b> .....	<b>48</b>	<b>48</b>	<b>.....</b>	<b>48</b>	<b>48</b>	<b>22</b>	<b>5</b>	<b>21</b>	<b>.....</b>	<b>.....</b>	<b>.....</b>	<b>.....</b>	<b>.....</b>	<b>100.0</b>	<b>100.0</b>	<b>.....</b>			
All banks.....	41	41	.....	41	41	22	5	14	.....	.....	.....	.....	.....	100.0	100.0	.....			
Unit banks.....	35	35	.....	35	35	22	5	8	.....	.....	.....	.....	.....	100.0	100.0	.....			
Banks operating branches.....	6	6	.....	6	6	.....	.....	6	.....	.....	.....	.....	.....	100.0	100.0	.....			
Branches.....	7	7	.....	7	7	.....	.....	7	.....	.....	.....	.....	.....	100.0	100.0	.....			
<b>New York</b> .....	<b>1,549</b>	<b>1,536</b>	<b>13</b>	<b>1,358</b>	<b>1,345</b>	<b>587</b>	<b>617</b>	<b>141</b>	<b>13</b>	<b>.....</b>	<b>191</b>	<b>191</b>	<b>.....</b>	<b>99.2</b>	<b>99.0</b>	<b>100.0</b>			
All banks.....	820	808	12	689	677	399	191	87	12	.....	181	181	.....	98.5	98.3	100.0			
Unit banks.....	670	660	10	581	571	359	141	71	10	.....	89	89	.....	98.5	98.3	100.0			
Banks operating branches.....	150	148	2	108	106	40	50	16	2	.....	42	42	.....	98.7	98.1	100.0			
Branches.....	729	728	1	669	668	188	426	54	1	.....	60	60	.....	99.9	99.9	100.0			
<b>North Carolina</b> .....	<b>379</b>	<b>372</b>	<b>7</b>	<b>379</b>	<b>372</b>	<b>55</b>	<b>19</b>	<b>298</b>	<b>6</b>	<b>1</b>	<b>.....</b>	<b>.....</b>	<b>.....</b>	<b>98.2</b>	<b>98.2</b>	<b>.....</b>			
All banks.....	229	224	5	229	224	45	9	170	4	1	.....	.....	.....	97.8	97.8	.....			
Unit banks.....	180	176	4	180	176	39	7	130	3	1	.....	.....	.....	97.8	97.8	.....			
Banks operating branches.....	49	48	1	49	48	6	2	40	1	.....	.....	.....	.....	98.0	98.0	.....			
Branches.....	150	148	2	150	148	10	10	128	2	.....	.....	.....	.....	98.7	98.7	.....			
<b>North Dakota</b> .....	<b>176</b>	<b>168</b>	<b>8</b>	<b>176</b>	<b>168</b>	<b>42</b>	<b>.....</b>	<b>126</b>	<b>7</b>	<b>1</b>	<b>.....</b>	<b>.....</b>	<b>.....</b>	<b>95.5</b>	<b>95.5</b>	<b>.....</b>			
All banks.....	151	145	6	151	145	42	.....	103	5	1	.....	.....	.....	96.0	96.0	.....			
Unit banks.....	135	131	4	135	131	42	.....	89	3	1	.....	.....	.....	97.0	97.0	.....			
Banks operating branches.....	16	14	2	16	14	.....	.....	14	2	.....	.....	.....	.....	87.5	87.5	.....			
Branches.....	25	23	2	25	23	.....	.....	23	2	.....	.....	.....	.....	92.0	92.0	.....			

<b>Ohio</b> .....	<b>855</b>	<b>840</b>	<b>15</b>	<b>852</b>	<b>837</b>	<b>281</b>	<b>296</b>	<b>260</b>	<b>15</b>	<b>3</b>	<b>3</b>	<b>98.2</b>	<b>98.2</b>	<b>100.0</b>
All banks.....	680	665	15	677	662	240	184	238	15	3	3	97.8	97.8	100.0
Unit banks.....	639	624	15	636	621	231	166	224	16	3	3	97.7	97.6	100.0
Banks operating branches.....	41	41		41	41	9	18	14				100.0	100.0	
Branches.....	175	175		175	175	41	112	22				100.0	100.0	
<b>Oklahoma</b> .....	<b>386</b>	<b>375</b>	<b>11</b>	<b>386</b>	<b>375</b>	<b>203</b>	<b>18</b>	<b>154</b>	<b>9</b>	<b>2</b>	<b>2</b>	<b>97.2</b>	<b>97.2</b>	
All banks.....	382	371	11	382	371	199	18	154	9	2	2	97.1	97.1	
Unit banks.....	378	367	11	378	367	195	18	154	9	2	2	97.1	97.1	
Banks operating branches.....	4	4		4	4	4						100.0	100.0	
Branches.....	4	4		4	4	4						100.0	100.0	
<b>Oregon</b> .....	<b>146</b>	<b>142</b>	<b>4</b>	<b>145</b>	<b>141</b>	<b>92</b>	<b>10</b>	<b>39</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>97.3</b>	<b>97.2</b>	<b>100.0</b>
All banks.....	73	69	4	72	68	23	10	35	2	2	1	94.5	94.4	100.0
Unit banks.....	67	63	4	66	62	21	10	31	2	2	1	94.0	93.9	100.0
Banks operating branches.....	6	6		6	6	2		4				100.0	100.0	
Branches.....	73	73		73	73	69		4				100.0	100.0	
<b>Pennsylvania</b> .....	<b>1,168</b>	<b>1,146</b>	<b>22</b>	<b>1,146</b>	<b>1,124</b>	<b>722</b>	<b>145</b>	<b>257</b>	<b>20</b>	<b>2</b>	<b>22</b>	<b>98.1</b>	<b>98.1</b>	<b>100.0</b>
All banks.....	1,033	1,015	18	1,026	1,008	662	108	238	16	2	7	98.3	98.2	100.0
Unit banks.....	970	955	15	967	952	633	94	225	13	2	3	98.5	98.4	100.0
Banks operating branches.....	63	60	3	59	56	29	14	13	3	4	4	95.2	94.9	100.0
Branches.....	135	131	4	120	116	60	37	19	4	15	15	97.0	96.7	100.0
<b>Rhode Island</b> .....	<b>81</b>	<b>50</b>	<b>31</b>	<b>70</b>	<b>50</b>	<b>20</b>	<b>20</b>	<b>10</b>	<b>17</b>	<b>3</b>	<b>11</b>	<b>61.7</b>	<b>71.4</b>	
All banks.....	34	15	19	25	15	10	2	3	7	3	9	44.1	60.0	
Unit banks.....	21	8	13	13	8	7		1	2	3	8	38.1	61.5	
Banks operating branches.....	13	7	6	12	7	3	2	2	5	1	1	53.8	58.3	
Branches.....	47	35	12	45	35	10	18	7	10	2	2	74.5	77.8	
<b>South Carolina</b> .....	<b>175</b>	<b>150</b>	<b>25</b>	<b>175</b>	<b>150</b>	<b>47</b>	<b>7</b>	<b>96</b>	<b>25</b>			<b>85.7</b>	<b>85.7</b>	
All banks.....	145	120	25	145	120	23	5	92	25			82.8	82.8	
Unit banks.....	137	112	25	137	112	20	3	89	25			81.3	81.8	
Banks operating branches.....	8	8		8	8	3	2	3				100.0	100.0	
Branches.....	30	30		30	30	24	2	4				100.0	100.0	
<b>South Dakota</b> .....	<b>210</b>	<b>209</b>	<b>1</b>	<b>210</b>	<b>209</b>	<b>55</b>	<b>25</b>	<b>129</b>	<b>1</b>			<b>99.5</b>	<b>99.5</b>	
All banks.....	166	165	1	166	165	35	25	105	1			99.4	99.4	
Unit banks.....	141	140	1	141	140	31	25	84	1			99.3	99.3	
Banks operating branches.....	25	25		25	25	4		21				100.0	100.0	
Branches.....	44	44		44	44	20		24				100.0	100.0	
<b>Tennessee</b> .....	<b>358</b>	<b>348</b>	<b>10</b>	<b>358</b>	<b>348</b>	<b>98</b>	<b>21</b>	<b>229</b>	<b>6</b>	<b>4</b>	<b>4</b>	<b>97.2</b>	<b>97.2</b>	
All banks.....	297	287	10	297	287	70	12	205	6	4	4	96.6	96.6	
Unit banks.....	274	264	10	274	264	63	11	190	6	4	4	96.4	96.4	
Banks operating branches.....	23	23		23	23	7	1	15				100.0	100.0	
Branches.....	61	61		61	61	28	9	24				100.0	100.0	
<b>Texas</b> .....	<b>885</b>	<b>820</b>	<b>65</b>	<b>885</b>	<b>820</b>	<b>454</b>	<b>109</b>	<b>257</b>	<b>64</b>	<b>1</b>	<b>1</b>	<b>92.7</b>	<b>92.7</b>	
All banks.....	865	800	65	865	800	434	109	257	64	1	1	92.5	92.5	
Unit banks.....	847	782	65	847	782	416	109	257	64	1	1	92.3	92.3	
Banks operating branches.....	18	18		18	18	18						100.0	100.0	
Branches.....	20	20		20	20	20						100.0	100.0	

NUMBER, OFFICES, AND DEPOSITS OF OPERATING BANKS 103

**Table 102. NUMBER OF OPERATING BANKS AND BRANCHES, DECEMBER 31, 1945—Continued**  
 GROUPED ACCORDING TO INSURANCE STATUS AND CLASS OF BANK, AND BY STATE AND TYPE OF OFFICE

State and type of bank or office	All banks			Commercial banks and trust companies							Mutual savings banks			Insured banks as percentages of—			
	Total	Insured	Non-insured	Total	Insured <sup>1</sup>				Noninsured			Total	In-sured <sup>2</sup>	Non-insured	All banks	Com-mercial banks	Mutual savings banks
					Total	Members F. R. System		Not members F. R. System	Banks of deposit	Trust companies not accepting deposits							
						National	State										
<b>Utah</b> .....	76	76		76	76	26	23	27							100.0	100.0	
All banks.....	57	57		57	57	12	22	23							100.0	100.0	
Unit banks.....	50	50		50	50	9	21	20							100.0	100.0	
Banks operating branches.....	7	7		7	7	3	1	3							100.0	100.0	
Branches.....	19	19		19	19	14	1	4							100.0	100.0	
<b>Vermont</b> .....	98	97	1	81	80	41	1	38		1	17	17		99.0	98.8	100.0	
All banks.....	80	79	1	72	71	39	1	31		1	8	8		98.8	98.6	100.0	
Unit banks.....	72	71	1	65	64	37	1	26		1	7	7		98.6	98.5	100.0	
Banks operating branches.....	8	8		7	7	2		5			1	1		100.0	100.0	100.0	
Branches.....	18	18		9	9	2		7			9	9		100.0	100.0	100.0	
<b>Virginia</b> .....	403	402	1	403	402	159	80	163	1					99.8	99.8		
All banks.....	314	313	1	314	313	130	67	116	1					99.7	99.7		
Unit banks.....	270	269	1	270	269	119	60	90	1					99.6	99.6		
Banks operating branches.....	44	44		44	44	11	7	26						100.0	100.0		
Branches.....	89	89		89	89	29	13	47						100.0	100.0		
<b>Washington</b> .....	239	236	3	236	233	145	17	71	3		3	3		98.7	98.7	100.0	
All banks.....	124	121	3	122	119	40	15	64	3		2	2		97.6	97.5	100.0	
Unit banks.....	112	109	3	111	108	33	14	61	3		1	1		97.3	97.3	100.0	
Banks operating branches.....	12	12		11	11	7	1	3			1	1		100.0	100.0	100.0	
Branches.....	115	115		114	114	105	2	7			1	1		100.0	100.0	100.0	
<b>West Virginia</b> .....	180	175	5	180	175	77	32	66	4	1				97.2	97.2		
All banks.....	179	174	5	179	174	76	32	66	4	1				97.2	97.2		
Unit banks.....	178	173	5	178	173	75	32	66	4	1				97.2	97.2		
Banks operating branches.....	1	1		1	1	1								100.0	100.0		
Branches.....	1	1		1	1	1								100.0	100.0		
<b>Wisconsin</b> .....	706	695	11	702	692	112	77	503	8	2	4	3	1	98.4	98.6	75.0	
All banks.....	559	549	10	555	546	97	69	380	7	2	4	3	1	98.2	98.4	75.0	
Unit banks.....	470	461	9	466	458	93	64	301	6	2	4	3	1	98.1	98.3	75.0	
Banks operating branches.....	89	88	1	89	88	4	5	79	1					98.9	98.9		
Branches.....	147	146	1	147	146	15	8	123	1					99.3	99.3		

<b>Wyoming</b> .....	57	56	1	57	56	27	11	18	1	98.2	98.2
All banks.....	57	56	1	57	56	27	11	18	1	98.2	98.2
Unit banks.....	57	56	1	57	56	27	11	18	1	98.2	98.2
Banks operating branches.....											
Branches.....											
<b>Possessions</b>											
<b>Alaska<sup>1</sup></b> .....	19	4	15	19	4			4	15	21.1	21.1
All banks.....	17	3	14	17	3			3	14	17.6	17.6
Unit banks.....	15	2	13	15	2			2	13	13.3	13.3
Banks operating branches.....	2	1	1	2	1			1	1	50.0	50.0
Branches.....	2	1	1	2	1			1	1	50.0	50.0
<b>Hawaii<sup>2</sup></b> .....	54	1	53	54	1			1	48	1.9	1.9
All banks.....	9	1	8	9	1			1	3	11.1	11.1
Unit banks.....	7	1	6	7	1			1	1	14.3	14.3
Banks operating branches.....	2		2	2					2		
Branches.....	45		45	45					45		
<b>Puerto Rico</b> .....	36		36	36					36		
All banks.....	13		13	13					13		
Unit banks.....	7		7	7					7		
Banks operating branches.....	6		6	6					6		
Branches.....	23		23	23					23		
<b>Virgin Islands<sup>3</sup></b> .....	3	2	1	3	2			2	1	66.7	66.7
All banks.....	2	1	1	2	1			1	1	50.0	50.0
Unit banks.....	1		1	1					1		
Banks operating branches.....	1	1	1	1	1			1	1	100.0	100.0
Branches.....	1	1		1	1			1		100.0	100.0

<sup>1</sup> Includes 9 trust companies not regularly engaged in deposit banking: 1 national bank in Kansas; 3 State banks members of the Federal Reserve System, 1 each in California, Illinois, and Massachusetts; and 5 State banks not members of the Federal Reserve System, 1 each in Florida, Missouri and Wisconsin, and 2 in Pennsylvania.

<sup>2</sup> Includes 3 mutual savings banks, members of the Federal Reserve System.

<sup>3</sup> Includes 4 national banks, 3 among insured banks not members of the Federal Reserve System, and 1 among noninsured banks.

<sup>4</sup> Includes, among noninsured banks, 1 national bank operating 22 branches.

<sup>5</sup> Includes, among insured banks not members of the Federal Reserve System, 1 national bank operating 1 branch.

*Back figures*—See the Annual Report for 1944, pp. 112-119, and earlier reports

**Table 103. NUMBER AND DEPOSITS OF OPERATING COMMERCIAL AND MUTUAL SAVINGS BANKS, DECEMBER 31, 1945**  
BANKS GROUPED ACCORDING TO INSURANCE STATUS AND BY DISTRICT AND STATE

FDIC District and State	Number of banks								Deposits (in thousands of dollars)						
	All banks	Commercial banks and trust companies				Mutual savings banks			All banks	Commercial banks and trust companies			Mutual savings banks		
		Total	In-sured <sup>1</sup>	Noninsured		Total	In-sured	Nonin-sured		Total	Insured	Nonin-sured	Total	Insured	Nonin-sured
				Banks of de-posit	Trust com-panies not ac-cepting deposits										
<b>United States and possessions . . . . .</b>	<b>14,725</b>	<b>14,183</b>	<b>13,302</b>	<b>798</b>	<b>83</b>	<b>542</b>	<b>192</b>	<b>350</b>	<b>166,474,227</b>	<b>151,089,347</b>	<b>147,810,982</b>	<b>3,278,365</b>	<b>15,384,880</b>	<b>10,363,223</b>	<b>5,021,657</b>
<b>United States . . . . .</b>	<b>14,684</b>	<b>14,142</b>	<b>13,297</b>	<b>767</b>	<b>78</b>	<b>542</b>	<b>192</b>	<b>350</b>	<b>165,620,528</b>	<b>150,235,648</b>	<b>147,774,784</b>	<b>2,460,864</b>	<b>15,384,880</b>	<b>10,363,223</b>	<b>5,021,657</b>
<b>Possessions . . . . .</b>	<b>41</b>	<b>41</b>	<b>5</b>	<b>31</b>	<b>5</b>				<b>853,699</b>	<b>853,699</b>	<b>36,198</b>	<b>817,501</b>			
<b>FDIC District</b>															
District 1 . . . . .	888	535	480	50	5	353	16	337	12,708,275	7,950,255	7,460,721	489,534	4,758,020	120,010	4,638,010
District 2 . . . . .	1,250	1,093	1,060	30	3	157	153	4	51,084,368	42,285,894	41,108,530	1,177,364	8,798,474	8,702,434	96,040
District 3 . . . . .	1,713	1,703	1,670	31	2	10	10		18,500,393	17,363,959	17,309,865	54,094	1,136,434	1,136,434	
District 4 . . . . .	1,068	1,058	1,019	36	3	10	3	7	8,313,049	7,964,026	7,851,041	112,985	349,023	72,892	276,131
District 5 . . . . .	951	951	867	81	3				5,766,041	5,766,041	5,712,978	53,063			
District 6 . . . . .	1,507	1,507	1,420	73	14				8,541,778	8,541,778	8,483,448	58,330			
District 7 . . . . .	1,502	1,494	1,432	49	13	8	6	2	10,641,470	10,592,890	10,451,822	141,068	48,580	37,104	11,476
District 8 . . . . .	1,512	1,512	1,433	74	5				14,049,892	14,049,892	13,930,572	119,320			
District 9 . . . . .	1,107	1,106	1,068	35	3	1	1		4,295,387	4,167,541	4,072,327	95,214	127,846	127,846	
District 10 . . . . .	1,621	1,621	1,362	246	13				5,636,645	5,636,645	5,419,914	216,731			
District 11 . . . . .	1,070	1,070	1,002	65	3				8,196,499	8,196,499	8,089,839	106,660			
District 12 . . . . .	536	533	489	28	16	3	3		18,740,430	18,573,927	17,919,925	654,002	166,503	166,503	
<b>State</b>															
Alabama . . . . .	216	216	212	4					1,313,730	1,313,730	1,305,987	7,743			
Arizona . . . . .	13	13	11		2				368,984	368,984	368,984				
Arkansas . . . . .	227	227	208	16	3				769,886	769,886	765,405	4,481			
California . . . . .	202	202	188	5	9				13,263,693	13,263,693	13,195,915	67,778			
Colorado . . . . .	149	149	133	16					1,099,644	1,099,644	1,092,875	6,769			
Connecticut . . . . .	189	117	99	17	1	72	2	70	2,667,631	1,552,136	1,362,404	189,732	1,115,495	21,725	1,093,770
Delaware . . . . .	42	40	39	1		2		2	550,718	476,829	475,194	1,635	73,889		73,889
Dist. of Columbia . . . . .	21	21	21						1,059,910	1,059,910	1,059,910				
Florida . . . . .	173	173	167	3	3				1,805,273	1,805,273	1,798,113	7,160			
Georgia . . . . .	360	360	291	69					1,858,329	1,858,329	1,829,475	28,854			



