

ANNUAL REPORT
OF THE
FEDERAL DEPOSIT INSURANCE CORPORATION
FOR THE YEAR ENDED
DECEMBER 31, 1953



LETTER OF TRANSMITTAL

FEDERAL DEPOSIT INSURANCE CORPORATION
Washington, D. C., July 29, 1954

SIRS: Pursuant to the provisions of section 17(a) of the Federal Deposit Insurance Act, the Federal Deposit Insurance Corporation has the honor to submit its annual report. Part One of the report, separately submitted earlier in the year, is fully included in this present volume.

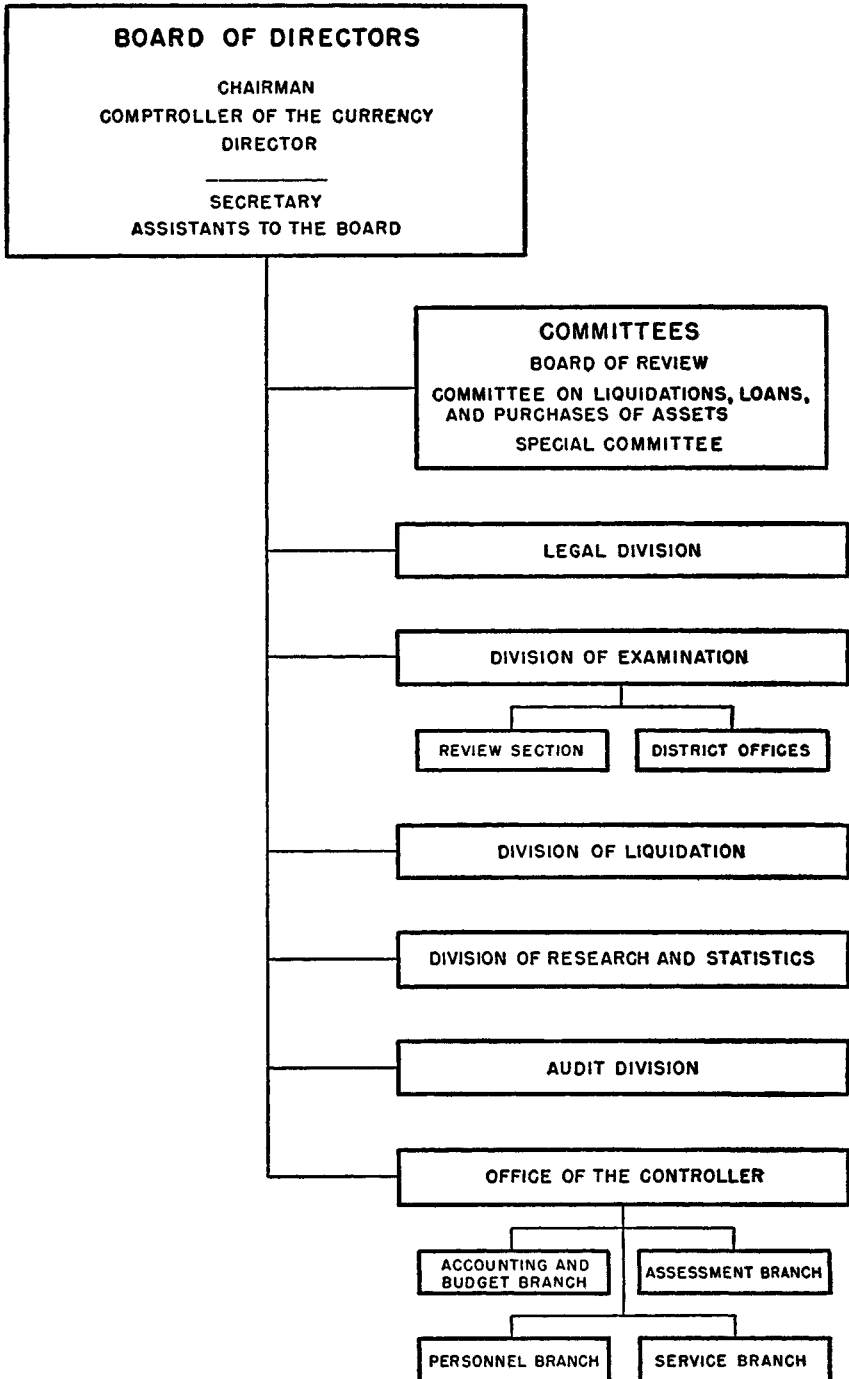
Respectfully,

H. E. COOK, *Chairman*

THE PRESIDENT OF THE SENATE

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES

FEDERAL DEPOSIT INSURANCE CORPORATION



FEDERAL DEPOSIT INSURANCE CORPORATION

NATIONAL PRESS BUILDING — WASHINGTON 25, D. C.

BOARD OF DIRECTORS

Chairman.....H. E. COOK
Comptroller of the Currency.....RAY M. GIDNEY
Director.....MAPLE T. HARL

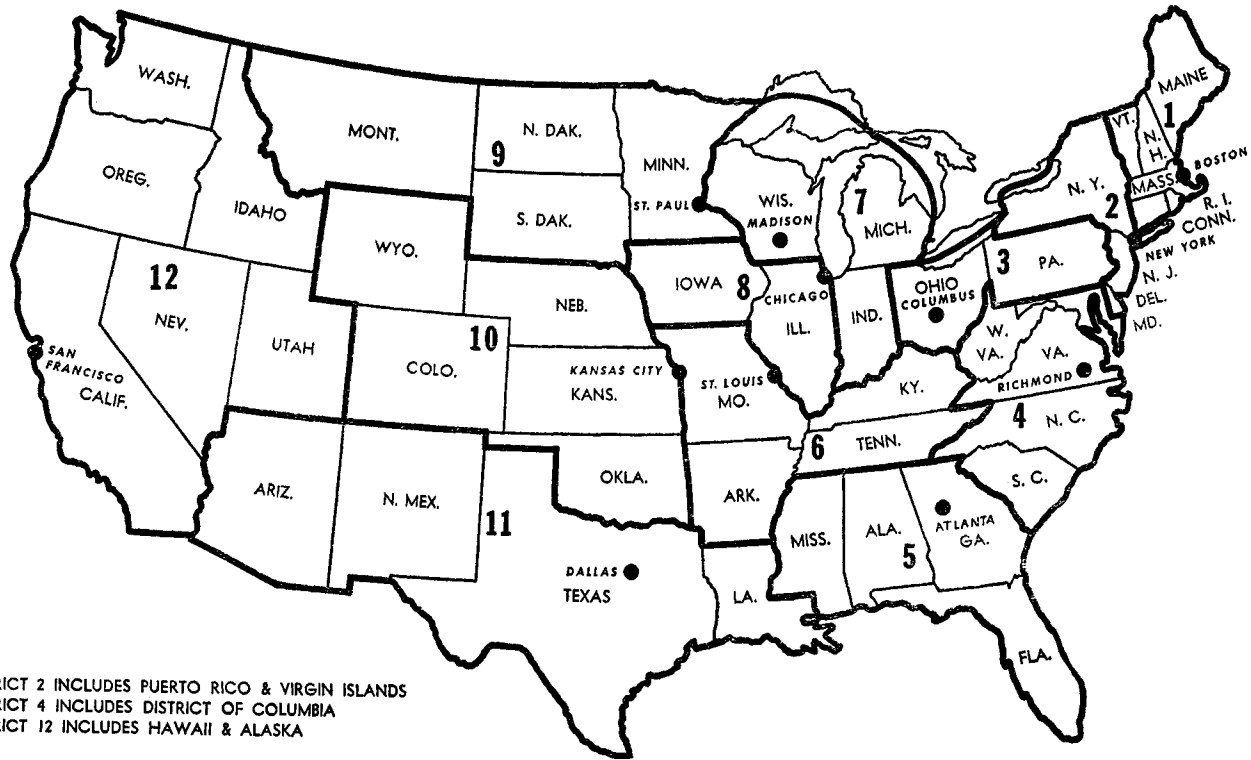
OFFICIALS—July 29, 1954

Assistant to Chairman (Acting).....Russell E. Shearer
Secretary.....Miss E. F. Downey
General Counsel, Legal Division.....Royal L. Coburn
Chief, Division of Examination.....Vance L. Sailor
Chief, Division of Liquidation.....Edward C. Tefft
Chief, Division of Research and Statistics.....Edison H. Cramer
Chief, Audit Division.....Mark A. Heck
Controller.....William G. Loeffler
Director of Publications and Information.....Forbes Campbell

DISTRICT OFFICES

<u>DIST. No.</u>	<u>SUPERVISING EXAMINER</u>	<u>ADDRESS</u>	<u>STATES IN DISTRICT</u>
1.	Lundie W. Barlow	Room 1365, No. 10 P.O. 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, Puerto Rico, Virgin Islands
3.	Gilbert E. Mounts	City National Bank Building, 20 East Broad Street, Columbus 15, Ohio	Ohio, Pennsylvania
4.	Robert N. McLeod	200 The Bank of Virginia Building, Fourth and Grace Streets, Richmond 19, Va.	District of Columbia, Maryland, Virginia, West Virginia, North Carolina, South Carolina
5.	John E. Freeman	Fifth floor, 114 Marietta St., N. W., Atlanta 3, Ga.	Georgia, Florida, Alabama, Mississippi
6.	Charles M. Dunn	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.	Eugene R. Gover	164 W. Jackson Blvd., Chicago 4, Ill.	Illinois, Iowa
9.	Charles F. Alden	1200 Minnesota Building, St. Paul 1, Minn.	Minnesota, North Dakota, South Dakota, Montana
10.	George M. Hirning	1201 Federal Reserve Bank Building, Kansas City 6, Missouri	Nebraska, Kansas, Oklahoma, Colorado, Wyoming
11.	Lloyd Thomas	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, Alaska, Hawaii

FEDERAL DEPOSIT INSURANCE CORPORATION DISTRICTS



DISTRICT 2 INCLUDES PUERTO RICO & VIRGIN ISLANDS
 DISTRICT 4 INCLUDES DISTRICT OF COLUMBIA
 DISTRICT 12 INCLUDES HAWAII & ALASKA

IIA

CONTENTS

	Page
Summary	xvii

PART ONE OPERATIONS OF THE CORPORATION

Deposit insurance coverage	3
The deposit insurance fund	5
Action to protect depositors in failing banks	7
Supervisory activities	9
Legal developments	13
Organization and personnel	13
Financial statements of the Corporation	16

PART TWO BANKING DEVELOPMENTS

Assets and liabilities of all banks	25
Assets and liabilities of insured commercial banks	29
Assets and liabilities of insured mutual savings banks	30
Income of insured commercial banks	33
Income of insured mutual savings banks	38

PART THREE BANK-OBLIGATION INSURANCE SYSTEMS, 1829 TO 1866

Protection of bank creditors in States with bank-obligation insurance systems, 1829 to 1866	45
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PART FOUR LEGISLATION AND REGULATIONS

Federal legislation and Corporation regulations	71
State banking legislation	71

PART FIVE STATISTICS OF BANKS AND DEPOSIT INSURANCE

Number, offices, and deposits of operating banks	78
Assets and liabilities of operating banks	92
Earnings, expenses, and dividends of insured banks	104
Deposit insurance disbursements	130

LIST OF CHARTS

	Page
Organization chart of the Federal Deposit Insurance Corporation	iv
Federal Deposit Insurance Corporation districts (map)	vii
A. Percentage of banks of deposit in each State which were insured, December 31, 1953 (map)	5
B. The deposit insurance fund, December 31, 1933-1953	6
C. Ratios of deposit insurance fund to total and insured deposits, all insured banks, mid-year and year end, 1934-1953	7
D. Percentage change during 1953 in total assets, all banks in each State (map)	25
E. Percentage distribution of total assets, all banks, December 31, 1953	28
F. Sources and disposition of total income, insured commercial banks, 1953	33
G. Rates of net profits after taxes on total capital accounts, insured commercial banks in each State, 1953 (map)	34
H. Sources and disposition of total income, insured mutual savings banks, 1953	39

LIST OF TABLES

PART ONE

OPERATIONS OF THE CORPORATION

	Page
DEPOSIT INSURANCE COVERAGE:	
1. Number of operating banks in the United States (continental U. S. and other areas), December 31, 1953	4
SUPERVISORY ACTIVITIES:	
2. Applications acted upon by the Board of Directors of the Federal Deposit Insurance Corporation during 1953	9
3. Bank examination activities of the Federal Deposit Insurance Corporation in 1953	11
4. Unsafe or unsound banking practices and violations of law charged against five banks by the Corporation during 1953	12
5. Actions to terminate insured status of banks charged with engaging in unsafe or unsound practices or violations of law or regulations, 1936-1953	13
ORGANIZATION AND PERSONNEL:	
6. Number of officers and employees of the Federal Deposit Insurance Corporation, December 31, 1953	14
7. Results of the Corporation's educational program for examiners, 1946-1953	15
FINANCIAL STATEMENTS OF THE CORPORATION:	
8. Assets and liabilities of the Federal Deposit Insurance Corporation, December 31, 1953	16
9. Income and expenses of the Federal Deposit Insurance Corporation and change in the deposit insurance fund for the year ended December 31, 1953	17
10. Administrative and operating expenses of the Federal Deposit Insurance Corporation for the year ended December 31, 1953	18
11. Determination of net assessment income of the Federal Deposit Insurance Corporation for 1953, and distribution of net assessment income, December 31, 1953	18
12. Income and expenses of the Federal Deposit Insurance Corporation, by years, from beginning of operations, September 11, 1933, to December 31, 1953, adjusted to December 31, 1953	19
13. Assets and liabilities of the Federal Deposit Insurance Corporation, December 31, 1934-1953	20
14. Audit report of the Federal Deposit Insurance Corporation for the year ended June 30, 1953	21

PART TWO
BANKING DEVELOPMENTS

	Page
ASSETS AND LIABILITIES OF ALL BANKS:	
15. Amounts and changes in assets and liabilities, all banks in the United States (continental U.S. and other areas), 1953	27
16. Percentage changes in assets and deposits, all banks in the United States (continental U.S. and other areas), half-years and years, 1947-1953..	28
ASSETS AND LIABILITIES OF INSURED COMMERCIAL BANKS:	
17. Amounts, changes, and percentage distributions of assets and liabilities, insured commercial banks in the United States (continental U.S. and other areas), 1953	30
ASSETS AND LIABILITIES OF INSURED MUTUAL SAVINGS BANKS:	
18. Amounts, changes, and percentage distributions of assets and liabilities, insured mutual savings banks, 1953	32
INCOME OF INSURED COMMERCIAL BANKS:	
19. Amounts and growth in total income, by sources and disposition, insured commercial banks in the United States (continental U.S. and other areas), 1952-1953	35
20. Income, average assets, and rates of income on assets, insured commercial banks in the United States (continental U.S. and other areas), 1952-1953	36
21. Losses, charge-offs, and transfers to valuation reserves on loans and securities, insured commercial banks in the United States (continental U.S. and other areas), 1953	38
INCOME OF INSURED MUTUAL SAVINGS BANKS:	
22. Amounts and changes in total income, by sources and disposition, insured mutual savings banks, 1952-1953	40
23. Income, average assets, and rates of income on assets, insured mutual savings banks, 1952-1953	41

PART THREE

PROTECTION OF BANK CREDITORS IN STATES WITH BANK-OBLIGATION INSURANCE SYSTEMS, 1829 TO 1866

SUMMARY TABLES: NUMBER OF BANKS, OBLIGATIONS OF BANKS, AND INSURANCE FUNDS, STATES WITH BANK-OBLIGATION INSURANCE SYSTEMS, 1829-1866:	
24. Extent of bank-obligation insurance in six States, 1829-1866	47
25. Number and obligations of banks in serious financial difficulties, States with bank-obligation insurance systems, 1829-1866	48
26. Number and obligations of participating banks in serious financial difficulties, States with bank-obligation insurance systems, 1829-1866	50
27. Insurance disbursements and bank creditor protection, States with bank-obligation insurance systems, 1829-1866	53
28. Insurance funds and assessments, States with bank-obligation insurance systems, 1829-1866	56
DETAILED TABLES: NUMBER OF BANKS, OBLIGATIONS OF BANKS, AND INSURANCE FUNDS, STATES WITH BANK-OBLIGATION INSURANCE SYSTEMS, 1829-1866:	
29. Number of banks, States with bank-obligation insurance systems, 1829-1866	60
30. Total obligations, banks in States with bank-obligation insurance systems, 1829-1866	62

	Page
31. Insured obligations, participating banks in States with bank-obligation insurance systems, 1830-1866	64
32. Insurance funds, participating banks in States with bank-obligation insurance systems, 1829-1866	66

PART FIVE

STATISTICS OF BANKS AND DEPOSIT INSURANCE

NUMBER, OFFICES, AND DEPOSITS OF OPERATING BANKS:

Explanatory note	78
101. Changes in number and classification of operating banks and branches in the United States (continental U.S. and other areas) during 1953	80
102. Number of operating banks and branches in the United States (continental U.S. and other areas), December 31, 1953 <i>Grouped according to insurance status and class of bank, and by State and type of office</i>	82
103. Number and deposits of operating banks in the United States (continental U.S. and other areas), December 31, 1953 <i>Banks grouped according to insurance status and by district and State</i>	90

ASSETS AND LIABILITIES OF OPERATING BANKS:

Explanatory note	92
104. Assets and liabilities of operating banks in the United States (continental U. S. and other areas), June 30, 1953 <i>Banks grouped according to insurance status and type of bank</i>	94
105. Assets and liabilities of operating banks in the United States (continental U. S. and other areas), December 31, 1953 <i>Banks grouped according to insurance status and type of bank</i>	96
106. Assets and liabilities of operating banks in the United States (continental U. S. and other areas), December 31, 1953 <i>Banks grouped by district and State</i>	98
107. Assets and liabilities of operating insured banks in the United States (continental U. S. and other areas), December 31, 1953, June 30, 1953, and December 31, 1952	100

EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED BANKS:

Explanatory note	104
108. Earnings, expenses, and dividends of insured commercial banks in the United States (continental U. S. and other areas), 1945-1953	106
109. Ratios of earnings, expenses, and dividends of insured commercial banks in the United States (continental U. S. and other areas), 1945-1953	108
110. Earnings, expenses, and dividends of insured commercial banks in the United States (continental U. S. and other areas), 1953 <i>By class of bank</i>	110
111. Ratios of earnings, expenses, and dividends of insured commercial banks in the United States (continental U. S. and other areas), 1953 <i>By class of bank</i>	112
112. Earnings, expenses, and dividends of insured commercial banks operating throughout 1953 in the United States (continental U. S. and other areas) <i>Banks grouped according to amount of deposits</i>	114
113. Ratios of earnings, expenses, and dividends of insured commercial banks operating throughout 1953 in the United States (continental U. S. and other areas) <i>Banks grouped according to amount of deposits</i>	116
114. Earnings, expenses, and dividends of insured commercial banks in the United States (continental U. S. and other areas), by State, 1953	118
115. Income, expenses, and dividends of insured mutual savings banks, 1953	128
116. Ratios of income, expenses, and dividends of insured mutual savings banks, 1953	129

	Page
DEPOSIT INSURANCE DISBURSEMENTS:	
Explanatory note	130
117. Disbursements, deposits, and depositors in insured banks financially aided by the Federal Deposit Insurance Corporation, 1934-1953 <i>Banks grouped by class of bank, year of receivership or absorption, amount of deposits, and State</i>	132
118. Assets and liabilities of insured banks placed in receivership and of insured banks absorbed with the financial aid of the Federal Deposit Insurance Corporation, 1934-1953 <i>As shown by books of bank at date of closing</i>	134
119. Name, location, Federal Deposit Insurance Corporation disbursement, and assets and liabilities of insured banks absorbed with the financial aid of the Corporation during 1953	135
120. Recoveries and losses by the Federal Deposit Insurance Corporation in connection with insured banks financially aided by the Corporation, 1934-1953 <i>As shown by books of FDIC, December 31, 1953</i>	136

SUMMARY

SUMMARY

The Federal Deposit Insurance Corporation provides each insured depositor with protection up to \$10,000 against loss due to bank failure. At the end of 1953, depositors in 94 percent of all banks in the nation were thus insured. About 98 percent of the deposit accounts in insured banks are fully protected. (Pp. 3-4).

During 1953 the Corporation disbursed \$5 million to make possible the assumption, by other insured banks, of the deposit liabilities of two banks in financial difficulties. In the twenty years of deposit insurance, 1934 through 1953, the Corporation disbursed approximately \$280 million to protect depositors of 422 financially distressed banks. Nine-tenths of the disbursements have been recovered by the Corporation. (Pp. 7-8).

On December 31, 1953, the assets of the Federal Deposit Insurance Corporation amounted to \$1,537 million, its liabilities to \$86 million, and its deposit insurance fund to \$1,451 million. From its income of \$173 million during 1953, the Corporation provided for expenses and losses of \$8 million, added \$87 million to the deposit insurance fund, and credited \$78 million to insured banks for use in paying assessments becoming due in 1954. (Pp. 16-19).

At the end of the year all banks in the United States held assets of \$221 billion and deposits of \$202 billion. Each of these magnitudes had increased by a little less than 3 percent during 1953. Most of the asset growth was in loans, and most of the deposit growth was in time deposits. The growth rate of mutual savings banks was markedly greater than that of commercial banks. (Pp. 25-32).

Of the total income received by insured banks in 1953, 56 percent was derived from loans and a little less than one-fourth from United States Government obligations. Income of insured commercial banks was 11 percent greater than in 1952, due primarily to increased rates of return on assets. Income of insured mutual savings banks was up 9 percent, due chiefly to the larger amounts of assets held by these banks. (Pp. 33-42).

An analysis of bank-obligation insurance systems in six States prior to 1866 shows that three of the systems were fully successful and two were partially successful. The other one failed in a nationwide depression that occurred during its early years of operation. Methods used to provide protection for bank creditors in these systems were similar to those which have been or may be used by the Federal Deposit Insurance Corporation. (Pp. 45-59).

PART ONE

OPERATIONS OF THE CORPORATION

DEPOSIT INSURANCE COVERAGE

The Federal Deposit Insurance Corporation protects insured depositors against loss due to bank failure. Deposit insurance is limited to \$10,000 per depositor in each insured bank. This protection not only prevents or reduces losses to individual depositors, but also strengthens confidence in the safety of the banking system and thus contributes to a prosperous economy.

Protection afforded individual depositors. Insurance up to \$10,000 applies to the combined total of all deposits maintained by a depositor in the same right and capacity in each insured bank. Deposits maintained in different rights or capacities are separately insured. For example, a joint deposit with right of survivorship is insured separately from the individually owned funds of either joint owner. Deposits of a partnership are insured separately from the deposits of each of the partners. Deposits of a depositor as trustee, guardian, or in some other fiduciary capacity, are insured separately from his individually owned deposits or from his deposits in a different capacity. Where an insured bank acts in a fiduciary capacity the funds of each trust estate held by the bank are insured separately from the deposits of the owners of the trust funds or the beneficiaries of the trust estates. Each officer, employee, or agent of a governmental unit having custody of public funds and depositing them in an insured bank is entitled to insurance up to \$10,000 on such deposits maintained by him in the same right and capacity. Deposits of public funds maintained by such an officer, employee, or agent in different rights or capacities are likewise separately insured.

The Corporation requires insured banks to report their deposits classified by size of account only at intervals of several years. The last call for such information was made on September 19, 1951. On that date 98 percent of all deposit accounts in insured banks did not exceed \$10,000. All such accounts were therefore fully protected by insurance, except for those which in combination with other accounts maintained in the same right and capacity by the same depositor in a given bank totaled more than \$10,000. However, the relatively few accounts exceeding \$10,000 contained almost half of the deposits in insured banks. Experience has indicated that the percentages of accounts fully insured and of total deposits which are insured change only gradually.

Though depositors whose accounts in an insured bank exceed \$10,000 are not fully protected, those portions of deposits which are in excess of \$10,000 are nevertheless afforded some degree of safety by the existence

of deposit insurance. This is true because of the effect of deposit insurance in reducing the likelihood and severity of runs on banks. Also, under conditions specified by law the Federal Deposit Insurance Corporation may act to avert receivership of an insured bank which is in financial difficulty. When such action is taken even deposits in excess of \$10,000 are fully protected.

Participation in deposit insurance. Federal deposit insurance applies to national banks and State banks of deposit which are members of the Federal Reserve System, and to nonmember national and State banks of deposit which have applied for insurance and have met the requirements of law for admission to insurance. Insurance applies both to commercial banks and to savings banks. At the end of 1953 there were 13,651 insured banks, comprising 94.2 percent of the 14,492 banks of deposit in the continental United States and other areas. Table 1 shows the number of operating banks grouped by type of bank and insurance status, as of December 31, 1953.

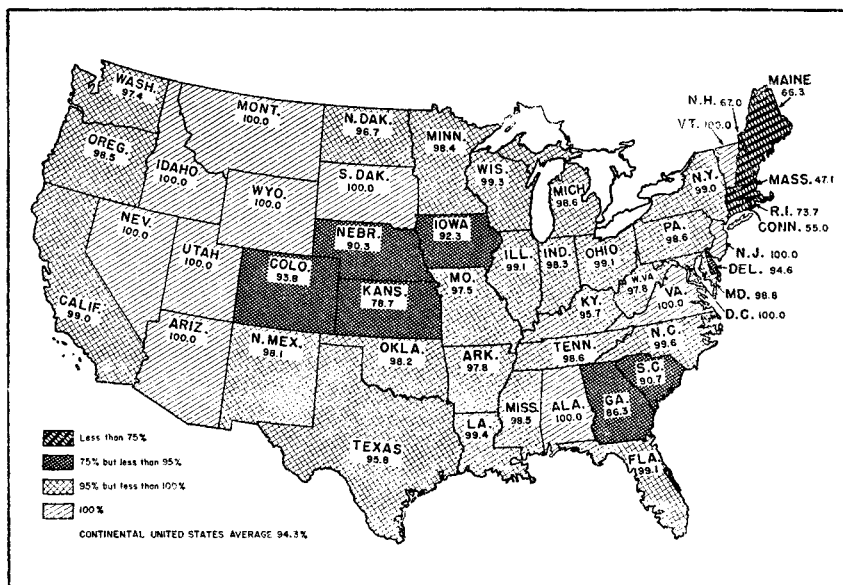
**Table 1. NUMBER OF OPERATING BANKS IN THE UNITED STATES
(CONTINENTAL U. S. AND OTHER AREAS), DECEMBER 31, 1953**

Type of bank	Number of banks			Percentage—	
	Total	Insured	Noninsured	Insured	Noninsured
All banks	14,552	13,651	901	93.8%	6.2%
Banks of deposit.....	14,492	13,651	841	94.2	5.8
<i>Commercial</i>	<i>13,964</i>	<i>13,432</i>	<i>532</i>	<i>96.2</i>	<i>3.8</i>
<i>Mutual savings</i>	<i>528</i>	<i>219</i>	<i>309</i>	<i>41.5</i>	<i>58.5</i>
Trust companies not regularly engaged in deposit banking.....	60	.....	60	.....	100.0

The number of insured banks increased by six during the year, and the number of offices at which insured banks and their branches did business increased by 390. The more rapid increase in banking offices than in number of insured banks was due chiefly to the opening of 307 new branches and to absorption of 95 banks which continued to operate as branches of the absorbing banks. The tendency toward expansion of branch banking was especially evident in Pennsylvania, Ohio, Michigan, and New York. The number of noninsured banks of deposit decreased by 66 during 1953.

Chart A shows the percentage of banks of deposit in each State which were insured at the end of 1953. In 11 States and the District of Columbia all banks regularly engaged in deposit banking were insured, and in 25 other States 95 percent or more of the banks were insured. Only in five States, all in New England, was the proportion of banks insured less than three-fourths. In those States relatively large numbers of mutual savings banks do not participate in Federal deposit insurance.

Chart A. PERCENTAGE OF BANKS OF DEPOSIT IN EACH STATE WHICH WERE INSURED, DECEMBER 31, 1953



THE DEPOSIT INSURANCE FUND

Nature of the fund. Nearly three years ago the Federal Deposit Insurance Corporation completed repayment, with interest, of its capital stock originally subscribed by the United States Treasury and the Federal Reserve banks. The Corporation now has no capital stock, the whole excess of its assets over its liabilities being, therefore, of the character traditionally called surplus in business accounting. This surplus of the Corporation represents the resources which the Corporation holds available to fulfil its deposit insurance obligations, and for this reason it has been labeled the "deposit insurance fund."

Sources of the fund. The deposit insurance fund has been built up from two sources: (1) assessments paid to the Corporation by insured banks, and (2) earnings from the assets of the Corporation.