Idaho	46	46	45	1					412,274	412,274	404,223	8,051					
Illinois	856	856	840	11	5				11,924,368	11,924,368	11,894,344	30,024					
Indiana	495	491	471	17	3	4	3	1	2,911,255	2,873,410	2,839,629	33,781	37,845	26,835	11,010		
Iowa	656	656	593	63					2,125,524	2,125,524	2,036,228	89,296					
Kansas	615	615	446	167	2				1,566,827	1,566,827	1,400,839	165,988					
Kentucky	391	391	363	23	5				1,588,791	1,588,791	1,562,554	26,237					
Louisiana	151	151	150	1					1,627,328	1,627,328	1,626,540	788					
Maine	96	64	55	9		32	6	26	694,507	491,241	452,831	38,410	203,266	22,699	180,567		
Maryland	180	170	167	2	1	10	3	7	2,055,159	1,706,136	1,643,825	63,311	349,023	72,892	276,131		
Massachusetts	382	192	183	9		190		190	7,514,039	4,658,369	4,543,456	114,913	2,855,670		2,855,670		
Michigan	448	448	415	25	8				4,881,819	4,881,819	4,783,106	98,713					
Minnesota	679	678	647	29	2	1	1		2,910,155	2,782,309	2,766,283	16,026	127,845	127,846			
Mississippi	202	202	197	5					788,709	788,709	779,403	9,306					
Missouri	592	592	562	28	2				4,225,791	4,225,791	4,206,975	18,816					
Montana	111	111	111						499,190	499,190	499,190						
Nebraska	418	418	356	54	8				1,290,066	1,290,066	1,251,792	38,274					
Nevada	8	8	8						156,369	156,369	156,369						
New Hampshire	107	65	57	8		42		42	501,103	233,926	218,626	15,300	267,177		267,177		
New Jersey	373	349	343	3	3	24	22	2	4,996,970	4,558,869	4,558,332	8,537	430,101	407,950	407,950	22,151	
New Mexico	41	41	41						270,582	270,582	270,582						
New York	820	689	677	12		131	131		45,271,071	36,976,587	36,071,127	905,460	8,294,484	8,294,484			
North Carolina	229	229	224	4	1				1,817,847	1,817,847	1,797,917	19,930					
North Dakota	151	151	145	5	1				488,570	488,570	411,150	77,420					
Ohio	680	677	662	15		3	3		7,389,965	7,185,484	7,172,436	13,048	204,481	204,481			
Oklahoma	382	382	371	9	2				1,469,226	1,469,226	1,463,526	5,700					
Oregon	73	72	68	2	2	1	1		1,423,110	1,414,377	1,407,511	6,866	8,733	8,733			
Pennsylvania	1,033	1,024	1,008	16	2	7	7		11,110,428	10,178,475	10,137,429	41,046	931,953	931,953			
Rhode Island	34	25	15	7	3	9		9	1,018,351	777,525	646,346	131,179	240,826		240,826		
South Carolina	145	145	120	25					638,106	638,106	619,877	18,229					
South Dakota	166	166	165	1					397,472	397,472	395,704	1,768					
Tennessee	297	297	287	6	4				1,957,310	1,957,310	1,948,514	8,796					
Texas	865	865	800	64	1				5,929,605	5,929,605	5,823,733	105,872					
Utah	57	57	57						558,330	558,330	558,330						
Vermont	80	72	71		1	8	8		312,644	237,058	237,058		75,586	75,586			
Virginia	314	314	313	1					1,852,415	1,852,415	1,851,457	958					
Washington	124	122	119	3		2	2		2,338,564	2,180,794	2,165,256	15,538	157,770	157,770			
West Virginia	179	179	174	4	1				889,612	889,612	879,055	10,557					
Wisconsin	559	555	546	7	2	4	3	1	2,848,396	2,837,661	2,829,087	8,574	10,735	10,269	466		
Wyoming	57	57	56		1				210,882	210,882	210,882						
<b>Possessions</b>																	
Alaska	17	17	3	14					54,613	54,613	17,092	37,521					
Hawaii	9	9	1	3	5				533,477	533,477	15,229	518,248					
Puerto Rico	13	13		13					261,596	261,596		261,596					
Virgin Islands	2	2	1	1					4,013	4,013	3,877	136					

NUMBER, OFFICES, AND DEPOSITS OF OPERATING BANKS

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<sup>1</sup> Includes 9 trust companies not engaged in deposit banking: 2 in Pennsylvania and 1 each in California, Florida, Illinois, Kansas, Massachusetts, Missouri and Wisconsin.  
*Back figures*—See the following Annual Reports: 1944, pp. 120-121; 1943, pp. 76-77; 1942, pp. 76-77; 1941, pp. 108-109.

## ASSETS AND LIABILITIES OF OPERATING BANKS

- Table 104. Summary of assets and liabilities of operating banks in the United States and possessions, June 30, 1945  
*Banks grouped according to insurance status and type of bank*
- Table 105. Summary of assets and liabilities of operating banks in the United States and possessions, December 31, 1945  
*Banks grouped according to insurance status and type of bank*
- Table 106. Assets and liabilities of operating insured commercial banks, December 31, 1945, June 30, 1945, and December 30, 1944
- Table 107. Summary of assets and liabilities of operating banks in the United States and possessions, 1943-1945  
*Banks grouped according to insurance status and by type of bank*
- Table 108. Assets and liabilities of operating insured commercial banks, call dates, 1940-1945
- Table 109. Percentage distribution of assets and liabilities of operating insured commercial banks, call dates, 1940-1945
- Table 110. Assets and liabilities of all operating banks in the United States and possessions, December 31, 1945  
*Banks grouped by district and State*

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 bookkeeping. Assets reported represent aggregate book value, on the date of call, less valuation allowances and premiums.

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. "Deposits of individuals, partnerships, and corporations" include trust funds deposited by a trust department in a commercial or savings department. 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".

Since June 30, 1942, demand balances with and demand deposits due to banks in the United States exclude reciprocal interbank deposits. Reciprocal interbank deposits arise when two banks maintain deposit accounts with each other.

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 shown in these tables are not the same as the deposits upon which assessments paid to the Federal Deposit Insurance Corporation are based. The assessment base is slightly lower due to certain deductions which may be claimed.

Data for noninsured trust companies not accepting deposits are excluded. Data for some noninsured commercial banks are omitted because of unavailability of reports. On December 31, 1945, 83 noninsured trust companies and 21 noninsured commercial banks were excluded. Because of these exclusions, the number of noninsured banks in the following tables does not agree with the number shown in the previous section.

#### Sources of Data:

National banks and State banks in the District of Columbia not members of the Federal Reserve System: Office of the Comptroller of the Currency.

State banks members of the Federal Reserve System: Board of Governors of the Federal Reserve System.

Other insured banks: Federal Deposit Insurance Corporation.

Noninsured banks: State banking authorities; *Rand McNally Bankers Directory*; and *Polk's Bankers Encyclopedia*.

**Table 104. SUMMARY OF ASSETS AND LIABILITIES OF OPERATING BANKS IN THE UNITED STATES AND POSSESSIONS, JUNE 30, 1945**  
**BANKS GROUPED ACCORDING TO INSURANCE STATUS AND TYPE OF BANK**  
 (Amounts in thousands of dollars)

Asset, liability, or capital account item	All banks	Commercial banks			Mutual savings banks		
		Total	Insured <sup>1</sup>	Noninsured	Total	Insured	Noninsured
<b>ASSETS</b>							
<b>Cash, balances with other banks, and cash items in process of collection</b> .....	30,846,195	30,262,669	29,659,257	603,412	583,526	421,730	161,796
<b>Securities—total</b> .....	102,182,021	91,354,774	89,001,216	2,353,558	10,827,247	6,974,375	3,852,872
United States Government obligations, direct and guaranteed.....	94,168,233	84,580,534	82,422,104	2,158,430	9,587,699	6,367,775	3,219,924
Obligations of States and political subdivisions.....	3,877,479	3,775,794	3,686,190	89,604	101,685	74,698	26,987
Other bonds, notes, and debentures.....	3,637,013	2,634,847	2,566,830	68,017	1,002,166	518,284	483,882
Corporate stocks.....	487,548	351,851	326,092	25,759	135,697	13,618	122,079
Not classified.....	11,748	11,748	11,748				
<b>Loans, discounts, and overdrafts (including rediscunts)</b> .....	28,085,987	23,777,084	23,378,880	398,204	4,308,903	3,088,896	1,220,007
<b>Miscellaneous assets—total</b> .....	1,732,298	1,500,488	1,417,398	83,090	231,816	173,164	58,646
Bank premises owned, furniture and fixtures.....	1,037,346	937,282	918,606	18,676	100,064	74,901	25,163
Other real estate—direct and indirect.....	183,768	121,975	115,468	6,507	61,793	46,886	14,907
All other miscellaneous assets.....	511,184	441,231	383,324	57,907	69,953	51,377	18,576
<b>Total assets</b> .....	162,846,501	146,895,015	143,456,751	3,438,264	15,951,486	10,658,165	5,293,321
<b>LIABILITIES</b>							
<b>Deposits—total</b> .....	151,860,005	137,434,607	134,282,386	3,152,221	14,425,398	9,671,362	4,754,036
Demand deposits of individuals, partnerships, and corporations.....		66,627,585	65,507,969	1,119,616			
Time deposits of individuals, partnerships, and corporations.....		26,921,753	26,363,106	558,647			
States and political subdivisions.....		5,400,227	5,181,907	218,320			
United States Government.....		24,541,956	23,583,287	958,669	14,425,398	9,671,362	4,754,036
Interbank.....	151,860,005	12,596,800	12,400,925	195,875			
Certified and officers' checks, cash letters of credit, etc.....		1,263,586	1,239,938	23,648			
Not classified, including postal savings.....		82,700	5,254	77,446			
<b>Miscellaneous liabilities—total</b> .....	913,658	865,171	833,017	32,154	48,487	30,352	18,135
Rediscunts and other borrowed money.....	70,030	68,993	65,308	3,685	1,037	37	1,000
All other miscellaneous liabilities.....	843,628	796,178	767,709	28,469	47,450	30,315	17,135
<b>Total liabilities (excluding capital accounts)</b> .....	152,773,663	138,299,778	135,115,403	3,184,375	14,473,885	9,701,714	4,772,171
<b>CAPITAL ACCOUNTS</b>							
<b>Capital accounts—total</b> .....	10,072,838	8,595,237	8,341,348	253,889	1,477,601	956,451	521,150
Capital stock, notes, and debentures.....	3,078,325	3,073,614	2,977,941	95,673	4,711	4,711	
Surplus.....	4,643,140	3,614,998	3,528,861	86,137	1,028,142	733,379	294,763
Undivided profits, including all other capital accounts.....	2,351,373	1,906,625	1,834,546	72,079	444,748	218,361	226,387
<b>Total liabilities and capital accounts</b> .....	162,846,501	146,895,015	143,456,751	3,438,264	15,951,486	10,658,165	5,293,321
<b>Number of banks included</b> .....	14,601	14,059	13,282	777	542	192	350

<sup>1</sup> Includes 9 trust companies not engaged in deposit banking.

*Back figures*—See the following Annual Reports: 1944, pp. 124-125; 1943, pp. 78-79; 1942, pp. 78-79; 1941, pp. 122-125.

**Table 105. SUMMARY OF ASSETS AND LIABILITIES OF OPERATING BANKS IN THE UNITED STATES AND POSSESSIONS, DECEMBER 31, 1945**  
**BANKS GROUPED ACCORDING TO INSURANCE STATUS AND TYPE OF BANK**  
 (Amounts in thousands of dollars)

Asset, liability, or capital account item	All banks	Commercial banks			Mutual savings banks		
		Total	Insured <sup>1</sup>	Noninsured	Total	Insured	Noninsured
<b>ASSETS</b>							
<b>Cash, balances with other banks, and cash items in process of collection</b> .....	<b>35,584,213</b>	<b>34,974,879</b>	<b>34,302,704</b>	<b>672,175</b>	<b>609,334</b>	<b>428,978</b>	<b>180,356</b>
<b>Securities—total</b> .....	<b>110,417,739</b>	<b>98,490,412</b>	<b>96,066,695</b>	<b>2,423,717</b>	<b>11,927,327</b>	<b>7,765,146</b>	<b>4,162,181</b>
United States Government obligations, direct and guaranteed.....	101,822,197	91,149,647	88,933,380	2,216,267	10,672,350	7,139,538	3,513,012
Obligations of States and political subdivisions.....	4,063,992	3,974,652	3,874,729	99,923	89,340	69,247	20,093
Other bonds, notes, and debentures.....	4,028,608	3,003,873	2,938,313	65,560	1,024,730	523,797	500,933
Corporate stocks.....	493,274	352,567	320,273	32,294	140,707	12,564	128,143
Not classified.....	9,673	9,673	9,673	9,673			
<b>Loans, discounts, and overdrafts (including rediscounts)</b> .....	<b>30,473,074</b>	<b>26,192,472</b>	<b>25,768,677</b>	<b>423,795</b>	<b>4,280,602</b>	<b>3,081,253</b>	<b>1,199,349</b>
<b>Miscellaneous assets—total</b> .....	<b>1,728,021</b>	<b>1,524,930</b>	<b>1,444,324</b>	<b>80,606</b>	<b>203,091</b>	<b>148,393</b>	<b>54,698</b>
Bank premises owned, furniture and fixtures.....	1,016,046	921,260	902,925	18,335	94,786	71,104	23,682
Other real estate—direct and indirect.....	149,945	106,750	100,411	6,339	37,195	25,917	11,278
All other miscellaneous assets.....	568,030	496,920	440,988	55,932	71,110	51,372	19,738
<b>Total assets</b> .....	<b>178,203,047</b>	<b>161,182,693</b>	<b>157,582,400</b>	<b>3,600,293</b>	<b>17,020,354</b>	<b>11,423,770</b>	<b>5,596,584</b>
<b>LIABILITIES</b>							
<b>Deposits—total</b> .....	<b>166,474,227</b>	<b>151,089,347</b>	<b>147,810,982</b>	<b>3,278,365</b>	<b>15,384,880</b>	<b>10,363,223</b>	<b>5,021,657</b>
Demand deposits of individuals, partnerships, and corporations.....	73,876,141	73,867,330	72,605,736	1,261,594	8,811	7,927	884
Time deposits of individuals, partnerships, and corporations.....	45,285,470	29,917,444	29,295,108	622,336	15,368,026	10,348,697	5,019,329
States and political subdivisions.....	5,786,063	5,784,112	5,595,417	188,695	1,951	1,704	247
United States Government.....	24,770,397	24,766,651	23,841,369	925,282	3,746	2,665	1,081
Interbank.....	14,071,870	14,071,426	13,883,529	187,897	444	411	33
Certified and officers' checks, cash letters of credit, etc.....	2,614,569	2,612,667	2,584,897	27,770	1,902	1,819	83
Not classified, including postal savings.....	69,717	69,717	4,926	64,791			
<b>Miscellaneous liabilities—total</b> .....	<b>1,203,697</b>	<b>1,160,378</b>	<b>1,099,022</b>	<b>61,356</b>	<b>43,319</b>	<b>26,188</b>	<b>17,131</b>
Rediscounts and other borrowed money.....	225,694	219,138	215,300	3,838	6,556	556	6,000
All other miscellaneous liabilities.....	978,003	941,240	883,722	57,518	36,763	25,632	11,131
<b>Total liabilities (excluding capital accounts)</b> .....	<b>167,677,924</b>	<b>152,249,725</b>	<b>148,910,004</b>	<b>3,339,721</b>	<b>15,428,199</b>	<b>10,389,411</b>	<b>5,038,788</b>
<b>CAPITAL ACCOUNTS</b>							
<b>Capital accounts—total</b> .....	<b>10,525,123</b>	<b>8,932,968</b>	<b>8,672,396</b>	<b>260,572</b>	<b>1,592,155</b>	<b>1,034,359</b>	<b>557,796</b>
Capital stock, notes, and debentures.....	3,134,851	3,129,929	3,032,331	97,598	4,922	4,922	
Surplus.....	4,973,783	3,873,430	3,784,722	88,708	1,100,353	791,353	309,000
Undivided profits, including all other capital accounts.....	2,416,489	1,929,609	1,855,343	74,266	486,880	238,084	248,796
<b>Total liabilities and capital accounts</b> .....	<b>178,203,047</b>	<b>161,182,693</b>	<b>157,582,400</b>	<b>3,600,293</b>	<b>17,020,354</b>	<b>11,423,770</b>	<b>5,596,584</b>
Number of banks included.....	14,621	14,079	13,802	777	542	192	350

<sup>1</sup> Includes 9 trust companies not engaged in deposit banking.

Back figures—See the following Annual Reports: 1944, pp. 124-125; 1943, pp. 78-79; 1942, pp. 78-79; 1941, pp. 122-125.