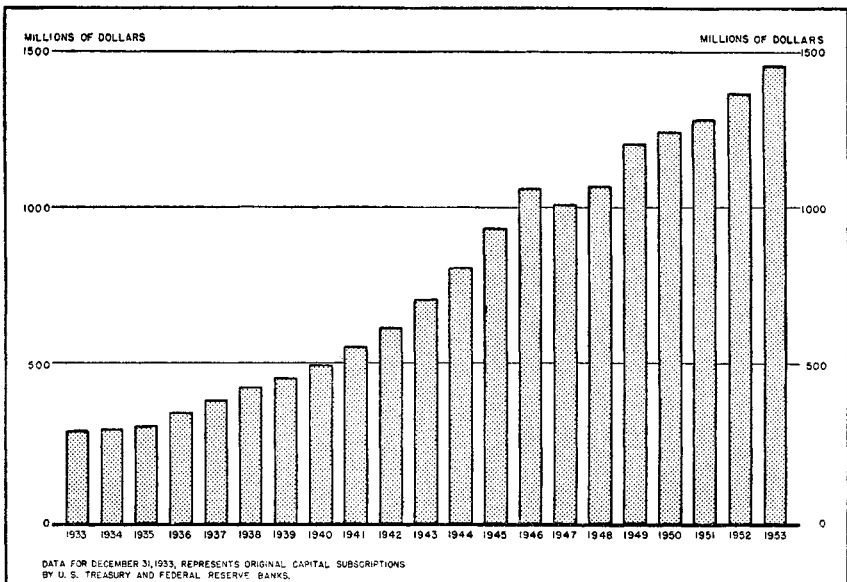
Assessments are paid semiannually by all insured banks, at an annual rate of one-twelfth of one percent of total deposits. In recent years, however, the net cost of insurance to the banks has been less than half this amount. This is due to the procedure established by the Federal Deposit Insurance Act of 1950, under which a portion of the assessments payable during a given year are credited by the Corporation against assessments becoming due in the following year, provided that the loss experience of the Corporation is sufficiently favorable. Further in-

formation regarding the assessment credit is given in the section of this report on financial statements of the Corporation.

In recent years more than 99 percent of the Corporation's assets have been United States Government securities. Interest earned on these securities is a substantial source of additions to the deposit insurance fund. Since the initiation of the assessment credit procedure, interest earned on the Corporation's assets has constituted approximately one-third of its total income after deduction of the credits.

Growth and size of the fund. The above sources of funds have provided more than enough to meet deposit insurance obligations in each year during which the Corporation has operated. Hence there has occurred an annual growth in the deposit insurance fund, except in 1947 when the bulk of the capital stock of the Corporation was repaid. Chart B shows the amount of the deposit insurance fund at the end of each year from 1933 to 1953.

Chart B. THE DEPOSIT INSURANCE FUND, DECEMBER 31, 1933-1953



On December 31, 1953, the deposit insurance fund was \$1,451 million. Preliminary estimates of deposits indicate that the fund was on that date equal to 0.76 percent of the total deposits of insured banks and to 1.36 percent of estimated insured deposits. The movements in these ratios over the period since Federal deposit insurance began are illustrated in Chart C.

December 28, 1954

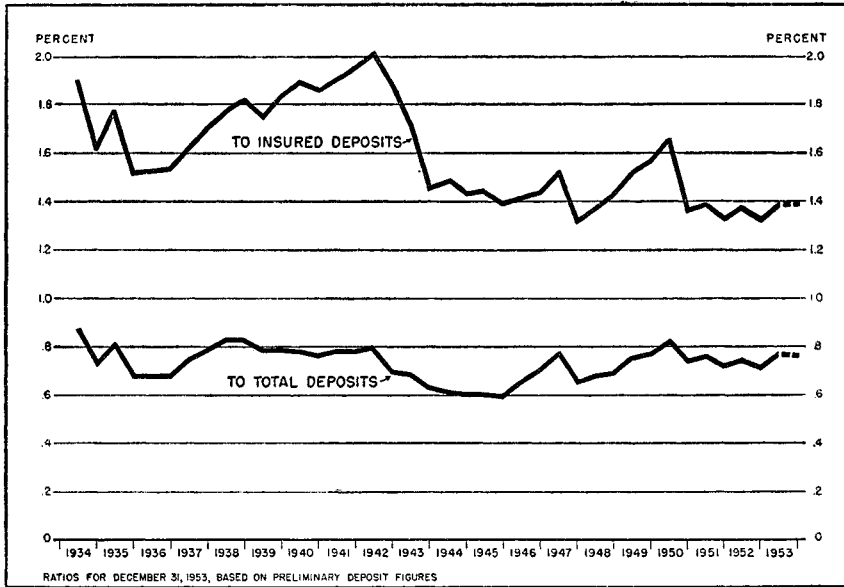
MEMORANDUM TO: Mr. Cramer
Mr. Hengren
Mr. Warburton
Mr. Poulton
Mr. Finion
Mr. Warlick
Mr. Cresswell
Mr. McEvoy

FROM: Mr. Golambe

SUBJECT: Deposit insurance fund percentages

Dr. Cramer has requested that it be brought to your attention that on December 31, 1953 the deposit insurance fund was 0.75 percent of total deposits in insured banks and 1.36 percent of estimated insured deposits. These percentages should be used in place of those based on preliminary estimates and shown on page 6 of the 1953 Annual Report.

Chart C. RATIOS OF DEPOSIT INSURANCE FUND TO TOTAL AND INSURED DEPOSITS, ALL INSURED BANKS, MID-YEAR AND YEAR END, 1934-1953



Borrowing power of the Corporation. Under the provisions of the Federal Deposit Insurance Act the Corporation is authorized to borrow from the Federal Treasury, and the Secretary of the Treasury is directed to lend, up to \$3 billion if needed by the Corporation for insurance purposes. This borrowing power has never been used, but its existence provides additional assurance that the deposit insurance commitment will be fulfilled under all circumstances.

ACTION TO PROTECT DEPOSITORS IN FAILING BANKS

Disbursements for protection of depositors in 1953. Disbursements by the Corporation were necessary for protection of depositors in two insured banks during 1953. In each of these cases the Corporation acted under Section 13(e) of the Federal Deposit Insurance Act to facilitate absorption of the threatened bank by another insured bank. Section 13(e) permits this procedure when in the judgment of the Board of Directors it will reduce the risk or avert a threatened loss to the Corporation. It is one of several processes, authorized in the law for use in specified circumstances, that have the incidental effect of protecting against loss even those deposits which are in excess of \$10,000 for each depositor.

In the case of each bank aided in 1953 the Corporation purchased from the distressed bank those assets which were not acceptable for ac-

quisition by the assuming bank, paying to the distressed bank cash equal to the difference between the acceptable assets and the deposit liabilities on its books. The absorbing bank then took over these deposit liabilities and an equal amount of acceptable assets, including the cash provided by the Corporation. The Corporation assumed all other liabilities of the distressed bank, and took over its unacceptable assets for liquidation. Collections will be applied toward recovery of advances for protection of the assets made subsequent to their acquisition, liquidation expenses, the principal disbursement of the Corporation for protection of depositors, and allowable return to the Corporation on that disbursement at the contractual rate of four percent. In any such case if collections exceed the amounts required for these purposes, the excess is paid over to the stockholders of the absorbed bank.

The two banks to which the Corporation made disbursements in 1953 had deposits totaling \$18.3 million, in 24,469 accounts. The cash provided by the Corporation amounted to \$5.0 million.

In one of the banks aided, the Mayfield State Bank, Mayfield, Pennsylvania, difficulties arose from a kiting operation carried on in collusion with a bank officer. In the other case, the First State Bank of Elmwood Park, Illinois, the bank had passed into control of a corporation engaged in the small loan business and had made a large unsecured loan to that corporation and also purchased from it without recourse large amounts of notes of questionable value. The bank was closed by the State supervisory authority "for examination and adjustment," but was not placed in receivership. Being unable to make required corrections, the bank applied to the Federal Deposit Insurance Corporation for financial aid to facilitate its absorption by a successor bank.

Disbursements for protection of depositors, 1934-1953. From the beginning of deposit insurance to the end of 1953 the Corporation made disbursements to protect depositors of 422 banks, of which 245 were placed in receivership and 177 absorbed by other insured banks. The latest receivership case occurred in 1944. The banks aided by the Corporation had approximately 1.4 million deposit accounts and total deposits of about \$559 million. Disbursements by the Corporation for protection of depositors in these banks were about \$280 million, exclusive of expenses incurred in paying depositors of closed banks, liquidation expenses, and advances for protection of assets. Liquidation of the assets acquired by the Corporation in aiding banks has resulted in recovery of more than 89 percent of these principal disbursements.

Statistics concerning the historical experience of the Corporation in aiding failing banks, the number of depositors and amount of deposits in such banks, and the results of liquidations are given in Part Five of this report, Tables 117-120.

SUPERVISORY ACTIVITIES

Applications from banks. The Corporation must act each year upon applications for insurance submitted by new or operating noninsured banks, and also upon proposals submitted by insured banks on matters which require approval of the Board of Directors. Preliminary negotiations, usually between the bank and the Corporation's examination staff, result in the elimination or revision of many applications, so that most of the applications acted upon by the Board of Directors are approved.

Table 2. APPLICATIONS ACTED UPON BY THE BOARD OF DIRECTORS OF THE FEDERAL DEPOSIT INSURANCE CORPORATION DURING 1953

Type of application	Total acted upon	Approved	Dis-approved
All applications	566	525	41¹
Admission to insurance—total.....	115	101	14 ¹
<i>New banks</i>	65	51	14 ¹
<i>Operating banks</i>	50	50	
Termination of insurance of banks having only trust powers.....	2	2	
Change in corporate powers—total.....	12	9	3
<i>To engage in trust business</i>	11	8	3
<i>To accept demand deposits</i>	1	1	
Assumption of deposit liabilities—total.....	21	21	
<i>Of another insured bank</i>	14	14	
<i>Of a noninsured bank</i>	3	3	
<i>Of a financial institution not a bank</i>	4	4	
Establishment of branches—total.....	122	109	13
<i>New branch offices</i>	106	93	13
<i>Replacing head office relocated</i>	1	1	
<i>Conversion of absorbed bank or financial institution</i>	15	15	
Continuance of operation of branches—total.....	6	6	
<i>Upon admission to insurance</i>	3	3	
<i>Of absorbed or predecessor bank</i>	3	3	
Change of location of offices—total.....	125	125	
<i>Main offices</i>	89	89	
<i>Branches</i>	36	36	
Retirement of capital—total.....	103	95	8
<i>Held by Reconstruction Finance Corporation</i>	46	43	3
<i>Held by others</i>	57	52	5
Other capital adjustments.....	56	56	
Service as director, officer, or employee of person convicted of offense involving dishonesty or breach of trust.....	4	1	3

¹ Excludes one disapproval changed to approval by action of the Board of Directors later in the year.

During 1953 the Board of Directors acted upon 566 applications, of which 115 were applications for insurance and 451 were other proposals by insured banks to take actions requiring prior approval of the Corporation. Of the 566 applications only 41 were disapproved by the Board. Further details as to the nature and disposition of applications are given in Table 2.

State banks of deposit which are not members of the Federal Reserve System may be admitted to insurance only upon approval of their application for insurance by the Board of Directors of this Corporation. However, not all banks so admitted are opened in the year of approval, and in a few cases banks alter their plans or fail to meet conditions specified by the Corporation. Banks chartered as national banks in any State or the District of Columbia, and State banks of deposit which are admitted to the Federal Reserve System, become insured without application to the Corporation. National banks which are not members of the Federal Reserve System may become insured upon application by the bank and certification by the Comptroller of the Currency. For these reasons the number of applications for insurance which are approved during a year differs from the number of banks actually admitted to insurance during the year.

Approval of the Federal Deposit Insurance Corporation must be obtained before an insured bank may merge or consolidate with, assume liabilities of, or transfer its liabilities and equivalent assets to, any noninsured bank or institution. These requirements apply to all insured banks whether chartered by the Federal Government or by the States. There are also a number of actions which require approval of the Comptroller of the Currency in the case of national banks, of the Board of Governors of the Federal Reserve System in the case of State member banks, and of the Federal Deposit Insurance Corporation only in the case of insured State banks not members of the Federal Reserve System. These include establishment of branches, changes of corporate powers, relocation of banking offices, and certain other actions. As shown in Table 2, most of the applications from insured banks which were acted upon by the Board of Directors in 1953 were for permission to establish new branches, to relocate banking offices, or to retire capital.

Bank examinations. Insured State banks which are not members of the Federal Reserve System are regularly examined by the Federal Deposit Insurance Corporation. State banks which are members of the Federal Reserve System are examined by the Federal Reserve banks, and national banks are examined by the Office of the Comptroller of the Currency. The Federal Deposit Insurance Corporation reviews examination reports on all insured banks, including those prepared by examiners of the Federal Reserve banks or the Office of the Comptroller of the Currency.

The Corporation gives particular attention to those banks in which regular examinations reveal existence of special problems or unsound conditions. Such banks are examined at frequent intervals until necessary corrections have been made. These and other special-purpose examinations are given priority, but the Corporation also seeks in so far as

possible to make at least one regular examination per year of each insured State bank which is not a member of the Federal Reserve System. The number of examinations and investigations of various kinds conducted by the Corporation in 1953, and the number of examination reports reviewed by its Washington staff, are given in Table 3.

Table 3. BANK EXAMINATION ACTIVITIES OF THE FEDERAL DEPOSIT INSURANCE CORPORATION IN 1953

Examination activity	Number
Bank examinations—total	6,956
Regular examinations of insured banks not members of Federal Reserve System.....	6,737
Special examinations.....	166
Entrance examinations of operating noninsured banks.....	53
Investigations—total	255
New bank investigations.....	137
New branch investigations.....	118
Reviews of reports of examination of insured banks—total	15,776
National banks.....	5,187
State banks, members of Federal Reserve System.....	1,891
State banks, not members of Federal Reserve System.....	8,698

Citations for unsafe and unsound banking practices. Except in unusual cases unsafe and unsound banking practices are corrected by normal supervisory processes. In those occasional cases where an insured bank continues to engage in unsafe or unsound practices or violations of law or regulations, the Board of Directors is required by law to submit to the appropriate supervisory authority and to the bank a statement with respect to such practices for the purpose of obtaining necessary corrections. If these corrections are not made within the period of time allowed, the Board of Directors may, under provisions of the Federal Deposit Insurance Act, give notice of intention to terminate the insured status of the bank. After affording the bank opportunity for a hearing, the Board may in its discretion terminate the insured status of the bank and require that the bank notify its depositors of such termination. After termination of insurance in this manner no new deposits in the bank are insured, but the insured deposits of each depositor on the date of termination, less any subsequent withdrawals, continue to be insured for two years.

During 1953 the Board of Directors brought charges of unsafe and unsound practices against five insured banks. The practices and violations cited by the Board are given in Table 4. It must be noted that the detailed citations vary in form from case to case. Hence a practice specified in one case may in other cases have been unspecified although implicit in a broader charge. One of the five banks cited for unsafe and unsound practices during the year was the First State Bank of Elmwood Park, Illinois. This bank, as earlier noted, was subsequently absorbed by a successor bank with the financial aid of the Federal Deposit Insurance

Corporation. In the cases of the other four banks cited during 1953, action was being deferred at the end of the year pending results of correction programs, re-examination, or analysis of report of re-examination.

Table 4. UNSAFE OR UNSOUND BANKING PRACTICES AND VIOLATIONS OF LAW CHARGED AGAINST FIVE BANKS BY THE CORPORATION DURING 1953

Type of practice or violation	Number of banks charged	Case identification letters
Capital:		
Inadequate capital relative to liabilities or to amount and quality of assets.....	5	a b c d e
Impaired capital accounts.....	3	c d e
Management and general practices:		
Weak or hazardous management.....	4	a c d e
Self-serving management.....	5	a b c d e
Self-dealing through preferential treatment of affiliated companies.....	3	b c d
Unwarranted and excessive pay-roll, other expenditures, and dividends.....	1	a
Insufficient and inaccurate records.....	1	a
Failure to observe confidentiality of examination reports.....	1	a
Failure to comply with corrective recommendations of supervisory authority and/or examiners of the Corporation.....	4	a c d e
Deposits:		
Honoring checks against uncollected funds.....	2	c d
Solicitation of funds outside normal trade area and payment of interest thereon at a rate not supportable by local loans and investments.....	1	b
Loans:		
Lax lending policies.....	5	a b c d e
Inadequate security on loans.....	2	a b
Inadequate credit information.....	4	a b c d
Making of excessive loans.....	1	d
Excessive "loss" "doubtful," and "substandard" assets.....	4	a b c d
Undue concentration in consumer instalment loans.....	1	b
Lax collection policies or excessive overdue loans.....	5	a b c d e
Violations of law and regulations:		
Extensions of credit in excess of statutory limitations.....	3	b c d
Failure of member bank to make proper reports of borrowings.....	1	d
Carrying shares of bank's own stock.....	1	d
Exceeding limits on deposits with another bank.....	1	d
Loans to officers.....	1	d
Failure to display deposit insurance signs.....	1	d
Permitting unspecified violations.....	1	e

Since 1935, when the Corporation was given authority to terminate the insurance of banks which continue to engage in unsafe or unsound practices or violations of law or regulations, a total of 152 banks have been charged with such practices and violations. Table 5 shows the disposition or status of these cases, including separate data for cases which were pending at the beginning of 1953 and those initiated during the year.

Reports from banks. Insured State banks not members of the Federal Reserve System, other than those in the District of Columbia, were required to report their assets, liabilities, and capital accounts to the Corporation as of June 30 and December 31, 1953. Summaries of corresponding data for other insured banks were furnished to the Corporation by the Federal agencies to which those banks made reports. Through the cooperation of State banking authorities and of officials of banking

institutions not under State or Federal supervision, mostly unincorporated banks, the Corporation obtained, as of June 30 and December 31, reports of assets and liabilities of noninsured banks and trust companies which do not file reports with a Federal agency. The insured banks also submitted to the respective Federal agencies statements of their earnings, expenses, and disposition of profits for the calendar year 1953.

The data on assets, liabilities, and capital, and those on earnings and expenses, are reported and discussed in Parts Two and Five of this report.

Table 5. ACTIONS TO TERMINATE INSURED STATUS OF BANKS CHARGED WITH ENGAGING IN UNSAFE OR UNSOUND PRACTICES OR VIOLATIONS OF LAW OR REGULATIONS, 1936-1953

Disposition or status	1936-1953 ¹	Pending beginning of 1953	Started during 1953
Total banks against which action was taken	152	3	5
Cases closed:			
Corrections made.....	38	2	
Banks absorbed or succeeded by other banks.....	67		1
<i>With financial aid of the Corporation</i>	62		1
<i>Without financial aid of the Corporation</i>	5		
Banks suspended prior to setting date of termination of insured status by Corporation.....	32		
Insured status terminated, or date for such termination set by Corporation, for failure to make corrections.....	10		
<i>Banks suspended prior to or on date of termination of insured status</i>	7		
<i>Banks continued in operation</i> ²	3		
Cases not closed December 31, 1953: Action deferred pending results of correction program, re-examination, or analysis of report of re-examination	5	1	4

¹ No action to terminate the insured status of any bank was taken before 1936. In 5 cases where initial action was replaced by action based upon additional charges, only the latter action is included.

² One of these suspended 4 months after its insured status was terminated.

Back data: See the Annual Report of the Corporation for 1952, p. 15, and earlier reports.

LEGAL DEVELOPMENTS

No legislation directly affecting the Federal Deposit Insurance Corporation was enacted during 1953 by the Congress or the State legislatures. A summary of 1953 legislation pertinent to insured banks appears in Part Four of this Report.

ORGANIZATION AND PERSONNEL

Directors. Mr. H. E. Cook, a member of the Board of Directors since 1947, became its Chairman on May 10, 1953. Mr. Maple T. Harl, former Chairman, continues as a Director. The Comptroller of the Currency is *ex officio* a member of the Board of Directors of the Corporation. This office has been held since April 16, 1953, by Mr. Ray M. Gidney. Until February 15, 1953, it was held by Mr. Preston Delano.

In the interval between Mr. Delano's resignation as Comptroller of the Currency and Mr. Gidney's appointment, Mr. L. A. Jennings, Acting Comptroller of the Currency, was a member of the Board of Directors of the Corporation.

Organization of the Corporation. Effective August 17, 1953, the organization of the Corporation was altered in some respects. The resulting structure is that shown by the organization chart on page iv. Names of Corporation officials are given on page v.

In addition to its headquarters in Washington the Corporation maintains offices in each of its twelve districts. These offices are part of the Division of Examination of the Corporation, and each is under the direction of a Supervising Examiner. Names of the Supervising Examiners and locations of the District Offices are given on pages vi and vii. As their duties require, representatives of the Division of Liquidation and the Audit Division temporarily establish offices in the field.

Number of employees. At the end of 1953 the Corporation had 1,028 employees, almost three-fourths of whom were members of the Division of Examination. The number of employees working in each of the divisions of the Corporation is given in Table 6.

Table 6. NUMBER OF OFFICERS AND EMPLOYEES OF THE FEDERAL DEPOSIT INSURANCE CORPORATION, DECEMBER 31, 1953

Division	Total	Washington office	District and field offices
Total	1,028	286	742
Directors.....	3	3	.....
Executive offices.....	16	16	.....
Legal Division.....	19	19	.....
Division of Examination.....	737	43	694
Division of Liquidation.....	40	25	15
Division of Research and Statistics.....	42	42	.....
Audit Division.....	44	11	33
Office of the Controller.....	127	127	.....

Health and safety. The hospitalization, surgical, and in-hospital medical benefits program established for Corporation employees has completed its first year of operation. Under this program uniform benefits are provided for employees in all parts of the nation, through arrangements with local associations. Approximately 98 percent of the Corporation's employees participate in the plan, which is available to all regular personnel who have completed ninety days' service. The premiums for employees are paid by the Corporation. Coverage is also available to families of employees, with premiums paid by employees through payroll deductions. Approximately half of the participating employees purchase such family protection.

Statistics published in 1953 by the Bureau of Employees' Compensation of the United States Department of Labor showed that the safety record of the Corporation continued to be excellent. This record was achieved despite the large amount of travel under all weather conditions which is required of the Corporation's bank examiners.

Turnover of field bank examiners. From an average employment of field bank examiners of 544, there were 78 such employees who left the service of the Corporation during 1953, giving a turnover ratio of 14.3 per 100. Approximately half of the field examiners who left the Corporation did so to accept positions with banks or State banking departments.

Educational program for examiners. Since 1946 the Division of Examination has carried on an educational program for its members, seeking to obtain for the Corporation the benefits of better trained personnel. This program consists primarily of correspondence courses given by the American Institute of Banking, but also includes evening courses offered by local chapters of the Institute, colleges, or universities, plus special graduate courses at three universities. Costs of courses taken with the American Institute of Banking and of the special graduate courses are paid by the Corporation.

Each year a limited number of examiners who have qualified by prior educational work participate in the special graduate programs. These are given by The Graduate School of Banking at Rutgers University sponsored by the American Bankers Association, the School of Banking at the University of Wisconsin sponsored by the Central States Conference of Bankers Associations, and the School of Consumer Banking conducted by the Consumer Bankers Association at the University of Virginia. The programs combine resident and correspondence study. Three summer resident sessions, each of two weeks' duration, and two years of intensive nonresident study are required for completion.

Results of the educational program since its inception, and statistics of enrollment and completions for 1953, are presented in Table 7.

Table 7. RESULTS OF THE CORPORATION'S EDUCATIONAL PROGRAM FOR EXAMINERS, 1946-1953

Activity	1946-1953	1953
Educational courses completed.....	1,456	211
American Institute of Banking Certificates received:		
Pre-Standard.....	98	6
Standard.....	51	2
Graduate.....	10	1
Graduate banking school diplomas received.....	67	15
Enrollment, end of year:		
All educational courses.....		396
Graduate banking schools.....		48

FINANCIAL STATEMENTS OF THE CORPORATION

Assets and liabilities. The statement of assets and liabilities of the Corporation at the end of 1953 is presented in Table 8. At that time the Corporation held total assets of \$1,537 million, of which \$1,531 million consisted of United States Government securities and accrued interest on such securities. Cash, assets acquired through bank suspensions and absorptions, and miscellaneous assets made up the remaining \$6 million. United States Government securities and accrued interest thus constituted 99.6 percent of the Corporation's assets, and all other assets only 0.4 percent.

Table 8. ASSETS AND LIABILITIES OF THE FEDERAL DEPOSIT INSURANCE CORPORATION, DECEMBER 31, 1953

ASSETS		
Cash.....		\$ 3,981,056
U. S. Government securities at cost (market or redemption value, \$1,522,965,656):		
Special U. S. Treasury notes.....	\$ 813,300,000	
U. S. Treasury bonds.....	712,908,213	
	\$1,526,208,213	
Accrued interest receivable.....	4,338,999	1,530,547,212
Assets acquired through bank suspensions and absorptions:		
Equity in assets purchased from merged insured banks.....	\$ 3,683,087	
Assets purchased outright.....	771,771	
	\$ 4,454,858	
Less—Reserve for losses.....	2,351,380	2,103,478
Deferred charges and sundry assets.....		117,546
Furniture, fixtures, and equipment.....		1
Total assets.....		\$1,536,749,293
LIABILITIES ¹		
Accounts payable and miscellaneous accrued liabilities.....		\$ 438,511
Earnest money, escrow funds, and collections held for others..		364,645
Accrued annual leave of employees.....		886,940
Due insured banks:		
Net assessment income credits available July 1, 1954.....	\$ 78,502,075	
Other.....	5,872,325	84,374,400
Deferred credits.....		1,030
Total liabilities.....		\$ 86,065,526
DEPOSIT INSURANCE FUND		
Fund² (see Table 9).....		1,450,683,767
Total liabilities and fund.....		\$1,536,749,293

¹ Capital stock has been retired by payments to the U. S. Treasury in accordance with the provisions of Public Laws 363 and 813, 80th Congress, approved August 5, 1947, and June 29, 1948, respectively.

² The Deposit Insurance Fund represents the cumulative net income (surplus) of the Corporation from its inception to December 31, 1953. For the protection of depositors, in addition to this fund, the Corporation is authorized to borrow up to three billion dollars from the U. S. Treasury when in the judgment of the Board of Directors such funds are required for insurance purposes.

Liabilities of the Corporation at the end of 1953 amounted to \$86 million. Eighty-four million dollars of this total was indebtedness to insured banks, mostly representing net assessment income credits to

become available July 1, 1954, for use in paying assessments. These credits were based upon 1953 assessments, and were determined in a manner to be described below.

The excess of the Corporation's assets over its liabilities at the end of 1953 was \$1,451 million, which constituted the deposit insurance fund on that date.

Table 9. INCOME AND EXPENSES OF THE FEDERAL DEPOSIT INSURANCE CORPORATION AND CHANGE IN THE DEPOSIT INSURANCE FUND FOR THE YEAR ENDED DECEMBER 31, 1953

INCOME AND EXPENSES		
Net income for the year ended December 31, 1953:		
Income:		
Deposit insurance assessments.....	\$198,372,550	
Interest on U. S. Government securities.....	33,937,211	
Other income.....	389,920	
Total income.....		\$ 172,699,681
Expenses and losses:		
Administrative and operating expenses (see Table 10)....	\$ 7,270,791	
Provision for insurance losses.....	298,379	
Other insurance losses.....	15,001	
Total expenses and losses.....		7,584,171
Net income before deduction of net assessment income credit due insured banks.....		\$ 165,115,510
Net assessment income credit due insured banks (see Table 11).....		78,474,579
Net income (addition to the deposit insurance fund) for the year ended December 31, 1953.....		\$ 86,640,931
DEPOSIT INSURANCE FUND		
Deposit insurance fund, December 31, 1952.....		\$1,368,491,945
Adjustments applicable to periods prior to January 1, 1953 (increasing the fund):		
By reduction of reserve for insurance losses (net):		
Established prior to 1950.....	\$ 26,884	
Established since 1949.....	2,586	
	\$ 29,470	
By additional assessments (net).....	521,421	550,891
Balance December 31, 1952, as adjusted.....		\$1,364,042,836
Addition to the fund, net income for 1953 (as above).....		86,640,931
Deposit insurance fund, December 31, 1953¹.....		\$1,450,683,767

¹ See note 2 of Table 8.

Income, expenses, and growth in the deposit insurance fund.

Table 9 is a statement of operations of the Corporation for 1953, giving the Corporation's income and its expenses, losses, and credits to insured banks, and showing how the fund was increased by \$87 million during the year. The major source of additions to the deposit insurance fund was assessments paid by insured banks. These constituted 80 percent of the income of the Corporation before taking account of net assessment income credits, and 64 percent of income after making these credits. Almost the whole of the remaining income of the Corporation consisted of interest earned on its holdings of United States Government securities.