ASSETS AND LIABILITIES OF OPERATING BANKS 111

**Table 106. ASSETS AND LIABILITIES OF OPERATING INSURED COMMERCIAL BANKS, DECEMBER 31, 1945,  
JUNE 30, 1945, AND DECEMBER 30, 1944**  
(Amounts in thousands of dollars)

ASSETS	Dec. 31, 1945	June 30, 1945	Dec. 30, 1944	LIABILITIES AND CAPITAL	Dec. 31, 1945	June 30, 1944	Dec. 30, 1944
<b>Cash, balances with other banks, and cash items in process of collection—total</b>	<b>34,302,704</b>	<b>29,659,257</b>	<b>29,746,309</b>	<b>Deposits of individuals, partnerships, and corporations—total</b>	<b>101,900,844</b>	<b>91,871,075</b>	<b>87,511,877</b>
Currency and coin	1,831,755	1,477,475	1,625,675	Demand	72,605,736	65,507,969	64,148,968
Reserve with Federal Reserve banks	15,810,286	14,805,926	14,259,603	Time	29,295,108	26,363,106	23,362,909
Demand balances with banks in the United States (except private banks and American branches of foreign banks)	11,006,547	9,902,652	9,732,661	<b>Certified and officers' checks, cash letters of credit and travelers' checks outstanding, and amounts due to Federal Reserve banks</b>	<b>2,584,897</b>	<b>1,239,938</b>	<b>1,354,421</b>
Other balances with banks in the United States	75,427	64,630	64,239	<b>Government deposits—total</b>	<b>29,441,712</b>	<b>28,770,448</b>	<b>24,811,141</b>
Balances with banks in foreign countries	24,017	24,389	17,088	United States Government—demand:			
Cash items in process of collection	5,554,672	3,384,185	4,047,043	War loan and Series E bond accounts	23,476,945	23,199,502	19,455,586
<b>Obligations of the United States Government—total</b>	<b>88,933,380</b>	<b>82,422,104</b>	<b>75,896,226</b>	Other accounts	266,147	283,822	303,205
Direct:				United States Government—time	98,277	99,963	103,175
Treasury bills	2,455,731	2,831,494	3,972,299	Postal savings	4,926	5,254	5,365
Treasury certificates of indebtedness	19,074,630	17,206,276	15,302,996	States and political subdivisions—demand	5,099,450	4,699,707	4,520,308
Treasury notes	16,047,429	16,456,203	15,780,732	States and political subdivisions—time	495,967	482,200	423,502
United States savings bonds	1,194,764	1,094,398	763,842	<b>Interbank deposits—total</b>	<b>13,883,529</b>	<b>12,400,925</b>	<b>12,074,356</b>
Other bonds maturing in 5 years or less	9,029,883	7,122,196	5,917,794	Banks in the United States—demand	12,566,058	11,216,666	11,063,174
Other bonds maturing in 5 to 10 years	32,230,258	30,070,985	25,467,314	Banks in the United States—time	51,957	49,203	52,672
Bonds maturing in 10 to 20 years	6,092,145	5,164,197	5,796,636	Banks in foreign countries—demand	1,247,905	1,118,697	947,651
Bonds maturing after 20 years	2,786,871	2,433,071	1,917,000	Banks in foreign countries—time	17,609	16,359	10,859
Guaranteed obligations	21,669	43,284	977,613	<b>Total deposits</b>	<b>147,810,982</b>	<b>134,282,386</b>	<b>125,751,795</b>
<b>Other securities—total</b>	<b>7,133,315</b>	<b>6,579,112</b>	<b>6,156,841</b>	Demand	117,817,138	107,266,301	101,793,313
Obligations of States and political subdivisions	3,874,729	3,686,190	3,423,732	Time	29,993,844	27,016,085	23,958,482
Other bonds, notes, and debentures <sup>1</sup>	2,938,313	2,566,830	2,385,706	<b>Miscellaneous liabilities—total</b>	<b>1,099,022</b>	<b>833,017</b>	<b>871,103</b>
Corporate stocks:				Bills payable, rediscounts, and other liabilities for borrowed money	215,300	65,308	121,549
Federal Reserve banks	176,895	169,559	162,541	Acceptances outstanding	76,824	49,253	72,693
Other corporate stocks	143,378	156,533	184,862	Dividends declared but not yet payable	56,508	47,776	48,357
<b>Total securities</b>	<b>96,066,695</b>	<b>89,001,216</b>	<b>82,053,067</b>	Income collected but not earned	58,280	49,787	46,728
<b>Loans, discounts, and overdrafts (including rediscounts)—total</b>	<b>25,768,677</b>	<b>23,378,880</b>	<b>21,354,758</b>	Expenses accrued and unpaid	367,271	335,771	278,974
Commercial and industrial loans (including open market paper) <sup>2</sup>	9,462,256	7,502,254	7,921,036	Other liabilities	324,839	285,122	302,802
Loans to farmers directly guaranteed by the Commodity Credit Corporation <sup>2</sup>	304,685	595,392	805,503	<b>Total liabilities (excluding capital accounts)</b>	<b>148,910,004</b>	<b>135,115,403</b>	<b>126,622,898</b>
Other loans to farmers (excluding loans on real estate) <sup>2</sup>	1,009,608	1,036,357	917,363				

Consumer loans to individuals:				<b>Capital accounts—total</b> .....	<b>8,672,396</b>	<b>8,341,348</b>	<b>7,990,267</b>
Retail automobile instalment paper.....	224,762	184,966	174,164	Capital stock, notes, and debentures.....	3,032,331	2,977,941	2,912,455
Other retail, repair and modernization instalment loans.....	266,346	209,927	191,742	Surplus.....	3,784,722	3,528,861	3,401,995
Personal instalment cash loans.....	398,296	350,079	317,571	Undivided profits.....	1,233,271	1,293,751	1,169,389
Single-payment loans to individuals.....	1,471,836	1,368,314	1,204,933	Reserves.....	562,072	540,795	506,428
Loans to brokers and dealers in securities.....	3,164,060	3,113,173	2,269,331				
Other loans for the purpose of purchasing or carrying securities.....	3,606,474	3,600,585	2,264,758	<b>Total liabilities and capital accounts</b> ...	<b>157,582,400</b>	<b>143,456,751</b>	<b>134,613,165</b>
Real estate loans:							
On farm land.....	507,342	483,552	449,614				
On residential properties.....	3,331,504	3,192,263	3,156,607				
On other properties.....	840,404	738,765	737,930				
Loans to banks.....	48,599	57,325	69,374				
All other loans (including overdrafts).....	1,132,505	950,928	884,782				
<b>Loans and securities—total</b> .....	<b>121,835,372</b>	<b>112,380,096</b>	<b>103,407,825</b>				
<b>Bank premises, furniture and fixtures, and other real estate—total</b> .....	<b>1,003,336</b>	<b>1,034,074</b>	<b>1,079,091</b>				
Bank premises.....	835,787	848,935	868,882	<b>Pledged assets and securities loaned—total</b>	<b>32,517,937</b>	<b>31,483,669</b>	<b>27,727,300</b>
Furniture and fixtures.....	67,138	69,671	71,160	United States Government obligations, direct and guaranteed, pledged to secure liabilities.....	31,657,985	30,615,809	26,831,454
Real estate owned other than bank premises.....	31,239	45,082	63,522	Other assets pledged to secure liabilities.....	512,178	538,823	561,779
Investments and other assets indirectly representing bank premises or other real estate.....	69,172	70,386	75,527	Assets pledged to qualify for exercise of fiduciary or corporate powers, and for purposes other than to secure liabilities.....	304,138	271,265	300,421
				Securities loaned.....	43,636	57,772	33,646
<b>Miscellaneous assets—total</b> .....	<b>440,988</b>	<b>383,324</b>	<b>379,940</b>				
Customers' liability on acceptances outstanding.....	66,459	41,376	62,801	<b>Secured and preferred liabilities—total</b> .....	<b>29,597,967</b>	<b>28,541,657</b>	<b>24,843,282</b>
Income accrued but not collected.....	252,033	234,874	216,599	Deposits secured by pledged assets pursuant to requirements of law.....	28,353,800	27,595,272	23,846,867
Prepaid expenses.....	18,641	14,085	11,930	Deposits preferred under provisions of law but not secured by pledge of assets.....	1,029,209	884,198	901,915
Other assets.....	103,855	92,989	88,610	Borrowings secured by pledged assets.....	214,605	61,889	93,743
				Other liabilities secured by pledged assets.....	353	298	757
<b>Total assets</b> .....	<b>157,582,400</b>	<b>143,456,751</b>	<b>134,613,165</b>	<b>Capital stock, notes, and debentures: Par or face value—total</b> .....	<b>3,034,144</b>	<b>2,979,999</b>	<b>2,915,933</b>
Number of banks.....	13,302	13,282	13,268	Common stock.....	2,838,661	2,753,002	2,663,479
				Capital notes and debentures.....	42,892	46,081	50,065
				Preferred stock.....	152,591	180,916	202,389
				Retirable value of preferred stock.....	260,591	302,400	328,203
				Number of banks.....	13,302	13,282	13,268

<sup>1</sup> Includes obligations of United States Government corporations and agencies not guaranteed by the United States Government.

<sup>2</sup> Due to a minor reclassification of certain of these loans, amounts as of December 31, 1945, are not strictly comparable with amounts as of June 30, 1945, and December 30, 1944. The revision affects chiefly the item "Loans to farmers directly guaranteed by the Commodity Credit Corporation." The corresponding former item included: (a) loans to dealers, processors and farmers cooperatives directly or indirectly guaranteed by the CCC (now classified as commercial and industrial loans); and (b) loans to farmers indirectly guaranteed by the CCC (now classified as other loans to farmers).

*Back figures*—See the following Annual Reports: 1944, pp. 126-127; 1943, pp. 80-81; 1942, pp. 80-81; 1941, pp. 126-129; 1940, pp. 144-147; 1938, pp. 164-167.

**Table 107. SUMMARY OF ASSETS AND LIABILITIES OF OPERATING BANKS IN THE UNITED STATES AND POSSESSIONS, 1943-1945**

BANKS GROUPED ACCORDING TO INSURANCE STATUS AND BY TYPE OF BANK

(Amounts in millions of dollars)

Asset, liability, or capital account item	June 30, 1943			December 31, 1943			June 30, 1944		
	ALL BANKS	INSURED	NONINSURED	ALL BANKS	INSURED	NONINSURED	ALL BANKS	INSURED	NONINSURED
<b>Total assets</b>	<b>116,983</b>	<b>105,414</b>	<b>11,569</b>	<b>127,794</b>	<b>120,610</b>	<b>7,184</b>	<b>139,227</b>	<b>131,766</b>	<b>7,461</b>
Cash and amounts due from other banks	26,772	25,708	1,064	28,570	27,750	820	28,279	27,571	708
United States Government obligations <sup>1</sup>	57,913	52,806	5,107	66,155	62,537	3,618	76,017	71,856	4,161
Other securities	7,915	6,775	1,140	7,445	6,593	852	7,552	6,750	802
Loans, discounts, and overdrafts	22,294	18,405	3,889	23,652	21,917	1,735	25,487	23,843	1,644
Miscellaneous assets	2,089	1,720	369	1,972	1,813	159	1,892	1,746	146
<b>Total liabilities and capital accounts</b>	<b>116,983</b>	<b>105,414</b>	<b>11,569</b>	<b>127,794</b>	<b>120,610</b>	<b>7,184</b>	<b>139,227</b>	<b>131,766</b>	<b>7,461</b>
Total deposits	107,622	97,321	10,301	118,100	111,650	6,450	129,128	122,415	6,713
Miscellaneous liabilities	657	606	51	733	698	35	824	782	42
Total capital accounts	8,704	7,487	1,217	8,961	8,262	699	9,275	8,569	706
Number of banks included	14,666	13,363	1,303	14,632	13,458	1,174	14,608	13,461	1,147
	ALL COMMERCIAL	INSURED COMMERCIAL	NONINSURED COMMERCIAL	ALL COMMERCIAL	INSURED COMMERCIAL	NONINSURED COMMERCIAL	ALL COMMERCIAL	INSURED COMMERCIAL	NONINSURED COMMERCIAL
<b>Total assets</b>	<b>104,555</b>	<b>102,405</b>	<b>2,150</b>	<b>114,734</b>	<b>112,246</b>	<b>2,488</b>	<b>125,386</b>	<b>122,647</b>	<b>2,739</b>
Cash and amounts due from other banks	26,050	25,538	512	27,766	27,191	575	27,736	27,190	546
United States Government obligations <sup>1</sup>	52,628	51,542	1,086	60,058	58,693	1,365	68,716	67,104	1,612
Other securities	6,533	6,348	185	6,146	5,985	161	6,294	6,124	170
Loans, discounts, and overdrafts	17,705	17,392	313	19,171	18,844	327	21,071	20,732	339
Miscellaneous assets	1,639	1,585	54	1,593	1,533	60	1,569	1,497	72
<b>Total liabilities and capital accounts</b>	<b>104,555</b>	<b>102,405</b>	<b>2,150</b>	<b>114,734</b>	<b>112,246</b>	<b>2,488</b>	<b>125,386</b>	<b>122,647</b>	<b>2,739</b>
Total deposits	96,476	94,582	1,894	106,350	104,116	2,234	116,655	114,180	2,475
Miscellaneous liabilities	617	594	23	697	676	21	778	757	21
Total capital accounts	7,462	7,229	233	7,687	7,454	233	7,953	7,710	243
Number of banks included	14,121	13,302	819	14,087	13,274	813	14,064	13,269	795
	ALL MUTUAL SAVINGS	INSURED MUTUAL SAVINGS	NONINSURED MUTUAL SAVINGS	ALL MUTUAL SAVINGS	INSURED MUTUAL SAVINGS	NONINSURED MUTUAL SAVINGS	ALL MUTUAL SAVINGS	INSURED MUTUAL SAVINGS	NONINSURED MUTUAL SAVINGS
<b>Total assets</b>	<b>12,428</b>	<b>3,009</b>	<b>9,419</b>	<b>13,060</b>	<b>8,364</b>	<b>4,696</b>	<b>13,841</b>	<b>9,119</b>	<b>4,722</b>
Cash and amounts due from other banks	722	170	552	804	559	245	543	381	162
United States Government obligations <sup>1</sup>	5,285	1,264	4,021	6,097	3,844	2,253	7,301	4,752	2,549
Other securities	1,382	427	955	1,299	668	691	1,258	626	632
Loans, discounts, and overdrafts	4,589	1,013	3,576	4,481	3,073	1,408	4,416	3,111	1,305
Miscellaneous assets	450	135	315	379	280	99	323	249	74
<b>Total liabilities and capital accounts</b>	<b>12,428</b>	<b>3,009</b>	<b>9,419</b>	<b>13,060</b>	<b>8,364</b>	<b>4,696</b>	<b>13,841</b>	<b>9,119</b>	<b>4,722</b>
Total deposits	11,146	2,739	8,407	11,750	7,534	4,216	12,473	8,235	4,238
Miscellaneous liabilities	40	12	28	36	22	14	46	25	21
Total capital accounts	1,242	258	984	1,274	808	466	1,322	859	468
Number of banks included	545	61	484	545	181	361	544	192	352



	December 30, 1944			June 30, 1945			December 31, 1945		
	ALL BANKS	INSURED	NONINSURED	ALL BANKS	INSURED	NONINSURED	ALL BANKS	INSURED	NONINSURED
<b>Total assets</b> .....	<b>152,618</b>	<b>144,440</b>	<b>8,178</b>	<b>162,845</b>	<b>154,114</b>	<b>8,731</b>	<b>178,203</b>	<b>169,006</b>	<b>9,197</b>
Cash and amounts due from other banks .....	30,910	30,145	765	30,846	30,081	765	35,585	34,732	853
United States Government obligations <sup>1</sup> .....	86,281	81,405	4,876	94,169	88,790	5,379	101,822	96,093	5,729
Other securities .....	7,563	6,761	802	8,013	7,185	828	8,595	7,739	856
Loans, discounts, and overdrafts .....	26,080	24,465	1,615	28,086	26,468	1,618	30,473	28,850	1,623
Miscellaneous assets .....	1,784	1,664	120	1,731	1,590	141	1,728	1,592	136
<b>Total liabilities and capital accounts</b> .....	<b>152,618</b>	<b>144,440</b>	<b>8,178</b>	<b>162,845</b>	<b>154,114</b>	<b>8,731</b>	<b>178,203</b>	<b>169,006</b>	<b>9,197</b>
Total deposits .....	142,077	134,662	7,415	151,859	143,953	7,906	166,474	158,174	8,300
Miscellaneous liabilities .....	926	896	30	913	863	50	1,203	1,125	78
Total capital accounts .....	9,615	8,882	733	10,073	9,298	775	10,526	9,707	819
Number of banks included .....	14,597	13,460	1,137	14,601	13,474	1,127	14,621	13,494	1,127
	ALL COMMERCIAL	INSURED COMMERCIAL	NONINSURED COMMERCIAL	ALL COMMERCIAL	INSURED COMMERCIAL	NONINSURED COMMERCIAL	ALL COMMERCIAL	INSURED COMMERCIAL	NONINSURED COMMERCIAL
<b>Total assets</b> .....	<b>137,830</b>	<b>134,613</b>	<b>3,217</b>	<b>146,894</b>	<b>143,456</b>	<b>3,438</b>	<b>161,182</b>	<b>157,582</b>	<b>3,600</b>
Cash and amounts due from other banks .....	30,327	29,746	581	30,262	29,659	603	34,975	34,303	672
United States Government obligations <sup>1</sup> .....	77,953	75,896	2,057	84,581	82,422	2,159	91,149	88,933	2,216
Other securities .....	6,331	6,157	174	6,774	6,579	195	7,340	7,133	207
Loans, discounts, and overdrafts .....	21,708	21,355	353	23,777	23,379	398	26,193	25,769	424
Miscellaneous assets .....	1,511	1,459	52	1,500	1,417	83	1,525	1,444	81
<b>Total liabilities and capital accounts</b> .....	<b>137,830</b>	<b>134,613</b>	<b>3,217</b>	<b>146,894</b>	<b>143,456</b>	<b>3,438</b>	<b>161,182</b>	<b>157,582</b>	<b>3,600</b>
Total deposits .....	123,702	123,752	2,950	137,434	134,282	3,152	151,089	147,811	3,278
Miscellaneous liabilities .....	891	871	20	865	833	32	1,160	1,099	61
Total capital accounts .....	8,237	7,990	247	8,595	8,341	254	8,933	8,672	261
Number of banks included .....	14,054	13,268	786	14,059	13,282	777	14,079	13,302	777
	ALL MUTUAL SAVINGS	INSURED MUTUAL SAVINGS	NONINSURED MUTUAL SAVINGS	ALL MUTUAL SAVINGS	INSURED MUTUAL SAVINGS	NONINSURED MUTUAL SAVINGS	ALL MUTUAL SAVINGS	INSURED MUTUAL SAVINGS	NONINSURED MUTUAL SAVINGS
<b>Total assets</b> .....	<b>14,788</b>	<b>9,827</b>	<b>4,961</b>	<b>15,951</b>	<b>10,658</b>	<b>5,293</b>	<b>17,021</b>	<b>11,424</b>	<b>5,597</b>
Cash and amounts due from other banks .....	583	399	184	584	422	162	610	429	181
United States Government obligations <sup>1</sup> .....	8,328	5,509	2,819	9,588	6,368	3,220	10,673	7,160	3,513
Other securities .....	1,232	604	628	1,239	606	633	1,255	606	649
Loans, discounts, and overdrafts .....	4,372	3,110	1,262	4,309	3,089	1,220	4,230	3,081	1,199
Miscellaneous assets .....	273	205	68	231	173	58	203	148	55
<b>Total liabilities and capital accounts</b> .....	<b>14,788</b>	<b>9,827</b>	<b>4,961</b>	<b>15,951</b>	<b>10,658</b>	<b>5,293</b>	<b>17,021</b>	<b>11,424</b>	<b>5,597</b>
Total deposits .....	13,375	8,910	4,465	14,425	9,671	4,754	15,385	10,363	5,022
Miscellaneous liabilities .....	35	25	10	48	30	18	43	26	17
Total capital accounts .....	1,378	892	486	1,478	957	521	1,593	1,035	558
Number of banks included .....	543	192	351	542	192	350	542	192	350

<sup>1</sup> Includes both direct and guaranteed obligations.

<sup>2</sup> Revised.

Back figures—See the following Annual Reports: 1944, pp. 128-129; 1941, pp. 122-125.

ASSETS AND LIABILITIES OF OPERATING BANKS

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**Table 108. ASSETS AND LIABILITIES OF OPERATING INSURED COMMERCIAL BANKS, CALL DATES, 1940-1945**

(Amounts in millions of dollars)

Asset or liability item	1940		1941		1942		1943		1944		1945	
	June 29	Dec. 31	June 30	Dec. 31	June 30	Dec. 31	June 30	Dec. 31	June 30	Dec. 30	June 30	Dec. 31
<b>Total assets</b> .....	<b>65,589</b>	<b>70,720</b>	<b>72,984</b>	<b>76,827</b>	<b>78,709</b>	<b>95,459</b>	<b>102,405</b>	<b>112,246</b>	<b>122,647</b>	<b>134,613</b>	<b>143,456</b>	<b>157,582</b>
<b>Cash, balances with other banks, and cash items in process of collection</b> .....	<b>23,864</b>	<b>26,291</b>	<b>24,998</b>	<b>25,793</b>	<b>24,382</b>	<b>27,593</b>	<b>25,538</b>	<b>27,191</b>	<b>27,190</b>	<b>29,746</b>	<b>29,659</b>	<b>34,303</b>
<b>Securities—total</b> .....	<b>22,821</b>	<b>24,163</b>	<b>26,279</b>	<b>28,032</b>	<b>32,726</b>	<b>47,344</b>	<b>57,890</b>	<b>64,678</b>	<b>73,228</b>	<b>82,053</b>	<b>89,001</b>	<b>96,066</b>
United States Government obligations, direct and guaranteed.....	15,901	17,064	19,371	21,047	25,936	40,712	51,542	58,693	67,104	75,896	82,422	88,933
Obligations of States and political subdivisions.....	3,482	3,698	3,551	3,652	3,494	3,533	3,441	3,258	3,394	3,424	3,686	3,875
Other bonds, notes, and debentures.....	2,946	3,012	2,890	2,890	2,865	2,680	2,520	2,342	2,388	2,386	2,567	2,938
Corporate stocks.....	492	479	467	443	431	419	387	355	342	347	326	320
<b>Loans, discounts, and overdrafts (including rediscounts)</b> .....	<b>17,014</b>	<b>18,398</b>	<b>19,913</b>	<b>21,262</b>	<b>19,923</b>	<b>18,907</b>	<b>17,392</b>	<b>18,844</b>	<b>20,732</b>	<b>21,355</b>	<b>23,379</b>	<b>25,769</b>
<b>Miscellaneous assets—total</b> .....	<b>1,890</b>	<b>1,868</b>	<b>1,794</b>	<b>1,740</b>	<b>1,678</b>	<b>1,615</b>	<b>1,585</b>	<b>1,533</b>	<b>1,497</b>	<b>1,459</b>	<b>1,417</b>	<b>1,444</b>
Bank premises owned, furniture and fixtures.....	1,081	1,071	1,067	1,060	1,060	1,048	1,022	994	972	940	919	903
Other real estate—direct and indirect.....	507	463	429	370	340	301	257	207	172	139	115	100
All other miscellaneous assets.....	302	334	298	310	278	266	306	332	353	380	383	441
<b>Total liabilities and capital accounts</b> .....	<b>65,589</b>	<b>70,720</b>	<b>72,984</b>	<b>76,827</b>	<b>78,709</b>	<b>95,459</b>	<b>102,405</b>	<b>112,246</b>	<b>122,647</b>	<b>134,613</b>	<b>143,456</b>	<b>157,582</b>
<b>Deposits—total</b> .....	<b>58,425</b>	<b>63,470</b>	<b>65,617</b>	<b>69,421</b>	<b>71,162</b>	<b>87,820</b>	<b>94,582</b>	<b>104,116</b>	<b>114,180</b>	<b>125,752</b>	<b>134,282</b>	<b>147,811</b>
Demand deposits of individuals, partnerships, and corporations.....	28,899	32,401	34,331	36,547	39,266	47,128	53,423	58,346	57,364	64,149	65,508	72,606
Time deposits of individuals, partnerships, and corporations.....	14,779	15,002	15,207	15,151	14,890	15,706	16,897	18,572	20,544	23,863	26,863	29,295
States and political subdivisions.....	3,601	3,821	4,010	4,170	4,337	4,394	4,675	4,749	4,812	4,944	5,182	5,595
United States Government.....	756	666	666	1,763	1,771	8,215	7,765	10,068	18,865	19,862	23,583	23,841
Postal savings.....	74	69	65	59	56	13	9	7	6	5	5	5
Interbank.....	9,795	10,539	10,546	10,654	10,076	11,145	10,681	10,705	11,038	12,074	12,401	13,884
Certified and officers' checks, cash letters of credit, etc.....	521	972	792	1,077	766	1,219	1,132	1,669	1,551	1,355	1,240	2,585
<b>Miscellaneous liabilities—total</b> .....	<b>557</b>	<b>577</b>	<b>594</b>	<b>564</b>	<b>594</b>	<b>583</b>	<b>594</b>	<b>676</b>	<b>757</b>	<b>871</b>	<b>833</b>	<b>1,099</b>
Rediscounts and other borrowed money.....	14	11	10	10	11	10	25	45	84	121	65	215
All other miscellaneous liabilities.....	543	566	584	554	583	573	569	631	673	750	768	884
<b>Capital accounts—total</b> .....	<b>6,607</b>	<b>6,673</b>	<b>6,773</b>	<b>6,842</b>	<b>6,953</b>	<b>7,056</b>	<b>7,229</b>	<b>7,454</b>	<b>7,710</b>	<b>7,990</b>	<b>8,341</b>	<b>8,672</b>
Capital stock, notes, and debentures.....	2,892	2,872	2,858	2,849	2,859	2,849	2,841	2,875	2,895	2,912	2,978	3,032
Surplus.....	2,484	2,563	2,603	2,686	2,741	2,801	2,887	3,090	3,190	3,402	3,529	3,785
Undivided profits, including all other capital accounts.....	1,231	1,238	1,312	1,307	1,353	1,406	1,501	1,489	1,625	1,676	1,834	1,855
<b>Number of banks included</b> .....	<b>13,480</b>	<b>13,438</b>	<b>13,423</b>	<b>13,427</b>	<b>13,403</b>	<b>13,347</b>	<b>13,302</b>	<b>13,274</b>	<b>13,269</b>	<b>13,268</b>	<b>13,282</b>	<b>13,302</b>

**Table 109. PERCENTAGE DISTRIBUTION OF ASSETS AND LIABILITIES OF OPERATING INSURED COMMERCIAL BANKS,  
CALL DATES, 1940-1945**

Asset or liability item	1940		1941		1942		1943		1944		1945	
	June 29	Dec. 31	June 30	Dec. 31	June 30	Dec. 31	June 30	Dec. 31	June 30	Dec. 30	June 30	Dec. 31
<b>Total assets</b> .....	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Cash, balances with other banks, and cash items in process of collection</b> .....	36.4	37.2	34.3	33.6	31.0	28.9	24.9	24.2	22.2	22.0	20.7	21.8
<b>Securities—total</b> .....	34.8	34.2	36.0	36.5	41.6	49.6	56.6	57.6	59.7	61.0	62.0	61.0
United States Government obligations, direct and guaranteed.....	24.3	24.1	26.5	27.3	33.1	42.7	50.3	52.3	54.7	56.4	57.4	56.4
Obligations of States and political subdivisions.....	5.3	5.1	4.9	4.8	4.4	3.7	3.4	2.9	2.8	2.5	2.6	2.5
Other bonds, notes, and debentures.....	4.5	4.3	4.0	3.8	3.6	2.8	2.5	2.1	1.9	1.8	1.8	1.9
Corporate stocks.....	.7	.7	.6	.6	.5	.4	.4	.3	.3	.3	.2	.2
<b>Loans, discounts, and overdrafts (including reds-counts)</b> .....	25.9	26.0	27.2	27.6	25.3	19.8	17.0	16.8	16.9	15.9	16.3	16.3
<b>Miscellaneous assets—total</b> .....	2.9	2.6	2.5	2.3	2.1	1.7	1.5	1.4	1.2	1.1	1.0	.9
Bank premises owned, furniture and fixtures.....	1.6	1.4	1.5	1.4	1.3	1.1	1.0	.9	.8	.7	.6	.6
Other real estate—direct and indirect.....	.8	.7	.6	.5	.4	.3	.2	.2	.1	.1	.1	.1
All other miscellaneous assets.....	.5	.5	.4	.4	.4	.3	.3	.3	.3	.3	.3	.3
<b>Total liabilities and capital accounts</b> .....	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Deposits—total</b> .....	89.1	89.7	89.9	90.4	90.4	92.0	92.3	92.8	93.1	93.5	93.6	93.8
Demand deposits of individuals, partnerships, and corporations.....	44.1	45.8	47.1	47.6	49.8	49.3	52.1	52.1	46.7	47.6	45.7	46.1
Time deposits of individuals, partnerships, and corporations.....	22.5	21.2	20.8	19.7	18.9	16.5	16.5	16.5	16.8	17.4	18.4	18.6
States and political subdivisions.....	5.5	5.4	5.5	5.4	5.5	4.6	4.6	4.2	3.9	3.7	3.6	3.6
United States Government.....	1.2	.9	.9	2.3	2.3	8.6	7.6	9.0	15.4	14.8	16.4	15.1
Postal savings.....	.1	.1	.1	.1	.1							
Interbank.....	14.9	14.9	14.4	13.9	12.8	11.7	10.4	9.5	9.0	9.0	8.6	8.8
Certified and officers' checks, cash letters of credit, etc.....	.8	1.4	1.1	1.4	1.0	1.3	1.1	1.5	1.3	1.0	.9	1.6
<b>Miscellaneous liabilities—total</b> .....	.8	.8	.8	.7	.8	.6	.6	.6	.6	.6	.6	.7
Rediscunts and other borrowed money.....									.1	.1	.1	.1
All other miscellaneous liabilities.....	.8	.8	.8	.7	.8	.6	.6	.6	.5	.5	.5	.6
<b>Capital accounts—total</b> .....	10.1	9.5	9.3	8.9	8.8	7.4	7.1	6.6	6.3	5.9	5.8	5.5
Capital stock, notes, and debentures.....	4.4	4.1	3.9	3.7	3.6	3.0	2.8	2.6	2.4	2.2	2.1	1.9
Surplus.....	3.8	3.6	3.6	3.5	3.5	2.9	2.8	2.7	2.6	2.5	2.4	2.4
Undivided profits, including all other capital accounts.....	1.9	1.8	1.8	1.7	1.7	1.5	1.5	1.3	1.3	1.2	1.3	1.2
<b>Number of banks included</b> .....	13,480	13,438	13,423	13,427	13,408	13,347	13,302	13,274	13,269	13,268	13,282	13,302

Back figures—See the Annual Report for 1944, p. 130.

ASSETS AND LIABILITIES OF OPERATING BANKS

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Table 110. ASSETS AND LIABILITIES OF ALL OPERATING BANKS IN THE UNITED STATES AND POSSESSIONS, DECEMBER 31, 1945

## BANKS GROUPED BY DISTRICT AND STATE

(Amounts in millions of dollars)

District and State	Number of banks	Assets					Total	Liabilities and capital accounts				
		Cash and due from banks	U. S. Government obligations	Other securities	Loans, discounts and overdrafts	Miscellaneous assets		Deposits			Miscellaneous liabilities	Total capital accounts
								Interbank	Government	Other		
<b>United States and possessions</b> .....	<b>14,621</b>	<b>35,585</b>	<b>101,822</b>	<b>8,595</b>	<b>30,473</b>	<b>1,728</b>	<b>178,203</b>	<b>14,072</b>	<b>30,556</b>	<b>121,846</b>	<b>1,203</b>	<b>10,526</b>
<b>United States</b> .....	<b>14,585</b>	<b>35,40</b>	<b>101,255</b>	<b>8,569</b>	<b>30,368</b>	<b>1,691</b>	<b>177,283</b>	<b>14,059</b>	<b>30,313</b>	<b>121,249</b>	<b>1,167</b>	<b>10,495</b>
<b>Possessions</b> .....	<b>36</b>	<b>185</b>	<b>567</b>	<b>26</b>	<b>105</b>	<b>37</b>	<b>920</b>	<b>13</b>	<b>243</b>	<b>597</b>	<b>36</b>	<b>31</b>
<b>FDIC District</b>												
District 1.....	882	1,730	8,465	870	2,677	165	13,907	437	1,816	10,455	72	1,127
District 2.....	1,247	8,910	31,967	2,260	11,939	633	55,709	4,928	10,263	35,896	760	3,862
District 3.....	1,711	3,719	11,803	1,508	2,776	243	20,049	1,050	3,339	14,112	82	1,466
District 4.....	1,065	2,065	5,081	311	1,271	97	8,825	652	1,518	6,143	34	478
District 5.....	945	1,729	2,994	303	975	55	6,056	602	1,135	4,029	21	269
District 6.....	1,493	2,420	4,567	419	1,517	58	8,981	1,463	1,454	5,625	25	414
District 7.....	1,488	2,292	6,945	549	1,336	78	11,200	475	1,886	8,281	26	532
District 8.....	1,504	3,250	8,533	758	2,178	81	14,800	1,600	2,907	9,543	49	701
District 9.....	1,104	1,043	2,699	164	590	29	4,525	429	832	3,033	12	219
District 10.....	1,601	1,812	3,160	217	699	31	5,919	616	989	4,030	10	274
District 11.....	1,061	2,752	3,901	301	1,551	84	8,589	1,095	1,442	5,659	24	369
District 12.....	520	3,863	11,707	935	2,964	174	19,643	725	2,975	15,040	88	815
<b>State</b>												
Alabama.....	216	389	689	85	206	13	1,382	97	267	950	4	64
Arizona.....	11	95	211	6	67	3	382	4	56	309	1	12
Arkansas.....	224	268	388	44	102	4	806	68	109	593	1	35
California.....	193	2,665	8,257	670	2,205	133	13,935	523	1,924	10,817	72	599
Colorado.....	142	347	635	31	133	5	1,151	108	154	837	2	50
Connecticut.....	188	380	1,824	205	475	41	2,925	39	323	2,306	16	241
Delaware.....	42	100	347	82	73	6	608	4	86	461	2	55
District of Columbia.....	21	259	685	24	125	18	1,121	50	181	829	3	58
Florida.....	170	568	1,006	80	219	17	1,890	194	349	1,262	5	80
Georgia.....	357	514	959	51	414	20	1,958	247	373	1,238	11	89

Idaho.....	46	105	263	8	50	2	428	6	60	346	1	15
Illinois.....	850	2,709	7,297	647	1,844	69	12,566	1,452	2,504	7,969	47	594
Indiana.....	492	736	1,816	137	356	21	3,066	151	548	2,213	5	149
Iowa.....	654	541	1,236	111	334	12	2,234	148	403	1,574	2	107
Kansas.....	613	512	899	49	174	8	1,642	121	298	1,147	2	74
Kentucky.....	386	448	911	56	257	9	1,681	179	251	1,159	4	88
Louisiana.....	151	529	802	117	237	21	1,706	239	292	1,096	10	69
Maine.....	96	108	494	57	96	6	761	9	87	598	3	64
Maryland.....	179	374	1,424	74	301	24	2,197	125	372	1,558	7	135
Massachusetts.....	381	1,008	4,948	410	1,749	91	8,206	365	1,174	5,975	42	650
Michigan.....	439	949	3,245	264	635	34	5,127	175	859	3,848	15	230
Minnesota.....	677	671	1,794	127	463	21	3,076	368	583	1,959	9	157
Mississippi.....	202	258	340	87	136	5	826	64	146	579	1	36
Missouri.....	590	1,153	2,298	190	770	27	4,438	890	755	2,581	13	199
Montana.....	111	144	323	10	41	3	521	32	85	382	1	21
Nebraska.....	410	383	746	54	161	7	1,351	190	210	890	3	58
Nevada.....	8	32	102	7	21	2	164	1	28	127	2	6
New Hampshire.....	107	62	308	79	100	5	554	7	47	447	1	52
New Jersey.....	370	807	3,371	377	710	72	5,337	42	975	3,979	17	324
New Mexico.....	41	97	133	8	40	1	279	14	43	213	.....	9
New York.....	820	7,945	28,093	1,792	11,102	523	49,455	4,873	9,096	31,306	706	3,474
North Carolina.....	228	497	1,013	90	295	18	1,913	242	360	1,216	10	85
North Dakota.....	150	117	345	12	35	2	511	16	102	370	1	22
Ohio.....	680	1,511	4,554	401	1,292	67	7,825	338	1,500	5,552	32	403
Oklahoma.....	380	494	767	78	204	10	1,553	184	298	987	3	81
Oregon.....	71	293	910	89	181	11	1,484	41	291	1,091	4	57
Pennsylvania.....	1,031	2,208	7,249	1,107	1,484	176	12,224	712	1,839	8,560	50	1,063
Rhode Island.....	31	191	724	94	151	16	1,116	16	151	851	9	89
South Carolina.....	145	216	335	25	85	5	666	25	113	500	1	27
South Dakota.....	166	111	237	15	51	3	417	13	62	322	1	19
Tennessee.....	293	551	970	129	388	18	2,056	326	339	1,292	7	92
Texas.....	858	2,031	2,755	170	1,207	59	6,222	838	1,051	4,041	13	279
Utah.....	57	141	333	16	92	3	585	51	87	420	1	26
Vermont.....	79	41	167	25	106	6	345	1	34	278	1	31
Virginia.....	314	472	1,066	67	347	22	1,974	166	328	1,359	8	113
Washington.....	124	500	1,431	128	364	13	2,436	99	448	1,792	7	90
West Virginia.....	178	247	548	31	118	10	954	44	164	681	5	60
Wisconsin.....	557	607	1,884	148	345	23	3,007	149	479	2,220	6	153
Wyoming.....	56	76	113	5	27	1	222	13	29	169	.....	11
Possessions.....	36	185	567	26	105	37	920	13	243	597	36	31
Alaska.....	17	18	30	2	7	.....	58	1	5	49	.....	3
Hawaii.....	4	109	381	15	44	4	553	3	132	398	1	19
Puerto Rico.....	13	57	154	9	53	32	305	9	105	147	35	9
Virgin Islands.....	2	1	2	.....	1	.....	4	.....	1	3	.....	.....

<sup>1</sup> Includes "Deposits of the United States Government" and "Deposits of States and political subdivisions"; excludes "Postal savings deposits".

## EXAMINERS' EVALUATION OF INSURED COMMERCIAL BANKS

Table 111. Examiners' appraisal of assets, liabilities, and capital of insured commercial banks examined in 1939-1945

Table 112. Examiners' appraisal of assets, liabilities, and capital of insured commercial banks examined in 1945

*Banks grouped according to amount of deposits*

The tables in this section present a summary of the evaluation of bank assets and liabilities made by examiners of the Federal supervisory agencies. Since bank examinations are made at various dates during the year, these tables differ from those in the previous sections, which are based on reports submitted by the banks for specified dates. These tables have been prepared from reports of examination available during the year and do not cover precisely the banks examined in that year. The figures for 1945 include 12,428 insured commercial banks operating at the close of the year and 45 banks which ceased operations or were taken over by other banks during the year. Figures for 876 insured banks operating at the close of the year were not included in the tabulations: 9 because they were not engaged in deposit banking, and 867 because reports of examination were, for various reasons, not available for tabulation. For 481 banks the figures are derived from reports of examination made in the last three months of 1944.

#### Evaluation of Assets

**Book value** of assets is the net value, after deduction of valuation and premium allowances, at which the assets are carried on the books of the banks at the time of examination.

**Assets not on the books** represent the determinable sound value of assets which are not included in the bank's statement of assets or are carried at nominal values.

**Examiners' deductions** from total assets represent the difference between the appraised value and book value of assets shown on the books.

**Appraised value** of total assets represents the value of all assets as determined by examiners and is segregated into two groups: (1) not

criticized, which represents the appraised value of assets regarded as suitable for bank investment; and (2) substandard, which represents the appraised value of assets believed by the examiners to involve a substantial degree of risk, or to be otherwise undesirable for bank investment. For a description of the procedure followed in examiners' evaluation of assets, see the Annual Report of the Corporation for 1938, pages 61-78.

Appraised value of United States Government obligations exceeds book value because the excess of redemption value of United States Savings Bonds over book value is greater than the examiners' deductions of unamortized premiums on other United States Government bonds purchased above par. Appraised value of other securities and of loans and discounts do not include assets not shown on the books. Assets not on the books, other than United States Government obligations, are included in the appraised value of fixed and miscellaneous assets.