Table 10. ADMINISTRATIVE AND OPERATING EXPENSES OF THE FEDERAL DEPOSIT INSURANCE CORPORATION FOR THE YEAR ENDED DECEMBER 31, 1953

Personal services.....	\$5,118,601
Travel.....	1,319,858
Transportation of things.....	10,470
Communication services.....	55,629
Rents and utilities.....	394,926
Printing and reproduction.....	88,111
Supplies and material.....	49,553
Other contractual services.....	204,588
Equipment.....	57,874
Total.....	\$7,299,610
Less:	
Processing costs of Duplicating Section charged to other divisions and activities..	\$ 27,718
Recoverable expenses and other credits.....	1,101
Total credits.....	\$ 28,819
Net administrative and operating expenses.....	\$7,270,791

Administrative and operating expenses of the Corporation during 1953 were \$7 million, absorbing 4.2 percent of total income. Table 10 presents a breakdown of these expenses.

Table 11. DETERMINATION OF NET ASSESSMENT INCOME OF THE FEDERAL DEPOSIT INSURANCE CORPORATION FOR 1953, AND DISTRIBUTION OF NET ASSESSMENT INCOME, DECEMBER 31, 1953

Determination of net assessment income for 1953:		
Total assessments which became due during the calendar year.....		\$138,372,550
Less:		
Operating costs and expenses for the calendar year.....		\$ 7,270,791
Net additions to reserves to provide for insurance losses: Provided in 1953.....	\$ 298,379	
Adjustments to provisions made prior to 1953 (reduction).....	2,586	295,793
Insurance losses in excess of reserves.....		15,001
Total deductions.....		\$ 7,581,585
Net assessment income for 1953.....		\$130,790,965
Distribution of net assessment income, December 31, 1953:		
Net assessment income for 1953:		
40 percent transferred to deposit insurance fund.....		\$ 52,316,386
Balance credited to insured banks.....		78,474,579
Total.....		\$130,790,965
Allocation of net assessment income credit among insured banks, December 31, 1953:		
Credit for 1953.....	\$78,474,579	Percent of total assessments becoming due in 1953 56.71%
Adjustment of credits for 1950 to 1952, inclusive.....	27,496	.02
Total.....	\$78,502,075	56.73%

Net assessment income credits to insured banks. Under provisions of the Federal Deposit Insurance Act of 1950 a portion of the "net assessment income" of the Corporation for each year is credited against assessments becoming due from insured banks in the following year. The amount of these credits is determined in the following manner:

From total assessments becoming due during the year are subtracted the operating costs and expenses of the Corporation for that year, including provision for insurance losses during the year, and losses from preceding years in excess of provided reserves. The result is defined as the net assessment income of the Corporation, of which 40 percent is added to the deposit insurance fund. The remaining 60 percent of the net assessment income becomes a credit to insured banks, and is allocated among the banks in proportion to their assessments which became due during the year.

Table 12. INCOME AND EXPENSES OF THE FEDERAL DEPOSIT INSURANCE CORPORATION, BY YEARS, FROM BEGINNING OF OPERATIONS, SEPTEMBER 11, 1933, TO DECEMBER 31, 1953, ADJUSTED TO DECEMBER 31, 1953
(In millions)

Year	Income			Expenses				Net income added to deposit insurance fund
	Total	Deposit insurance assessments	Investments and other sources	Total	Deposit insurance losses and expenses ¹	Interest on capital stock	Administrative and operating expenses ²	
1933-1953..	\$1,650.7	\$1,251.9³	\$398.8	\$200.0	\$28.2	\$80.6	\$91.2⁴	\$1,450.7
1953.....	94.7	60.4 ⁵	34.3	7.5	.3	.....	7.2	87.2
1952.....	88.3	56.8 ⁵	31.5	7.6	.6	.....	7.0	80.7
1951.....	83.6	54.0 ⁵	29.6	7.2	.4	.....	6.8	76.4
1950.....	84.7	54.1 ⁵	30.6	7.6	1.2	.....	6.4	77.1
1949.....	150.7	122.2	28.5	6.4	.3	.....	6.1	144.3
1948.....	146.8	119.3	27.5	7.4	.7	.6	6.1	139.4
1947.....	157.7	114.4	43.3	10.4	.1	4.8	5.5	147.3
1946.....	130.9	107.1	23.8	10.4	.1	5.8	4.5	120.5
1945.....	121.2	93.7	27.5	9.8	.1	5.8	3.9	111.4
1944.....	99.5	80.9	18.6	9.7	.1	5.8	3.8	89.8
1943.....	86.7	70.0	16.7	10.3	.2	5.8	4.3	76.4
1942.....	69.4	56.5	12.9	10.2	.5	5.8	3.9	59.2
1941.....	62.0	51.4	10.6	10.1	.6	5.8	3.7	51.9
1940.....	55.9	46.2	9.7	13.6	4.2	5.8	3.6	42.3
1939.....	51.2	40.7	10.5	16.6	7.4	5.8	3.4	34.6
1938.....	47.8	38.3	9.5	11.2	2.4	5.8	3.0	36.6
1937.....	48.1	38.8	9.3	12.0	3.5	5.8	2.7	36.1
1936.....	43.8	35.6	8.2	10.8	2.5	5.8	2.5	33.0
1935.....	20.7	11.5	9.2	11.2	2.7	5.8	2.7	9.5
1933-34..	7.0	(4)	7.0	10.0	.3	5.6	4.1 ⁶	-3.0 ⁶

¹ Includes nonrecoverable expenses incurred pursuant to the insurance of deposits in closed insured banks.

² Includes furniture, fixtures, and equipment charged off.

³ Net after deducting portion of net assessment income credited to insured banks, pursuant to provisions of the Federal Deposit Insurance Act.

⁴ Assessments collected from insured banks, members of the temporary insurance funds, were credited to their accounts in total at the termination of the temporary funds, and were applied toward payment of subsequent assessments becoming due under the permanent insurance fund, resulting in no income to the Corporation from assessments during the existence of the temporary insurance funds.

⁵ Net after deducting the portion of expenses and losses charged to banks withdrawing from the temporary insurance funds on June 30, 1934.

⁶ Deduction.

The process of determination and distribution of net assessment income for 1953 is shown in Table 11. As there indicated, each insured bank has received a net assessment income credit, usable for payment of assessments in 1954, equal to 56.7 percent of its 1953 assessments.

The comparable ratio has been between 56 percent and 57 percent in each year since the net assessment income credit procedure was instituted. This provision of the 1950 law has therefore reduced by more than half the net cost of deposit insurance to the banks.

Historical financial data. Table 12 summarizes the annual income and expenses of the Corporation since its beginning, and Table 13 its assets and liabilities at the end of each year. Some effects of the net assessment income credit provisions of the Federal Deposit Insurance Act of 1950 are evident from these tables: a marked reduction in deposit insurance assessments after assessment income credits, a reduced rate of growth in the deposit insurance fund, and an increase in liabilities of the Corporation by the amount of assessment income credits on its books at the close of each year. The comparatively moderate amount of deposit insurance losses since 1940 is indicated in Table 12, and the associated decrease in holdings of assets acquired through deposit insurance operations in Table 13.

Table 13. ASSETS AND LIABILITIES OF THE FEDERAL DEPOSIT INSURANCE CORPORATION, DECEMBER 31, 1934-1953

(In millions)

Dec. 31	Cash	U. S. Government securities	Insurance assets ¹	Other assets	Total assets	Liabilities	Deposit insurance fund ²
1953.....	\$ 4.0	\$1,530.5	\$ 2.1	\$.1	\$1,536.7	\$86.0	\$1,450.7
1952.....	.4	1,441.4	2.0	.2	1,444.0	80.5	1,363.5
1951.....	.7	1,356.3	3.0	.3	1,360.3	78.1	1,282.2
1950.....	2.4	1,309.5	2.3	.1	1,314.3	70.4	1,243.9
1949.....	1.4	1,207.3	2.8	.2	1,211.7	7.8	1,203.9
1948.....	2.3	1,066.0	3.6	.1	1,072.0	6.1	1,065.9
1947.....	4.6	1,022.5	3.6	.1	1,030.8	24.7	1,006.1
1946.....	7.3	1,047.7	5.6	.1	1,060.7	2.2	1,058.5
1945.....	15.7	900.0	15.1	.3	931.1	1.9	929.2
1944.....	17.8	762.0	26.1	.3	806.2	1.9	804.3
1943.....	20.0	638.8	46.2	.5	705.5	2.4	703.1
1942.....	19.4	536.8	62.0	.5	618.7	1.8	616.9
1941.....	20.0	453.9	81.7	.1	555.7	2.2	553.5
1940.....	20.4	384.5	92.2	.1	497.2	1.2	496.0
1939.....	28.3	363.5	64.2	.1	456.1	3.4	452.7
1938.....	22.2	372.8	26.5	.1	421.6	1.1	420.5
1937.....	20.6	348.5	16.1	.1	385.3	2.2	383.1
1936.....	9.1	332.6	11.4	.1	353.2	9.8	343.4
1935.....	33.5	298.2	5.4	.1	337.2	31.2	306.0
1934.....	16.0	316.7	.5	.1	333.3	41.6	291.7

¹ Assets acquired in protecting depositors and in facilitating termination of liquidations.

² Designated capital and surplus in Annual Reports of the Corporation prior to 1950.

Audit. The Comptroller General of the United States makes an annual audit of the Corporation as directed by the Federal Deposit Insurance Act. The short form of the audit report for the year ended June 30, 1953, as furnished to the Corporation by the Comptroller General, is given in Table 14.

Table 14. AUDIT REPORT OF THE FEDERAL DEPOSIT INSURANCE CORPORATION FOR THE YEAR ENDED JUNE 30, 1953COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON 25

December 15, 1953

Board of Directors,
Federal Deposit Insurance Corporation,
Washington 25, D. C.

Gentlemen:

The Division of Audits, General Accounting Office, has made an audit of FEDERAL DEPOSIT INSURANCE CORPORATION for the fiscal year ended June 30, 1953, in accordance with section 17(b) of the Federal Deposit Insurance Act, approved September 21, 1950 (12 U. S. C. 1827).

This audit included an examination of the balance sheet of Federal Deposit Insurance Corporation as of June 30, 1953, and the related statement of income and deposit insurance fund for the year then ended. The examination was made in accordance with generally accepted auditing standards and included such tests of the accounting records and such other auditing procedures as were considered necessary in the circumstances and appropriate in view of the effectiveness of the system of internal control, including the work performed by the Corporation's internal auditors.

In the opinion of the General Accounting Office, the accompanying balance sheet and statement of income and deposit insurance fund present fairly the financial position of Federal Deposit Insurance Corporation at June 30, 1953, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year and with applicable Federal laws.

Very truly yours,
FRANK H. WEITZEL
Acting Comptroller General of the United States

Exhibit 1—BALANCE SHEET—JUNE 30, 1953

ASSETS		
Cash		\$ 5,067,479
United States Government securities, at cost (market or redemption value, \$1,489,116,656)	\$1,507,519,489	
Accrued interest receivable	4,197,705	1,511,717,194
Assets acquired through bank suspensions and absorptions (note 1):		
Equity in assets acquired under purchase agreements	6,401,285	
Assets purchased outright	855,374	
	7,256,659	
Less estimate for losses	2,633,000	4,623,659
Deferred charges and sundry assets		91,520
Furniture, fixtures, and equipment, at nominal value		1
		<u>\$1,521,499,853</u>
LIABILITIES		
Accounts payable and accrued liabilities		\$ 538,030
Earnest money, escrow funds, and collections held for others		310,007
Employees' accrued annual leave		996,293
Deferred credits		3,960
Net assessment income credits due insured banks (note 2):		
Available July 1, 1953	73,938,429	
Estimated amount available July 1, 1954, from net assessment income for 6 months ended June 30, 1953	39,084,794	113,023,223
Deposit insurance fund, representing accumulated income from inception to June 30, 1953, available for future deposit insurance losses and related expenses (note 3 and exhibit 2)		1,406,628,340
		<u>\$1,521,499,853</u>

The notes following exhibit 2 are an integral part of this statement.

Table 14. AUDIT REPORT OF THE FEDERAL DEPOSIT INSURANCE CORPORATION FOR THE YEAR ENDED JUNE 30, 1953—Continued**Exhibit 2—STATEMENT OF INCOME AND DEPOSIT INSURANCE FUND FOR THE YEAR ENDED JUNE 30, 1953**

Deposit insurance assessments		\$ 135,404,255
Income from United States Government securities		32,710,344
Other income		158,499
		<u>168,273,098</u>
Deduct:		
Estimated loss on absorption cases acquired during the year	\$ 715,000	
Administrative and operating expenses	7,095,996	7,810,996
		<u>160,462,102</u>
Deduct net assessment income credits due insured banks (note 2):		
Six months ended December 31, 1952	37,385,746	
Six months ended June 30, 1953, estimated	39,084,794	76,470,540
		<u>83,991,562</u>
Net income for year transferred to deposit insurance fund		1,322,484,778
Deposit insurance fund, June 30, 1952		
Net adjustment of prior years' estimate of losses on absorption cases restored to deposit insurance fund		152,000
		<u>\$1,406,628,340</u>

Notes 2, 3, and 4 below are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS—JUNE 30, 1953

1. Assets acquired under purchase agreements are evidenced by purchase agreements allowing a return at the rate of 4 percent per annum on the principal purchase price and any subsequent amounts expended by the Corporation. Under this arrangement the Corporation acquires title to the assets which it liquidates, paying excess recoveries, if any, as an additional purchase price to the stockholders of the closed banks involved.

Assets purchased outright consist of: (a) residual assets of certain inactive purchase agreement cases which the Corporation has set up in this category in order to effect an administrative termination of the cases; these assets are subject to the terms of the original purchase agreements and (b) residual assets of inactive receivership and absorption cases which the Corporation has purchased and converted to outright ownership not subject to any agreements with the closed banks from which the assets were originally acquired.

2. Section 7(d) of the Federal Deposit Insurance Act (12 U. S. C. 1817(d)) provides that as of December 31, 1950, and as of December 31 of each year thereafter, the Corporation shall credit pro rata to the insured banks 60 percent of the net assessment income (as defined in the act) for the calendar year, the credit to be applied toward the payment of assessments becoming due for the semiannual period beginning the next July 1 and any excess credit to be applied to the assessment of the following period.

At June 30, 1953, the net amount due the banks for credits computed on the net assessment income of calendar year 1952, as adjusted, was \$73,938,429. The actual amount of credit due the banks from calendar year 1953 net assessment income is not determinable until December 31, 1953. For statement purposes, however, an estimated credit for the first six months of 1953 has been computed to be \$39,084,794.

3. At June 30, 1953, the deposit insurance fund was equivalent to 1.39 percent of the insured deposits in all banks, estimated by the Corporation at 101.4 billion dollars. This fund, however, is not a measure of the deposit insurance risk, and its adequacy to meet future losses will depend on future economic conditions which cannot be predicted. Based on data compiled by the Corporation, the fund appears to be adequate to cover any potential losses at June 30, 1953.

The Corporation may borrow from the Treasury such funds as in the judgment of the board of directors of the Corporation are required from time to time for insurance purposes, not exceeding, in the aggregate, three billion dollars outstanding at any time. The Corporation has never used this borrowing power.

4. Under existing law, the Corporation is not required to bear the Government's share of the cost of furnishing retirement, disability, and compensation benefits to the employees of the Corporation. These costs are estimated to be approximately \$300,000 for the fiscal year 1953. Also, the Corporation was furnished certain United States mail services without cost.

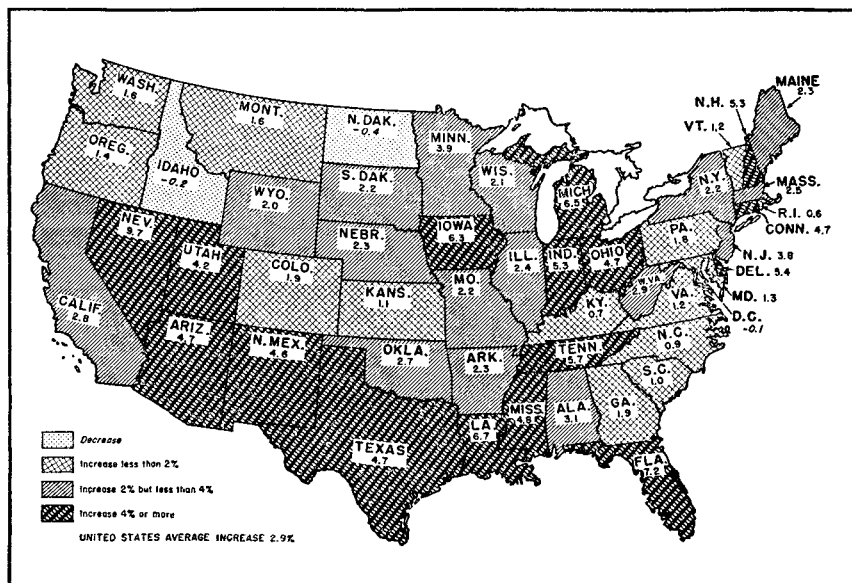
PART TWO

BANKING DEVELOPMENTS

ASSETS AND LIABILITIES OF ALL BANKS

Developments over the year 1953. Bank assets and deposits continued to grow in 1953, but the rate of growth was the lowest since 1949. Total assets and total deposits of all banks each increased a little less than 3 percent during the year, reaching \$221 billion and \$202 billion, respectively, at the end of the year. The rate of asset growth varied from State to State, ranging from a decline of 0.4 percent in North Dakota to an increase of 9.7 percent in Nevada, as illustrated in Chart D. Capital accounts of all banks in the nation rose by almost 5 percent during 1953, to a year-end total of \$16 billion.

**Chart D. PERCENTAGE CHANGE DURING 1953 IN TOTAL ASSETS,
ALL BANKS IN EACH STATE**



For the year as a whole there was a slight decline in bank holdings of United States Government obligations. However, this decline was more than offset by increased holdings of State, municipal, and other securities, producing a net rise in total security holdings of 1.0 percent.

Total loans of the banks increased by 6.6 percent during 1953, an increase which constituted about four-fifths of the growth in total assets for the twelve months. The rise in total loans came about even though a decrease occurred in commercial and industrial loans, the first such decrease for a full year since 1949.

Real estate loans, which contributed most heavily to the dollar growth in bank loans, increased by 9.4 percent during 1953. More rapid rates of increase, although smaller dollar amounts, occurred in "other loans to individuals," and in loans for purchasing, carrying, or dealing in securities. These increased at rates of 14.0 percent and 12.6 percent, respectively. "Other loans to individuals" comprises loans to individuals other than those for business or agricultural purposes, on real estate, or for carrying securities.

Agricultural loans other than those on real estate increased by 26.4 percent during 1953, the most rapid growth of any component of total loans. This increase, however, was the net effect of divergent movements in bank holdings of agricultural paper guaranteed by the Commodity Credit Corporation and that not so guaranteed. The latter decreased by 13.6 percent during 1953, the first occasion on which such loans had failed to rise over the course of a year since separate reporting of guaranteed and non-guaranteed farm loans was begun in 1942.

In marked contrast, agricultural bank credit guaranteed by the Commodity Credit Corporation increased by 204 percent, reaching a record high of \$2,206 million at the end of the year. This rapid growth is largely explained by an alteration in the last half of the year in the Commodity Credit Corporation's procedure for financing price support loans. Under this program certificates of interest in pooled loan paper held by that Corporation, payable on demand, and earning interest at 2-1/2 and 2-1/4 percent for the October and December offerings respectively, were made available to the banks. From the two offerings the banks purchased \$806 million of certificates, which account for a little over half of the year's growth in Commodity Credit Corporation guaranteed loans held by the banking system.

There was also growth in guaranteed farm loans as commodities were moved into storage under the usual price support loan programs. This growth was large but not unprecedented, since such loans had been made by the banks in even greater volume in 1948.

Deposits of the United States Government were the only major component of total bank deposits which decreased during 1953. The \$5,547 million growth in total deposits consisted almost entirely of a rise in time deposits. By contrast, in other recent years the growth of demand deposits has exceeded that in time deposits, although the rate of growth in time deposits was above that for demand deposits in 1952.

More details concerning the assets and liabilities of all banks at the beginning, middle, and end of 1953, and the amounts of change in the various items during each half of the year and for the year as a whole, are given in Table 15.

Table 15. AMOUNTS AND CHANGES IN ASSETS AND LIABILITIES, ALL BANKS IN THE UNITED STATES (CONTINENTAL U. S. AND OTHER AREAS), 1953
(Amounts in millions)

Asset, liability, or capital account item	Amount on—			Change during—		
	Dec. 31, 1953	June 30, 1953	Dec. 31, 1952	Year 1953	Last half 1953	First half 1953
Total assets	\$221,133	\$208,753	\$214,831	\$6,302	\$12,380	-\$6,078
Cash and funds due from banks	45,992	42,199	45,764	228	3,793	-3,565
Currency and coin	2,691	2,755	2,939	-248	-64	-184
Member bank balances with F. R. banks	19,997	19,448	19,810	187	549	-362
Balances with other banks	13,083	11,111	12,300	283	1,972	-1,689
Cash items in process of collection	10,221	8,885	10,215	6	1,336	-1,330
Securities	91,325	86,299	90,460	865	5,026	-4,161
U. S. Government obligations	72,872	68,369	73,011	-139	4,603	-4,642
Obligations of States and subdivisions	11,283	10,962	10,564	719	321	398
Other securities	7,170	6,968	6,885	285	202	83
Loans and discounts, net	80,920	77,544	75,929	4,991	3,376	1,615
Valuation reserves	1,142	1,119	1,077	65	23	42
Loans and discounts, gross	82,062	78,663	77,006	5,056	3,399	1,657
Commercial and industrial	27,368	27,593	28,041	-673	-225	-448
Agricultural (excluding real estate)	4,989	3,701	3,947	1,042	1,288	-246
Real estate	29,793	28,500	27,245	2,548	1,293	1,255
For carrying securities	3,590	2,819	3,188	402	771	-369
Other loans to individuals	14,633	14,280	12,836	1,797	353	1,444
All other loans	1,689	1,770	1,749	-60	-81	21
Miscellaneous assets	2,896	2,711	2,678	218	185	33
Total liabilities and capital accounts	\$221,133	\$208,753	\$214,831	\$6,302	\$12,380	-\$6,078
Deposits	201,978	190,040	196,431	5,547	11,938	-6,391
Business and personal	169,783	161,127	165,027	4,756	8,656	-3,900
Demand	100,417	94,276	100,141	276	6,141	-5,865
Time	66,346	64,377	61,909	4,437	1,969	2,468
Certified checks, etc.	3,020	2,474	2,977	43	546	-503
United States Government	4,541	4,031	5,348	-807	510	-1,317
States and subdivisions	11,649	11,235	10,687	962	414	548
Interbank (including postal savings)	16,005	13,647	15,369	636	2,358	-1,722
Miscellaneous liabilities	2,946	2,833	2,946		113	-113
Capital accounts	16,209	15,880	15,454	755	329	426
Number of banks ¹	14,522	14,579	14,617	-95	-57	-38

¹ Includes noninsured banks for which asset and liability data were not available, as follows: 14 for Dec. 31, 1953; 18 for June 30, 1953; 21 for Dec. 31, 1952.

Detailed data for 1953 call dates: See Tables 104 and 105, pp. 94-97.

Half-year movements in 1953. As has been true in each year beginning with 1947, the growth in assets and deposits of all banks during 1953 was the net effect of contraction in the first half of the year and more than compensating expansion in the second half. The smaller growth in 1953 than in 1952 may be traced almost entirely to greater decreases in assets and deposits during the first half of 1953, as their growth in the last half of the year was about the same as that in the same period of 1952. From data shown in Table 16, the pattern of changes in assets and deposits of banks in 1953 appears to have been more similar to 1949 than to any other postwar year, although the degree of changes in each direction was slightly greater in 1953 than in 1949.

assets was a decline by \$4,642 million in bank holdings of United States Government obligations. These movements were offset by expansion of about the same magnitude in the second half of the year. Loans increased in both halves of the year, although expansion in the second half was about twice as rapid as in the first. Heavy concentration of the year's expansion of "other loans to individuals" in the first part of the year was an important offset to reductions in loans to business and farmers in that period. So also were real estate loans, which grew at about the same rate in the first six months as in the last.

On the liability side, business and personal demand deposits accounted for the largest amount of the decrease during the first six months. Last-half expansion was only slightly more than equal to first-half contraction in such deposits. Time deposits grew in each six-month period, a little more rapidly in the first half of the year than in the last.

Composition of bank assets. Chart E is a graphic presentation of the composition of the assets of all banks in the nation at the end of 1953. On that date slightly more than two-fifths of the assets of the banks were in the form of securities, slightly less than two-fifths in loans and discounts, and one-fifth in cash and funds due from banks. Obligations of the United States Government constituted four-fifths of the banks' securities and one-third of their total assets. Major components of total loans were those upon real estate and those to commercial and industrial borrowers. Each of these made up more than one-third of total loans, or about one-eighth of total assets.

ASSETS AND LIABILITIES OF INSURED COMMERCIAL BANKS

Developments in 1953. Insured commercial banks constitute approximately nine-tenths of the American banking system, both in terms of number of banks and of assets held. Therefore these banks weigh heavily in the statistics of all banks. Accordingly, the nature and magnitude of changes in assets and liabilities of insured commercial banks in 1953 were very similar to those already noted with respect to all banks.

Total assets of insured commercial banks increased by a moderate 2.3 percent, to a year-end total of \$191 billion. Security holdings rose by only 0.7 percent, essentially the whole increase being in securities of States and political subdivisions. Loans grew by 5.4 percent, despite a decrease in loans of the commercial and industrial category. Total deposits increased 2.2 percent, to reach \$175 billion. Virtually the whole of the deposit growth was traceable to an 8.3 percent rise in time deposits.

Assets and liabilities of insured commercial banks at the beginning, middle, and end of 1953, and the amount and percentage growth in

various items are given in Table 17. The table also shows for December 31, 1953, percentage distributions of total assets, of total liabilities and capital, and of securities, loans, and deposits as separate categories.

Table 17. AMOUNTS, CHANGES, AND PERCENTAGE DISTRIBUTIONS OF ASSETS AND LIABILITIES, INSURED COMMERCIAL BANKS IN THE UNITED STATES (CONTINENTAL U. S. AND OTHER AREAS), 1953
(Amounts in millions)

Asset, liability, or capital account item	Amount on—			Change during 1953		Percentage distributions, Dec. 31, 1953 ¹	
	Dec. 31, 1953	June 30, 1953	Dec. 31, 1952	Amount	Per-cent ¹	Percent of total assets	Percent of indicated component
Total assets	\$191,063	\$179,586	\$186,682	\$4,381	2.3%	100.0%	
Cash and funds due from banks	44,478	40,830	44,299	179	.4	23.3	Securities 100.0%
Securities	76,852	71,762	76,280	572	.7	40.2	
U. S. Government obligations.....	62,473	57,766	62,408	65	.1	32.7	
Obligations of States and subdivisions.....	10,620	10,334	10,006	614	6.1	5.6	
Other securities.....	3,759	3,662	3,866	-107	-2.8	1.9	4.9
Loans and discounts, net	67,266	64,723	63,824	3,442	5.4	35.2	Gross loans 98.6
Valuation reserves.....	961	938	904	57	6.3	.5		1.4
Loans and discounts, gross	68,227	65,661	64,728	3,499	5.4	35.7	100.0
Commercial and industrial.....	27,157	27,361	27,816	-659	-2.4	14.2	39.8
Agricultural (excluding real estate).....	4,884	3,610	3,824	1,060	27.7	2.6	7.2
For carrying securities.....	3,527	2,757	3,134	393	12.5	1.8	5.2
Real estate.....	16,613	16,148	15,616	997	6.4	8.7	24.3
Other loans to individuals.....	14,411	14,067	12,642	1,769	14.0	7.5	21.1
All other loans.....	1,635	1,718	1,696	-61	-3.6	.9	2.4
Fixed and miscellaneous assets	2,467	2,271	2,279	188	8.3	1.3	
Total liabilities and capital accounts	\$191,063	\$179,586	\$186,682	\$4,381	2.3%	100.0%	
Deposits	175,083	164,046	171,357	3,726	2.2	91.6	Deposits 100.0%
Business and personal.....	143,668	135,836	140,639	3,029	2.2	75.2	
Government and inter-bank.....	31,415	28,210	30,718	697	2.3	16.4	
Total demand deposits.....	130,289	121,007	129,992	297	.2	68.2	
Total time deposits.....	44,794	43,039	41,365	3,429	8.3	23.4	25.6
Miscellaneous liabilities	2,716	2,565	2,740	-24	-.9	1.5	
Capital accounts	13,264	12,975	12,585	679	5.4	6.9	
Number of banks.....	13,432	13,435	13,439	-7	-1		

¹ Calculated before rounding of data.