#### Evaluation of Liabilities and Capital

**Adjusted liabilities** include all liabilities shown on the books and such others as have been determined by the examiners.

**Book value of capital accounts** refers to the net worth or equity of the stockholders (including holders of capital notes and debentures) shown on the books at the time of examination.

**Adjusted capital accounts** equal book value of total capital accounts plus the value of assets not shown on the books, less examiners' deductions from total assets, and less liabilities not shown on the books. The term "adjusted capital accounts" corresponds to the term "net sound capital" used in the Annual Reports of the Corporation for the years 1939-1943.

**Table III. EXAMINERS' APPRAISAL OF ASSETS, LIABILITIES, AND CAPITAL OF INSURED COMMERCIAL BANKS EXAMINED IN 1939-1945**

(Amounts in thousands of dollars)

Asset, liability, or capital item	1939	1940	1941	1942	1943	1944	1945
<b>Total assets—book value</b> .....	<b>58,254,425</b>	<b>65,184,983</b>	<b>71,697,320</b>	<b>80,449,956</b>	<b>102,021,738</b>	<b>118,843,675</b>	<b>138,032,336</b>
Assets not on the books.....	38,996	36,777	19,851	20,089	26,346	20,897	20,283
Examiners' deductions.....	340,697	255,876	174,037	145,741	97,144	54,193	29,354
Appraised value.....	57,952,724	64,965,884	71,543,134	80,324,304	101,950,940	118,810,379	138,023,265
<i>Not criticized</i> .....	<i>54,982,653</i>	<i>62,413,320</i>	<i>69,512,512</i>	<i>78,610,073</i>	<i>100,690,813</i>	<i>117,931,985</i>	<i>137,404,332</i>
<i>Substandard</i> .....	<i>2,970,071</i>	<i>2,552,494</i>	<i>2,030,622</i>	<i>1,714,226</i>	<i>1,260,097</i>	<i>825,394</i>	<i>618,883</i>
<b>Cash and due from banks</b> .....	<b>18,643,164</b>	<b>23,308,292</b>	<b>24,107,119</b>	<b>24,618,882</b>	<b>25,342,868</b>	<b>26,036,187</b>	<b>29,215,660</b>
<b>U. S. Government obligations—book value</b> .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	<b>26,799,729</b>	<b>50,067,210</b>	<b>65,089,147</b>	<b>78,783,904</b>
Appraised value <sup>1</sup> .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	26,807,855	50,073,639	65,096,303	78,794,810
<b>Other securities—book value</b> .....	<b>21,315,369</b>	<b>22,758,101</b>	<b>25,759,640</b>	<b>6,682,798</b>	<b>6,055,350</b>	<b>5,805,695</b>	<b>6,215,580</b>
Appraised value.....	21,234,173	22,698,345	25,722,984	6,651,951	6,040,897	5,800,937	6,213,954
<i>Not criticized</i> .....	<i>20,027,268</i>	<i>21,659,491</i>	<i>24,970,412</i>	<i>6,031,558</i>	<i>5,578,713</i>	<i>5,499,037</i>	<i>5,954,653</i>
<i>Substandard</i> .....	<i>1,206,905</i>	<i>1,038,854</i>	<i>752,572</i>	<i>617,393</i>	<i>462,154</i>	<i>301,900</i>	<i>259,301</i>
<b>Loans and discounts—book value</b> .....	<b>16,055,860</b>	<b>17,037,342</b>	<b>19,544,145</b>	<b>20,136,352</b>	<b>18,290,697</b>	<b>19,562,561</b>	<b>21,436,642</b>
Appraised value.....	15,898,191	16,924,352	19,467,422	20,071,927	18,251,118	19,539,481	21,424,482
<i>Not criticized</i> .....	<i>14,669,527</i>	<i>15,370,628</i>	<i>18,618,309</i>	<i>19,303,969</i>	<i>17,710,001</i>	<i>19,180,144</i>	<i>21,161,567</i>
<i>Substandard</i> .....	<i>1,228,664</i>	<i>1,053,724</i>	<i>849,113</i>	<i>767,958</i>	<i>541,117</i>	<i>359,337</i>	<i>262,915</i>
<b>Fixed and miscellaneous assets—book value</b> .....	<b>2,240,032</b>	<b>2,081,248</b>	<b>2,286,416</b>	<b>2,212,195</b>	<b>2,265,613</b>	<b>2,350,085</b>	<b>2,380,550</b>
Appraised value.....	2,177,196	2,034,895	2,245,609	2,173,689	2,242,418	2,337,471	2,374,359
<i>Not criticized</i> .....	<i>1,642,694</i>	<i>1,574,979</i>	<i>1,816,672</i>	<i>1,844,814</i>	<i>1,985,592</i>	<i>2,173,314</i>	<i>2,277,692</i>
<i>Substandard</i> .....	<i>534,502</i>	<i>459,916</i>	<i>428,937</i>	<i>328,875</i>	<i>256,826</i>	<i>164,157</i>	<i>96,667</i>
<b>Total liabilities—book value</b> .....	<b>51,781,865</b>	<b>58,627,148</b>	<b>65,012,512</b>	<b>73,529,826</b>	<b>94,882,516</b>	<b>111,242,503</b>	<b>129,849,891</b>
Total deposits.....	50,976,656	57,919,547	64,218,740	72,755,007	94,087,113	110,177,295	128,263,849
Other liabilities—book value.....	805,209	707,601	793,772	774,819	795,403	1,065,208	1,586,042
Liabilities not on the books.....	10,436	12,927	6,084	7,362	4,491	7,563	3,731
Adjusted total liabilities.....	51,792,301	58,640,075	65,018,596	73,537,188	94,887,007	111,250,066	129,853,622
<b>Total capital accounts—book value</b> .....	<b>6,472,560</b>	<b>6,557,835</b>	<b>6,684,808</b>	<b>6,920,130</b>	<b>7,139,222</b>	<b>7,601,172</b>	<b>8,182,445</b>
Assets not on the books.....	38,996	36,777	19,851	20,089	26,346	20,897	20,283
Examiners' deductions from total assets.....	340,697	255,876	174,037	145,741	97,144	54,193	29,354
Liabilities not on the books.....	10,436	12,927	6,084	7,362	4,491	7,563	3,731
Adjusted capital accounts.....	6,160,423	6,325,809	6,524,538	6,787,116	7,063,933	7,560,313	8,169,643



<b>Adjusted capital accounts per \$100 of—</b>							
Appraised value of total assets.....	\$10.63	\$9.74	\$9.12	\$8.45	\$6.93	\$6.36	\$5.92
Book capital.....	96.18	96.46	97.60	98.08	98.95	99.46	99.84
<b>Substandard assets per \$100 of—</b>							
Appraised value of total assets.....	5.12	3.93	2.84	2.13	1.24	.69	.45
Adjusted capital accounts.....	48.21	40.35	31.12	25.26	17.84	10.92	7.58
<b>Substandard loans and discounts per \$100 of—</b>							
Appraised value of loans and discounts.....	7.73	6.23	4.36	3.83	2.96	1.84	1.23
<hr/>							
Number of banks.....	13,505	13,437	13,308	13,303	13,207	12,983	12,473

<sup>1</sup> Appraised value is 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.

<sup>2</sup> Prior to 1942 U. S. Government obligations not available separately, included under other securities.

**Table 112. EXAMINERS' APPRAISAL OF ASSETS, LIABILITIES, AND CAPITAL OF INSURED COMMERCIAL BANKS EXAMINED IN 1945**  
BANKS GROUPED ACCORDING TO AMOUNT OF DEPOSITS

Asset, liability, or capital item	All banks	Banks with deposits of—							
		\$500,000 or less	\$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	\$50,000,000 to \$100,000,000	More than \$100,000,000
(Amounts in thousands of dollars)									
<b>Total assets—book value</b> .....	<b>138,032,336</b>	<b>362,768</b>	<b>1,805,705</b>	<b>5,161,381</b>	<b>11,385,705</b>	<b>10,005,402</b>	<b>21,665,178</b>	<b>9,431,275</b>	<b>78,214,922</b>
Assets not on the books.....	20,283	254	1,307	2,672	3,155	1,846	3,296	696	7,057
Examiners' deductions.....	29,354	195	854	1,760	4,556	3,235	6,045	1,971	10,738
Appraised value.....	138,023,265	362,827	1,806,158	5,162,293	11,384,304	10,004,013	21,662,429	9,430,000	78,211,241
Not criticized.....	137,404,382	359,138	1,792,864	5,130,703	11,317,330	9,942,937	21,547,263	9,389,375	77,924,232
Substandard.....	618,883	3,689	13,294	31,590	66,974	61,026	115,166	40,125	287,009
<b>Cash and due from banks</b> .....	<b>29,215,660</b>	<b>131,941</b>	<b>555,439</b>	<b>1,460,362</b>	<b>2,898,915</b>	<b>2,269,833</b>	<b>4,703,003</b>	<b>2,108,784</b>	<b>15,087,383</b>
<b>U. S. Government obligations—book value</b> .....	<b>78,783,904</b>	<b>146,085</b>	<b>872,479</b>	<b>2,642,377</b>	<b>6,151,628</b>	<b>5,762,536</b>	<b>12,795,905</b>	<b>5,605,132</b>	<b>44,807,762</b>
Appraised value.....	78,794,810	146,293	873,556	2,644,516	6,153,888	5,763,438	12,796,529	5,605,163	44,811,427
<b>Other securities—book value</b> .....	<b>6,215,580</b>	<b>11,943</b>	<b>70,465</b>	<b>250,836</b>	<b>664,631</b>	<b>614,053</b>	<b>1,160,008</b>	<b>372,500</b>	<b>3,071,144</b>
Appraised value.....	6,213,954	11,929	70,426	250,725	664,381	613,852	1,159,679	372,174	3,070,788
Not criticized.....	5,954,653	10,992	67,620	242,654	643,762	593,379	1,120,924	360,593	2,914,729
Substandard.....	259,301	937	2,806	8,071	20,619	20,473	38,755	11,581	156,059
<b>Loans and discounts—book value</b> .....	<b>21,436,642</b>	<b>69,542</b>	<b>292,578</b>	<b>762,949</b>	<b>1,556,382</b>	<b>1,241,996</b>	<b>2,704,973</b>	<b>1,206,036</b>	<b>13,602,186</b>
Appraised value.....	21,424,482	69,424	292,001	761,749	1,553,957	1,240,263	2,701,864	1,205,043	13,600,181
Not criticized.....	21,161,567	66,938	282,301	740,544	1,515,405	1,209,443	2,649,117	1,187,020	13,510,799
Substandard.....	262,915	2,486	9,700	21,205	33,552	30,820	52,747	18,023	89,382
<b>Fixed and miscellaneous assets—book value</b> .....	<b>2,380,550</b>	<b>3,257</b>	<b>14,744</b>	<b>44,857</b>	<b>114,149</b>	<b>116,984</b>	<b>301,289</b>	<b>138,823</b>	<b>1,646,447</b>
Appraised value.....	2,374,359	3,240	14,736	44,941	113,163	116,627	301,354	138,836	1,641,462
Not criticized.....	2,277,692	2,964	13,948	42,627	105,360	106,894	277,690	128,315	1,599,894
Substandard.....	96,667	276	788	2,314	7,303	9,733	23,664	10,521	41,568
<b>Total liabilities—book value</b> .....	<b>129,849,891</b>	<b>328,111</b>	<b>1,672,027</b>	<b>4,821,734</b>	<b>10,667,625</b>	<b>9,395,728</b>	<b>20,404,573</b>	<b>8,942,163</b>	<b>73,617,930</b>
Total deposits.....	128,263,849	327,154	1,669,170	4,813,335	10,644,576	9,365,693	20,280,789	8,878,031	72,285,101
Other liabilities—book value.....	1,586,042	957	2,857	8,399	23,049	30,035	123,784	64,132	1,332,829
Liabilities not on the books.....	3,731	46	151	196	245	398	269	1,273	1,153
Adjusted total liabilities.....	129,853,622	328,157	1,672,178	4,821,930	10,667,870	9,396,126	20,404,842	8,943,436	73,619,083

<b>Total capital accounts—book value</b> .....	<b>8,182,445</b>	<b>34,657</b>	<b>133,678</b>	<b>339,647</b>	<b>718,080</b>	<b>609,674</b>	<b>1,260,605</b>	<b>489,112</b>	<b>4,596,992</b>
Assets not on the books.....	20,283	254	1,307	2,872	3,155	1,846	3,296	696	7,057
Examiners' deductions from total assets.....	29,354	195	854	1,760	4,556	3,235	6,045	1,971	10,738
Liabilities not on the books.....	3,731	46	151	196	245	398	269	1,273	1,153
Adjusted capital accounts.....	<b>8,169,643</b>	<b>34,670</b>	<b>133,980</b>	<b>340,363</b>	<b>716,434</b>	<b>607,887</b>	<b>1,257,587</b>	<b>486,564</b>	<b>4,592,158</b>
<b>Adjusted capital accounts per \$100 of—</b>									
Appraised value of total assets.....	\$5.92	\$9.56	\$7.42	\$6.59	\$6.29	\$6.08	\$5.81	\$5.16	\$5.87
Book capital.....	99.84	100.04	100.23	100.21	99.77	99.71	99.76	99.48	99.89
<b>Substandard assets per \$100 of—</b>									
Appraised value of total assets.....	.45	1.02	.74	.61	.59	.61	.53	.43	.37
Adjusted capital accounts.....	7.58	10.67	9.92	9.28	9.35	10.04	9.16	8.25	6.25
<b>Substandard loans and discounts per \$100 of—</b>									
Appraised value of loans and discounts.....	1.23	3.58	3.32	2.78	2.48	2.48	1.95	1.50	.66
Number of banks.....	12,473	874	2,219	3,311	3,400	1,353	1,024	126	166

<sup>1</sup> Appraised value is 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 un-amortized premiums on U. S. Government obligations purchased above par.

*Back figures*—See the following Annual Reports: 1944, pp. 136-137; 1943, p. 82; 1942, p. 82; 1941, pp. 133, 141, and 143; 1940, pp. 160, 169, and 171; 1939, pp. 151, 159, and 161.

## EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED BANKS

- Table 113. Earnings, expenses, and dividends of insured commercial banks, 1934, 1941-1945
- Table 114. Ratios of earnings, expenses, and dividends of insured commercial banks, 1934, 1941-1945
- Table 115. Earnings, expenses, and dividends of insured banks, 1945  
*By class of bank*
- Table 116. Ratios of earnings, expenses, and dividends of insured banks, 1945  
*By class of bank*
- Table 117. Earnings, expenses, and dividends of insured commercial banks operating throughout 1945  
*Banks grouped according to amount of deposits*
- Table 118. Ratios of earnings, expenses, and dividends of insured commercial banks operating throughout 1945  
*Banks grouped according to amount of deposits*

Reports of earnings, expenses, and dividends are submitted to the Federal supervisory agencies on either a cash or an accrual basis.

Earnings data are included for all insured banks operating at the end of the respective years, unless indicated otherwise. Earnings for national banks reporting for the first half of the respective year, only, are also included.

Averages of assets and liabilities shown in Tables 113, 114, 115, and 116 are based upon figures at the beginning, middle, and end of each year, as reported by banks operating on those dates. Consequently, the asset and liability averages are not strictly comparable with the earnings data, but the differences are not large enough to affect the totals significantly. Some further incomparability is also introduced into the data by class of bank by shifts between those classes during the year.

Assets and liabilities shown in Table 117, and utilized for computation of ratios shown in Table 118, are for the identical banks to which the earnings data pertain. For national banks, assets and liabilities are as

of December 31, 1945, and for other banks, are averages of beginning, middle, and end of the year.

Table 113 contains figures for income taxes for the years 1942-1943, not previously available for publication; and estimates of such taxes for the years 1934 and 1941. Table 113 also includes an estimate for the year 1934, which separates recoveries on securities from profits on securities sold.

**Sources of data:**

National banks, and State banks not members of the Federal Reserve System in the District of Columbia: Office of the Comptroller of the Currency.

State banks members of the Federal Reserve System: Board of Governors of the Federal Reserve System.

Other insured banks: Federal Deposit Insurance Corporation.

Table 113. EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS, 1934, 1941-1945

(Amounts in thousands of dollars)

Earnings or expense item	1934	1941	1942	1943	1944	1945
<b>Current operating earnings—total</b> .....	<b>1,518,449</b>	<b>1,729,901</b>	<b>1,790,692</b>	<b>1,959,481</b>	<b>2,214,905</b>	<b>2,482,278</b>
Interest and dividends on:						
United States Government obligations.....	550,092	509,175	610,298	861,412	1,090,253	1,132,977
Other securities.....						167,198
Interest and discount on loans.....	690,601	847,832	804,717	692,305	680,708	707,738
Service charges and other fees on bank's loans.....	( <sup>1</sup> )	( <sup>1</sup> )	12,084	13,513	17,320	18,860
Service charges on deposit accounts.....	34,609	139,698	84,309	95,332	107,375	109,789
Other service charges, commissions, fees, and collection and exchange charges	41,139		55,148	67,533	78,485	90,617
Trust department.....	78,190	( <sup>1</sup> )	100,652	104,710	112,486	120,317
Other current operating earnings.....	123,818	233,196	123,484	124,676	128,278	134,782
<b>Current operating expenses—total</b> .....	<b>(<sup>2</sup>)1,114,167</b>	<b>(<sup>2</sup>)1,215,766</b>	<b>1,222,157</b>	<b>1,256,025</b>	<b>1,356,680</b>	<b>1,522,778</b>
Salaries—officers.....		211,311	219,388	225,142	240,354	266,018
Salaries and wages—employees.....	402,038	302,627	333,171	356,958	386,346	424,881
Fees paid to directors and members of executive, discount, and other committees.....		13,151	11,541	11,775	12,907	14,610
Interest on time and savings deposits.....	302,603	190,256	174,674	162,900	186,773	233,321
Interest and discount on borrowed money.....	7,324	374	336	502	1,112	2,448
Taxes other than on net income.....	( <sup>2</sup> )74,043	( <sup>2</sup> )103,371	97,085	99,915	97,307	98,683
Recurring depreciation on banking house, furniture and fixtures.....	( <sup>2</sup> )47,747	( <sup>2</sup> )64,414	39,917	40,003	41,845	40,329
Other current operating expenses.....	280,412	330,262	346,045	357,825	390,036	442,488
<b>Net current operating earnings</b> .....	<b>(<sup>2</sup>)404,282</b>	<b>(<sup>2</sup>)514,135</b>	<b>568,535</b>	<b>703,456</b>	<b>858,225</b>	<b>959,500</b>
<b>Recoveries and profits—total</b> .....	<b>292,027</b>	<b>324,453</b>	<b>222,775</b>	<b>353,015</b>	<b>361,726</b>	<b>509,329</b>
Recoveries on securities.....	( <sup>4</sup> )57,994	73,589	55,947	91,891	92,778	122,364
Profits on securities sold or redeemed.....	( <sup>4</sup> )148,345	145,189	66,457	103,143	129,834	266,764
Recoveries on loans.....	52,874	70,947	68,546	85,664	84,224	67,014
All other.....	32,814	34,728	31,825	72,317	54,890	53,187
<b>Losses and charge-offs—total</b> .....	<b>1,033,278</b>	<b>333,966</b>	<b>271,118</b>	<b>290,645</b>	<b>265,881</b>	<b>264,122</b>
On securities.....	391,547	161,073	120,614	116,383	110,439	132,870
On loans.....	552,857	103,868	80,647	75,223	70,090	55,901
All other.....	88,874	69,025	69,857	99,039	85,352	75,351