Detailed data: See Table 107, pp. 100-103.

ASSETS AND LIABILITIES OF INSURED MUTUAL SAVINGS BANKS

Mutual savings banking. Mutual savings banks differ from commercial banks in that (1) they are owned by their depositors and have no capital stock, (2) their deposits are almost wholly savings and time deposits, and (3) their loans consist almost entirely of mortgages upon

real estate. At the end of 1953, mutual savings banks comprised 4 percent of the nation's banks of deposit, but held 12 percent of total deposits, including 35 percent of all time and savings deposits. With a few exceptions, mutual savings banking is carried on only in the Northeast. Of the 528 insured and noninsured mutual savings banks operating in the United States at the end of 1953, nearly nine-tenths were located in New York and the New England States.

Participation in Federal deposit insurance. The total number of operating mutual savings banks decreased by one during 1953, but the number covered by Federal deposit insurance increased by 13. Eleven of the newly-insured mutual savings banks, with deposits of nearly \$200 million, were located in New Hampshire. Prior to 1953 no mutual savings banks in that State had been insured. Those which became insured constitute one-third of the State's mutual savings banks and hold over one-half of its mutual savings bank deposits.

On December 31, 1953, 219 of the 528 operating mutual savings banks, or 41 percent, were insured by the Federal Deposit Insurance Corporation. These banks held 75 percent of the deposits of all mutual savings banks. In New York, where over half of all mutual savings bank deposits are located, and in seven other States which together with New York account for nearly three-fourths of such deposits, all mutual savings banks are covered by Federal deposit insurance.

Developments in 1953. The amounts of assets and liabilities of insured mutual savings banks at the beginning, middle, and end of 1953 are given in Table 18. Also shown are percentage data concerning the growth of the various items and the composition of assets and deposits. It will be seen that nearly half of the total assets of these banks are loans and of these loans all but a negligible portion are on real estate, chiefly residential. About one-third of the assets are United States Government obligations, and most of the remaining one-sixth are securities of States, political subdivisions, and business corporations. Over 95 percent of the assets of mutual savings banks are thus earning assets. For commercial banks the corresponding ratio is less than 80 percent.

Total assets and total deposits of insured mutual savings banks each increased by more than 9 percent during 1953, reaching year-end totals of \$20 billion and \$18 billion, respectively. The 9.5 percent growth in deposits of insured mutual savings banks was moderately greater than the 8.3 percent growth of time deposits of insured commercial banks, and markedly greater than the 2.2 percent growth in total deposits of insured commercial banks. Not since 1946 had the deposits of insured mutual savings banks increased as rapidly as they did in 1953. Only a minor portion of this growth, about one-seventh, was due to the increase in the number of such banks which were insured.

Reflecting continued high levels of residential construction, approximately four-fifths of the growth in deposits of insured mutual savings banks during 1953 was used to make additional real estate loans. The loans of these banks increased by 15 percent during the year, while their holdings of securities increased only 3 percent. Moreover, the small increase which did occur in security holdings was wholly in corporate securities and in obligations of States and political subdivisions.

Table 18. AMOUNTS, CHANGES, AND PERCENTAGE DISTRIBUTIONS OF ASSETS AND LIABILITIES, INSURED MUTUAL SAVINGS BANKS, 1953
(Amounts in millions)

Asset, liability, or surplus account item	Amount on—			Change during 1953		Percentage distributions, Dec. 31, 1953 ¹	
	Dec. 31, 1953	June 30, 1953	Dec. 31, 1952	Amount	Per-cent ¹	Percent of total assets	Percent of indicated component
Total assets	\$20,334	\$19,590	\$18,612	\$1,722	9.3%	100.0%	
Cash and funds due from banks	799	692	732	67	9.2	3.9	
Securities	9,236	9,284	8,930	306	3.4	45.4	Securities 100.0%
U. S. Government obligations	6,477	6,642	6,593	-116	-1.8	31.8	70.1
Obligations of States and subdivisions	360	341	298	62	21.1	1.8	3.9
Other securities	2,399	2,301	2,039	360	17.7	11.8	26.0
Loans and discounts, net	10,016	9,325	8,691	1,325	15.2	49.3	Gross loans 98.4
Valuation reserves	163	161	155	8	5.3	.8	1.6
Loans and discounts, gross	10,179	9,486	8,846	1,333	15.1	50.1	100.0
Real estate loans—total	10,070	9,384	8,753	1,317	15.0	49.5	98.9
Agricultural	41	39	38	3	5.8	.2	.4
Residential	8,763	8,139	7,546	1,217	16.1	43.1	86.1
Other real estate loans	1,266	1,206	1,169	97	8.3	6.2	12.4
Other loans	109	102	93	16	17.7	.6	1.1
Fixed and miscellaneous assets	283	289	259	24	9.1	1.4	
Total liabilities and capital accounts	\$20,334	\$19,590	\$18,612	\$1,722	9.3%	100.0%	
Deposits	18,383	17,695	16,785	1,598	9.5	90.4	Deposits 100.0%
Business and personal	18,362	17,679	16,772	1,590	9.5	90.3	99.9
Government and inter-bank	21	16	13	8	58.6	.1	.1
Total demand deposits	36	35	30	6	17.0	.2	.2
Total time deposits	18,347	17,660	16,755	1,592	9.5	90.2	99.8
Miscellaneous liabilities	133	124	97	36	37.6	.7	
Surplus accounts	1,818	1,771	1,730	88	5.1	8.9	
Number of banks	219	213	206	13	6.3		

¹ Calculated before rounding of data.

Detailed data: See Table 107, pp. 100-103.

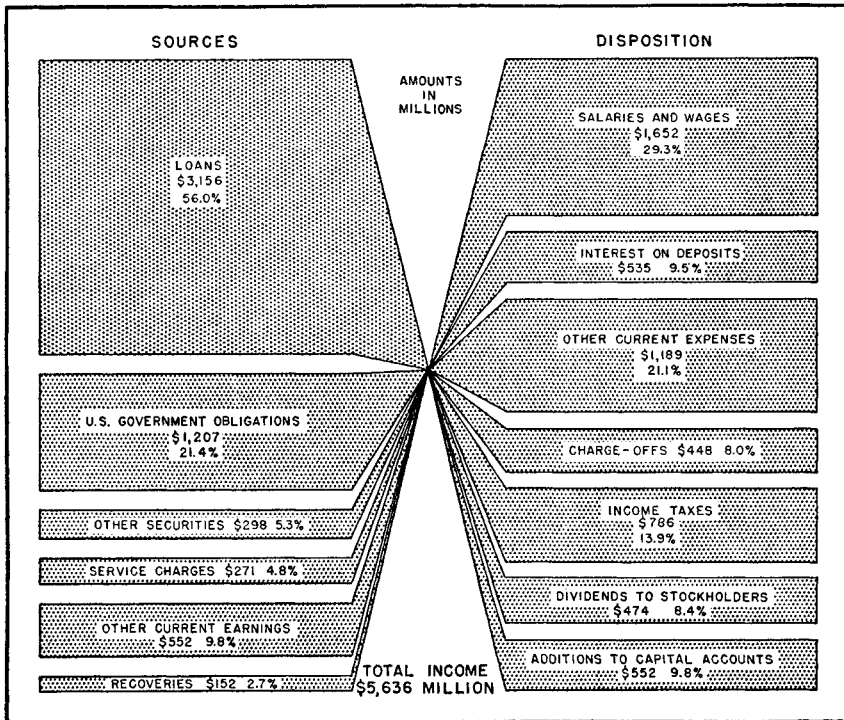
The growth in deposits of insured mutual savings banks was about the same in the first and last halves of the year, as was also true of the time deposits of commercial banks. Real estate loans of the mutual savings banks likewise increased by nearly equal amounts in the two six-month periods.

INCOME OF INSURED COMMERCIAL BANKS

Sources and disposition of income in 1953. The income of banks consists chiefly of current operating earnings arising as interest on loans and securities or as fees charged for services performed by the banks. In addition it includes a comparatively small amount of recoveries on assets previously charged off as loss and amounts transferred to banks' earnings from their asset valuation reserves. From their total income the banks pay wages, interest, and other expenses; make provisions for actual and potential losses; pay taxes and dividends; and make additions to their capital accounts.

The sources and disposition of the total income of insured commercial banks in 1953 are shown in Chart F. The total income was \$5.6 billion. Of this amount 56 percent was income from loans, and 27 percent from securities. These are gross income figures, and because lending operations are more expensive to banks than the purchase and holding of securities, it follows that something less than 56 percent of the net income of the banks was derived from their loans.

Chart F. SOURCES AND DISPOSITION OF TOTAL INCOME, INSURED COMMERCIAL BANKS, 1953

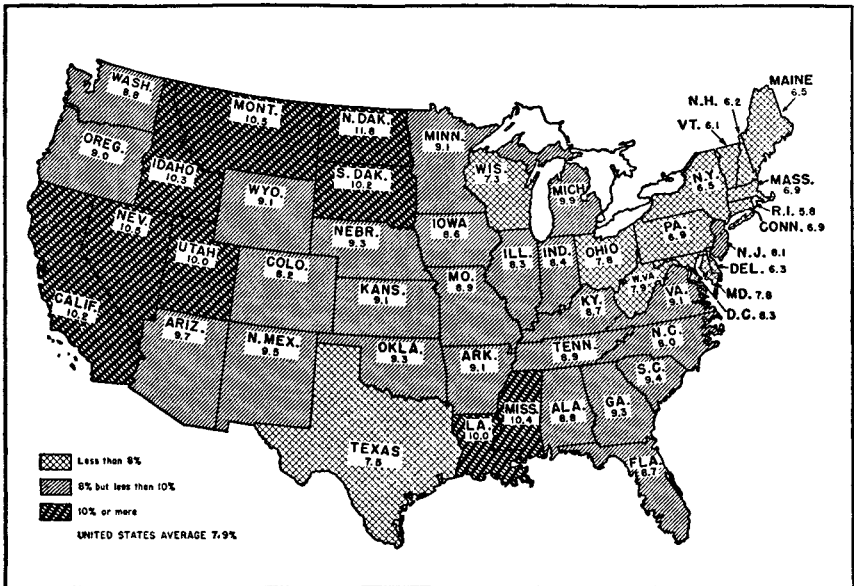


Current expenses, almost half of which were wages and salaries, absorbed 60 percent of the income of insured commercial banks in 1953. More than half of the remainder of total income was absorbed by charge-offs, losses, transfers to valuation reserves, and income taxes, leaving 18 percent of total income as net profits after taxes.

Net profits and their disposition. Net profits after taxes of insured commercial banks were \$1,026 million in 1953, exceeding the billion-dollar level for the first time. Forty-six percent of these net profits was used by the banks to pay dividends and interest on capital, and 54 percent was retained as additions to capital. The net profits after taxes represented a return of 7.9 percent on the average total capital accounts of the banks during the year.

Chart G illustrates the rates of return on capital accounts of insured commercial banks by State. As in previous years, most of the States having relatively high rates of return on bank capital were located in the western part of the nation and most of those with relatively low rates in the northeastern portion.

Chart G. RATES OF NET PROFITS AFTER TAXES ON TOTAL CAPITAL ACCOUNTS, INSURED COMMERCIAL BANKS IN EACH STATE, 1953



Comparisons with 1952. Total income of insured commercial banks in 1953 was 11 percent greater than that in 1952. There were increases in all components of income and its disposition. A comparison of total income in 1953 and 1952, by sources and disposition, is given in Table 19.

Table 19. AMOUNTS AND GROWTH IN TOTAL INCOME, BY SOURCES AND DISPOSITION, INSURED COMMERCIAL BANKS IN THE UNITED STATES (CONTINENTAL U. S. AND OTHER AREAS), 1952-1953
(Amounts in millions)

Item	Amount		Growth, 1952-1953	
	1953	1952	Amount	Percent ¹
Total income	\$5,636	\$5,076	\$560	11.0%
Sources				
Current operating earnings.....	5,484	4,932	552	11.2
Loans.....	3,156	2,784	372	13.3
U. S. Government obligations.....	1,207	1,099	108	9.8
Other securities.....	298	277	21	7.5
Service charges on deposit accounts.....	271	245	26	10.9
Other current earnings.....	552	527	25	4.8
Recoveries, transfers from valuation reserves, and profits on securities sold.....	152	144	8	5.7
Disposition				
Current operating expenses.....	3,376	3,029	347	11.5
Salaries and wages.....	1,652	1,495	157	10.5
Interest on deposits.....	535	458	77	16.7
Other current expenses.....	1,189	1,076	113	10.6
Charge-offs, losses, and transfers to valuation reserves.....	448	362	86	23.7
Income taxes.....	786	695	91	13.2
Net profits after taxes.....	1,026	990	36	3.6
Dividends.....	474	442	32	7.2
Additions to capital accounts.....	552	548	4	.8

¹ Calculated before rounding of data.

Detailed data: See Table 108, pp. 106-107.

Income from loans was 13 percent greater in 1953 than in 1952. Loan income was not only the most important source of total income but also the most rapidly increasing source. Service charges on deposit accounts were the next most rapidly growing source of income, being 11 percent greater in 1953 than in 1952.

In the disposition of bank income, current operating expenses were 11 percent greater in 1953 than in the preceding year, due partly to a 17 percent increase in interest paid by the banks on time and savings deposits. Charge-offs, losses, and transfers to valuation reserves grew by 24 percent, more rapidly than any other claim upon bank income. The smallest relative growth occurred in additions to bank capital, which were only one percent greater than in 1952.

As a result of increased expenses, taxes, and provisions for losses, the rate of growth in net profits of banks after taxes was substantially less than that in total income. Net profits after taxes were only 4 percent greater than in 1952, a growth rate but slightly higher than that of the average assets of the banks, and somewhat lower than that of their average capital. Accordingly, the rate of net profits after taxes upon average total capital accounts of insured commercial banks declined slightly, from 8.1 percent in 1952 to 7.9 percent in 1953.

Rates of income on assets. Total income of the banks may grow due either to an increase in the amount of assets upon which income is

earned or to an increase in the rate of earnings upon a given amount of assets. In each year beginning with 1948 both of these influences have been present to some degree in the growth of bank income. In 1948 and 1949 the rate of earnings increased faster than did average assets, while from 1950 through 1952 asset growth was the dominant influence.

In 1953, however, the average total assets of insured commercial banks exceeded those for 1952 by only 3 percent, and accounted for less than one-third of the growth in bank income. The more important proximate cause of the 11 percent growth in total income was a rise in income per \$100 of total assets from \$2.82 in 1952 to \$3.04 in 1953.

Table 20. INCOME, AVERAGE ASSETS, AND RATES OF INCOME ON ASSETS, INSURED COMMERCIAL BANKS IN THE UNITED STATES (CONTINENTAL U. S. AND OTHER AREAS), 1952-1953

Item	1953	1952	Per-centage increase ¹
Total income			
Amount of income (in millions)	\$ 5,636	\$ 5,076	11.0%
Average total assets (in millions)	185,685	179,803	3.3
Income per \$100 of total assets ¹	3.04	2.82	7.5
Income on loans			
Amount of income on loans (in millions)	3,156	2,784	13.3
Average holdings of loans (in millions)	65,213	60,000	8.7
Income on loans per \$100 of loans ¹	4.84	4.64	4.3
Income on U. S. Government obligations			
Amount of income on U. S. Government obligations (in millions)	1,207	1,099	9.8
Average holdings of U. S. Government obligations (in millions)	60,868	61,065	-.3
Income on U. S. Government obligations per \$100 of U. S. Government obligations ¹	1.98	1.80	10.2
Income on other securities			
Amount of income on other securities (in millions)	298	277	7.5
Average holdings of other securities (in millions)	14,082	13,562	3.8
Income on other securities per \$100 of other securities ¹	2.11	2.04	3.5

¹ Calculated before rounding of data.

Table 20 presents an analysis of the growth in total income; and in income from loans, United States Government obligations, and other securities, taken separately. For each category the table shows for both 1952 and 1953 the amount of income received by insured commercial banks, their average holdings of relevant types of assets, and the amount of income received per \$100 of such assets. In addition the table shows the percentage increase between 1952 and 1953 in each of the magnitudes, from which may be seen the extent to which the increase in income was a consequence of asset growth or increase in rate of return, respectively. For example, the growth in income from loans was primarily due to growth in the average amount of loans and to a lesser extent to an increase in the rate of income received on loans. By contrast, the increase in income from United States Government obligations came about solely through a rise in the rate of interest received.

Charge-offs, recoveries, and changes in valuation reserves. Under the valuation reserve method of accounting, funds are from time to time transferred from earnings of banks into valuation reserves to provide for actual or potential losses. When losses are incurred on assets, or when it is considered desirable to charge off part of their value, the banks may then make the charge against the valuation reserves rather than directly against earnings. By contrast, banks not holding valuation reserves make charge-offs directly to earnings. The statistics concerning charge-offs, recoveries, and changes in valuation reserves must be interpreted in the light of this difference between valuation reserve accounting and direct charge-off accounting.

At the end of 1953, 6,218 insured commercial banks, constituting 46.3 percent of all such banks, had established reserves for bad-debt losses on loans in accordance with Section 23 (k) (1) of the Internal Revenue Code. At that time these reserves aggregated \$827 million, or about 86 percent of total reserves for losses on loans. There were \$136 million of other valuation reserves on loans and \$235 million of reserves on securities, making total valuation reserves on loans and securities of \$1,198 million.

During 1953 charges against earnings by the insured commercial banks for losses, charge-offs, and transfers to reserve accounts amounted to \$448 million. In the same period the banks made recoveries on assets previously charged off, profits on securities sold, and transfers from reserve accounts to earnings totaling \$152 million. Corresponding figures for 1952 were \$362 million and \$144 million, respectively, indicating that items of this character had a somewhat larger impact upon the net profits of the banks in 1953 than in 1952.

It is not possible to give a complete breakdown of the \$448 million of charges against earnings in 1953 according to the portions which were losses and charge-offs and those which were transfers to reserve accounts. This is because \$74 million of the total was reported as a combined sum for losses, charge-offs, and transfers to reserve accounts on assets other than loans and securities. However, the remaining \$374 million was reported in separate categories, as shown in the upper portion of Table 21. As indicated there, transfers to reserve accounts were approximately four-fifths of total losses, charge-offs, and transfers to reserve accounts in the case of loans, but only one-fourth in the case of securities.

Losses charged to reserve accounts do not affect current earnings. With respect to loans and securities such items are reported separately by the banks, making it possible to determine the total amount of loans and securities charged off during the year, whether against valuation reserves or directly against earnings. Data of this kind are given in the lower portion of Table 21 where, it will be noted, the amounts charged

against earnings are repeated from the upper portion of the table. It will be seen that of the \$315 million of losses and charge-offs on loans and securities made by insured commercial banks in 1953, \$194 million, or 62 percent, was on securities. Direct charges against earnings made up \$188 million, or 60 percent of the total charge-offs. Three-fourths of the losses on loans, but only one-fifth of those on securities, were charged to reserve accounts.

Table 21. LOSSES, CHARGE-OFFS, AND TRANSFERS TO VALUATION RESERVES ON LOANS AND SECURITIES, INSURED COMMERCIAL BANKS IN THE UNITED STATES (CONTINENTAL U. S. AND OTHER AREAS), 1953
(Amounts in millions)

Item	Total	On loans	On securities
Losses, charge-offs, and transfers to reserve accounts (exclusive of losses charged to reserve accounts) . . .	\$374	\$164	\$210
Losses and charge-offs	188	32	156
Transfers to reserve accounts	186	132	54
Losses and charge-offs (inclusive of losses charged to reserve accounts)	\$315	\$121	\$194
Losses and charge-offs (as shown above)	188	32	156
Losses charged to reserve accounts	127	89	38

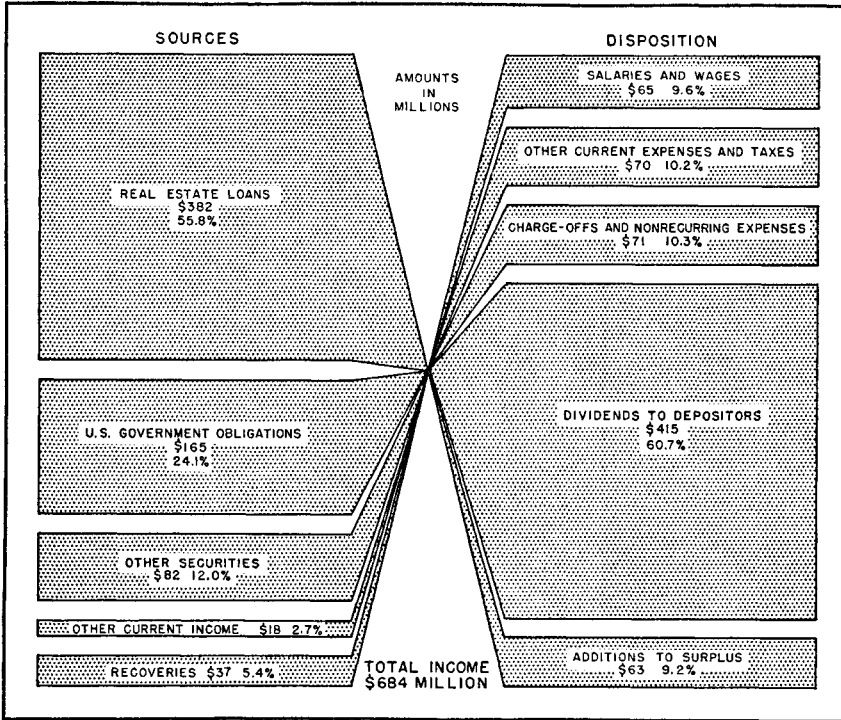
INCOME OF INSURED MUTUAL SAVINGS BANKS

Sources and distribution of income in 1953. The total income of insured mutual savings banks in 1953 was \$684 million. Of this amount, 56 percent was income from real estate loans, 24 percent was income from United States Government obligations, and 12 percent was income from other securities. These and the lesser sources of income, as well as the disposition of total income of insured mutual savings banks, are illustrated in Chart H.

Ten percent of the total income was used to pay salaries and wages, 10 percent for other current expenses and taxes, and another 10 percent to provide for charge-offs and nonrecurring expenses. Sixty-one percent of the total income was used to provide dividends and interest to the depositor-owners of the banks, and the remaining 9 percent was added to surplus.

Comparisons with insured commercial banks. Loans provided 57 percent of the income of insured mutual savings banks in 1953, almost the same percentage as in the case of insured commercial banks, although the types of loans upon which income was earned differed markedly. In comparison with commercial banks, a somewhat larger share of the total income of mutual savings banks was derived from both United States Government obligations and other securities, and a smaller share from service charges and miscellaneous current income.

Chart H. SOURCES AND DISPOSITION OF TOTAL INCOME, INSURED MUTUAL SAVINGS BANKS, 1953



In the disposition of their income the mutual savings banks differed considerably from the commercial banks. Current expenses absorbed 19 percent of the income of mutual savings banks, but 60 percent of that of commercial banks. This contrast arises primarily from the differences in the kind of banking services provided, and from the fact that payments made to depositors for use of their funds are operating expenses in the case of commercial banks but not in the case of mutual savings banks. Franchise and income taxes required one percent of the total income of mutual savings banks, whereas income taxes took 14 percent of the total income of commercial banks.

Comparisons with 1952. The current operating income of insured mutual savings banks was 14 percent greater in 1953 than in 1952. Most of the increase was, of course, in income derived from real estate loans, although the most marked percentage increase occurred in income from securities other than United States Government obligations. Income from sources other than current operations fell off by one-third as compared with 1952, due chiefly to a reduction in the amount of funds transferred from valuation adjustment provisions to income. The net

effect of the growth in current operating income and the decline in income from other sources was an increase in total income of 9 percent. The sources and disposition of total income of insured mutual savings banks for 1953 and comparative data for 1952 are shown in Table 22.

Table 22. AMOUNTS AND CHANGES IN TOTAL INCOME, BY SOURCES AND DISPOSITION, INSURED MUTUAL SAVINGS BANKS, 1952-1953
(Amounts in millions)

Item	Amount		Change, 1952-1953	
	1953	1952	Amount	Percent ¹
Total income	\$684	\$626	\$ 58	9.2%
Sources				
Current operating income.....	647	568	79	13.8
Real estate mortgage loans.....	382	327	55	16.9
U. S. Government obligations.....	165	164	1	.5
Other securities.....	82	63	19	30.3
Other current income.....	18	14	4	24.6
Other income.....	37	58	-21	-36.2
Nonrecurring income.....	12	15	-3	-16.9
Realized profits and recoveries ²	8	6	2	34.3
Transfers from valuation adjustment provisions.....	17	37	-20	-55.0
Disposition				
Current operating expenses.....	127	117	10	9.1
Salaries and wages.....	65	60	5	8.7
Other current expenses.....	62	57	5	9.4
Franchise or income taxes.....	8	9	-1	-6.7
Dividends and interest on deposits.....	415	365	50	13.5
Other expenses.....	71	84	-13	-16.1
Nonrecurring expenses.....	12	24	-12	-48.9
Realized losses ²	29	26	3	9.2
Transfers to valuation adjustment provisions.....	30	34	-4	-12.6
Net addition to surplus from operations.....	63	51	12	23.0

¹ Calculated before rounding of data.

² Excludes recoveries credited and realized losses charged to valuation adjustment provisions.

Detailed data for 1952: See Table 115, p. 128.

Both salaries and wages and also other current operating expenses of the insured mutual savings banks were greater by 9 percent in 1953 than in 1952, growing at about the same rate as did their deposits, assets, and total income. Dividends and interest paid to depositors, taking more than half of mutual savings bank income, grew by 14 percent; and additions to surplus from operations grew by 23 percent. Some classes of expenses, especially the nonrecurring expenses, were lower in 1953 than in 1952. Nonrecurring expenses are those which either are applicable to prior accounting periods or are not sufficiently regular in character to be treated as current operating expenses. Realized losses increased in 1953, as compared to 1952, but transfers to valuation adjustment provisions decreased by a larger amount, so that the share of total income used to provide for current and future losses was smaller in 1953 than in 1952.

Rates of income on assets. From each major category of earning assets, the rate of income received by insured mutual savings banks was at least slightly greater in 1953 than in 1952. For some assets, es-

pecially loans other than on real estate, the increase in rate of income was of a magnitude comparable with the increase in rates of income experienced in the same period by commercial banks. On real estate mortgage loans, however, the amount of income received per \$100 of loans outstanding rose only from \$4.08 in 1952 to \$4.11 in 1953. In view of the long terms of real estate mortgages, it is to be expected that current movements in interest rates have only moderate effect upon average rates of income received by mutual savings banks.

Data concerning amounts and rates of income on assets of insured mutual savings banks are given in Table 23. The data given concerning loan income are net of fees paid to servicing agents for servicing of mortgages owned by the bank, as well as of premium amortization. The rates of income on mortgage loans shown as received by the banks are therefore somewhat below the rates paid by the borrowers.

Table 23. INCOME, AVERAGE ASSETS, AND RATES OF INCOME ON ASSETS, INSURED MUTUAL SAVINGS BANKS, 1952-1953

Item	1953	1952	Per-centage increase ¹
Total income			
Amount of income (in millions)	\$ 684	\$ 626	9.2%
Average total assets (in millions)	19,625	17,906	9.6
Income per \$100 of total assets ¹	3.49	3.50	-4
Income on real estate mortgage loans			
Amount of income on real estate mortgage loans (in millions)	382	327	16.9
Average holdings of real estate mortgage loans (in millions)	9,288	8,012	15.9
Income on real estate mortgage loans per \$100 of real estate mortgage loans ¹	4.11	4.08	.8
Income on other loans			
Amount of income on other loans (in millions)	5	4	27.4
Average holdings of other loans (in millions)	103	86	19.5
Income on other loans per \$100 of other loans ¹	5.04	4.73	6.6
Income on U. S. Government obligations			
Amount of income on U. S. Government obligations (in millions)	165	164	.5
Average holdings of U. S. Government obligations (in millions)	6,621	6,756	-2.0
Income on U. S. Government obligations per \$100 of U. S. Government obligations ¹	2.49	2.43	2.5
Income on other securities			
Amount of income on other securities (in millions)	82	63	30.3
Average holdings of other securities (in millions)	2,591	2,065	25.5
Income on other securities per \$100 of other securities ¹	3.16	3.05	3.8

¹ Calculated before rounding of data.