<b>Net profits before income taxes</b> .....	( <sup>2</sup> )-336,969	( <sup>3</sup> )504,622	520,192	765,826	954,070	1,204,707
<b>Taxes on net income—total</b> .....	( <sup>4</sup> )3,000	( <sup>5</sup> )50,000	79,541	127,865	202,821	298,795
Federal.....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	114,316	187,082	277,538
State.....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	13,549	15,789	21,257
<b>Net profits after taxes</b> .....	-339,969	454,622	440,651	637,961	751,249	905,912
<b>Dividends and interest on capital—total</b> .....	187,769	253,396	227,608	233,490	253,193	274,438
Dividends declared on preferred stock and interest paid on capital notes and debentures.....	17,796	17,563	14,523	14,324	13,645	11,769
Cash dividends declared on common stock.....	169,973	235,833	213,085	219,166	239,548	262,669
<b>Net additions to capital from profits</b> .....	-527,738	201,226	213,043	404,471	498,056	631,474
<b>Average assets and liabilities<sup>6</sup></b>						
<b>Assets—total</b> .....	44,941,293	73,510,130	83,666,451	103,370,189	123,168,863	145,217,438
Cash and due from banks.....	10,272,448	25,693,758	25,922,701	26,774,094	28,042,727	31,236,090
U. S. Government obligations.....	11,075,592	19,160,565	29,231,826	50,315,698	67,231,161	82,417,236
Other securities.....	6,259,203	6,997,406	6,802,771	6,321,794	6,088,482	6,623,089
Loans and discounts.....	14,901,832	19,857,387	20,030,625	18,380,838	20,310,112	23,500,772
All other assets.....	2,432,218	1,801,014	1,678,528	1,577,765	1,496,381	1,440,251
<b>Liabilities and capital—total</b> .....	44,941,293	73,510,130	83,666,451	103,370,189	123,168,863	145,217,438
Total deposits.....	37,424,125	66,168,797	76,134,514	95,506,221	114,682,390	135,948,387
Demand deposits.....	24,823,179	50,827,462	60,245,967	77,878,606	93,267,114	108,968,917
Time and savings deposits.....	12,600,946	15,341,335	15,888,547	17,627,615	21,415,276	26,979,470
Borrowings and other liabilities.....	1,319,221	578,370	580,544	617,535	768,280	934,381
Total capital accounts.....	6,197,947	6,762,963	6,951,393	7,246,433	7,718,193	8,334,670
Number of active officers, December 31.....	( <sup>1</sup> )	57,067	54,925	55,309	56,494	59,119
Number of other employees, December 31.....	( <sup>1</sup> )	211,115	216,473	225,647	229,377	245,275
Number of banks, December 31 <sup>7</sup> .....	14,137	13,427	13,347	13,274	13,268	13,302

<sup>1</sup> Not available separately.

<sup>2</sup> Differs from reported figures as a result of the estimate made of taxes on net income. See footnote 5.

<sup>3</sup> In 1934; and for banks not submitting reports to FDIC in 1941, consists of regular and extraordinary depreciation allowances on banking house, furniture and fixtures. In 1941 for banks submitting reports to FDIC, consists of regular depreciation allowances on banking house, furniture and fixtures plus other expenses of occupancy and maintenance of banking quarters.

<sup>4</sup> Estimated; profits on securities sold were not reported separately from recoveries on securities by banks not submitting reports to the FDIC.

<sup>5</sup> Estimated; based upon Bureau of Internal Revenue figures of income taxes paid by national banks for 1934, and paid by all banks and trust companies for 1941. Banks submitting reports to the FDIC have reported income taxes separately since 1936.

<sup>6</sup> Averages of figures reported at beginning, middle, and end of year.

<sup>7</sup> In 1934 excludes 1 and in 1941 3 trust companies not engaged in deposit banking, which submit reports to FDIC.

NOTE: Minus (-) indicates net loss.

Back figures—See the Annual Report for 1941, pages 158-159.

Table 114. RATIOS OF EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS, 1934, 1941-1945

Earnings or expense item	1934	1941	1942	1943	1944	1945
<b>Amounts per \$100 of current operating earnings:</b>						
<b>Current operating earnings—total</b> .....	<b>\$100.00</b>	<b>\$100.00</b>	<b>\$100.00</b>	<b>\$100.00</b>	<b>\$100.00</b>	<b>\$100.00</b>
Interest and dividends on:						
United States Government obligations.....						
Other securities.....	36.23	29.43	34.08	43.96	49.22	45.64
Income on loans.....	45.48	49.01	45.61	36.02	31.52	29.27
Service charges on deposit accounts.....	2.28		4.71	4.87	4.85	4.42
Other service charges, commissions, fees, and collection and exchange charges.....	2.71	8.08	3.08	3.45	3.54	3.65
Other current operating earnings.....	13.30	13.48	12.52	11.70	10.87	10.28
<b>Current operating expenses—total</b> .....	<b>(1)73.38</b>	<b>(1)70.28</b>	<b>68.25</b>	<b>64.10</b>	<b>61.25</b>	<b>61.35</b>
Salaries, wages and fees.....	26.48	30.47	31.50	30.31	28.88	28.42
Interest on time and savings deposits.....	19.93	11.00	9.76	8.36	8.43	9.40
Taxes other than on net income.....	(1)4.88	(1)5.98	5.42	5.10	4.39	3.98
Recurring depreciation on banking house, furniture and fixtures.....	(2)3.14	(2)3.72	2.23	2.04	1.89	1.62
Other current operating expenses.....	18.95	19.11	19.34	18.29	17.66	17.93
<b>Net current operating earnings</b> .....	<b>(1)26.62</b>	<b>(1)29.72</b>	<b>31.75</b>	<b>35.90</b>	<b>38.75</b>	<b>38.65</b>
<b>Amounts per \$100 of total assets<sup>2</sup></b>						
Current operating earnings—total.....	3.88	2.35	2.14	1.90	1.80	1.71
Current operating expenses—total.....	(1)2.48	(1)1.65	1.46	1.22	1.10	1.05
Net current operating earnings.....	(1).90	(1).70	.68	.68	.70	.66
Recoveries and profits—total.....	.65	.44	.26	.34	.29	.35
Losses and charge-offs—total.....	2.30	.45	.32	.28	.22	.18
Net profits before income taxes.....	(1)-.75	(1).69	.62	.74	.77	.89
Net profits after income taxes.....	-.76	.62	.53	.62	.61	.62
<b>Amounts per \$100 of total capital accounts<sup>3</sup></b>						
Net current operating earnings.....	(1)6.52	(1)7.60	8.18	9.71	11.12	11.51
Recoveries and profits—total.....	4.71	4.80	3.20	4.87	4.69	6.11
Losses and charge-offs—total.....	16.67	4.93	3.90	4.01	3.45	3.16
Net profits before income taxes.....	(1)-5.44	(1)7.47	7.48	10.57	12.36	14.46
Taxes on net income.....	(4).05	(4).75	1.14	1.75	2.63	3.59
Net profits after income taxes.....	-5.49	6.72	6.34	8.82	9.73	10.87
Cash dividends declared.....	3.03	3.75	3.28	3.23	3.28	3.29
Net additions to capital from profits.....	-8.52	2.97	3.06	5.59	6.45	7.58



<b>Special ratios<sup>1</sup></b>							
Income on loans per \$100 of loans.....	4.63	4.27	4.08	3.85	3.44	3.09	
Income on securities per \$100 of securities.....	3.17	1.95	1.69	1.52	1.49	1.46	
Service charges per \$100 of demand deposits.....	.14	(5)	.14	.12	.12	.10	
Interest paid per \$100 of time and savings deposits.....	2.40	1.20	1.10	.93	.87	.87	
<b>Assets and liabilities per \$100 of total assets<sup>2</sup></b>							
<b>Assets—total.....</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	
Cash and due from banks.....	22.86	34.95	30.98	25.91	22.77	21.51	
U. S. Government obligations.....	24.64	26.07	34.94	48.70	54.59	56.76	
Other securities.....	13.93	9.52	8.13	6.11	4.94	4.56	
Loans and discounts.....	33.16	27.01	23.94	17.75	16.49	16.18	
All other assets.....	5.41	2.45	2.01	1.53	1.21	.99	
<b>Liabilities and capital—total.....</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	
Total deposits.....	83.27	90.01	91.00	92.39	93.11	93.62	
<i>Demand deposits.....</i>	<i>55.23</i>	<i>63.16</i>	<i>72.01</i>	<i>75.39</i>	<i>75.72</i>	<i>75.04</i>	
<i>Time and savings deposits.....</i>	<i>28.04</i>	<i>21.55</i>	<i>18.99</i>	<i>17.00</i>	<i>17.39</i>	<i>18.58</i>	
Borrowings and other liabilities.....	2.94	.79	.69	.60	.62	.64	
Total capital accounts.....	13.79	9.20	8.31	7.01	6.27	5.74	
<b>Number of banks, December 31<sup>6</sup>.....</b>	<b>14,137</b>	<b>13,427</b>	<b>13,347</b>	<b>13,274</b>	<b>13,268</b>	<b>13,302</b>	

<sup>1</sup> Differs from reported figures as a result of the estimate made of taxes on net income. See footnote 4.

<sup>2</sup> In 1934; and for banks not submitting reports to FDIC in 1941, consists of regular and extraordinary depreciation allowances on banking house, furniture and fixtures. In 1941 for banks submitting reports to FDIC, consists of regular depreciation allowances on banking house, furniture and fixtures plus other expenses of occupancy and maintenance of banking quarters.

<sup>3</sup> Asset and liability items are averages of figures reported at beginning, middle, and end of year.

<sup>4</sup> Estimated; based upon Bureau of Internal Revenue figures of income taxes paid by national banks for 1934, and paid by all banks and trust companies for 1941. Banks submitting reports to the FDIC have reported income taxes separately since 1936.

<sup>5</sup> Not available.

<sup>6</sup> In 1934 excludes 1 and in 1941, 3 trust companies not engaged in deposit banking, which submit reports to FDIC.

NOTE: Minus (–) indicates net loss.

Table 115. EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED BANKS, 1945

BY CLASS OF BANK

(Amounts in thousands of dollars)

Earnings or expense item	Insured commercial banks				Insured mutual savings banks <sup>1</sup>	Insured commercial banks	
	Total	Members F. R. System		Not members F. R. System		Operating throughout the year	Operating less than full year <sup>2</sup>
		National	State				
<b>Current operating earnings—total</b> .....	<b>2,482,278</b>	<b>1,344,242</b>	<b>757,601</b>	<b>380,435</b>	<b>322,795</b>	<b>2,476,062</b>	<b>6,216</b>
Interest and dividends on:							
United States Government obligations.....	1,132,977	648,740	347,892	136,345	135,627	1,131,644	1,333
Other securities.....	167,198	92,776	46,550	27,872	24,652	167,088	110
Interest and discount on loans.....	707,738	373,248	198,421	136,069	142,628	706,840	898
Service charges and other fees on bank's loans.....	18,860	9,506	6,879	2,475	(*)	18,843	17
Service charges on deposit accounts.....	109,789	60,929	26,570	22,290	.....	109,635	154
Other service charges, commissions, fees, and collection and exchange charges.....	90,617	42,175	21,651	26,791	1,033	90,435	182
Trust department.....	120,317	40,757	71,376	8,184	.....	117,424	2,893
Other current operating earnings.....	134,782	76,111	38,262	20,409	18,855	134,153	629
<b>Current operating expenses—total</b> .....	<b>1,522,778</b>	<b>813,048</b>	<b>454,315</b>	<b>255,415</b>	<b>221,055</b>	<b>1,517,841</b>	<b>4,937</b>
Salaries—officers.....	266,018	134,862	73,338	57,818	10,567	264,839	1,179
Salaries and wages—employees.....	424,881	228,445	142,902	53,534	22,179	423,595	1,286
Fees paid to directors and members of executive, discount, and other committees.....	14,610	7,189	3,566	3,855	855	14,562	48
Interest on time and savings deposits.....	233,321	123,239	59,482	50,600	143,350	233,085	236
Interest and discount on borrowed money.....	2,448	1,325	961	162	.....	2,442	6
Taxes other than on net income.....	98,683	54,785	28,682	15,216	8,410	98,497	186
Recurring depreciation on banking house, furniture and fixtures.....	40,329	23,374	10,626	6,323	2,343	40,240	83
Other current operating expenses.....	442,488	239,829	134,758	67,901	33,045	440,575	1,913
<b>Net current operating earnings</b> .....	<b>959,500</b>	<b>531,194</b>	<b>303,286</b>	<b>125,020</b>	<b>101,740</b>	<b>958,221</b>	<b>1,279</b>
<b>Recoveries and profits—total</b> .....	<b>509,329</b>	<b>260,030</b>	<b>193,698</b>	<b>55,601</b>	<b>181,982</b>	<b>508,516</b>	<b>813</b>
Recoveries on securities.....	122,364	54,135	59,080	9,149	47,560	122,341	23
Profits on securities sold or redeemed.....	266,764	141,767	97,050	27,947	79,389	266,137	627
Recoveries on loans.....	67,014	37,359	18,557	11,098	.....	66,936	78
All other.....	53,187	26,769	19,011	7,407	55,033	53,102	85
<b>Losses and charge-offs—total</b> .....	<b>264,122</b>	<b>131,627</b>	<b>98,225</b>	<b>34,270</b>	<b>135,783</b>	<b>263,617</b>	<b>505</b>
On securities.....	132,870	74,533	43,251	15,086	36,635	132,624	246
On loans.....	55,901	29,629	16,912	9,360	.....	55,878	23
All other.....	75,351	27,465	38,062	9,824	99,148	75,115	236

Net profits before income taxes.....	1,204,707	659,597	398,759	146,351	147,939	1,203,120	1,587
<b>Taxes on net income—total.....</b>	<b>298,795</b>	<b>170,255</b>	<b>99,807</b>	<b>28,733</b>	<b>2,034</b>	<b>298,243</b>	<b>552</b>
Federal.....	277,538	159,063	91,218	27,257	.....	277,047	491
State.....	21,257	11,192	8,589	1,476	2,034	21,196	61
Net profits after taxes.....	905,912	489,342	298,952	117,618	145,905	904,877	1,035
<b>Dividends and interest on capital—total.....</b>	<b>274,438</b>	<b>155,292</b>	<b>90,642</b>	<b>28,504</b>	<b>271</b>	<b>273,775</b>	<b>663</b>
Dividends declared on preferred stock and interest paid on capital notes and debentures.....	11,769	4,127	4,135	3,507	271	11,768	1
Cash dividends declared on common stock.....	262,669	151,165	86,507	24,997	(4)	262,007	662
Net additions to capital from profits.....	631,474	334,050	208,310	89,114	145,634	631,102	372
<b>Average assets and liabilities<sup>1</sup></b>							
<b>Assets—total.....</b>	<b>145,217,438</b>	<b>82,792,890</b>	<b>45,007,835</b>	<b>17,416,713</b>	<b>10,636,400</b>		
Cash and due from banks.....	31,236,090	18,409,160	8,746,115	4,080,815	416,762		
U. S. Government obligations.....	82,417,236	47,197,572	25,881,394	9,338,270	6,345,344		
Other securities.....	6,623,089	3,810,152	1,813,953	998,984	605,362		
Loans and discounts.....	23,500,772	12,591,299	8,086,138	2,823,335	3,093,428		
All other assets.....	1,440,251	784,707	480,235	175,309	175,504		
<b>Liabilities and capital—total.....</b>	<b>145,217,438</b>	<b>82,792,890</b>	<b>45,007,835</b>	<b>17,416,713</b>	<b>10,636,400</b>		
Total deposits.....	135,948,887	77,776,908	41,864,731	16,306,748	9,648,308		
Demand deposits.....	108,968,917	68,167,619	34,687,181	11,114,117			
Time and savings deposits.....	26,979,970	14,609,289	7,177,550	5,192,631	9,648,808		
Borrowings and other liabilities.....	934,381	559,291	323,469	51,621	27,085		
Total capital accounts.....	8,334,670	4,456,691	2,819,635	1,058,344	961,007		
Number of active officers, December 31.....	59,119	27,744	12,149	19,226	1,337	58,729	390
Number of other employees, December 31.....	245,275	131,297	76,147	37,831	10,852	244,231	1,044
Number of banks, December 31.....	13,302	5,017	1,864	6,421	192	13,171	131

<sup>1</sup> Includes three mutual savings banks, members of the Federal Reserve System.

<sup>2</sup> Includes banks operating less than full year and trust companies not engaged in deposit banking.

<sup>3</sup> Included with interest and discount on loans.

<sup>4</sup> Interest and dividends paid depositors. As a result of the mutual character of these banks, interest and dividends paid depositors is, in some respects, comparable to a distribution of profits.

<sup>5</sup> Includes reductions in valuation allowances on securities.

<sup>6</sup> Includes additions to valuation allowances on securities.

<sup>7</sup> Averages of figures reported at beginning, middle, and end of year.

*Back figures*—See Table 113, page 128. See also the Annual Report for 1944, pp. 140-141, and earlier reports.