The total income of insured mutual savings banks in 1953 was equal to 3.5 percent of their average total assets during the year, as it had also been in 1952. That the ratio of total income to average total assets remained unchanged while rates of income from each major category of assets increased is due to two circumstances. First, the increase between 1952 and 1953 in average rates of income received by mutual savings banks on their holdings of securities was very moderate, and the increase in average rate received on their most important asset

category, real estate loans, was negligible. Second, there was, as earlier noted, a decline of one-third between 1952 and 1953 in income other than from current operations. Income of this kind does not affect rates of income received on specific kinds of assets, but does affect the ratio of total income to total assets. In 1952 the decline in such income was sufficient to offset the slight upward pressure on total income arising from increased rates of income on specific assets. Almost the whole of the growth in income of these banks was therefore due to the increase in the amount of their average assets. This was in contrast to the income growth of insured commercial banks, for which higher rates of return were primarily responsible.

Dividend rates and additions to surplus. The average rate of dividends and interest paid on time and savings deposits of insured mutual savings banks was 2.35 percent in 1953, as compared to 2.27 percent in 1952. This increase in dividend rate was less marked than that which had occurred in the preceding year.

After meeting operating expenses and paying dividends to depositors, the mutual savings banks had left nearly a tenth of their total income to augment their surplus accounts. This was sufficient to increase the amount of their surplus accounts by 3.5 percent. This was relatively less than the growth in assets, so that the ratio of surplus accounts to assets declined. For all insured mutual savings banks at the beginning of the year this ratio was 9.3 percent, and at the close of the year 8.9 percent.

PART THREE

BANK-OBLIGATION INSURANCE SYSTEMS, 1829 TO 1866

PROTECTION OF BANK CREDITORS IN STATES WITH BANK-OBLIGATION INSURANCE SYSTEMS, 1829 TO 1866

Prior to Federal deposit insurance fourteen States made use of the insurance principle to provide protection for bank depositors or note-holders or both. The objectives and character of the insurance plans adopted in these States are described in the preceding annual report of the Corporation.¹ The results achieved under the six systems that operated prior to 1866 are described here. A similar report for the eight insurance plans adopted between 1907 and 1917 is now in preparation.

Bank-obligation insurance in individual States prior to 1866 has not received the attention it deserves, despite the fact that some of the States had a remarkable record in this field. In three of the States no insured creditor suffered any loss as a consequence of bank failure, and in two others a substantial portion of losses that would otherwise have been borne by creditors was covered by insurance payments. In five of the States insurance ended only because participating banks had become national banks or were otherwise ineligible to continue in their respective systems.

Character and extent of insurance. During the first thirty years after organization of the Federal government in 1789, banks were chartered by special acts of State legislatures or the Congress, usually for a limited number of years. For two-thirds of this period there were no bank failures; but in the last third many failures occurred and great controversies developed about the operations of banks and their place in the economy. In consequence, the next forty years was a period of development of banking codes and experimentation with various types of banking systems. It was during this time that six States inaugurated their systems of bank-obligation insurance. The plans, as would be expected in such circumstances, had both similar and diverse characteristics.

Insurance protection in these plans took three forms: establishment of an insurance fund, mutual guaranty, and a combination of a fund and mutual guaranty. In three cases—New York, Vermont, and Michigan—participating banks paid assessments into a fund out of which creditors of failed banks were to be paid the difference between their claims and the amounts provided from receivers' dividends. Under the mutual guaranty system, which in its pure form was adopted only in Indiana, participating banks were to be assessed enough to make possible, together with receivers' dividends and stockholders' contributions, the payment of all debts within one year following closing of the distressed bank. The combined fund and mutual guaranty plans, adopted by Ohio

¹ Annual Report of the Federal Deposit Insurance Corporation for 1952, pp. 59-72.

and Iowa, provided that creditors of failed banks be paid immediately the amount of their insured claims through special assessments on participating banks, the banks in turn to be reimbursed from the fund.

Two devices were used in arranging for participation in the insurance systems. In three States—New York, Vermont, and Michigan—the plan applied to all banks chartered, or rechartered, after passage of the Act. Inasmuch as most of the existing banks had been chartered for limited periods of time it was contemplated that eventually all (or nearly all) of the banks operating in these States would participate. In the other three States—Indiana, Ohio, and Iowa—insurance applied to the so-called “Branch Banks,” which were chartered by the Act establishing the system, or organized later under its provisions. Such “Branch Banks” were what would now be called unit or independent banks, each with its own stockholders, board of directors, and officers. The “Branch Banks” collectively constituted the “State Bank,” of which there was a Board of Control, or Board of Directors, composed of representatives of the Branch Banks, or in part of such representatives and in part of appointees by the State legislature. The Board did not itself engage in any banking operations; it was a bank supervisory agency and administrator of the insurance system.

In the late 1830's, before any of the insurance systems had been thoroughly tested by experience, a movement developed to authorize the organization of any bank meeting stated requirements. The main purpose of this “free banking” movement was to curb monopolistic tendencies in banking, but associated with it was an alternative for insurance of circulating banknotes. This was the posting with State officials, by each bank, of bonds or mortgages in an amount equal to its total issues of such notes. Sponsors of “free banking” claimed that bank depositors could look after their own interests and neither insurance nor posting of collateral was required for deposits. Many States adopted the “free banking” idea—including those which also made use of the insurance principle, and “free banks” were excluded from insurance except in Michigan. Consequently the insurance systems did not become as universal in coverage as had been anticipated, and in the two States where bank-obligation insurance had been first introduced—New York and Vermont—the number of banks participating decreased as charters expired and stockholders reorganized their banks under the “free banking” laws.

The idea that depositors did not need as much protection as noteholders also spread to the insurance systems. In the four systems established prior to 1840, both depositors and noteholders—in fact, all creditors—were protected. But in 1842 New York restricted the protection to noteholders, and in the two insurance systems established later—Ohio and Iowa—only noteholders were protected.

The period of operation of the insurance systems in each of the six States and a summary of the extent of participation in them are given in Table 24. Annual data for the number of participating banks and their obligations, both total and insured, are given in Tables 29, 30, and 31, pages 60-65.

Table 24. EXTENT OF BANK-OBLIGATION INSURANCE IN SIX STATES, 1829-1866

Item	New York	Vermont	Indiana	Michigan	Ohio	Iowa
Period of operation . . .	1829-1866	1831-1866	1834-1866	1836-1842	1845-1866	1858-1865
Number of participating banks:						
Minimum (year)	2(1865)	3(1832)	10(1834-35)	4(1836,39)	8(1865)	8(1858)
Maximum (year)	91(1839)	13(1841-48)	20(1857-64)	47(1837)	41(1849-51)	15(1864-65)
Percent of all banks in State participating:						
Minimum (year)	2.0% (1865)	9.8% (1858)	12.5% (1855)	33.3% (1836)	51.6% (1845)	100.0% (1858-65)
Maximum (year)	92.6 (1837)	81.3 (1843)	100.0 (1834-51)	85.5 (1837)	75.7 (1864)	100.0 (1858-65)
Obligations covered by insurance or guaranty (in thousands):						
Minimum (year)	\$401 (1865)	\$307 (1858)	\$2,182 (1842)	\$136 (1836)	\$1,388 (1845)	\$107 (1858)
Maximum (year)	66,781 (1836)	1,936 (1847)	7,898 (1862)	1,391 (1837)	8,782 (1850)	1,440 (1864)
Percent of all bank obligations covered:						
Minimum (year)	0.4% (1864)	8.3% (1858)	24.2% (1854)	8.0% (1836)	18.1% (1845)	31.3% (1858,64)
Maximum (year)	90.6 (1840)	78.3 (1845)	100.0 (1835-51)	62.3 (1838)	54.9 (1859)	50.4 (1862)

Detailed data: See Tables 29-31, pp. 60-65.

Banks in financial difficulties. In all six insurance systems operated prior to 1866 one or more participating banks became involved in serious financial difficulties. Table 25 shows the number and obligations of participating banks in financial difficulties, along with comparable data for non-participating banks.

Participating banks accounted for only about one-third of all banks in financial difficulties during the insurance periods. In each of four States the number of failing non-participating banks exceeded the number of participating banks in financial difficulties. The greatest difference occurred in Indiana where of a total of 70 cases of bank difficulty, 69 were non-participating banks. Only in Michigan were there more failures among participating banks than among those not operating under insurance. In Iowa, where all banks participated in insurance, there was one case of a bank in serious financial difficulty.

In the five States for which comparison between the two groups of failing banks can be made, failing participating banks were, on the average, of larger size than failing non-participating banks in New York and Indiana, and of smaller size in Vermont, Michigan, and Ohio. How-

ever, in Ohio the average size of failing participating banks would have exceeded that of non-participating banks except for inclusion in the latter group of the Ohio Life Insurance and Trust Company. That company was one of the nation's largest banks, with a considerable portion of its business conducted in New York, and its failure was one of the factors contributing to the panic of 1857.

Table 25. NUMBER AND OBLIGATIONS OF BANKS IN SERIOUS FINANCIAL DIFFICULTIES, STATES WITH BANK-OBLIGATION INSURANCE SYSTEMS, 1829-1866¹ (BY INSURANCE PERIOD)

State and insurance period	Number			Obligations (in thousands) ²		
	Total	Participating in insurance	Not participating in insurance	Total	Participating banks	Non-participating banks
Number or amount:						
Six States	233	81	152	\$28,064	\$11,497	\$16,567
New York (1829-1866)	78	21	57	14,119	6,893	7,226 ³
Vermont (1831-1866) ⁴	6	2	4	622	172	450
Indiana (1834-1866)	70	1	69	3,151	78	3,073 ⁵
Michigan (1836-1842)	55	46	9	1,810 ⁶	1,198 ⁶	612 ⁶
Ohio (1845-1866)	23	10	13	8,153	2,947	5,206
Iowa (1858-1865)	1	1	.....	209 ⁷	209 ⁷	.....
Percent distribution:						
Six States	100.0%	34.8%	65.2%	100.0%	41.0%	59.0%
New York (1829-1866)	100.0	26.9	73.1	100.0	48.8	51.2
Vermont (1831-1866)	100.0	33.3	66.7	100.0	27.7	72.3
Indiana (1834-1866)	100.0	1.4	98.6	100.0	2.5	97.5
Michigan (1836-1842)	100.0	83.6	16.4	100.0	66.2	33.8
Ohio (1845-1866)	100.0	43.5	56.5	100.0	36.1	63.9
Iowa (1858-1865)	100.0	100.0	.....	100.0	100.0	.....

¹ For participating banks includes all those in serious financial difficulties, whether or not they were placed in receivership; for non-participating banks only those placed in receivership. The comparisons are therefore somewhat unfair to participating banks, particularly in New York and Ohio.

² Deposits plus circulating notes (unless otherwise indicated) at or nearest time of failure.

³ Deposit component estimated.

⁴ For purposes of comparison data are limited to period 1831-1858 since from 1859 through 1866 there were no banks participating in insurance.

⁵ Circulating notes only; deposit information not available.

⁶ Estimated circulating notes only. Deposits were largely held by non-participating banks but sufficient information to provide an estimate is not available.

⁷ Estimated.

Differences among the States in average size of failing participating and non-participating banks are reflected in Table 25. For example, the larger average size of failing participating banks in New York is shown by the fact that although these banks comprised only about

one-quarter of all failing banks, they held almost half of the total obligations in such banks. Contrariwise, more than four-fifths of Michigan's bank failures were participating banks, but they held only about two-thirds of the obligations of failing banks.

The chief explanation for the differences in average size described above lies in the position of the "free banks." These banks had been authorized in most instances subsequent to the adoption of the insurance programs. Consequently, the insurance systems which excluded these banks—such as New York, Indiana, and Ohio—contained the older, longer established banks. On the other hand, Michigan's insurance system included the "free banks" but not the older banks, none of which were required to participate until the expiration of their charters.

The number of distressed participating banks in each State, by year, is shown in Table 26. Also shown for each year are the proportions of all participating banks and of their total obligations involved in bank difficulties. It will be noted that of the total of 81 cases of bank difficulty in all six systems, 64 occurred during the long depression of the late 1830's and early 1840's. Most of the remaining cases occurred in the depression years of 1854 and 1857.

In Michigan all but one of the participating banks failed within three years. In other States the number of banks in financial difficulty in any one year was small, although one or a few banks which failed constituted in some cases a sizable percentage of the banks participating.

Failing participating banks were generally of smaller size than other participating banks. However, in a few instances larger participating banks did become involved in serious financial difficulties. One such case occurred in Ohio during 1857 when larger banks were in difficulty because of the unavailability of their New York deposits.

Methods used to protect creditors of banks in financial difficulty. The measures taken in some of the States by insurance authorities to protect the creditors of failed banks, and of banks in imminent danger of failing, were not wholly contemplated by insurance legislation. Such measures were developed in an attempt to provide better coverage or to meet emergencies not foreseen at the time insurance was adopted. In general they represented improvements on the original plans and some are similar to those used under Federal deposit insurance today.

New York made several important changes in her original insurance plan. When the solvency of three participating banks was threatened in 1837, the State Comptroller, acting under a law passed in the same year giving him wide discretion as to how best to protect creditors, did not place the banks in receivership but began redeeming their notes

from the insurance fund. As a result the banks were kept from failing and later repaid with interest the sums advanced from the insurance fund. In another case occurring in 1837 a participating bank whose charter had been revoked because of threatened insolvency was able to resume operations under a new charter as a consequence of redemption of its notes from money advanced by the insurance fund. It too repaid the fund with interest.

Table 26. NUMBER AND OBLIGATIONS OF PARTICIPATING BANKS IN SERIOUS FINANCIAL DIFFICULTIES, STATES WITH BANK-OBLIGATION INSURANCE SYSTEMS, 1829-1866¹

Year	Participating banks in serious financial difficulties						Percent of all participating banks and of their total obligations ²					
	N. Y.	Vt.	Ind.	Mich.	Ohio	Iowa	N. Y.	Vt.	Ind.	Mich.	Ohio	Iowa
Number of banks												
1837...	5						5.6%					
1838...				30 ³						63.8%		
1839...		1		13 ⁴				10.0%		76.5		
1840...	2			3 ⁴			2.2			75.0		
1841...	4						4.5					
1842...	5						5.9					
1843...			1						7.7%			
1848...	1						1.3					
1850...					2						4.9%	
1852...					1						2.4	
1854...	1				3		1.8				7.7	
1857...	3	1			4		7.5	14.3			11.1	
1860...						1						8.3%
Obligations (in thousands)												
1837...	\$1,457 ⁵						2.2%					
1838...				\$750 ⁶						53.9%		
1839...		\$70		392 ⁶				6.6%		65.4		
1840...	633			56 ⁶			2.0			27.7		
1841...	1,830						4.4					
1842...	1,166						3.5					
1843...			\$78						3.6%			
1848...	791						1.4					
1850...					\$562						4.7%	
1852...					182						1.7	
1854...	125				1,019		.3				10.0	
1857...	891	102			1,184		3.8	13.1			12.2	
1860...						\$209 ⁷						14.7%

¹ Includes banks placed in receivership, banks temporarily suspending operations because of financial difficulties, and banks receiving financial aid in order to continue operations.

² Participating banks in financial difficulties during the year as percentage of the number in operation at the beginning of the year. Total obligations in failing participating banks as percentage of total obligations in all participating banks at beginning of year or, where failures were concentrated in one or several months, at dates nearest and prior to failures.

³ The exact number of banks which operated under the "free banking" law is not known but it is estimated that there were at least 40, of which it is estimated that 30 failed in 1838 and ten in 1839.

⁴ The Bank of St. Clair was permitted to leave the insurance system by special act of the legislature, March 19, 1840. All other participating banks failed.

⁵ Deposit component estimated.

⁶ Computed from estimated data, circulating notes only.

⁷ Estimated.

In 1842 New York's insurance system faced a crisis because of the failure of eleven participating banks within three years and claims against the fund which far exceeded its capacity. It was apparent that although the system would eventually be able to meet all losses, payment of claims

was being held up for lack of funds. A borrowing power was required in order to provide for the large disbursements then necessary. Consequently, in 1845 the New York State Comptroller was authorized to sell bonds sufficient to meet all claims against the insurance fund, the bonds to be redeemed from subsequent payments into the fund by participating banks.

The question of whether to place a distressed bank in receivership and pay insured creditors or to arrange for its continued operation arose in the first two cases handled by the insurance authority in Ohio. In these cases receivership would have deprived the respective communities of needed banking services and, in addition, it was feared that the failures would adversely affect the credit of the other participating banks. It was therefore decided to prevent the closing of the banks if possible.

The only information available as to the actual procedure used in each case is contained in the correspondence of supervisory officials. In the first case it appears that the situation was handled in a fashion similar to that used on occasion under Federal deposit insurance. That is, a new group of stockholders, or a new bank in essence, assumed all of the liabilities and assets of the failing bank, receiving in addition a cash payment presumably equal to either the excess of liabilities over assets or the amount of capital impairment. This is suggested by the following extracts from a series of letters relating to the transaction: ¹

July 23, 1850: A proposition has been submitted for the purchase of the Summit [County bank]. This should be attended to.

August 2, 1850: It was not contemplated to make a requisition upon the Branches to supply the deficiency in the stock of the Summit Co. until a sale should be effected.

October 30, 1850: I received this morning . . . a verbal communication . . . that our terms as to the transfer of the Summit Co. . . . were accepted.

November 2, 1850: Mr. _____ and associates had made propositions to purchase the Summit Co. . . . stock at the price, or rather loss, proposed by the Board.

December 14, 1850: [to the new owners] There appears to be awarded to you and associates \$98,000 and to others \$2,000, the aggregate being the entire stock.

July 6, 1855: [in the course of discussing a different transaction] This . . . differs from that of the Summit Co. Bk. . . . in that case the Board transferred all the assets and liabilities and *paid them* for assuming them. [Underscoring in the original].

In the second Ohio case there is less information on the procedure used to protect creditors. Apparently the bank was taken over by the Board of Control soon after it began operation. At a later period, when losses had been made up, largely through special assessments levied on the other participating banks, the stock was sold to new investors.

¹ Letterbooks of the Board of Control of the State Bank of Ohio, MSS, Ohio State Archaeological and Historical Society Library, Columbus.

During the panic of 1857 the Board of Control in Ohio kept a number of distressed banks from closing by levying upon sound participating banks the sums necessary to keep them open. Although there was no legal obligation to make such contributions the participating banks did so since, under the mutual guaranty of the Ohio system, large assessments might eventually have resulted had the distressed banks been closed and placed in receivership.

Significantly, the Board of Control held as security an equivalent amount of circulating notes of the failing banks. This, at least, is the interpretation which must be drawn from a letter to one of the distressed banks: ¹

It being understood that any advances which may be made to the Branches in aid of each other during the present crisis are to be secured to the satisfaction of the Prest. of the Board of Control, you will please forward to this office sealed packages of your circulating notes containing sums equal to any advances made . . .

This arrangement was, in effect, a form of subordinated deposit. In circulating notes the Board held claims against the banks involved which were payable on demand but which, it was understood, would not be exercised so long as their solvency was threatened. It might be noted that a subordinated deposit procedure is included in the Federal Deposit Insurance Act of 1950. ²

Indiana and Iowa each had only one case of a participating bank involved in serious financial difficulty and in each instance the bank was kept from closing through action taken by the insurance authority. Little information is available on the precise techniques which were used but it appears that financial aid was granted in each case, either in the form of a loan or a subordinated deposit by some or all of the sound participating banks. For Indiana this is suggested by the following letter from the Secretary of the State Board: ³

Mr. Merrill [President of the system] conferred with the Branch here and the conclusion was that this Branch handed him \$2,500 with an understanding that before he use it [for the failing bank] he was to get \$5,000 from [the Branch at] Richmond and \$2,500 from [the Branch at] Madison. It will be to the true interests of the Branches to sustain them.

In the Iowa case the assistance of the sound participating banks was secured and some loss was suffered by stockholders. ⁴

Disbursements to protect creditors of distressed banks. Insurance disbursements made on behalf of creditors of participating banks in financial difficulties and the degree of protection achieved thereby are shown in Table 27. In the six States combined, more than four-fifths

¹ October 3, 1857, Letterbooks of the State Bank of Ohio, *op. cit.*

² Federal Deposit Insurance Act, Section 13 (c); Section 1823 (c) Title 12, U.S.C.

³ December 2, 1842, Letterbook of the State Bank of Indiana, MS, Indiana State Library, Indianapolis.

⁴ This is reported by Howard H. Preston, *History of Banking in Iowa*, (Iowa City: 1922), p. 106. The Corporation's study of the Iowa system is not yet as complete as for the other States.

Table 27. INSURANCE DISBURSEMENTS AND BANK CREDITOR PROTECTION, STATES WITH BANK-OBLIGATION INSURANCE SYSTEMS, 1829-1866
(Amounts in thousands)

State and year of bank difficulty	Participating banks in serious financial difficulties		Banks placed in receivership				Banks rehabilitated with insurance aid: Disbursements	Protection of insured creditors: Percentage of insured obligations—	
	Number	Insured obligations ¹	Payments to insured creditors by receiver ²	Claims against insurance system	Payments to insured creditors by insurance system			Made available to creditors ³	Not paid ⁴
					Amount	Percent of claims			
Total six States	81	\$9,449	\$2,630	\$4,561	\$3,307	72.5%	\$327	83.2%	16.8%
New York, total	21	\$5,912⁵	\$2,218	\$2,971	\$2,971	100.0%		95.3%	4.7%
1837	5	1,457 ⁶	195	193	193	100.0		100.0	
1840	2	633 ⁷	224	446	446	100.0		100.0	
1841	4	1,830 ⁷	640	1,724	1,724	100.0		100.0	
1842	5	1,166	476	533	533	100.0		86.5	13.5
1848	1	192 ⁸	192					100.0	
1854	1	125	20						
1857	3	509	471	75	75	100.0		89.3	10.7
Vermont, total	2	\$172	\$14	\$69	\$44	63.8%		33.7%	66.3%
1839	1	70	12	34	31	91.2		61.4	38.6
1857	1	102	2	35	13	37.1		14.7	85.3
Indiana, total	1	\$78					(⁹)	100.0%	
1843	1	78					(⁹)	100.0	
Michigan, total	46	\$1,198		\$1,198					100.0%
1838	30	750 ¹⁰		750 ¹⁰					100.0
1839	13	392 ¹⁰		392 ¹⁰					100.0
1840	3	56 ¹⁰		56 ¹⁰					100.0
Ohio, total	10	\$1,994	\$398	\$292	\$292	100.0%	\$327	100.0%	
1850	2	432					190	100.0	
1852	1	179 ¹¹	5	174	174	100.0	(¹²)	100.0	
1854	3	511	393	118	118	100.0	81 ¹³	100.0	
1857	4	872					56	100.0	
Iowa, total	1	\$95					(⁹)	100.0%	
1860	1	95 ¹⁴					(⁹)	100.0	

¹ At time of failure or last report prior to failure.

² Amounts for New York in 1840, 1841, and 1842, and Vermont in 1839 and 1857, represent reported receivers' collections. The amounts of receivership expenses charged against these sums, if any, are not known.

³ Through payments by receivers and payments on claims in receivership cases, and through rehabilitation of the bank in other cases.

⁴ In New York and Vermont chiefly because claims were not presented.

⁵ Circulating notes and deposits through 1842; circulating notes only 1848, 1854, and 1857. Deposits of two banks which failed in 1842, after passage of the law restricting insurance to circulating notes, are included because of recognition of the liability of the insurance fund for their deposits by an act passed in 1845.

⁶ Circulation at time of closing plus estimated deposits. Deposits estimated by assuming that average decline in circulation of 19 percent between reporting date and dates of failure was matched by a similar decline in deposits. Four of these banks were enabled to resume operations because of insurance aid.

⁷ Excludes obligations fraudulently issued and not shown on books at last reports prior to failure. Most of these obligations were nevertheless valid claims in the hands of ultimate holders and were paid by either the receiver or the insurance system. The difference between the total payments and the amount of insured obligations exceeds the illegal issue by reason of: (1) the unknown amount of receivers' expenses (2) the difference between insured obligations at last report prior to failure (shown here) and insured obligations at time of failure.

⁸ Records conflict as to circulation outstanding at time of failure, \$186,000 being given in some reports.

⁹ Amount of disbursements, presumably in the form of loans, made to rehabilitate bank not known.

¹⁰ Circulating notes only; deposit information not available.

¹¹ Includes, as of date just prior to failure, notes in circulation of \$156,000 plus \$23,000 carried under liabilities as "sundries." The latter sum probably represented circulating notes held as security by other "Branch Banks" for amounts previously advanced to sustain the failing bank.

¹² Excludes the \$23,000 mentioned in note 11 because the circulating notes presumably held as security by the other participating banks are assumed to be included among those redeemed by the payments to insured creditors.

¹³ Disbursement made to one of the banks prior to failure in an unsuccessful effort to prevent its closing. The amount advanced in this case was apparently not recovered by the contributing banks.

¹⁴ Estimated.

of insured obligations in failing banks were made available to creditors either through direct payments by the insurance systems and receivers or through rehabilitation of distressed banks by insurance disbursements. In individual States the degree of protection provided ranged from 100 percent in Indiana, Ohio, and Iowa to zero in the case of Michigan.

It will be noted that in some cases claims against the respective insurance systems were considerably less than the obligations insured at or near time of failure. This was because four of the insurance plans—New York, Vermont, Indiana, and Michigan—provided that insurance payments need not be made until the receivers of the failed banks had an opportunity to dispose of at least some of the assets and declare a dividend. Although in Ohio and Iowa creditors of failed banks were to be paid immediately, in practice there was sufficient time between the failure of the bank and the return of circulating notes for redemption to realize upon a portion of the assets of the bank involved.

Better protection of creditors of banks involved in financial difficulties was achieved by the systems with mutual guaranty than by the simple insurance fund systems. Full payment was made to the creditors of four banks which had been placed in receivership in Ohio. In the case of eight other distressed banks—six in Ohio and one each in Indiana and Iowa—insurance disbursements made possible the continued operation of either the bank involved or a successor bank. In Ohio and Iowa, where only circulating notes were protected by insurance, this had the incidental effect of providing full coverage for depositors.

Although all claims against New York's insurance fund were paid, as shown in Table 27, protection of creditors in that State was not as complete as was the case in Indiana, Iowa, and Ohio. This was because money was not immediately available to meet the claims of most creditors of the banks which failed during and after 1840. As was pointed out earlier, it was not until 1845 that the insurance authority in New York was given power to borrow money and it was several years after that before all claims arising from the 11 banks which failed in 1840-42 had been presented and paid. Presumably most of these creditors suffered some hardship and many disposed of their claims for less than full value.

Creditors of four of the five participating banks which failed in New York after 1845 fared even more poorly. Under the 1845 law arrangements to meet their claims could not be made until the bonds previously issued had been retired. Although receivers' dividends considerably reduced these claims, full payment was made on those remaining in 1866 only because so few were presented.

Less than two-thirds of insured claims were paid by insurance authorities in Vermont. This was chiefly due to the inadequacy of the

insurance fund when the last Vermont failure occurred. The fund had been diminished because of repayments to some participating banks of the amount of their insurance assessments when they withdrew from insurance under an option available to them. Such repayments were later found to have been contrary to law but could not be recovered.

Michigan provides the only instance in which the insurance system was unable to meet any of the claims made against it. This was primarily due to the banking developments of the years immediately following its adoption rather than to deficiencies in the insurance plan or its administration. Shortly after insurance began in 1836 seven banks were chartered and thus became members of the insurance system. In March of 1837 a "free banking" act was passed which resulted in the establishment by the end of the year of at least 40 banks. These banks, which also automatically became members of the insurance system, started while specie payments were suspended in Michigan as a consequence of the panic of 1837. When specie payments were resumed early in 1838 most of these banks immediately failed and their obligations became claims upon the insurance fund even though they had paid little or nothing into it. Since the small sums secured from assessments prior to 1838 had already been used to meet supervisory expenses it was not possible to pay any insured claims.

Adequacy of insurance funds and assessments. Measures of the adequacy of the insurance funds and rates of assessment in the five State systems embodying an insurance fund are shown in Table 28. It will be noted that in three States the funds and assessment rates were sufficient to cover all insurance costs, although as was pointed out earlier they were not sufficient in New York to cover all disbursements at the time such were needed.

At the time of closing of the insurance systems the insurance funds of Ohio and Iowa were at the levels required by law. New York's insurance fund had a balance of about \$13,000 but Vermont's fund had fallen short of the claims against it by about \$22,000 and Michigan's by more than \$1 million. The balance in Ohio and Iowa was distributed among the participating banks and in New York it was turned over to the State treasurer.

The average ratios of the insurance funds to total and to insured obligations varied considerably from State to State. Michigan's insurance fund averaged less than one-tenth of one percent of insured obligations, while the funds in Ohio and Iowa were 12 and 21 percent respectively of insured obligations. It should be noted, however, that in Vermont, Ohio, and Iowa, and in New York prior to 1840, most of the income derived from investment of the insurance funds was returned to the participating banks in proportion to their contributions.

Table 28. INSURANCE FUNDS AND ASSESSMENTS, STATES WITH BANK-OBLIGATION INSURANCE SYSTEMS, 1829-1866¹
(Amounts in thousands)

Item	New York (1829-1866)	Vermont (1831-1866)	Michigan (1836-1842)	Ohio (1845-1866)	Iowa (1858-1865)
Insurance funds:					
Average size	\$192	\$19	\$0.3	\$759	\$196
As percent of--					
Average total obligations	0.6%	2.0%	.09%	7.7%	8.4%
Average insured obligations	1.0	2.0	.09	11.5	21.4
Balance or deficiency at close of system	\$13	-\$22	-\$1,198	\$815 ²	\$338 ²
Assessments and fund income:					
Assessments and income available for insurance operations:					
Assessments paid ³	\$3,221	\$63	\$3	\$1,567	\$338
Interest received ⁴	3,120	63	3	1,567	338
Used for insurance operations	101				
Refunded to banks or State ⁶	3,208	44		722 ⁵	
Assessments necessary to cover insurance costs	13	19		845	338
Assessments necessary to cover insurance costs	\$3,208	\$66	\$1,198	\$722 ⁵	
Equivalent average annual rate of assessments on total obligations:					
Paid	0.24%	0.2%	0.1%	0.8%	1.8%
Necessary to cover insurance costs ⁷	0.25	0.2	51.5	0.4	(⁸)

¹ In Indiana the insurance system was one of mutual guaranty with no fund.

² Amount in fund in last year of full operation of insurance system.

³ Assessments paid and used for insurance operations other than administrative expenses except in Michigan, where amount paid was completely absorbed by such expenses.

⁴ In excess of amounts used to pay administrative expenses and amounts paid to banks. In Vermont, Ohio, and Iowa such expenses absorbed the whole of investment income.

⁵ Total of special assessments used to redeem notes of failed banks or aid operating banks plus estimated amounts secured from assets in insurance funds of failed banks. Recoveries from other assets of such banks by insurance system are not known.

⁶ In New York paid into State treasury; in Vermont refunded to six banks withdrawing prior to close of system; in Ohio refunded to one bank withdrawing prior to close of system and to all banks at close of system; in Iowa refunded to all banks at close of system.

⁷ In Indiana, with no fund, and assessments levied only when necessary to meet the obligations of a failed bank, no assessments were necessary, though in one case funds were advanced to help avert a failure.

⁸ Banks advanced funds in one case to help avert a failure but no losses fell on the fund.

Detailed data: See Table 32, pp. 66-67.

All of the assessments paid by participating banks were on capital stock or insured obligations and were intended to be made for a limited number of years. However, to provide a basis for comparison with rates under Federal deposit insurance, the equivalent average annual rates on total obligations, i. e., deposits plus circulating notes, are shown in Table 28. On this basis it will be seen that the rate most closely approximating the present statutory rate of one-twelfth of one percent under Federal deposit insurance was Michigan's one-tenth of one percent per year. Other rates were substantially higher, ranging from one-fifth of one percent in Vermont to almost two percent in Iowa.

Included in Table 28 are the assessment rates which would have been necessary to cover the insurance costs. Because of the relatively small

surplus and liability in New York and Vermont respectively such rates in those States do not differ markedly from those actually paid. In Ohio the rate could have been halved and in Iowa eliminated so far as the ultimate cost of insurance—but not disbursements—was concerned. On the other hand, to have been successful in the short and disturbed period in which it operated, Michigan's insurance system would have required a tremendously high assessment rate.

The differences between actual rates and computed necessary rates in Michigan, Ohio, and Iowa do not depend solely on the claims made by creditors of failed banks. In other words, Michigan's computed rate is high because of the small number of years over which the required funds would had to have been contributed. The computed necessary rate would have been much lower for Michigan if its system had started earlier, or had experienced a decade or two of prosperous years before encountering a wave of failures, and if it had had power to borrow funds to meet claims as they arose. On the other hand, the lower computed rates necessary for Ohio and Iowa do not take into account the fact that the contributions actually paid provided insurance funds of substantial size, the existence of which was probably in part responsible for preventing the failure of more banks in these States.

Appraisal of bank creditor protection. The insurance and mutual guaranty plans adopted prior to 1866 provided creditors of failing banks with a degree of protection previously unknown in American banking; but, as has been indicated, only part of them were wholly successful in preventing losses to depositors and noteholders.

All of these pioneer systems operated under handicaps that were inherent in the insurance plans or resulted from external pressures. The most serious defect was in the systems of New York, Vermont, and Michigan, where there was neither a mutual guaranty nor provision for an original fund or for borrowing power. In Michigan and Vermont the first failures came before a sufficient fund had been accumulated, and these were so serious in the former State that the system collapsed. In New York the fund was provided with borrowing power a decade and half subsequent to its establishment, after insurance operations had temporarily broken down.

A handicap common to all six of the insurance plans, associated with the lack of borrowing power, was the pressure for rapid liquidation arising out of the regulations governing the payment of insured creditors. Liquidation under pressure usually results not only in smaller recovery, but also tends to adversely affect values in a market likely to be already depressed. In New York, Vermont, and Michigan such pressure came from creditors, who, under most circumstances, could not be paid until the liquidation of the failed bank had been wholly or substantially

completed. Indiana's insurance plan was also subject to the same handicap although the problem never arose in practice. In Ohio, and inherent in the Iowa plan, pressure for rapid liquidation came from the participating banks because the assessments necessary to make prompt payments to creditors could be lessened, or even avoided, if sufficient funds were secured from the receiver.

There are numerous illustrations in the correspondence of the Ohio State Board of Control to illustrate the practical workings of the regulations applicable to the payment of creditors of a failed bank. For example, the receiver of one failed bank was warmly commended ".....for, bad as the assets of a broken bank usually are, it is surely something to be able to say that enough has been realized to take up the circulation..... without calling upon others to make advances....." Similarly, the receiver of another failed bank was informed by the head of the system:

I have been ready at any time since the meeting of the Board of Control to close the transaction of our interest in the [assets] . . . I desire, as soon as it can be done, to have the cash payment made, as our fund for redeeming the notes . . . is exhausted, and I wish to avoid calling on the [participating banks] if possible.

The systems in Ohio, Indiana, and Iowa were also defective in that assessments to redeem the notes of failed banks were made only after a bank failed, and therefore came at a time when it was difficult for the participating banks to meet them. Although Indiana and Iowa were not affected in practice by this procedure, because assessments were never necessary, there is evidence of the weakness of the procedure from the operation of the Ohio system. It is clear that part of the pressure for rapid liquidation in Ohio stemmed from the inability of some banks to meet an assessment and the undesirability of assessing others at a time when all were suffering from the impact of a depression.

In two of the six States, Ohio and Iowa, sizable insurance funds were provided immediately upon organization of the systems. In these States participating banks were required to make the major portion of their insurance contribution prior to opening for business. Consequently it is probable that confidence in the safety of insured obligations was more widespread among creditors, and was achieved more quickly, than was the case in New York, Vermont, and Michigan. Also, the assessment rates in Ohio and Iowa, as computed on an equivalent annual average, were much higher than in the other States.

Banking and business developments during the early years of the insurance systems was also an important factor in their success or failure. This is particularly evident when the Michigan experience is compared with that in Ohio or in Iowa. Mention has been made above of the collapse of the Michigan system, which was started at a time when the nation was on the verge of a deep and prolonged depression. In Ohio the system

was established after recovery from that depression was under way; and in Iowa after the panic of 1857. In each case there was a subsequent and fairly prolonged period characterized by general prosperity and relatively few bank failures.

Another vital element in the results of bank-obligation insurance prior to 1866 was the quality of bank supervision. In each of the six States bank supervision was an integral part of the system and some of the basic principles of bank supervision today were embodied in the early laws providing for insurance of bank obligations.

The influence of supervision is reflected in the record of all of the State systems. As a factor in the successful operation of insurance it was most important in the cases of Indiana, Ohio, and Iowa. In Indiana, which must be reckoned as the most successful of all systems in terms of minimization of banking difficulties over a prolonged period of time, it is difficult to attribute the success of the system to anything other than the excellence of supervision, for it was subject to some of the handicaps described above. The Indiana system had neither an original nor accumulated fund upon which to draw; and had been in operation only a short time before the panic of 1837 and the long depression of the late 1830's and early 1840's.

The distinguishing characteristics of supervision under the Indiana, Ohio, and Iowa systems when contrasted with New York, Vermont, and Michigan were, first, supervisory officials were largely chosen by and responsible to the participating banks and, second, under mutual guaranty the cost of lax supervision fell upon the participating banks. Consequently, supervisory officials in the first three States were not only provided with sufficient authority to prevent the continuance of unsafe and unsound banking practices but were also under continual pressure from sound participating banks to be especially vigilant against such practices.

The development of bank supervision under all of the bank-obligation insurance systems operated prior to 1866 was one of their notable features. A more detailed study of this aspect of the systems is in preparation.

Detailed tables. Tables 29, 30, 31, and 32 give, respectively, annual data regarding the number of banks, their total obligations, their insured obligations, and the status of their insurance funds for each of the six States.

Data presented in these detailed tables were taken wherever possible from primary source material, particularly official reports included in State documents. While it is believed that these data are the best presently available, it is anticipated that continuing research will make refinements and corrections possible at a later date.

DETAILED TABLES: NUMBER OF BANKS, OBLIGATIONS OF BANKS, AND INSURANCE FUNDS, STATES WITH
BANK-OBLIGATION INSURANCE SYSTEMS, 1829-1866

Table 29. NUMBER OF BANKS, STATES WITH BANK-OBLIGATION SYSTEMS, 1829-1866¹

Year end	New York			Vermont			Indiana			Michigan			Ohio			Iowa		
	Total	Participating banks		Total	Participating banks		Total	Participating banks		Total	Participating banks		Total	Participating banks		Total	Participating banks	
		Number ²	Percent		Number	Percent		Number	Percent		Number	Percent		Number	Percent		Number	Percent
1829..	43	23	53.5															
1830..	49	29	59.2															
1831..	63	51	81.0	10														
1832..	69	58	84.1	13	3	23.1												
1833..	79	69	87.3	17	7	41.2												
1834..	86	76	88.4	17	8	47.1	10	10	100.0									
1835..	86	77	89.5	19	9	47.4	10	10	100.0									
1836..	98	90	91.8	19	9	47.4	11	11	100.0	12	4	33.3						
1837..	95	88	92.6	19	10	52.6	11	11	100.0	55 ³	47 ³	85.5						
1838..	112 ⁴	89	79.5	19	10	52.6	13	13	100.0	25 ³	17 ³	68.0						
1839..	172 ⁴	91	52.9	19	10	52.6	13	13	100.0	9	4	44.4						
1840..	165 ⁴	89 ⁶	53.9	17	10	58.8	13	13	100.0	6								
1841..	155 ⁴	85	54.8	17	13	76.5	13	13	100.0	2								
1842..	145 ⁴	81	55.9	17	13	76.5	13	13	100.0	2								
1843..	134	80	59.7	16	13	81.3	13	13	100.0									
1844..	148	80	54.1	17	13	76.5	13	13	100.0									
1845..	148	78	52.7	17	13	76.5	13	13	100.0				31	16	51.6			
1846..	150	77	51.3	17	13	76.5	13	13	100.0				34	18	52.9			
1847..	167	77	46.1	18	13	72.2	13	13	100.0				47	30	63.8			
1848..	182	76	41.8	21	13	61.9	13	13	100.0				54	38	70.4			
1849..	190	75	39.5	23	11	47.8	13	13	100.0				56	41	73.2			
1850..	209	71	34.0	27	10	37.0	13	13	100.0				57	41	71.9			
1851..	243	69	28.4	31	9	29.0	13	13	100.0				70	41	58.6			
1852..	276	67	24.3	32	9	28.1	23	13	46.4				67	39	58.2			
1853..	322	57	17.7	33	9	27.3	43	13	30.2				66	39	59.1			
1854..	333	52	15.6	40	9	22.5	103	13	12.6				58	37	63.8			

Table 30. TOTAL OBLIGATIONS, BANKS IN STATES WITH BANK-OBLIGATION INSURANCE SYSTEMS, 1829-1866¹

(Amounts in thousands of dollars)

Year ²	New York			Vermont			Indiana			Michigan			Ohio		Iowa			
	All banks ³	Participating banks		All banks	Participating banks		All banks	Participating banks		All banks ⁵	Participating banks		All banks ⁶	Participating banks		All banks ⁷	Participating banks	
		Total	Percent ³		Total	Percent		Total	Percent ⁴		Total ⁵	Percent		Total	Percent		Total ⁷	Percent
1829..	(⁸)	(⁸)	(⁸)															
1830..	37,740 ⁹	11,142	29.5															
1831..	33,333 ⁹	26,027	78.1	1,405	(⁸)	(⁸)												
1832..	38,983 ⁹	30,986	79.5	(⁸)	(⁸)	(⁸)												
1833..	46,953 ⁹	38,353	81.7	1,502	454	30.2												
1834..	56,723 ⁹	47,304	83.4	1,647	579	35.2	(⁸)	(⁸)	(⁸)									
1835..	73,382	59,201	80.7	1,856	697	37.6	3,266	3,266	100.0									
1836..	79,313	66,781	84.2	2,511	1,000	39.8	5,603	5,603	100.0	1,690	136	8.0						
1837..	48,272	41,314	85.6	1,734	873	48.9	3,910	3,910	100.0	2,657	1,391	52.4						
1838..	57,183	50,293	88.0	2,255	1,059	47.0	3,941	3,941	100.0	962	599	62.3						
1839..	44,456	32,346	72.8	2,249	1,029	45.8	3,695	3,695	100.0	387	202	52.5						
1840..	45,490	41,224 ¹⁰	90.6	1,338	748	55.9	3,652	3,652	100.0	585	.....	.....				
1841..	43,656	33,229	76.1	1,791	1,353	75.5	3,722	3,722	100.0	176	.....	.....				
1842..	45,241	38,047	83.0	1,080	787	72.9	2,182	2,182	100.0	250	.....	.....				
1843..	63,596	47,099	74.1	1,513	1,179	77.9	2,602	2,602	100.0	.....	.....	.....			
1844..	70,786	49,828	70.4	2,033	1,552	76.3	3,538	3,538	100.0	.....	.....	.....			
1845..	71,953	50,551	70.3	1,688	1,321	78.3	4,163	4,163	100.0				7,679	2,384	31.0			
1846..	69,027	47,262	68.5	1,900	1,388	73.1	3,960	3,960	100.0				9,453	4,095	43.3			
1847..	81,948	57,040	69.6	2,768	1,986	69.9	4,458	4,458	100.0				13,854 ¹¹	7,235	52.2			
1848..	69,016	54,655	79.2	2,019	1,186	58.7	4,260	4,260	100.0				14,286	9,331	65.3			
1849..	84,602	53,959 ¹²	63.8	2,673	1,329	49.7	4,071	4,071	100.0				16,463	11,104	67.4			
1850..	109,436	51,232 ¹²	46.8	3,475	1,265	36.4	4,177	4,177	100.0				17,467	11,878	68.0			
1851..	92,730	49,806 ¹²	53.7	4,099	1,276	31.1	4,676	4,676	100.0				18,436	11,871	64.4			
1852..	141,877	48,753 ¹²	34.4	4,577	1,427	31.2	6,184	5,094	82.4				20,205	12,355	61.1			
1853..	134,592	36,795 ¹²	27.3	5,552	1,659	29.9	9,274	4,829	52.1				19,370 ¹³	12,404	64.0			
1854..	123,311	27,419 ¹²	22.2	4,832	1,269	26.3	15,433	3,733	24.2				14,359	8,863	61.7			

1855..	151,998	23,816	15.7	4,571	1,323	28.9	9,084	4,084	45.0			17,306 ¹³	11,237	64.9				
1856..	161,590	23,723	14.7	4,765	780	16.4	7,196	4,195	58.3			16,963 ¹⁴	10,796	63.6				
1857..	129,360	13,175	10.2	5,024	644	12.8	6,910	4,076 ¹⁵	59.0			11,206	8,369	74.7				
1858..	175,153	16,694	9.5	3,693	307	8.3	7,450	5,643	75.7			13,398 ¹⁴	9,887	73.8	342	342	100.0	
1859..	164,050	15,328	9.3	4,624	(¹⁶)	(¹⁶)	7,132	5,202	72.9			13,290	9,712	73.1	1,425	1,425	100.0	
1860..	178,179	14,367	8.1	4,329	.....	.....	9,185	6,997	76.2			13,838	9,523	68.8	1,980	1,980	100.0	
1861..	196,581	17,311	8.8	3,261	.....	.....	7,672	5,876 ¹⁵	76.6			15,634 ¹⁴	10,969	70.2	2,132	2,132	100.0	
1862..	297,397	20,695	7.0	6,739	.....	.....	10,130	7,898	78.0			20,002	13,166	65.8	2,283	2,283	100.0	
1863..	311,399	19,881	6.4	7,396	.....	.....	10,234	7,648 ¹⁵	74.7			18,900 ¹⁴	12,150	64.3	3,412	3,412	100.0	
1864..	326,421	13,576	4.2	3,195	.....	.....	6,527	4,419	67.7			16,267	9,721	59.8	4,326	4,326	100.0	
1865..	59,969	710	1.2	4,274	.....	.....	(¹⁸)	(¹⁸)	(¹⁸)			(¹⁸)	(¹⁸)	(¹⁸)	2,836	2,836	100.0	
1866..	47,703	(¹⁷)	(¹⁷)	703	.....	.....	(¹⁸)	(¹⁸)	(¹⁸)			(¹⁸)	(¹⁸)	(¹⁸)				

¹ For periods of operation of the insurance systems. Excludes obligations of private banks and, for 1863-66, of national banks. Total obligations as used here include circulating notes and business, personal, interbank, and government deposits; capital accounts and miscellaneous liabilities are excluded.

² All data are for dates nearest end of year, except where otherwise indicated.

³ Reports from all operating banks were not available for 1838-1842, 1850, and 1854. Total obligations are thus understated, and the proportions of such obligations in participating banks overstated, for those years.

⁴ Percentages after 1851 are not precise measures since reports of participating and non-participating banks were for different dates in each year.

⁵ Data consist in part of estimates, particularly in the case of "free banks", and include circulating notes only. Deposit information is not sufficiently available for estimation.

⁶ Consists of end of year data for participating banks (except for 1845 where February 1846 data were used for all banks) plus available data for non-participating banks. Such data for the latter group of banks were generally for early November dates.

⁷ Data for 1858, 1859, and 1860 are for February dates in succeeding years, for 1865 are for an April date in the same year, and for 1861 are estimated.

⁸ Not available.

⁹ Estimated.

¹⁰ Includes data for one bank which failed near the end of the year.

¹¹ Excludes data for seven participating banks and one non-participating bank, in operation by end of year but apparently not in operation at time of report.

¹² Consists of circulating notes, shown in Table 31 as insured obligations, plus estimated deposits.

¹³ Includes data for one non-participating bank not in operation at year-end.

¹⁴ Excludes data for one non-participating bank.

¹⁵ Data secured by subtracting from deposits and circulating notes of all Indiana banks, as shown in the 1876 report of the Comptroller of the Currency, the respective amounts attributed to "free banks" in the State Auditor's reports for the indicated years. The dates of the two sets of reports differ and the results probably understate the actual amount of deposits and circulating notes.

¹⁶ See note 7, Table 29.

¹⁷ See note 9, Table 29.

¹⁸ See note 8, Table 29.

Table 31. INSURED OBLIGATIONS, PARTICIPATING BANKS IN STATES WITH BANK-OBLIGATION INSURANCE SYSTEMS, 1829-1866¹

(Amounts in thousands of dollars)

Year ²	New York			Vermont			Indiana			Michigan			Ohio			Iowa		
	Amount of insured obligations	Percent of:		Amount of insured obligations	Percent of:		Amount of insured obligations	Percent of:		Amount of insured obligations ³	Percent of:		Amount of insured obligations	Percent of:		Amount of insured obligations ⁴	Percent of:	
		Total obligations of participating banks	Total obligations of all operating banks		Total obligations of participating banks	Total obligations of all operating banks		Total obligations of participating banks	Total obligations of all operating banks		Total obligations of participating banks	Total obligations of all operating banks		Total obligations of participating banks	Total obligations of all operating banks		Total obligations of participating banks	Total obligations of all operating banks
1829..	(⁵)	(⁵)	(⁵)															
1830..	11,142	100.0	29.5															
1831..	26,027	100.0	78.1	(⁵)	(⁵)	(⁵)												
1832..	30,986	100.0	79.5	(⁵)	(⁵)	(⁵)												
1833..	38,353	100.0	81.7	454	100.0	30.2												
1834..	47,304	100.0	83.4	579	100.0	35.2	(⁵)	(⁵)	(⁵)									
1835..	59,201	100.0	80.7	697	100.0	37.6	3,266	100.0	100.0									
1836..	66,781	100.0	84.2	1,000	100.0	39.8	5,603	100.0	100.0	136	100.0	8.0						
1837..	41,314	100.0	85.6	873	100.0	48.9	3,910	100.0	100.0	1,391	100.0	52.4						
1838..	50,293	100.0	88.0	1,059	100.0	47.0	3,941	100.0	100.0	599	100.0	62.3						
1839..	32,346	100.0	72.8	1,029	100.0	45.8	3,695	100.0	100.0	202	100.0	52.5						
1840..	41,224 ⁶	100.0	90.6	748	100.0	55.9	3,652	100.0	100.0	.....	.....	.....			
1841..	33,229	100.0	76.1	1,353	100.0	75.5	3,722	100.0	100.0	.....	.....	.....			
1842..	8,926	27.0	19.7	787	100.0	72.9	2,182	100.0	100.0	.....	.....	.....			
1843..	13,054	27.7	20.5	1,179	100.0	77.9	2,602	100.0	100.0	.....	.....	.....			
1844..	14,880	29.9	21.0	1,552	100.0	76.3	3,538	100.0	100.0	.....	.....	.....			
1845..	15,548	30.8	21.6	1,321	100.0	78.3	4,163	100.0	100.0				1,388	58.2	18.1			
1846..	15,767	33.4	22.8	1,388	100.0	73.1	3,960	100.0	100.0				2,987	72.9	31.6			
1847..	16,822	29.5	20.5	1,936	100.0	69.9	4,458	100.0	100.0				5,065 ⁷	70.0	36.6			
1848..	20,420	37.4	29.6	1,186	100.0	58.7	4,260	100.0	100.0				6,876	73.7	48.1			
1849..	20,570	38.1	24.3	1,329	100.0	49.7	4,071	100.0	100.0				8,303	74.8	50.4			
1850..	19,464	38.0	17.8	1,265	100.0	36.4	4,177	100.0	100.0				8,782	73.9	50.3			
1851..	18,658	37.5	20.1	1,276	100.0	31.1	4,676	100.0	100.0				8,420	70.9	45.7			
1852..	18,610	38.2	13.1	1,427	100.0	31.2	5,094	100.0	82.4				8,195	66.3	40.6			
1853..	14,559	39.6	10.8	1,659	100.0	29.9	4,829	100.0	52.1				8,124	65.5	41.9			
1854..	8,000	29.2	6.5	1,269	100.0	26.3	3,733	100.0	24.2				6,146	69.3	42.8			

1855..	7,524	31.6	5.0	1,823	100.0	28.9	4,084	100.0	45.0			7,614	67.8	44.0			
1856..	6,771	28.5	4.2	780	100.0	16.4	4,195	100.0	58.3			7,291	67.5	43.0			
1857..	4,126	31.3	3.2	644	100.0	12.8	4,076 ⁸	100.0	59.0			6,133	73.3	54.7			
1858..	4,862	29.1	2.8	307	100.0	8.3	5,643	100.0	75.7			7,326	74.1	54.7	107	31.3	31.3
1859..	4,984	32.5	3.0	(⁹)	(⁹)	(⁹)	5,202	100.0	72.9			7,299	75.2	54.9	634	44.5	44.5
1860..	3,973	27.7	2.2	.....	.....	.....	6,997	100.0	76.2			6,934	72.8	50.1	652	32.9	32.9
1861..	4,186	24.2	2.1	.....	.....	.....	5,876 ⁸	100.0	76.6			7,858	71.6	50.3	901	42.3	42.3
1862..	3,863	18.7	1.3	.....	.....	.....	7,898	100.0	78.0			7,388	56.1	36.9	1,150	50.4	50.4
1863..	2,256	11.3	.7	.....	.....	.....	7,648 ⁸	100.0	74.7			5,693	46.9	30.1	1,417	41.5	41.5
1864..	1,160	8.5	.4	.....	.....	.....	4,419	100.0	67.7			4,098	42.2	25.2	1,440	33.3	31.3
1865..	401	56.5	.8	.....	.....	.....	(¹¹)	(¹¹)	(¹¹)			(¹¹)	(¹¹)	(¹¹)	1,030	36.3	36.3
1866..	(¹⁰)	(¹⁰)	(¹⁰)	.....	.....	.....	(¹¹)	(¹¹)	(¹¹)			(¹¹)	(¹¹)	(¹¹)			

¹ For periods of operation of the insurance systems. Insured obligations for Vermont and Indiana are the same as total obligations, as defined in note 1, Table 30; for New York are the same as total obligations through 1841 and thereafter are circulating notes only; for Ohio and Iowa are circulating notes only. In Michigan all obligations were insured but complete data are not available; see note 5, Table 30.

² All data are for dates nearest end of year, except where otherwise indicated.

³ See note 5, Table 30.

⁴ See note 7, Table 30.

⁵ Not available.

⁶ See note 10, Table 30.

⁷ Excludes data for seven banks in operation by end of year but apparently not in operation at time of report.

⁸ See note 15, Table 30.

⁹ See note 7, Table 29.

¹⁰ See note 9, Table 29.

¹¹ See note 8, Table 29.

Table 32. INSURANCE FUNDS, PARTICIPATING BANKS IN STATES WITH BANK-OBLIGATION INSURANCE SYSTEMS, 1829-1866¹
(Amounts in thousands of dollars)

Year ²	New York			Vermont			Michigan			Ohio			Iowa		
	Amount ³	Percent of obligations of participating banks:		Amount ³	Percent of obligations of participating banks:		Amount	Percent of obligations of participating banks:		Amount	Percent of obligations of participating banks:		Amount ⁴	Percent of obligations of participating banks:	
		Of total obligations	Of insured obligations		Of total obligations	Of insured obligations		Of total obligations	Of insured obligations		Of total obligations	Of insured obligations		Of total obligations	Of insured obligations
1829.....	(⁵)	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1830.....	(⁵)	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1831.....	26	.1	.1	(⁵)	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1832.....	88	.3	.3	.47	(⁵)	(⁵)	.....	.....	.....	.....	.....	.....	.....	.....	.....
1833.....	184	.5	.5	47	.9	.9	.....	.....	.....	.....	.....	.....	.....	.....	.....
1834.....	289	.6	.6	27	.3	.3	.....	.....	.....	.....	.....	.....	.....	.....	.....
1835.....	407	.7	.7	4	.6	.6	.....	.....	.....	.....	.....	.....	.....	.....	.....
1836.....	539	.8	.8	47	.4	.4	(⁵)	(⁵)	(⁵)	.....	.....	.....	.....	.....	.....
1837.....	540	1.3	1.3	11	1.3	1.3	(¹⁰)	0.01	0.01	.....	.....	.....	.....	.....	.....
1838.....	713	1.4	1.4	16	1.5	1.5	1	0.2	0.2	.....	.....	.....	.....	.....	.....
1839.....	819	2.5	2.5	19	1.8	1.8	1	0.5	0.5	.....	.....	.....	.....	.....	.....
1840.....	556	1.3	1.3	217	2.8	2.8	.....	.....	.....	.....	.....	.....	.....	.....	.....
1841.....	499	1.5	1.5	26	1.9	1.9	.....	.....	.....	.....	.....	.....	.....	.....	.....
1842.....	315	1.0	3.5	27	3.4	3.4	.....	.....	.....	.....	.....	.....	.....	.....	.....
1843.....	109	.2	.8	30	2.5	2.5	.....	.....	.....	.....	.....	.....	.....	.....	.....
1844.....	145	.3	1.0	32	2.1	2.1	.....	.....	.....	.....	.....	.....	.....	.....	.....
1845.....	59	.1	.4	34	2.6	2.6	.....	.....	.....	136	5.7	9.8	.....	.....	.....
1846.....	13	.03	.1	367	2.6	2.6	.....	.....	.....	342	8.4	11.4	.....	.....	.....
1847.....	66	.1	.4	38	2.0	2.0	.....	.....	.....	537	7.4	10.6	.....	.....	.....
1848.....	92	.2	.5	39	3.3	3.3	.....	.....	.....	730	7.8	10.6	.....	.....	.....
1849.....	106	.2	.5	397	2.9	2.9	.....	.....	.....	855	7.7	10.3	.....	.....	.....
1850.....	59	.1	.3	40	3.2	3.2	.....	.....	.....	907	7.6	10.3	.....	.....	.....
1851.....	48	.1	.3	15	1.2	1.2	.....	.....	.....	894	7.5	10.6	.....	.....	.....
1852.....	46	.1	.2	16	1.1	1.1	.....	.....	.....	906	7.3	11.1	.....	.....	.....
1853.....	76	.2	.5	18	1.1	1.1	.....	.....	.....	875	7.1	10.8	.....	.....	.....
1854.....	102	.4	1.3	21	8.0	8.0	.....	.....	.....	860	9.7	14.0	.....	.....	.....