Table 116. RATIOS OF EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED BANKS, 1945

BY CLASS OF BANK

Earnings or expense item	Insured commercial banks				Insured mutual savings banks <sup>1</sup>
	Total	Members F. R. System		Not members F. R. System	
		National	State		
<b>Amounts per \$100 of current operating earnings</b>					
<b>Current operating earnings—total</b> .....	<b>\$100.00</b>	<b>\$100.00</b>	<b>\$100.00</b>	<b>\$100.00</b>	<b>\$100.00</b>
Interest and dividends on:					
United States Government obligations.....	45.64	48.26	45.92	35.84	42.02
Other securities.....	6.74	6.90	6.14	7.33	7.64
Income on loans.....	29.27	28.48	27.10	36.42	44.18
Service charges on deposit accounts.....	4.42	4.53	3.51	5.86	.....
Other service charges, commissions, fees and collection and exchange charges.....	3.65	3.14	2.86	7.04	.32
Other current operating earnings.....	10.28	8.69	14.47	7.51	5.84
<b>Current operating expenses—total</b> .....	<b>61.35</b>	<b>60.48</b>	<b>59.97</b>	<b>67.14</b>	<b>68.48</b>
Salaries, wages, and fees.....	28.42	27.56	29.01	30.28	10.41
Interest on time and savings deposits.....	9.40	9.17	7.85	13.30	244.41
Taxes other than on net income.....	3.98	4.07	3.79	4.00	2.60
Recurring depreciation on banking house, furniture and fixtures.....	1.62	1.74	1.40	1.67	.82
Other current operating expenses.....	17.93	17.94	17.92	17.89	10.24
<b>Net current operating earnings</b> .....	<b>38.65</b>	<b>39.52</b>	<b>40.03</b>	<b>32.86</b>	<b>31.52</b>
<b>Amounts per \$100 of total assets<sup>2</sup></b>					
Current operating earnings—total.....	1.71	1.62	1.68	2.18	3.03
Current operating expenses—total.....	1.05	.98	1.01	1.46	2.08
Net current operating earnings.....	.66	.64	.67	.72	.95
Recoveries and profits—total.....	.25	.31	.43	.37	1.71
Losses and charge-offs—total.....	.18	.16	.22	.20	1.27
Net profits before income taxes.....	.83	.79	.88	.84	1.39
Net profits after income taxes.....	.62	.59	.66	.68	1.37
<b>Amounts per \$100 of total capital accounts<sup>3</sup></b>					
Net current operating earnings.....	11.51	11.92	10.75	11.81	10.58
Recoveries and profits—total.....	6.11	5.83	6.87	5.26	18.94
Losses and charge-offs—total.....	3.17	2.95	3.48	3.24	14.13
Net profits before income taxes.....	14.45	14.80	14.14	13.83	15.39
Taxes on net income.....	3.58	3.82	3.54	2.72	.21
Net profits after income taxes.....	10.87	10.98	10.60	11.11	15.18
Cash dividends declared.....	3.29	3.48	3.21	2.69	4.03
Net additions to capital from profits.....	7.58	7.50	7.39	8.42	15.15

<b>Special ratios<sup>1</sup></b>					
Income on loans per \$100 of loans .....	3.09	3.04	2.54	4.91	4.61
Income on securities per \$100 of securities .....	1.46	1.45	1.42	1.59	2.31
Service charges per \$100 of demand deposits .....	.10	.10	.08	.20	.....
Interest paid per \$100 of time and savings deposits .....	.87	.84	.83	.97	1.49
<b>Assets and liabilities per \$100 of total assets<sup>2</sup></b>					
<b>Assets—total</b> .....	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
Cash and due from banks .....	21.51	22.23	19.43	23.43	3.92
U. S. Government obligations .....	56.76	57.01	57.50	53.62	59.66
Other securities .....	4.56	4.60	4.03	5.73	5.69
Loans and discounts .....	16.18	15.21	17.97	16.21	29.08
All other assets .....	.99	.95	1.07	1.01	1.65
<b>Liabilities and capital—total</b> .....	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
Total deposits .....	93.62	93.94	93.02	93.62	90.71
<i>Demand deposits</i> .....	<i>75.04</i>	<i>76.29</i>	<i>77.07</i>	<i>63.81</i>	.....
<i>Time and savings deposits</i> .....	<i>18.58</i>	<i>17.65</i>	<i>15.95</i>	<i>29.81</i>	90.71
Borrowings and other liabilities .....	.64	.68	.72	.30	.25
Total capital accounts .....	5.74	5.38	6.26	6.08	9.04
<b>Number of banks, December 31</b> .....	<b>13,302</b>	<b>5,017</b>	<b>1,864</b>	<b>6,421</b>	<b>192</b>

<sup>1</sup> Includes 3 mutual savings banks, members of the Federal Reserve System.

<sup>2</sup> Interest and dividends paid depositors. As a result of the mutual character of these banks, interest and dividends paid depositors is, in some respects, comparable to a distribution of profits.

<sup>3</sup> Asset and liability items are averages of figures reported at beginning, middle, and end of year.

<sup>4</sup> Interest and dividends paid depositors of mutual savings banks are shown as a current operating expense. See footnote 2.

*Back figures*—See Table 114, page 130. See also Annual Report for 1944, pages 142-143 and earlier reports.

Table 117. EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS OPERATING THROUGHOUT 1945

BANKS GROUPED ACCORDING TO AMOUNT OF DEPOSITS

Earnings or expense item	All banks <sup>1</sup>	Banks with deposits of— <sup>2</sup>							
		\$500,000 or less	\$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	\$50,000,000 to \$100,000,000	More than \$100,000,000
(Amounts in thousands of dollars)									
<b>Current operating earnings—total</b> .....	<b>2,476,062</b>	<b>6,027</b>	<b>33,370</b>	<b>100,240</b>	<b>237,578</b>	<b>216,866</b>	<b>450,646</b>	<b>173,421</b>	<b>1,257,914</b>
Interest and dividends on:									
United States Government obligations .....	1,131,644	1,473	10,816	35,872	93,877	92,431	202,090	79,244	615,841
Other securities .....	167,088	237	1,731	6,489	18,948	17,591	33,223	9,427	79,442
Interest and discount on loans .....	706,840	2,910	14,221	39,078	83,380	69,237	125,267	45,708	327,039
Service charges and other fees on bank's loans .....	18,843	114	253	436	1,060	839	1,739	917	13,485
Service charges on deposit accounts .....	109,635	315	2,022	6,445	15,604	14,774	28,711	8,493	33,271
Other service charges, commissions, fees, and collection and exchange charges .....	90,435	708	3,449	8,734	15,136	9,955	16,785	4,953	30,715
Trust department .....	117,424	47	20	104	1,226	2,770	16,521	9,053	87,683
Other current operating earnings .....	184,153	223	858	3,082	8,347	9,269	26,310	15,626	70,438
<b>Current operating expenses—total</b> .....	<b>1,517,841</b>	<b>4,255</b>	<b>22,290</b>	<b>65,593</b>	<b>157,037</b>	<b>146,132</b>	<b>304,303</b>	<b>113,485</b>	<b>704,746</b>
Salaries—officers .....	264,839	1,692	8,133	20,814	39,908	29,815	50,565	17,580	96,332
Salaries and wages—employees .....	423,595	475	2,643	9,337	28,001	31,761	79,834	33,941	237,603
Fees paid to directors and members of executive, discount, and other committees .....	14,562	82	484	1,442	3,208	2,354	3,338	820	2,834
Interest on time and savings deposits .....	233,085	454	3,306	11,670	31,204	29,967	56,772	15,829	83,883
Interest and discount on borrowed money .....	2,442	7	10	21	43	80	279	244	1,758
Taxes other than on net income .....	98,497	299	1,354	4,085	10,541	9,590	19,730	7,365	45,533
Recurring depreciation on banking house, furniture and fixtures .....	40,246	114	582	1,761	4,697	4,571	9,114	3,470	15,937
Other current operating expenses .....	440,575	1,132	5,778	16,463	39,435	37,994	84,671	34,236	220,866
<b>Net current operating earnings</b> .....	<b>958,221</b>	<b>1,772</b>	<b>11,080</b>	<b>34,647</b>	<b>80,541</b>	<b>70,734</b>	<b>146,343</b>	<b>59,936</b>	<b>553,168</b>
<b>Recoveries and profits—total</b> .....	<b>508,516</b>	<b>565</b>	<b>3,115</b>	<b>10,141</b>	<b>31,654</b>	<b>37,876</b>	<b>97,622</b>	<b>39,164</b>	<b>288,379</b>
Recoveries on securities .....	122,341	91	555	1,916	5,770	6,799	14,701	4,905	87,604
Profits on securities sold or redeemed .....	266,137	178	1,005	3,828	15,508	20,228	57,913	26,577	140,900
Recoveries on loans .....	66,936	193	1,079	2,950	6,470	6,241	13,596	4,242	32,165
All other .....	53,102	103	476	1,447	3,906	4,608	11,412	3,440	27,710
<b>Losses and charge-offs—total</b> .....	<b>263,617</b>	<b>326</b>	<b>1,906</b>	<b>6,277</b>	<b>17,451</b>	<b>20,372</b>	<b>44,844</b>	<b>21,257</b>	<b>151,184</b>
On securities .....	132,624	102	774	2,938	8,702	10,049	22,934	11,751	75,374
On loans .....	55,878	151	704	1,922	4,483	4,607	8,307	3,129	32,575
All other .....	75,115	73	428	1,417	4,266	5,716	13,603	6,377	43,235

<b>Net profits before income taxes</b> .....	<b>1,203,120</b>	<b>2,011</b>	<b>12,289</b>	<b>38,511</b>	<b>94,744</b>	<b>88,238</b>	<b>199,121</b>	<b>77,843</b>	<b>690,363</b>
<b>Taxes on net income—total</b> .....	<b>298,243</b>	<b>364</b>	<b>2,094</b>	<b>6,459</b>	<b>15,905</b>	<b>17,204</b>	<b>45,275</b>	<b>21,420</b>	<b>189,522</b>
Federal.....	277,047	341	1,979	6,082	15,149	16,482	43,455	20,358	173,201
State.....	21,196	23	115	377	756	722	1,820	1,062	16,321
<b>Net profits after taxes</b> .....	<b>904,877</b>	<b>1,647</b>	<b>10,195</b>	<b>32,052</b>	<b>78,839</b>	<b>71,034</b>	<b>153,846</b>	<b>56,423</b>	<b>500,841</b>
<b>Dividends and interest on capital—total</b> .....	<b>273,775</b>	<b>493</b>	<b>2,880</b>	<b>8,687</b>	<b>20,532</b>	<b>18,166</b>	<b>36,764</b>	<b>14,644</b>	<b>171,609</b>
Dividends declared on preferred stock and interest paid on capital notes and debentures.....	11,768	28	167	397	1,119	1,648	2,753	1,574	4,082
Cash dividends declared on common stock.....	262,007	465	2,713	8,290	19,413	16,518	34,011	13,070	167,527
<b>Net additions to capital from profits</b> .....	<b>631,102</b>	<b>1,154</b>	<b>7,315</b>	<b>23,365</b>	<b>58,307</b>	<b>52,868</b>	<b>117,082</b>	<b>41,779</b>	<b>329,232</b>
<b>Average assets and liabilities<sup>1</sup></b>									
<b>Assets—total</b> .....	<b>152,295,474</b>	<b>230,145</b>	<b>1,493,682</b>	<b>4,832,868</b>	<b>12,360,084</b>	<b>11,628,196</b>	<b>25,383,307</b>	<b>10,481,537</b>	<b>85,885,655</b>
Cash and due from banks.....	32,848,436	85,840	471,408	1,404,330	3,216,048	2,699,437	5,657,506	2,332,543	16,981,324
U. S. Government obligations.....	86,291,649	92,053	721,209	2,484,111	6,699,456	6,642,988	14,850,828	6,043,856	48,757,148
Other securities.....	6,934,620	7,207	56,493	219,373	698,074	694,046	1,356,028	433,662	3,469,737
Loans and discounts.....	24,773,708	43,243	235,654	695,746	1,656,211	1,495,283	3,245,191	1,545,901	15,856,479
All other assets.....	1,447,061	1,802	8,918	29,308	90,295	96,442	273,754	125,575	820,967
<b>Liabilities and capital—total</b> .....	<b>152,295,474</b>	<b>230,145</b>	<b>1,493,682</b>	<b>4,832,868</b>	<b>12,360,084</b>	<b>11,628,196</b>	<b>25,383,307</b>	<b>10,481,537</b>	<b>85,885,655</b>
Total deposits.....	142,798,124	206,093	1,382,647	4,525,470	11,614,347	10,954,194	23,924,936	9,916,984	80,273,453
Demand deposits.....	114,254,940	167,027	1,071,333	3,338,194	8,162,391	7,421,059	16,855,839	7,839,518	69,319,579
Time and savings deposits.....	28,543,184	39,066	311,314	1,187,276	3,451,956	3,533,135	7,069,097	2,077,466	10,953,874
Borrowings and other liabilities.....	1,012,280	1,082	1,817	5,644	17,319	23,371	78,869	47,826	836,352
Total capital accounts.....	8,485,070	22,970	109,218	301,754	728,418	650,631	1,379,502	516,727	4,775,850
Number of active officers, December 31.....	58,729	1,050	4,306	8,860	13,198	7,646	9,360	2,566	11,743
Number of other employees, December 31.....	244,231	602	2,950	8,860	21,841	21,512	48,769	20,029	119,668
Number of banks, December 31.....	13,171	602	2,026	3,374	3,948	1,657	1,238	142	184

<sup>1</sup> This group of banks is the same as the group shown in Table 115 under the heading "Operating throughout the year".

<sup>2</sup> Deposits are as of December 31, 1945.

<sup>3</sup> Asset and liability items are averages of figures reported at beginning, middle, and end of year for State banks, and are as of December 31, 1945, for national banks.

Back figures—See Annual Report for 1944, pages 144-145 and earlier reports.

Table 118. RATIOS OF EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS OPERATING THROUGHOUT 1945

## BANKS GROUPED ACCORDING TO AMOUNT OF DEPOSITS

Earnings or expense item	All banks <sup>1</sup>	Banks with deposits of— <sup>2</sup>							
		\$500,000 or less	\$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	\$50,000,000 to \$100,000,000	More than \$100,000,000
<b>Amounts per \$100 of current operating earnings</b>									
<b>Current operating earnings—total</b> .....	<b>\$100.00</b>	<b>\$100.00</b>	<b>\$100.00</b>	<b>\$100.00</b>	<b>\$100.00</b>	<b>\$100.00</b>	<b>\$100.00</b>	<b>\$100.00</b>	<b>\$100.00</b>
Interest and dividends on:									
United States Government obligations.....	45.70	24.44	32.41	35.79	39.51	42.62	44.85	45.69	48.96
Other securities.....	6.75	3.93	5.19	6.47	7.98	8.11	7.37	5.43	6.32
Income on loans.....	29.31	50.17	43.37	39.42	35.54	32.32	28.18	26.89	27.07
Service charges on deposit accounts.....	4.43	5.23	6.06	6.43	6.57	6.81	6.37	4.90	2.64
Other service charges, commissions, fees and collection and exchange charges.....	3.65	11.75	10.34	8.71	6.37	4.59	3.73	2.86	2.44
Other current operating earnings.....	10.16	4.48	2.63	3.18	4.03	5.55	9.50	14.23	12.57
<b>Current operating expenses—total</b> .....	<b>61.30</b>	<b>70.60</b>	<b>66.80</b>	<b>65.44</b>	<b>66.10</b>	<b>67.38</b>	<b>67.53</b>	<b>65.44</b>	<b>56.02</b>
Salaries, wages, and fees.....	28.39	37.32	33.74	31.52	29.94	29.48	29.68	30.18	26.77
Interest on time and savings deposits.....	9.41	7.53	9.91	11.64	13.14	13.82	12.60	9.13	6.67
Taxes other than on net income.....	3.98	4.96	4.06	4.08	4.44	4.42	4.38	4.25	3.62
Recurring depreciation on banking house, furniture and fixtures.....	1.63	1.89	1.74	1.76	1.98	2.11	2.02	2.00	1.26
Other current operating expenses.....	17.89	18.90	17.35	16.44	16.60	17.55	18.85	19.88	17.70
<b>Net current operating earnings</b> .....	<b>38.70</b>	<b>29.40</b>	<b>33.20</b>	<b>34.56</b>	<b>33.90</b>	<b>32.62</b>	<b>32.47</b>	<b>34.56</b>	<b>43.98</b>
<b>Amounts per \$100 of total assets<sup>3</sup></b>									
Current operating earnings—total.....	1.63	2.62	2.23	2.08	1.92	1.87	1.78	1.65	1.46
Current operating expenses—total.....	1.00	1.85	1.49	1.36	1.27	1.26	1.20	1.08	.82
Net current operating earnings.....	.63	.77	.74	.72	.65	.61	.58	.57	.64
Recoveries and profits—total.....	.33	.24	.21	.21	.26	.33	.33	.37	.34
Losses and charge-offs—total.....	.17	.14	.13	.13	.14	.18	.18	.20	.18
Net profits before income taxes.....	.79	.87	.82	.80	.77	.76	.78	.74	.80
Net profits after income taxes.....	.59	.72	.68	.66	.64	.61	.61	.54	.58
<b>Amounts per \$100 of total capital accounts<sup>3</sup></b>									
Net current operating earnings.....	11.29	7.71	10.14	11.48	11.06	10.87	10.61	11.60	11.58
Recoveries and profits—total.....	5.99	2.46	2.85	3.36	4.35	5.82	7.07	7.58	6.04
Losses and charge-offs—total.....	3.10	1.42	1.74	2.08	2.40	3.13	3.25	4.11	3.17
Net profits before income taxes.....	14.18	8.75	11.25	12.76	13.01	13.56	14.43	15.07	14.45
Taxes on net income.....	3.51	1.58	1.92	2.14	2.19	2.64	3.28	4.15	3.97
Net profits after income taxes.....	10.67	7.17	9.33	10.62	10.82	10.92	11.15	10.92	10.48
Cash dividends declared.....	3.23	2.15	2.63	2.88	2.82	2.79	2.66	2.83	3.59
Net additions to capital from profits.....	7.44	5.02	6.70	7.74	8.00	8.13	8.49	8.09	6.89



Special ratios <sup>1</sup>									
Income on loans per \$100 of loans.....	2.93	6.99	6.14	5.68	5.10	4.69	3.91	3.02	2.15
Income on securities per \$100 of securities.....	1.39	1.72	1.61	1.57	1.53	1.50	1.45	1.37	1.33
Service charges per \$100 of demand deposits.....	.10	.19	.19	.19	.19	.20	.17	.11	.05
Interest paid per \$100 of time and savings deposits.....	.82	1.16	1.06	.98	.90	.85	.80	.78	.77
Assets and liabilities per \$100 of total assets <sup>2</sup>									
<b>Assets—total.....</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
Cash and due from banks.....	21.57	37.30	31.56	29.06	26.02	23.21	22.29	22.25	19.77
U. S. Government obligations.....	56.66	40.00	48.23	51.40	54.20	57.13	58.51	57.66	56.77
Other securities.....	4.55	3.13	3.78	4.54	5.65	5.97	5.34	4.14	4.04
Loans and discounts.....	16.27	18.79	15.73	14.40	13.40	12.86	12.78	14.75	18.46
All other assets.....	.95	.78	.60	.60	.73	.83	1.08	1.20	.96
<b>Liabilities and capital—total.....</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
Total deposits.....	93.76	89.55	92.57	93.64	93.97	94.20	94.26	94.61	93.47
<i>Demand deposits.....</i>	<i>75.02</i>	<i>72.58</i>	<i>71.73</i>	<i>69.07</i>	<i>66.04</i>	<i>63.82</i>	<i>66.41</i>	<i>75.27</i>	<i>80.75</i>
<i>Time and savings deposits.....</i>	<i>18.74</i>	<i>16.97</i>	<i>20.84</i>	<i>24.57</i>	<i>27.93</i>	<i>30.38</i>	<i>27.85</i>	<i>19.34</i>	<i>12.72</i>
Borrowings and other liabilities.....	.67	.47	.12	.12	.14	.20	.31	.46	.97
Total capital accounts.....	5.57	9.98	7.31	6.24	5.89	5.60	5.43	4.93	5.56
Number of banks, December 31.....	13,171	602	2,026	3,374	3,948	1,657	1,238	142	184

<sup>1</sup> This group of banks is the same as the group shown in Table 115 under the heading "Operating throughout the year". Therefore, these ratios differ slightly from the ratios shown in Tables 114 and 116.

<sup>2</sup> Deposits are as of December 31, 1945.

<sup>3</sup> Asset and liability items are averages of figures reported at beginning, middle, and end of year for State banks, and are as of December 31, 1945, for national banks.

*Back figures*—See Table 114, page 130. See also Annual Report for 1943, pages 100-101, and earlier reports.