1855.....	116	.5	1.5	29	8.8	8.8			836	7.4	11.0				
1856.....	101	.4	1.5	21	12.9	12.9			813	7.5	11.2				
1857.....	162	1.2	3.9	17	25.2	25.2			815	9.7	13.3				
1858.....	56	.3	1.2	13	18.2	18.2			815	8.2	11.1		32	9.4	29.9
1859.....	36	.2	.7	13 ¹¹	(¹¹)	(¹¹)			815	8.4	11.2		108	7.6	17.0
1860.....	72	.5	1.8	13 ¹¹	(¹¹)	(¹¹)			815	8.6	11.8		140	7.1	21.5
1861.....	33	.2	.8	13 ¹¹	(¹¹)	(¹¹)			815	7.4	10.4		181	8.5	20.1
1862.....	46	.2	1.2	13 ¹¹	(¹¹)	(¹¹)			815	6.2	11.0		221	9.7	19.2
1863.....	78	.4	3.5	13 ¹¹	(¹¹)	(¹¹)			815	6.7	14.3		239	7.0	16.9
1864.....	109	.8	.9	13 ¹¹	(¹¹)	(¹¹)			774	8.0	18.9		309	7.1	21.5
1865.....	135	19.0	33.6	12 ¹¹	(¹¹)	(¹¹)			(¹²)	(¹²)	(¹²)		388	11.9	32.8
1866.....	69 ¹³	(¹⁴)	(¹⁴)	7 ¹¹	(¹¹)	(¹¹)			(¹²)	(¹²)	(¹²)				

¹ For periods of operation of the insurance systems. Indiana is omitted because its insurance system was one of mutual guaranty, with no fund.

² Data are for nearest end of year dates, unless otherwise indicated.

³ Data are largely as of September dates.

⁴ For dates applicable to data see note 7, Table 30.

⁵ Contributions were apparently not called for until 1831.

⁶ Contributions were apparently not called for until 1832.

⁷ Estimated.

⁸ Not available.

⁹ Not available; presumably very small.

¹⁰ \$145.

¹¹ See note 7, Table 29.

¹² See note 8, Table 29. Remaining fund was returned to control of participating banks.

¹³ Cash in fund at end of year and available for creditors of failed banks. All but \$13,144 was so disbursed, which remaining sum was paid into the State treasury.

¹⁴ See note 9, Table 29.

PART FOUR
LEGISLATION AND REGULATIONS

FEDERAL LEGISLATION AND CORPORATION REGULATIONS

There was not enacted during 1953 any Federal legislation directly affecting the Federal Deposit Insurance Corporation, nor any applying to insured banks by virtue of their insured status. The rules and regulations of the Corporation applying to insured banks were not changed during the year.

STATE BANKING LEGISLATION

In 1953 the legislatures of forty-four States held regular sessions and nine of these legislatures held special sessions. The legislatures of two other States held special sessions.

This summary includes the more important State banking legislation enacted in 1953.

SUPERVISORY AUTHORITY

Approval of merger or consolidation.....	California (Ch. 476)
Approval of capital notes or debentures... .	California (Ch. 1438), New Jersey (Ch. 215)
Approval of acquisition of majority stock in bank or trust company.....	Florida (Ch. 28016)
Banking code.....	Florida (Ch. 28016)
Examination fees.....	Delaware (Ch. 119), Montana (Ch. 59), North Dakota (Ch. 95), Oklahoma (Laws 1953, p. 15), South Dakota (Ch. 13), Utah (Ch. 7)
Authority to withhold information.....	Nebraska (Ch. 329)
State banking commission membership.....	North Carolina (Ch. 1209), South Carolina (Act 371)
License of Commissioner required for business of selling or cashing checks or receiving money as agent for paying bills and accounts.....	California (Chs. 632, 642, 807)
Authority to adopt as his report of examination the report of examination by Federal agency.....	Nevada (Ch. 101)
Consideration in approving new bank or branch of factor that probable volume of business and reasonable public demand in community is sufficient to assure and maintain solvency of the new bank or branch and of existing banks in community..	North Carolina (Ch. 1209)
Compensation of supervisory authority.....	West Virginia (Ch. 35)

ORGANIZATION AND CHARTER CHANGES

Certificate of incorporation.....	Colorado (Laws 1953, p. 168)
Branch offices and agencies.....	Alabama (Acts 16, 387, 485, 606, 617), Delaware (Ch. 127), New Jersey (Ch. 17), North Carolina (Ch. 1209), South Carolina (Act 371), Utah (Ch. 8), Wisconsin (Ch. 128)
Exchange of locations of main office and station office.....	Wisconsin (Ch. 128)
Incorporation of savings banks.....	Florida (Ch. 28012), Indiana (Ch. 67)
Minimum capital requirements increased.....	North Carolina (Ch. 1209)
Capital notes or debentures.....	California (Ch. 1438)
Authorization for trust company to convert into State bank.....	Georgia (Act 290)
Merger or consolidation.....	California (Ch. 476), New Jersey (Ch. 17), New York (Ch. 587), Pennsylvania (Act 22)

ORGANIZATION AND CHARTER CHANGES—Continued

- Authorization for national banks to become State banks by conversion, merger, or consolidation.....Arkansas (Act 349), Delaware (Ch. 126), Georgia (Act 144), Indiana (Ch. 69—in the same county), Iowa (Ch. 232), Missouri (Laws 1953, H.B. 36), New York (Chs. 465, 603), Washington (Ch. 234)
- Authorization for State banks to become national banks by conversion, merger or consolidation.....Arkansas (Act 349), Delaware (Ch. 126), Georgia (Act 141), Indiana (Ch. 69—in the same county), Iowa (Ch. 232), Missouri (Laws 1953, H.B. 37), New York (Ch. 251), Washington (Ch. 234)

GENERAL OPERATING PROVISIONS

- Limitations on letters of credit.....California (Ch. 231)
- Retention and disposition of records.....Alabama (Act 247), Georgia (Act 142), Vermont (Ch. 120)
- Admission in evidence of microphotographs of bank records.....Nevada (Ch. 276), Oklahoma (Laws 1953, p. 16)
- Permissive transfers by savings banks of net income to general loss reserve.....Connecticut (Act 47)
- Transfer by savings banks of earnings to guaranty fund....Massachusetts (Ch. 193)
- Payment of dividends by savings banks.....Massachusetts (Ch. 192), Minnesota (Ch. 82), Washington (Ch. 238)
- Transfer of earnings to surplus.....Nebraska (Ch. 7)
- Borrowing power of savings bank.....New York (Ch. 399)
- Working hours of female employees.....Texas (Ch. 335)
- Limitation of action by depositor against bank for payment of a forged or raised check or check with forged or unauthorized endorsement.....California (Ch. 1382), Vermont (Ch. 126)
- Six year limitation of action on claims after final adjustment of statements of checking account or entry of credit balance in savings account passbook.....Utah (Ch. 10), Vermont (Ch. 126)
- Charitable contributions.....Wisconsin (Ch. 181)

DEPOSITS

- Deposit of and security for public funds...California (Chs. 420, 1652), Florida (Chs. 28133, 28290), Georgia (Act 140), Massachusetts (Ch. 223), Minnesota (Ch. 85), Nebraska (Ch. 284), Oregon (Ch. 352), Tennessee (Chs. 43, 234), Wisconsin (Ch. 181)
- Joint deposits.....Connecticut (Act 228), Illinois (Laws 1953, p. 371)
- Escheat of unclaimed deposits.....Connecticut (Acts 23, 24), Minnesota (Ch. 589), New Jersey (Ch. 17)
- Duplicate book of deposit where original lost.....Maine (Ch. 251)
- Limitations on amount of deposits which may be received by a savings bank.....Massachusetts (Ch. 141), Washington (Ch. 238)
- Limitations on amount of deposits which may be received by banking companies....Massachusetts (Chs. 122, 123)
- Tentative trust deposits.....New Jersey (Ch. 17)
- School children savings deposits.....New Jersey (Ch. 139)
- Deposits of a minor.....Pennsylvania (Act 353)

LOANS

- Real estate loans.....New Jersey (Ch. 210), Pennsylvania (Act 172)
- Discounting of commercial paper, mortgages or other securities for a period not exceeding 36 months.....Arkansas (Act 330)

LOANS—Continued

- Loans on stock of any corporation limited to 30% of capital and surplus, including direct loans to corporation without ample security..... Georgia (Act 768)
- Statement of financial responsibility of borrower required where unsecured obligation exceeds \$1,000..... Indiana (Ch. 71)
- By savings banks on life insurance policies..... Maine (Ch. 95)
- Revaluation of mortgaged premises securing bank loan required at intervals of not more than three years..... Massachusetts (Ch. 157)
- Foreign banking corporations authorized to acquire mortgage loans without being licensed to do business in State..... Missouri (Laws 1953, H.B. 296), Oregon (Ch. 717), Tennessee (Ch. 47)
- Report to board of directors required of any discount, loan or advance in excess of \$100,000 or 1/10 of 1% of capital funds..... New York (Ch. 403)
- Loan fees, charges, and interest rates..... Oregon (Ch. 388), Pennsylvania (Act 40), South Dakota (Ch. 15)
- Instalment loans..... Pennsylvania (Act 168), South Dakota (Ch. 15)
- Instalment selling and financing of automobiles..... Colorado (Laws 1953, p. 140)
- Full value loans permitted on property in State held for benefit of bank with special payments into surplus required..... Vermont (Ch. 140)

INVESTMENTS

- Equipment trust obligations..... Vermont (Ch. 189)
- Real estate for needed housing accommodations for essential employees subject to approval of supervisory authority..... Wisconsin (Ch. 101)
- Savings bank investments:
- General limitations.....
- New Hampshire (Ch. 195), Pennsylvania (Act 91), Rhode Island (Chs. 3120, 3194)
- Federal, State and municipal securities.....
- California (Chs. 236, 429), Minnesota (Ch. 496), Washington (Ch. 238)
- Obligations of Federal home loan banks, Federal land banks, Federal intermediate credit banks, or Central Bank for Cooperatives..... Connecticut (Act 98)
- Dominion of Canada obligation..... Rhode Island (Ch. 3212)
- Industrial and public utility obligations..... California (Ch. 439)
- Public utility preferred stock and revenue bonds.....
- Connecticut (Act 219), Maine (Ch. 147)
- Bank stocks..... Connecticut (Act 212), Massachusetts (Ch. 158), New Jersey (Ch. 78)
- Preferred and common stock..... New Jersey (Ch. 78)
- Mortgage bonds of natural gas companies..... Maine (Ch. 77)
- Railroad securities..... New York (Ch. 875)
- Insurance company stock..... Massachusetts (Ch. 160), New Jersey (Ch. 78)
- Real estate.....
- Massachusetts (Ch. 194), Pennsylvania (Act 170), Rhode Island (Ch. 3211)
- Contracts for sale of real estate..... Washington (Ch. 238)

RESERVES

- Cash reserve on hand or in banks of 15 percent of demand deposits.... Maine (Ch. 94)
- Cash reserve on hand or in banks of 15 percent of all savings deposits.....
- New Hampshire (Ch. 195)
- Reserve requirements up to those of Federal Reserve System may be imposed by Commissioner of Banks..... Minnesota (Ch. 36)

TRUST ACTIVITIES

- Uniform Common Trust Fund Act.....New Hampshire (Ch. 109)
- Common trust funds.....
Alabama (Act 112), Nebraska (Ch. 67), New Jersey (Ch. 17), Oklahoma
 (Laws 1953, H.B. 821), Oregon (Ch. 258), Tennessee (Ch. 148), Wisconsin (Ch. 487)
- Succession to fiduciary positions in conversion, merger, consolidation, or purchase
 of assets transaction.....California (Ch. 476)
- Uniform Fiduciaries Act.....Tennessee (Ch. 82)
- Investment of fiduciary funds.....
Florida (Ch. 28154), Ohio (Laws 1953, H.B. 138), Pennsylvania (Act 56)
- Legal investment for fiduciary to deposit funds at interest in bank or trust company
 insured by Federal Deposit Insurance Corporation.....
Georgia (Act 149), Wisconsin (Ch. 590)
- Authorization for foreign corporations to act in fiduciary capacity.....
Illinois (Laws 1953, p. 1148), Minnesota (Ch. 368),
 New York (Ch. 643), North Dakota (Ch. 98), Oklahoma (Laws 1953, H.B. 864)
- Joint control of money or assets by fiduciary, required to give bond, and surety....
Iowa (Ch. 253)
- Allowance of compensation to fiduciaries for services out of trust income or principal
 at any time.....Pennsylvania (Act 10)
- Registration in name of nominee of any investment held by a fiduciary bank or trust
 company.....Utah (Ch. 12)

CHECKS AND COLLECTIONS

- Deferred posting and delayed returns.....Kansas (Ch. 53)
- Savings banks authorized to sell checks and drafts drawn by or on it and payable
 through a trust company or national bank.....New Hampshire (Ch. 146)
- Stop-payment orders on checks.....New Jersey (Ch. 282), Utah (Ch. 9)

DIRECTORS, TRUSTEES, OFFICERS, AND EMPLOYEES

- Qualifying shares of directors....Colorado (Laws 1953, p. 169), Delaware (Ch. 124)
- Qualifications of directors.....New York (Ch. 50)
- Retiring allowances or life insurance for officers and employees of savings banks....
Maine (Ch. 143)
- Banks' and savings banks' officers' and employees' retirement and benefit act.....
New Jersey (Ch. 124)
- Compensation of savings bank trustee.....Rhode Island (Ch. 3210)

HOLIDAYS

- Legal holidays.....Colorado (Laws 1953, p. 445), Nebraska (Ch. 224)
- Monday following legal holiday.....Minnesota (Ch. 445)
- Saturday holiday.....California (Ch. 1213),
 Florida (Chs. 28949, 29578), Minnesota (Ch. 445—limited locations), New Mexico
 (Ch. 107—where population over 50,000 and with right to substitute Wednesday
 afternoon), North Carolina (Ch. 965—where population over 130,000), Utah (Ch. 11)
- Wednesday holiday.....Florida (Ch. 28673)
- Saturday or Wednesday holiday....Florida (Chs. 28352, 28457, 28713, 28841, 29352)
- Wednesday, Thursday, or Saturday morning holiday.....Tennessee (Ch. 175)
- Any week day holiday.....
Florida (Ch. 28536), Indiana (Ch. 62), Ohio (Laws 1953, S.B. 52)
- Banks authorized to remain open for business on certain holidays.....
Maryland (Ch. 629), Nebraska (Ch. 224), Wisconsin (Ch. 51)

TAXATION

- Recordation of mortgages, deeds of trust and similar instruments to secure agricultural loans exempted from taxation Alabama (Act 841)
- Capital stock Pennsylvania (Act 150), Tennessee (Ch. 118)
- Taxation of State and national banks and State and Federal savings and loan associations on same basis Georgia (Act 811)
- Taxation of State savings banks and State and Federal savings and loan associations at the same rate New York (Ch. 282)
- Franchise tax on savings banks deposits Maryland (Ch. 783)

LIQUIDATION

- Liability of stockholders of trust companies which are not banks . . California (Ch. 638)
- Limitations on actions on prior claims against State bank receiverships and transfer of unclaimed funds to State Iowa (Ch. 43)
- Voluntary liquidation Washington (Ch. 236)

MISCELLANEOUS

- Nonresidents prohibited from engaging in business of lending money through any means of advertising without naming agent for service and filing waiver of service Arkansas (Act 559)
- Community currency exchanges Illinois (Laws 1953, p. 1080)
- Uniform Commercial Code Pennsylvania (Act 1)

PART FIVE

STATISTICS OF BANKS AND DEPOSIT INSURANCE

NUMBER, OFFICES, AND DEPOSITS OF OPERATING BANKS

Table 101. Changes in number and classification of operating banks and branches in the United States (continental U. S. and other areas) during 1953

Table 102. Number of operating banks and branches in the United States (continental U. S. and other areas), December 31, 1953

Grouped according to insurance status and class of bank, and by State and type of office

Table 103. Number and deposits of operating banks in the United States (continental U. S. and other areas), December 31, 1953

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 engaged in general fiduciary business though not in deposit banking are included; and credit unions and savings and loan associations are excluded except in the case of a few which accept deposits under the terms of special charters.

The tabulations for all banks and trust companies are prepared in accordance with an agreement among the Federal bank supervisory agencies. Deposit data are tabulated from individual reports of assets and liabilities of the banks included. Institutions included are classified in three groups: commercial and stock savings banks, nondeposit trust companies, and mutual savings banks. However, the second category does not apply to insured banks.

Commercial and stock savings banks include the following categories of banking institutions:

National banks;

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

Stock savings banks, including guaranty savings banks in New Hampshire;

Industrial and Morris Plan banks which operate under general banking codes, or are specifically authorized by law to accept deposits and in practice do so, or the obligations of which are regarded as deposits for deposit insurance;

Special types of banks of deposit: cash depositories in South Carolina; cooperative exchanges in Arkansas; savings and loan companies operating under Superior Court charters in Georgia; government operated banks in American Samoa, North Dakota, and Puerto Rico; a cooperative bank, usually classified as a credit union, operating under a special charter in New Hampshire; two savings institutions, known as "trust companies," operating under special charters in Texas; employes' mutual banking associations in Pennsylvania; the Savings Banks Trust Company in New York; and four branches of foreign banks which engage in a general deposit business in the continental United States or in Puerto Rico.

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

Nondeposit trust companies include institutions operating under trust company charters which are not regularly engaged in deposit banking but are engaged in fiduciary business other than that incidental to real estate title or investment activities.

Mutual savings banks include all banks operating under State banking codes applying to mutual savings banks.

Institutions excluded. Institutions in the following categories are excluded, though such institutions may perform many of the same functions as commercial and savings banks:

Banks which have suspended operations or have ceased to accept new deposits and are proceeding to liquidate their assets and pay off existing deposits;

Building and loan associations, savings and loan associations, credit unions, personal loan companies, and similar institutions, chartered under laws applying to such institutions or under general incorporation laws, regardless of whether such institutions are authorized to accept deposits from the public or from their members and regardless of whether such institutions are called "banks" (a few institutions accepting deposits under powers granted in special charters are included);

Morris Plan companies, industrial banks, loan and investment companies, and similar institutions except those mentioned in the description of institutions included;

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

Institutions chartered under banking or trust company laws, but operating as investment or title insurance companies and not engaged in deposit banking or fiduciary activities;

Federal Reserve banks and other banks, such as the Federal Home Loan banks and the Savings and Loan Bank of the State of New York, which operate as rediscount banks and do not accept deposits except from financial institutions;

The postal savings system.

**Table 101. CHANGES IN NUMBER AND CLASSIFICATION OF OPERATING BANKS AND BRANCHES
IN THE UNITED STATES (CONTINENTAL U. S. AND OTHER AREAS) DURING 1953**

Type of change	All banks			Commercial and stock savings banks and nondeposit trust companies							Mutual savings banks		
	Total	In- sured	Non- insured	Total	Insured				Noninsured		Total	In- sured	Non- insured
					Total	Members F. R. System		Not mem- bers F. R. System	Banks of de- posit	Non- deposi- t trust com- panies			
						National	State						
BANKS													
Number of banks, December 31, 1953.....	14,552	13,651	901	14,024	13,432	4,856	1,884	6,692	532	60	528	219	309
Number of banks, December 31, 1952.....	14,617	13,645	972	14,088	13,439	4,909	1,886	6,644	584	65	529	206	323
Net change during year.....	-65	+6	-71	-64	-7	-53	-2	+48	-52	-5	-1	+13	-14
Banks beginning operations.....	65	59	6	65	59	12	10	37	6				
New banks.....	64	59	5	64	59	12	10	37	5				
Financial institution becoming bank of deposit.....	1		1						1				
Banks ceasing operations.....	130	112	18	129	112	63	18	31	12	5	1		1
Suspended banks not reopened or succeeded.....	1		1	1					1				
Merged with financial aid of FDIC ²	1	1		1	1			1					
Absorptions, consolidations and mergers (without FDIC aid).....	115	108	7	114	108	63	18	27	5	1	1		1
Other liquidations.....	10	3	7	10	3			3	6	1			
Institutions deleted from count ³	3		3	3					3				
Noninsured banks becoming insured.....		+59	-59		+46		+3	+43	-46			+13	-13
Successions to noninsured banks.....		+6	-6		+6			+6	-6				
Admissions to insurance, operating banks ⁴		+50	-50		+37			+37	-37			+13	-13
Admissions to F. R. System.....		+3	-3		+3		+3		-3				
Other changes in classification.....						-2	+3	-1					
National banks succeeding state banks.....						+2	-1	-1					
State banks succeeding national banks.....						-4		+4					
Admissions to F. R. System.....							+7	-7					
Withdrawals from F. R. System with continuance of insurance.....							-3	+3					
Changes not involving number in any class:													
Absorption of nonbanking financial institution.....	1	1		1	1			1					
Suspended banks reopened.....	2	2		2	2		1	1					
Succession with financial aid of FDIC ²	1	1		1	1			1					
Change in title, location, or name of location.....	120	118	2	119	117	24	14	79	2		1	1	
Change in corporate powers.....	13	12	1	13	12			12	1				

BRANCHES													
Number of branches, December 31, 1953.....	6,227	6,047	180	5,957	5,855	2,746	1,652	1,457	100	2	270	192	78
Number of branches, December 31, 1952.....	5,833	5,663	170	5,587	5,486	2,556	1,550	1,380	99	2	246	177	69
Net change during year.....	+394	+384	+10	+370	+369	+190	+102	+77	+1		+24	+15	+9
Branches opened for business.....	423	407	16	398	393	214	95	84	5		25	14	11
Facilities provided as agents of the government ¹	20	19	1	20	19	13	1	5	1				
Absorbed banks converted into branches ²	97	95	2	96	94	58	25	11	2		1	1	
Branches replacing banks relocated or placed in liquidation.....	2	2		2	2			2					
Other branches opened ³	304	291	13	280	278	143	69	66	2		24	13	11
Branches discontinued.....	29	28	1	28	28	16	4	8			1		1
Other changes in classification among branches.....		+5	-5		+4	-8	+11	+1	-4			+1	-1
Branches of noninsured banks admitted to insurance.....		+4	-4		+3			+3	-3			+1	-1
Branches of insured banks admitted to F. R. System.....							+4	-4					
Branches of insured banks withdrawing from F. R. System with continuance of insurance.....								-1	+1				
Branches transferred as result of absorption or succession.....		+1	-1		+1	-8	+9	-1	-1				
Sale of branch to another bank.....							-1	+1					
Changes not involving number in any class:													
Branches transferred as result of absorption or succession.....	23	23		23	23	15	6	2					
Changes in title, location, or name of location, including facilities.....	176	172	4	174	171	93	48	30	3		2	1	1
Change in powers.....	9	8	1	9	8	1		7	1				
ALL BANKING OFFICES													
Number of offices, December 31, 1953.....	20,779	19,698	1,081	19,981	19,287	7,602	3,536	8,149	632	62	798	411	387
Number of offices, December 31, 1952.....	20,450	19,308	1,142	19,675	18,925	7,465	3,436	8,024	683	67	775	383	392
Net change during year.....	+329	+390	-61	+306	+362	+137	+100	+125	-51	-5	+23	+28	-5
Offices opened.....	488	466	22	463	452	226	105	121	11		25	14	11
Banks.....	65	59	6	65	59	12	10	37	6				
Branches.....	423	407	16	398	393	214	95	84	5		25	14	11
Offices closed.....	159	140	19	157	140	79	22	39	12	5	2		2
Banks.....	130	112	18	129	112	63	18	31	12	5	1		1
Branches.....	29	28	1	28	28	16	4	8			1		1
Changes in classification.....		+64	-64		+50	-10	+17	+43	-50			+14	-14
Among banks.....		+59	-59		+46	-2	+6	+42	-46			+13	-13
Among branches.....		+5	-5		+4	-8	+11	+1	-4			+1	-1

¹ Includes 3 mutual savings banks members of the Federal Reserve System, December 31, 1953, and December 31, 1952.

² The Corporation rendered financial aid to two banks in difficulties; the deposit liabilities of one were assumed by an existing bank, those of the other by a new bank.

³ Of these, 1 relinquished its trust business; and 2, though operating under trust company charters, are private trusts not engaged in a general fiduciary business.

⁴ Banks in operation at beginning of year.

⁵ Facilities established in or near military installations at request of the Treasury or the Commanding Officer of the installation.

⁶ Includes in merger and consolidation cases a branch established by the successor bank at the head office location of one of the predecessor banks.

⁷ Includes 3 branches in operation prior to beginning of year but not included in count as of December 31, 1952; and 3 branches established in location of offices of absorbed financial institutions.