## DEPOSIT INSURANCE DISBURSEMENTS

Table 119. Disbursements by the Federal Deposit Insurance Corporation to protect depositors; number and deposits of insured banks placed in receivership or merged with the financial aid of the Corporation, 1934-1945

*Banks grouped by class of bank, year of disbursement, amount of deposits, and State*

Table 120. Assets and liabilities of insured banks placed in receivership and of insured banks merged with the financial aid of the Federal Deposit Insurance Corporation, 1934-1945

*As shown by books of bank at date of closing*

Table 121. Depositors and deposits of insured banks placed in receivership, 1934-1945

*As shown by books of FDIC, December 31, 1945*

Table 122. Disbursements to protect depositors, recoveries, and losses by the Federal Deposit Insurance Corporation in connection with insured banks placed in receivership or merged with the financial aid of the Corporation, 1934-1945

*As shown by books of FDIC, December 31, 1945*

**Disbursements by the Federal Deposit Insurance Corporation to protect depositors** are made whenever insured banks because of financial difficulties are placed in receivership or are merged with the aid of the Corporation. In receiverships the disbursement is the amount paid by the Corporation on insured deposits. In mergers the Corporation's disbursement is the amount loaned to merging banks, or the price paid for assets purchased from them.

Depositors and deposits in insured banks placed in receivership have been grouped in Table 116 to show the ways in which depositors' claims against these banks were met. Because the claim of a single depositor may be paid in several ways, the number of depositors cannot be correlated with the amount of deposits in the various categories as given in the table.

Depositors **eligible for insurance protection** are all depositors except those holding only accounts which were restricted or deferred prior to 1934, and those whose deposits were made after the termination of a bank's insured status. Depositors **not eligible for insurance protection** are those whose total accounts are thus excluded from insurance, and those whose accounts are barred from payment by FDIC because the accounts were not claimed before the expiration of the period set by law.

Depositors **paid by FDIC** are all those who receive any payment from the Corporation. Depositors **fully paid by other methods** are those who receive no payment from FDIC, but do receive full compensation for their accounts by offset, by sale of security, or by direct

payment from the receiver because of their preferred status. **Unpaid depositors** are primarily those whose claims are disputed, and those whose claims although not filed are not yet legally barred from payment by FDIC.

**Insured** deposits are the deposits for which FDIC is legally liable. This includes the net amount due each depositor after deductions of offset, of amounts in excess of \$5,000, and of amounts not eligible for insurance protection as described in preceding paragraphs. **Secured** deposits are those covered by pledge of specific assets. **Preferred** deposits are those which, under Federal or State law, are paid from proceeds of the liquidation before common claims against the bank are met. Deposits **subject to offset** are those met by claims which the bank holds against the depositor. Deposits **uninsured, unsecured, not preferred, and not subject to offset** are those not covered by insurance or other specific arrangement. They may be paid in full, however, by the receiver as common claims.

Deposits of insured banks placed in receivership as given in tables with data taken from the books of FDIC at the end of the year, will differ from the deposits in tables with data taken from books of bank at date of closing. This is because the former include deposits discovered or reclassified after the date of a bank's closing.

#### **Sources of data:**

Books of bank at date of closing; and books of FDIC, December 31, 1945.

**Table 119. DISBURSEMENTS BY THE FEDERAL DEPOSIT INSURANCE CORPORATION TO PROTECT DEPOSITORS; NUMBER AND DEPOSITS OF INSURED BANKS PLACED IN RECEIVERSHIP OR MERGED WITH THE FINANCIAL AID OF THE CORPORATION, 1934-1945**

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

Classification	Disbursement by FDIC (in thousands of dollars)			Number of banks			Deposits (in thousands of dollars)		
	Total	Receiverships <sup>1</sup>	Mergers <sup>1</sup>	Total	Receiverships	Mergers	Total	Receiverships <sup>1</sup>	Mergers <sup>1</sup>
<b>All banks.....</b>	<b>261,717</b>	<b>87,024</b>	<b>174,693</b>	<b>398</b>	<b>245</b>	<b>153</b>	<b>504,931</b>	<b>109,593</b>	<b>395,338</b>
<b>Class of bank</b>									
National banks.....	78,094	14,802	63,292	65	21	44	94,717	19,475	75,242
State banks members F. R. System.....	99,405	20,928	78,477	20	6	14	179,081	26,538	152,543
Banks not members F. R. System.....	84,218	51,294	32,924	313	218	95	231,133	63,580	167,553
<b>Calendar year</b>									
1934.....	942	942	.....	9	9	.....	1,967	1,967	.....
1935.....	8,890	6,025	2,865	25	24	1	13,323	9,094	4,229
1936.....	14,831	8,058	6,773	69	42	27	27,527	11,240	16,287
1937.....	19,203	12,046	7,157	75	50	25	33,345	14,960	18,385
1938.....	30,479	9,087	21,392	74	50	24	59,722	10,294	49,428
1939.....	67,793	26,185	41,608	60	32	28	157,781	32,742	125,039
1940.....	74,352	4,893	69,459	43	19	24	142,390	5,658	136,732
1941.....	23,880	12,278	11,602	15	8	7	29,721	14,730	14,991
1942.....	10,910	1,612	9,298	20	6	14	19,010	1,815	17,195
1943.....	7,171	5,499	1,672	5	4	1	12,535	6,637	5,898
1944.....	1,498	399	1,099	2	1	1	1,915	456	1,459
1945.....	1,768	.....	1,768	1	.....	1	5,695	.....	5,695
<b>Banks with deposits of—</b>									
\$100,000 or less.....	4,957	4,310	647	106	83	23	6,362	4,951	1,411
\$100,000 to \$250,000.....	12,859	11,549	1,310	108	86	22	17,610	13,919	3,691
\$250,000 to \$500,000.....	14,336	10,215	4,121	58	36	22	20,656	12,462	8,194
\$500,000 to \$1,000,000.....	24,145	13,898	10,247	49	24	25	36,807	17,591	19,216
\$1,000,000 to \$2,000,000.....	26,630	8,960	17,670	35	9	26	49,319	11,747	37,572
\$2,000,000 to \$5,000,000.....	42,329	12,421	29,908	25	5	20	77,567	16,278	61,289
\$5,000,000 to \$10,000,000.....	21,903	.....	21,903	9	.....	9	57,486	.....	57,486
\$10,000,000 to \$50,000,000.....	114,558	25,671	88,887	8	2	6	239,124	32,645	206,479
More than \$50,000,000.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

State												
Alabama	237	94	143	2	1	1	529	101	428			
Arkansas	840	840		5	5		1,167	1,167				
California	861		861	1		1	1,078		1,078			
Colorado	8	8		1	1		8	8				
Connecticut	1,235	1,235		2	2		1,526	1,526				
Florida	300	203	97	2	1	1	491	217	274			
Georgia	862	845	17	8	7	1	1,027	998	29			
Illinois	3,294	1,241	2,053	14	6	8	6,410	1,638	4,772			
Indiana	4,335	3,092	1,243	18	15	3	9,710	3,932	5,778			
Iowa	1,462	385	1,077	6	3	3	5,517	499	5,018			
Kansas	973	481	492	9	5	4	1,234	540	694			
Kentucky	4,616	3,331	1,285	22	18	4	7,950	3,953	3,997			
Louisiana	669	669		3	3		1,651	1,651				
Maryland	3,108	734	2,374	5	2	3	4,569	828	3,741			
Massachusetts	1,571		1,571	2		2	3,019		3,019			
Michigan	5,340	139	5,201	7	3	4	12,404	160	12,244			
Minnesota	639	639		5	5		818	818				
Mississippi	257	257		3	3		333	333				
Missouri	4,922	4,337	585	45	34	11	7,001	5,116	1,885			
Montana	214	187	27	4	3	1	298	215	83			
Nebraska	469	469		4	4		538	538				
New Hampshire	118		118	1		1	296		296			
New Jersey	79,240	25,097	54,143	37	11	26	184,511	30,916	153,595			
New York	67,556	10,836	56,720	25	3	22	138,826	13,286	125,540			
North Carolina	1,449	1,157	292	6	2	4	2,291	1,421	870			
North Dakota	2,654	1,392	1,262	29	18	11	3,831	1,553	2,278			
Ohio	1,610	1,610		2	2		2,345	2,345				
Oklahoma	1,219	1,134	85	7	5	2	2,226	1,659	567			
Oregon	962		962	1		1	1,114		1,114			
Pennsylvania	47,484	10,133	37,351	25	8	17	67,430	14,340	53,090			
South Carolina	136	136		1	1		136	136				
South Dakota	2,409	2,386	23	23	22	1	2,989	2,863	126			
Tennessee	1,278	1,164	114	12	8	4	1,944	1,322	622			
Texas	2,512	2,468	44	17	16	1	3,318	3,241	77			
Vermont	3,445	3,259	186	3	2	1	3,725	3,375	350			
Virginia	4,656	512	4,144	7	3	4	10,430	629	9,801			
Washington	935		935	1		1	1,533		1,533			
West Virginia	1,458	1,458		3	3		2,006	2,006				
Wisconsin	6,384	5,096	1,288	30	20	10	8,697	5,963	2,734			

<sup>1</sup> Data from books of FDIC, December 31, 1945.  
<sup>2</sup> Data from books of bank at date of closing.

**Table 120. ASSETS AND LIABILITIES OF INSURED BANKS PLACED IN RECEIVERSHIP AND OF INSURED BANKS MERGED WITH THE FINANCIAL AID OF THE FEDERAL DEPOSIT INSURANCE CORPORATION, 1934-1945**

AS SHOWN BY BOOKS OF BANK AT DATE OF CLOSING

Year	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 <sup>1</sup>
<b>Total</b>	<b>\$108,018,589</b>	<b>\$76,295,043</b>	<b>\$73,533,084</b>	<b>\$231,683,314</b>	<b>\$22,225,616</b>	<b>\$59,544,599</b>	<b>\$13,444,359</b>	<b>\$584,744,604</b>	<b>\$502,712,341</b>	<b>\$11,468,774</b>	<b>\$25,130,464</b>	<b>\$37,477,461</b>	<b>\$7,955,564</b>
<b>RECEIVERSHIPS</b>													
<b>Total</b>	<b>\$22,620,382</b>	<b>\$10,154,078</b>	<b>\$15,946,562</b>	<b>\$65,569,217</b>	<b>\$5,375,616</b>	<b>\$12,293,686</b>	<b>\$8,330,507</b>	<b>\$140,290,048</b>	<b>\$107,374,564</b>	<b>\$10,122,023</b>	<b>\$5,896,246</b>	<b>\$12,254,299</b>	<b>\$4,642,916</b>
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	1,132,758	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	436,004
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
1944	196,220	117,700	41,090	84,030	2,300	.....	5,434	446,774	405,210	181	4,600	27,300	9,533
1945	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
<b>MERGERS</b>													
<b>Total</b>	<b>\$85,398,207</b>	<b>\$66,140,965</b>	<b>\$57,586,522</b>	<b>\$166,114,097</b>	<b>\$16,850,000</b>	<b>\$47,250,913</b>	<b>\$5,113,852</b>	<b>\$444,454,556</b>	<b>\$395,337,777</b>	<b>\$1,346,751</b>	<b>\$19,234,218</b>	<b>\$25,223,162</b>	<b>\$3,312,648</b>
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	49,428,333	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	17,188,076	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
1944	368,633	585,251	230,282	367,086	.....	67,428	32,108	1,650,788	1,459,091	.....	.....	200,000	-8,303
1945	2,440,786	1,371,925	55,504	2,435,488	.....	4,609	83,603	6,391,915	5,695,202	.....	.....	331,500	365,213

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

NOTE: One insured bank was merged with the financial aid of FDIC during 1945. The Farmers and Merchants State Bank of Fredericksburg, Virginia, Inc., Fredericksburg, Virginia, (Case No. 153) with 12,484 accounts was merged with the Farmers and Merchants State Bank, Fredericksburg, Va., on January 15, 1945. A disbursement of \$1,768,237 was made by the Corporation in connection with this merger.

**Table 121. DEPOSITORS AND DEPOSITS OF INSURED BANKS PLACED IN RECEIVERSHIP, 1934-1945**

AS SHOWN BY BOOKS OF FDIC, DECEMBER 31, 1945

Year	Number of depositors					Amount of deposits							
	Total	Eligible for insurance protection			Not eligible for insurance protection	Total	Insured			Secured and preferred	Subject to offset	Uninsured, unsecured, not preferred, and not subject to offset	
		Paid by FDIC	Fully paid by other methods	Unpaid			Total	Paid	Unpaid			In excess of insurance maximum	Other
<b>Total</b>	<b>380,511</b>	<b>289,506</b>	<b>36,238</b>	<b>8,801</b>	<b>45,966</b>	<b>\$109,591,412</b>	<b>\$87,132,953</b>	<b>\$87,020,955</b>	<b>\$111,998</b>	<b>\$5,096,867</b>	<b>\$6,309,246</b>	<b>\$9,678,325</b>	<b>\$1,374,021</b>
1934	15,545	11,262	939	443	2,901	1,966,353	942,011	941,007	1,004	831,832	90,996	30,607	70,907
1935	32,275	23,422	2,986	1,509	4,358	9,090,632	6,028,994	6,024,650	4,344	538,951	561,288	1,935,853	25,546
1936	41,831	30,924	4,677	22	6,208	11,240,970	8,055,590	8,055,563	27	659,381	660,363	1,048,034	817,602
1937	74,151	56,800	7,761	28	9,562	14,961,275	12,047,066	12,044,562	2,504	1,140,812	1,084,311	642,707	46,379
1938	43,700	31,766	7,390	17	4,527	10,296,261	9,087,490	9,087,444	46	340,558	524,301	253,924	89,988
1939	90,212	72,214	6,246	3,911	7,841	32,739,301	26,259,881	26,184,421	75,460	587,413	1,910,785	3,949,351	32,371
1940	20,671	15,681	2,935	.....	2,055	5,656,748	4,894,723	4,894,723	.....	182,441	341,818	221,323	16,443
1941	38,594	29,887	1,710	2	6,995	14,730,243	12,278,003	12,278,001	2	391,880	793,302	997,814	269,244
1942	5,717	4,210	562	.....	945	1,816,179	1,612,049	1,612,049	.....	59,824	80,896	60,561	2,849
1943	16,914	12,566	936	2,838	574	6,637,025	5,521,322	5,499,467	21,855	363,775	245,870	503,366	2,692
1944	901	774	96	31	.....	455,925	405,824	399,068	6,756	.....	15,316	34,785	.....
1945	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

Back figures—See the Annual Report for 1944, p. 151, and earlier reports.

DEPOSIT INSURANCE DISBURSEMENTS

**Table 122. DISBURSEMENTS TO PROTECT DEPOSITORS, RECOVERIES, AND LOSSES BY THE FEDERAL DEPOSIT INSURANCE CORPORATION IN CONNECTION WITH INSURED BANKS PLACED IN RECEIVERSHIP OR MERGED WITH THE FINANCIAL AID OF THE CORPORATION, 1934-1945**

AS SHOWN BY BOOKS OF FDIC, DECEMBER 31, 1945

(Amounts in thousands of dollars)

Type and status of case	Total	Banks placed in receivership or merged in—											
		1934	1935	1936	1937	1938	1939	1940	1941	1942	1943	1944	1945
<b>All banks placed in receivership or merged</b>													
Disbursement by FDIC	\$261,717	\$942	\$8,890	\$14,831	\$19,203	\$30,479	\$67,793	\$74,352	\$23,880	\$10,910	\$7,171	\$1,498	\$1,768
Receiverships	87,024	942	6,025	8,058	12,046	9,087	26,185	4,893	12,278	1,612	5,499	399	
Mergers	174,693		2,865	6,773	7,157	21,392	41,608	69,459	11,602	9,298	1,672	1,099	1,768
Recoveries by FDIC	215,309	735	6,023	12,268	15,334	26,695	50,672	62,443	22,386	9,759	6,028	1,458	1,508
Receiverships	66,188	735	4,193	6,587	9,291	7,709	15,410	4,212	12,039	1,297	4,356	359	
Mergers	149,121		1,830	5,681	6,043	18,986	35,262	58,231	10,347	8,462	1,672	1,099	1,508
Estimate of losses by FDIC	31,111	207	2,782	2,511	3,637	2,585	10,091	7,217	866	751	334	30	100
Receiverships <sup>1</sup>	17,004	207	1,767	1,461	2,567	1,187	8,363	583	216	289	334	30	
Mergers	14,107		1,015	1,050	1,070	1,398	1,728	6,634	650	462			100
<b>Terminated liquidations</b>													
Disbursement by FDIC	60,299	839	5,149	8,340	10,295	8,828	14,121	5,065	4,041	3,215	406		
Receiverships	42,421	839	5,149	7,760	8,952	6,086	7,999	3,061	1,547	622	406		
Mergers	17,878			580	1,343	2,742	6,122	2,004	2,494	2,593			
Recoveries by FDIC	51,776	632	3,641	6,803	7,991	7,945	12,702	4,743	3,843	3,115	361		
Receiverships	34,516	632	3,641	6,299	6,890	5,433	6,650	2,739	1,349	522	361		
Mergers	17,260			504	1,101	2,512	6,052	2,004	2,494	2,593			
Losses by FDIC	8,523	207	1,508	1,537	2,304	883	1,419	322	198	100	45		
Receiverships	7,905	207	1,508	1,461	2,062	653	1,349	322	198	100	45		
Mergers	618			76	242	230	70						



<b>Active liquidations</b>													
Disbursement by FDIC.....	201,418	103	3,741	6,491	8,908	21,651	53,672	69,287	19,839	7,695	6,765	1,498	1,768
Receiverships.....	44,603	103	876	298	3,094	3,001	18,186	1,832	10,731	990	5,093	399	.....
Mergers.....	156,815	.....	2,865	6,193	5,814	18,650	35,486	67,455	9,108	6,705	1,672	1,099	1,768
Recoveries by FDIC.....	163,533	103	2,382	5,465	7,343	18,750	37,970	57,700	18,543	6,644	5,667	1,458	1,508
Receiverships.....	31,672	103	552	288	2,401	2,276	8,760	1,473	10,690	775	3,995	359	.....
Mergers.....	131,861	.....	1,830	5,177	4,942	16,474	29,210	56,227	7,853	5,869	1,672	1,099	1,508
Estimate of losses by FDIC.....	22,588	.....	1,274	974	1,333	1,702	8,672	6,895	668	651	289	30	100
Receiverships <sup>1</sup> .....	9,099	.....	259	.....	505	534	7,014	261	18	189	289	30	.....
Mergers.....	13,489	.....	1,015	974	828	1,168	1,658	6,634	650	462	.....	.....	100
<b>Number of banks</b> .....	<b>398</b>	<b>9</b>	<b>25</b>	<b>69</b>	<b>75</b>	<b>74</b>	<b>60</b>	<b>43</b>	<b>15</b>	<b>20</b>	<b>5</b>	<b>2</b>	<b>1</b>
Receiverships.....	245	9	24	42	50	50	32	19	8	6	4	1	.....
Mergers.....	153	.....	1	27	25	24	28	24	7	14	1	1	1
Liquidation terminated.....	264	8	18	56	58	56	37	19	4	7	1	.....	.....
Receiverships.....	195	8	18	40	43	43	23	13	3	3	1	.....	.....
Mergers.....	69	.....	.....	16	15	13	14	6	1	4	.....	.....	.....
Liquidation active.....	134	1	7	13	17	18	23	24	11	13	4	2	1
Receiverships.....	50	1	6	2	7	7	9	6	5	3	3	1	.....
Mergers.....	84	.....	1	11	10	11	14	18	6	10	1	1	1

<sup>1</sup> Estimates of losses for banks placed in receivership are based on total insured deposits, unpaid as well as paid. The disbursements in the receiverships as given in the table are the amounts paid on insured deposits by December 31, 1945. For amounts unpaid on insured deposits see Table 121, page 145.



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