Table 102. NUMBER OF OPERATING BANKS AND BRANCHES IN THE UNITED STATES (CONTINENTAL U. S. AND OTHER AREAS), DECEMBER 31, 1953
 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 and stock savings banks and nondeposit trust companies							Mutual savings banks			Insured banks as percentages of banks of deposit ¹		
	Total	In-sured	Non-insured	Total	Insured			Noninsured		Total	In-sured ²	Non-insured	All banks of deposit	Com-mercial banks	Mutual savings banks	
					Total	Members F. R. System		Not members F.R.S.	Banks of deposit							Non-deposit trust companies
						National	State									
Total: United States	20,779	19,698	1,081	19,981	19,287	7,602	3,536	8,149	632	62	798	411	387	95.1	96.8	51.5
All banks.....	14,552	13,651	901	14,024	13,432	4,856	1,884	6,692	532	60	528	219	309	94.2	96.2	41.5
Unit banks.....	12,851	12,032	819	12,458	11,898	4,350	1,621	5,927	502	58	393	134	259	94.1	96.0	34.1
Banks operating branches.....	1,701	1,619	82	1,566	1,534	506	263	765	30	2	135	85	50	95.3	98.1	63.0
Branches.....	6,227	6,047	180	5,957	5,855	2,746	1,652	1,457	100	2	270	192	78	97.1	98.3	71.1
Continental United States	20,608	19,611	997	19,810	19,200	7,602	3,536	8,062	553	57	798	411	387	95.4	97.2	51.5
All banks.....	14,509	13,631	878	13,981	13,412	4,856	1,884	6,672	514	55	528	219	309	94.3	96.3	41.5
Unit banks.....	12,825	12,024	801	12,432	11,890	4,350	1,621	5,919	489	53	393	134	259	94.1	96.0	34.1
Banks operating branches.....	1,684	1,607	77	1,549	1,522	506	263	753	25	2	135	85	50	95.5	98.4	63.0
Branches.....	6,099	5,980	119	5,829	5,788	2,746	1,652	1,390	39	2	270	192	78	98.1	99.3	71.1
Other areas	171	87	84	171	87			87	79	5				52.4	52.4	
All banks.....	43	20	23	43	20			20	18	5				52.6	52.6	
Unit banks.....	26	8	18	26	8			8	13	5				38.1	38.1	
Banks operating branches.....	17	12	5	17	12			12	5					70.6	70.6	
Branches.....	128	67	61	128	67			67	61					52.3	52.3	
State																
Alabama	262	262		262	262	100	27	135						100.0	100.0	
All banks.....	231	231		231	231	71	25	135						100.0	100.0	
Unit banks.....	222	222		222	222	64	23	135						100.0	100.0	
Banks operating branches.....	9	9		9	9	7	2							100.0	100.0	
Branches.....	31	31		31	31	29	2							100.0	100.0	
Arizona	88	86	2	88	86	55	7	24		2				100.0	100.0	
All banks.....	14	13	1	14	13	3	2	8		1				100.0	100.0	
Unit banks.....	6	6		6	6	1	1	4						100.0	100.0	
Banks operating branches.....	8	7	1	8	7	2	1	4		1				100.0	100.0	
Branches.....	74	73	1	74	73	52	5	16		1				100.0	100.0	
Arkansas	252	246	6	252	246	55	17	174	5	1				98.0	98.0	
All banks.....	230	224	6	230	224	53	17	154	5	1				97.8	97.8	
Unit banks.....	210	204	6	210	204	51	17	136	5	1				97.6	97.6	
Banks operating branches.....	20	20		20	20	2		18						100.0	100.0	
Branches.....	22	22		22	22	2		20						100.0	100.0	

Table 102. NUMBER OF OPERATING BANKS AND BRANCHES IN THE UNITED STATES (CONTINENTAL U. S. AND OTHER AREAS), DECEMBER 31, 1953—Cont.
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 and stock savings banks and nondeposit trust companies						Mutual savings banks			Insured banks as percentages of banks of deposit ¹			
	Total	In-sured	Non-insured	Total	Insured			Noninsured	Total	In-sured ²	Non-insured	All banks of deposit	Com-mercial banks	Mutual savings banks		
					Total	Members F. R. System									Not members F.R.S.	
						National	State									
Indiana	623	613	10	619	610	182	138	290	7	2	4	3	1	98.7	98.9	75.0
All banks.....	482	472	10	478	469	124	112	233	7	2	4	3	1	98.3	98.5	75.0
Unit banks.....	411	401	10	407	398	101	104	193	7	2	4	3	1	98.0	98.3	75.0
Banks operating branches.....	71	71		71	71	23	8	40						100.0	100.0	
Branches.....	141	141		141	141	58	26	57						100.0	100.0	
Iowa	827	773	54	827	773	96	69	608	53	1				93.6	93.6	
All banks.....	664	612	52	664	612	96	68	448	51	1				92.3	92.3	
Unit banks.....	543	493	50	543	493	96	67	330	49	1				91.0	91.0	
Banks operating branches.....	121	119	2	121	119		1	118	2					98.3	98.3	
Branches.....	163	161	2	163	161		1	160	2					98.8	98.8	
Kansas	609	480	129	609	480	175	41	264	129					78.8	78.8	
All banks.....	606	477	129	606	477	172	41	264	129					78.7	78.7	
Unit banks.....	603	474	129	603	474	169	41	264	129					78.6	78.6	
Banks operating branches.....	3	3		3	3	3								100.0	100.0	
Branches.....	3	3		3	3	3								100.0	100.0	
Kentucky	437	419	18	437	419	116	33	270	16	2				96.3	96.3	
All banks.....	378	360	18	378	360	90	20	250	16	2				95.7	95.7	
Unit banks.....	348	330	18	348	330	84	14	232	16	2				95.4	95.4	
Banks operating branches.....	30	30		30	30	6	6	18						100.0	100.0	
Branches.....	59	59		59	59	26	13	20						100.0	100.0	
Louisiana	266	265	1	266	265	86	25	154	1					99.6	99.6	
All banks.....	171	170	1	171	170	89	12	119	1					99.4	99.4	
Unit banks.....	125	124	1	125	124	26	6	92	1					99.2	99.2	
Banks operating branches.....	46	46		46	46	13	6	27						100.0	100.0	
Branches.....	95	95		95	95	47	13	35						100.0	100.0	
Maine	180	137	43	147	129	45	35	49	18		33	8	25	76.1	87.8	24.2
All banks.....	95	63	32	63	55	32	6	17	8		32	8	24	66.3	87.3	25.0
Unit banks.....	67	42	25	36	34	25	2	7	2		31	8	23	62.7	84.4	25.8
Banks operating branches.....	23	21	2	27	21	7	4	10	6		1		1	75.0	77.3	
Branches.....	85	74	11	84	74	13	29	32	10		1		1	87.1	88.1	

Maryland	329	325	4	301	298	84	72	142	3	28	27	1	98.8	99.0	96.4
All banks.....	162	160	2	154	153	58	14	81	1	8	7	1	98.8	99.4	87.5
Unit banks.....	118	117	1	115	115	46	8	61	.....	3	2	1	99.2	100.0	66.7
Banks operating branches.....	44	43	1	39	38	12	6	20	1	5	5	.....	97.7	97.4	100.0
Branches.....	167	165	2	147	145	26	58	61	2	20	20	.....	98.8	98.6	100.0
Massachusetts	639	385	254	393	385	221	107	57	8	246	.....	246	60.3	98.0	.....
All banks.....	367	173	194	179	173	114	25	34	6	188	.....	188	47.1	96.6	.....
Unit banks.....	268	116	152	121	116	89	7	20	5	147	.....	147	43.3	95.9	.....
Banks operating branches.....	99	57	42	58	57	25	18	14	1	41	.....	41	57.6	98.3	.....
Branches.....	272	212	60	214	212	107	82	23	2	58	.....	58	77.9	99.1	.....
Michigan	738	720	18	738	720	192	279	249	12	6	6	.....	98.4	98.4	.....
All banks.....	431	419	12	431	419	77	150	192	6	6	6	.....	98.6	98.6	.....
Unit banks.....	351	341	10	351	341	61	129	151	4	6	6	.....	98.8	98.8	.....
Banks operating branches.....	80	78	2	80	78	16	21	41	2	.....	.....	.....	97.5	97.5	.....
Branches.....	307	301	6	307	301	115	129	57	6	.....	.....	.....	98.0	98.0	.....
Minnesota	684	672	12	683	671	183	28	460	11	1	1	.....	98.4	98.4	100.0
All banks.....	678	666	12	677	665	177	28	460	11	1	1	.....	98.4	98.4	100.0
Unit banks.....	676	664	12	675	663	175	28	460	11	1	1	.....	98.4	98.4	100.0
Banks operating branches.....	2	2	.....	2	2	2	.....	2	.....	.....	.....	.....	100.0	100.0	100.0
Branches.....	6	6	.....	6	6	6	.....	6	.....	.....	.....	.....	100.0	100.0	100.0
Mississippi	278	275	3	278	275	33	9	233	3	.....	.....	.....	98.9	98.9	.....
All banks.....	200	197	3	200	197	25	7	165	3	.....	.....	.....	98.5	98.5	.....
Unit banks.....	158	155	3	158	155	22	6	127	3	.....	.....	.....	98.1	98.1	.....
Banks operating branches.....	42	42	.....	42	42	3	1	38	.....	.....	.....	.....	100.0	100.0	.....
Branches.....	78	78	.....	78	78	8	2	68	.....	.....	.....	.....	100.0	100.0	.....
Missouri	599	581	18	599	581	78	101	402	15	3	.....	.....	97.5	97.5	.....
All banks.....	598	580	18	598	580	77	101	402	15	3	.....	.....	97.5	97.5	.....
Unit banks.....	597	579	18	597	579	76	101	402	15	3	.....	.....	97.5	97.5	.....
Banks operating branches.....	1	1	.....	1	1	1	.....	1	.....	.....	.....	.....	100.0	100.0	.....
Branches.....	1	1	.....	1	1	1	.....	1	.....	.....	.....	.....	100.0	100.0	.....
Montana	109	109	.....	109	109	38	44	27	.....	.....	.....	.....	100.0	100.0	.....
All banks.....	109	109	.....	109	109	38	44	27	.....	.....	.....	.....	100.0	100.0	.....
Unit banks.....	109	109	.....	109	109	38	44	27	.....	.....	.....	.....	100.0	100.0	.....
Banks operating branches.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Branches.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Nebraska	421	375	46	421	375	126	16	233	40	6	.....	.....	90.4	90.4	.....
All banks.....	419	373	46	419	373	124	16	233	40	6	.....	.....	90.3	90.3	.....
Unit banks.....	417	371	46	417	371	122	16	233	40	6	.....	.....	90.3	90.3	.....
Banks operating branches.....	2	2	.....	2	2	2	.....	2	.....	.....	.....	.....	100.0	100.0	.....
Branches.....	2	2	.....	2	2	2	.....	2	.....	.....	.....	.....	100.0	100.0	.....
Nevada	30	30	.....	30	30	21	5	4	.....	.....	.....	.....	100.0	100.0	.....
All banks.....	8	8	.....	8	8	5	1	2	.....	.....	.....	.....	100.0	100.0	.....
Unit banks.....	3	3	.....	3	3	2	.....	1	.....	.....	.....	.....	100.0	100.0	.....
Banks operating branches.....	5	5	.....	5	5	3	1	1	.....	.....	.....	.....	100.0	100.0	.....
Branches.....	22	22	.....	22	22	16	4	2	.....	.....	.....	.....	100.0	100.0	.....

Table 102. NUMBER OF OPERATING BANKS AND BRANCHES IN THE UNITED STATES (CONTINENTAL U. S. AND OTHER AREAS), DECEMBER 31, 1953—Cont.
 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 and stock savings banks and nondeposit trust companies						Mutual savings banks			Insured banks as percentages of banks of deposit ¹					
	Total	In-sured	Non-insured	Total	Insured			Noninsured			Total	In-sured ²	Non-insured	All banks of de-posit	Com-mercial banks	Mutual savings banks		
					Total	Members F. R. System		Not members F.R.S.	Banks of deposit	Non-deposit trust companies								
						National	State											
New Hampshire	112	76	36	77	64	52	1	11	13				35	12	23	67.9	83.1	34.3
All banks.....	109	73	36	75	62	51	1	10	13				34	11	23	67.0	82.7	32.4
Unit banks.....	106	70	36	73	60	50	1	9	13				33	10	23	66.0	82.2	30.3
Banks operating branches.....	3	3		2	2	1		1					1	1		100.0	100.0	100.0
Branches.....	3	3		2	2	1		1					1	1		100.0	100.0	100.0
New Jersey	550	547	3	517	514	301	147	66		3			33	33		100.0	100.0	100.0
All banks.....	333	330	3	310	307	197	67	43		3			23	23		100.0	100.0	100.0
Unit banks.....	255	252	3	238	235	158	44	33		3			17	17		100.0	100.0	100.0
Banks operating branches.....	78	78		72	72	39	23	10					6	6		100.0	100.0	100.0
Branches.....	217	217		207	207	104	80	23					10	10		100.0	100.0	100.0
New Mexico	77	76	1	77	76	33	9	34	1							98.7	98.7	
All banks.....	52	51	1	52	51	26	8	17	1							93.1	98.1	
Unit banks.....	38	37	1	38	37	22	7	8	1							97.4	97.4	
Banks operating branches.....	14	14		14	14	4	1	9								100.0	100.0	
Branches.....	25	25		25	25	7	1	17								100.0	100.0	
New York	1,743	1,729	14	1,498	1,484	611	739	134	11	3			245	245		99.4	99.3	100.0
All banks.....	712	702	10	582	572	354	153	65	7	3			130	130		99.0	98.8	100.0
Unit banks.....	517	510	7	448	441	296	103	43	4	3			69	69		99.2	99.1	100.0
Banks operating branches.....	195	192	3	134	131	58	51	22	3				61	61		98.5	97.8	100.0
Branches ³	1,031	1,027	4	916	912	257	586	69	4				115	115		99.6	99.6	100.0
North Carolina	498	495	3	498	495	85	44	366	3							99.4	99.4	
All banks.....	226	225	1	226	225	46	9	170	1							99.6	99.6	
Unit banks.....	149	149		149	149	29	3	117								100.0	100.0	
Banks operating branches.....	77	76	1	77	76	17	6	53	1							93.7	93.7	
Branches.....	272	270	2	272	270	39	35	196	2							99.3	99.3	
North Dakota	175	170	5	175	170	39	2	129	5							97.1	97.1	
All banks.....	153	148	5	153	148	39	2	107	5							96.7	96.7	
Unit banks.....	138	133	5	138	133	39	2	92	5							96.4	96.4	
Banks operating branches.....	15	15		15	15			15								100.0	100.0	
Branches.....	22	22		22	22			22								100.0	100.0	

Ohio	955	949	6	949	943	356	322	265	6	6	6	99.4	99.4	100.0
All banks.....	647	641	6	644	638	235	177	226	6	3	3	99.1	99.1	100.0
Unit banks.....	561	555	6	560	554	199	158	197	6	1	1	98.9	98.9	100.0
Banks operating branches.....	86	86		84	84	36	19	29		2	2	100.0	100.0	100.0
Branches.....	308	308		305	305	121	145	39		3	3	100.0	100.0	100.0
Oklahoma	386	378	8	386	378	201	25	152	7	1		98.2	98.2	
All banks.....	384	376	8	384	376	199	25	152	7	1		98.2	98.2	
Unit banks.....	382	374	8	382	374	197	25	152	7	1		98.2	98.2	
Banks operating branches.....	2	2		2	2	2						100.0	100.0	
Branches.....	2	2		2	2	2						100.0	100.0	
Oregon	184	182	2	183	181	112	21	48	1	1	1	99.5	99.5	100.0
All banks.....	68	66	2	67	65	18	9	38	1	1	1	98.5	98.5	100.0
Unit banks.....	55	53	2	54	52	15	7	30	1	1	1	98.1	98.1	100.0
Banks operating branches.....	13	13		13	13	3	2	8				100.0	100.0	
Branches.....	116	116		116	116	94	12	10				100.0	100.0	
Pennsylvania	1,248	1,228	20	1,218	1,198	763	184	251	17	3	30	98.6	98.6	100.0
All banks.....	911	895	16	904	888	581	97	210	13	3	7	98.6	98.6	100.0
Unit banks.....	805	792	13	802	789	524	78	137	10	3	3	98.8	98.7	100.0
Banks operating branches.....	106	103	3	102	99	57	19	23	3	4	4	97.2	97.1	100.0
Branches.....	337	333	4	314	310	182	87	41	4	23	23	98.8	98.7	100.0
Rhode Island	86	74	12	69	64	15	36	13	4	1	17	87.1	94.1	58.8
All banks.....	20	14	6	12	9	5	2	2	2	1	8	73.7	81.8	62.5
Unit banks.....	10	7	3	4	3	3				1	6	77.8	100.0	66.7
Banks operating branches.....	10	7	3	8	6	2	2	2	2	2	1	70.0	75.0	50.0
Branches.....	66	60	6	57	55	10	34	11	2	9	5	90.9	96.5	55.6
South Carolina	221	207	14	221	207	76	10	121	14			93.7	93.7	
All banks.....	150	136	14	150	136	25	8	103	14			90.7	90.7	
Unit banks.....	127	113	14	127	113	16	6	91	14			89.0	89.0	
Banks operating branches.....	23	23		23	23	9	2	12				100.0	100.0	
Branches.....	71	71		71	71	51	2	18				100.0	100.0	
South Dakota	221	221		221	221	58	27	136				100.0	100.0	
All banks.....	169	169		169	169	35	27	107				100.0	100.0	
Unit banks.....	141	141		141	141	31	27	83				100.0	100.0	
Banks operating branches.....	28	28		28	28	4		24				100.0	100.0	
Branches.....	52	52		52	52	23		29				100.0	100.0	
Tennessee	422	415	7	422	415	142	25	248	4	3		99.0	99.0	
All banks.....	298	291	7	298	291	74	10	207	4	3		98.6	98.6	
Unit banks.....	257	250	7	257	250	60	7	133	4	3		98.4	98.4	
Banks operating branches.....	41	41		41	41	14	3	24				100.0	100.0	
Branches.....	124	124		124	124	68	15	41				100.0	100.0	
Texas	938	899	39	938	899	460	137	302	39			95.8	95.8	
All banks.....	921	882	39	921	882	443	137	302	39			95.8	95.8	
Unit banks.....	903	864	39	903	864	425	137	302	39			95.7	95.7	
Banks operating branches.....	18	18		18	18	18						100.0	100.0	
Branches.....	17	17		17	17	17						100.0	100.0	

NUMBER, OFFICES, AND DEPOSITS OF OPERATING BANKS

Table 102. NUMBER OF OPERATING BANKS AND BRANCHES IN THE UNITED STATES (CONTINENTAL U. S. AND OTHER AREAS), DECEMBER 31, 1953—Cont.
 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 and stock savings banks and nondeposit trust companies							Mutual savings banks			Insured banks as percentages of banks of deposit ¹			
	Total	In-sured	Non-insured	Total	Insured			Noninsured				Total	In-sured ²	Non-insured	All banks of deposit	Com-mercial banks	Mutual savings banks
					Total	Members F. R. System		Not members F.R.S.	Banks of deposit	Non-deposit trust companies							
						National	State										
Utah	91	91		91		32	31	28						100.0	100.0		
All banks.....	54	54		54		91	20	25						100.0	100.0		
Unit banks.....	45	45		45		8	15	22						100.0	100.0		
Banks operating branches.....	9	9		9		1	5	3						100.0	100.0		
Branches.....	37	37		37		23	11	3						100.0	100.0		
Vermont	94	93	1	78	77	41	1	35		1	16	16	100.0	100.0	100.0		
All banks.....	74	73	1	67	66	37	1	28		1	7	7	100.0	100.0	100.0		
Unit banks.....	65	64	1	59	58	34	1	23		1	6	6	100.0	100.0	100.0		
Banks operating branches.....	9	9		8	8	3		5		1	1	1	100.0	100.0	100.0		
Branches.....	20	20		11	11	4		7		9	9		100.0	100.0	100.0		
Virginia	460	460		460	460	196	93	171					100.0	100.0			
All banks.....	316	316		316	316	133	71	112					100.0	100.0			
Unit banks.....	248	248		248	248	107	58	83					100.0	100.0			
Banks operating branches.....	68	68		68	68	26	13	29					100.0	100.0			
Branches.....	144	144		144	144	63	22	59					100.0	100.0			
Washington	293	290	3	285	282	188	21	73	3		8	8	99.0	98.9	100.0		
All banks.....	116	113	3	112	109	33	15	61	3		4	4	97.4	97.3	100.0		
Unit banks.....	98	90	8	91	88	20	13	55	3		2	2	96.8	96.7	100.0		
Banks operating branches.....	23	23		21	21	13	2	6			2	2	100.0	100.0	100.0		
Branches ³	177	177		173	173	155	6	12			4	4	100.0	100.0	100.0		
West Virginia	182	178	4	182	178	74	36	68	4				97.8	97.8			
All banks.....	182	178	4	182	178	74	36	68	4				97.8	97.8			
Unit banks.....	182	178	4	182	178	74	36	68	4				97.8	97.8			
Banks operating branches.....																	
Branches.....																	
Wisconsin	708	700	8	704	697	110	78	509	4	3	4	3	99.3	99.4	75.0		
All banks.....	558	551	7	554	548	95	71	382	3	3	4	3	99.3	99.5	75.0		
Unit banks.....	468	462	6	464	459	91	67	301	2	3	4	3	99.4	99.6	75.0		
Banks operating branches.....	90	89	1	90	89	4	4	81	1				98.9	98.9			
Branches.....	150	149	1	150	149	15	7	127	1				99.3	99.3			

Wyoming	54	54	54	54	26	15	13					100.0	100.0
All banks.....	53	53	53	53	25	15	13					100.0	100.0
Unit banks.....	52	52	52	52	24	15	13					100.0	100.0
Banks operating branches.....	1	1	1	1	1							100.0	100.0
Branches.....	1	1	1	1	1							100.0	100.0
Other areas													
Alaska⁴	30	18	12	30	18		18	12				60.0	60.0
All banks.....	19	8	11	19	8		8	11				42.1	42.1
Unit banks.....	14	4	10	14	4		4	10				28.6	28.6
Banks operating branches.....	5	4	1	5	4		4	1				80.0	80.0
Branches.....	11	10	1	11	10		10	1				90.9	90.9
American Samoa	1		1	1				1					
All banks.....	1		1	1				1					
Unit banks.....	1		1	1				1					
Banks operating branches.....													
Branches.....													
Hawaii⁵	61	5	56	61	5		5	51	5			8.9	8.9
All banks.....	9	2	7	9	2		2	2	5			50.0	50.0
Unit banks.....	5		5	5					5				
Banks operating branches.....	4	2	2	4	2		2	2				50.0	50.0
Branches.....	52	3	49	52	3		3	49				5.8	5.8
Mariana Islands	3		3	3				3					
All banks.....													
Unit banks.....													
Banks operating branches.....													
Branches ³	3		3	3				3					
Panama Canal Zone	4		4	4				4					
All banks.....													
Unit banks.....													
Banks operating branches.....													
Branches ³	4		4	4				4					
Puerto Rico	68	61	7	68	61		61	7				89.7	89.7
All banks.....	11	8	3	11	8		8	3				72.7	72.7
Unit banks.....	4	3	1	4	3		3	1				75.0	75.0
Banks operating branches.....	7	5	2	7	5		5	2				71.4	71.4
Branches ³	57	53	4	57	53		53	4				93.0	93.0
Virgin Islands⁶	4	3	1	4	3		3	1				75.0	75.0
All banks.....	3	2	1	3	2		2	1				66.7	66.7
Unit banks.....	2	1	1	2	1		1	1				50.0	50.0
Banks operating branches.....	1	1		1	1		1					100.0	100.0
Branches.....	1	1		1	1		1					100.0	100.0

¹ Percentages are based on totals for all banks, excluding nondeposit trust companies.

² Includes 3 banks members of the Federal Reserve System: 1 in Indiana and 2 in Wisconsin.

³ Includes branches operated by banks located in other states or areas as follows: 1 noninsured branch in Massachusetts operated by a New York bank; 2 insured branches in New York operated by a Puerto Rico bank; 1 insured branch in Oregon operated by a California bank; 1 insured branch in Pennsylvania operated by a New Jersey bank and 1 non-insured branch in Pennsylvania operated by a New York bank; 2 insured branches in Washington operated by a California bank; 3 noninsured branches in the Mariana Islands operated by a California bank; 4 noninsured branches in the Panama Canal Zone operated by 2 New York banks; and 9 insured branches in Puerto Rico operated by 2 New York banks.

⁴ Includes 6 insured national banks, not members of the Federal Reserve System.

⁵ Includes, among noninsured banks, 1 national bank operating 21 branches.

⁶ Includes, among insured banks not members of the Federal Reserve System, 1 national bank operating 1 branch.

Back figures: See the Annual Report for 1952, pp. 86-93, and earlier reports.

Table 103. NUMBER AND DEPOSITS OF OPERATING BANKS IN THE UNITED STATES (CONTINENTAL U. S. AND OTHER AREAS), DECEMBER 31, 1953
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 ¹	Commercial and stock savings banks and nondeposit trust companies				Mutual savings banks			All banks	Commercial and stock savings banks and nondeposit trust companies			Mutual savings banks		
		Total	In-sured	Noninsured		Total	In-sured	Non-insured		Total	Insured	Non-insured	Total	Insured	Non-insured
				Banks of deposit ¹	Non-deposit trust companies										
Total United States	14,552	14,024	13,432	532	60	528	219	309	201,978,297	177,580,415	175,083,481	2,496,934	24,397,882	18,382,535	6,015,347
Continental U. S. and Other areas	14,509	13,981	13,412	514	55	528	219	309	201,099,520	176,701,638	174,696,905	2,004,733	24,397,882	18,382,535	6,015,347
FDIC District															
District 1.....	846	505	459	43	3	341	36	305	14,959,249	8,470,165	8,183,379	286,786	6,489,084	573,626	5,915,458
District 2 ²	1,096	941	923	12	6	155	154	1	56,762,195	41,458,873	40,818,410	640,463	15,303,322	15,222,057	81,265
District 3.....	1,558	1,548	1,526	19	3	10	10		22,541,148	20,945,037	20,884,039	60,998	1,596,111	1,596,111	
District 4.....	1,055	1,047	1,027	20		8	7	1	10,135,889	9,686,714	9,556,540	130,174	449,175	444,994	4,181
District 5.....	1,048	1,048	986	60	2				7,195,428	7,195,428	7,165,167	30,261			
District 6.....	1,504	1,504	1,455	40	9				10,371,093	10,371,093	10,325,954	45,139			
District 7.....	1,471	1,463	1,436	16	11	8	6	2	14,554,589	14,484,640	14,299,546	185,094	69,949	55,506	14,443
District 8.....	1,564	1,564	1,501	59	4				17,440,098	17,440,098	17,302,655	137,443			
District 9.....	1,109	1,108	1,091	16	1	1	1		5,375,440	5,167,368	5,040,189	127,179	208,072	208,072	
District 10.....	1,624	1,624	1,431	186	7				7,322,984	7,322,984	7,114,136	208,848			
District 11.....	1,158	1,158	1,116	41	1				12,312,039	12,312,039	12,216,521	95,518			
District 12 ³	519	514	481	20	13	5	5		23,008,145	22,725,976	22,176,945	549,031	282,169	282,169	
State															
Alabama.....	231	231	231						1,491,290	1,491,290	1,491,290				
Arizona.....	14	14	13		1				636,479	636,479	634,018	2,461			
Arkansas.....	230	230	224	5	1				944,638	944,638	941,021	3,617			
California.....	206	206	197	2	7				16,822,185	16,822,185	16,761,488	60,697			
Colorado.....	162	162	152	10					1,431,038	1,431,038	1,427,989	3,049			
Connecticut.....	181	109	94	14	1	72	5	67	3,606,672	2,003,396	1,934,376	69,020	1,603,276	92,742	1,510,534
Delaware.....	37	35	34	1		2	1	1	631,108	627,446	623,346	4,100	103,662	22,397	81,265
Dist. of Columbia.....	19	19	19						1,266,757	1,266,757	1,266,757				
Florida.....	217	217	213	2	2				2,641,501	2,641,501	2,633,289	8,212			
Georgia.....	400	400	345	55					2,109,535	2,109,535	2,096,436	13,099			
Idaho.....	38	38	38						512,160	512,160	512,160				
Illinois.....	900	900	889	8	3				14,794,061	14,794,061	14,747,629	46,432			
Indiana.....	482	478	469	7	2	4	3	1	3,968,780	3,916,958	3,902,394	14,564	51,822	37,942	13,880
Iowa.....	664	664	612	51	1				2,646,037	2,646,037	2,555,026	91,011			
Kansas.....	606	606	477	129					1,966,030	1,966,030	1,804,648	161,382			

Kentucky	378	378	360	16	2				1,863,129	1,863,129	1,844,549	18,580							
Louisiana	171	171	170	1					2,239,211	2,239,211	2,238,203	1,008							
Maine	95	63	55	8			32	8	793,427	516,824	478,281	38,543	276,603	41,902	234,701				
Maryland	162	154	153	1				8	2,954,299	1,905,124	1,816,566	88,558	449,175	444,994	4,181				
Massachusetts	367	179	173	6				188	8,416,832	4,556,031	4,456,910	99,121	3,860,801		3,860,801				
Michigan	431	431	419	6	6				7,019,379	7,019,379	6,854,769	164,610							
Minnesota	673	677	665	11	1	1			3,541,204	3,333,132	3,321,323	11,809	208,072	208,072					
Mississippi	200	200	197	3					953,102	953,102	944,152	8,950							
Missouri	598	598	580	15	3				5,134,842	5,134,842	5,118,169	16,673							
Montana	109	109	109						663,040	663,040	663,040								
Nebraska	419	419	373	40	6				1,555,386	1,555,386	1,515,183	40,203							
Nevada	8	8	8						245,718	245,718	245,718								
New Hampshire	109	75	62	13			34	11	644,657	512,604	263,469	49,135	332,053	186,646	145,407				
New Jersey	333	310	307		3		23	23	6,250,427	5,412,651	5,412,615	36	837,776	837,776					
New Mexico	52	52	51	1					463,323	463,323	463,057	266							
New York	712	582	572	7	3	130	130		49,594,140	35,232,256	34,631,086	601,170	14,361,884	14,361,884					
North Carolina	226	226	225	1					2,215,962	2,215,962	2,195,146	20,816							
North Dakota	153	153	148	5					607,393	607,393	492,023	115,370							
Ohio	647	644	638	6			3	3	9,483,162	9,184,200	9,176,335	7,265	298,962	298,962					
Oklahoma	384	384	376	7	1				2,051,419	2,051,419	2,047,205	4,214							
Oregon	68	67	65	1	1	1			1,643,107	1,622,680	1,614,332	8,348	25,427	25,427					
Pennsylvania	911	904	888	13	3	7	7		13,057,986	11,760,837	11,707,104	53,733	1,297,149	1,297,149					
Rhode Island	20	12	9	2	1	8	5	3	1,118,203	798,848	767,881	30,967	319,355	155,340	164,015				
South Carolina	150	150	136	14					845,077	845,077	836,694	8,383							
South Dakota	169	169	169						563,803	563,803	563,803								
Tennessee	298	298	291	4	3				2,428,484	2,428,484	2,422,215	6,269							
Texas	921	921	882	39					8,973,026	8,973,026	8,881,243	91,783							
Utah	54	54	54						723,070	723,070	723,070								
Vermont	74	67	66		1	7	7		379,458	282,462	282,462		96,996	96,996					
Virginia	316	316	316						2,390,069	2,390,069	2,390,069								
Washington	116	112	109	3		4	4		2,464,648	2,207,906	2,184,964	22,942	256,742	256,742					
West Virginia	182	182	178	4					1,063,725	1,063,725	1,051,308	12,417							
Wisconsin	558	554	548	3	3	4	3	1	3,566,430	3,548,303	3,542,383	5,920	18,127	17,564	563				
Wyoming	53	53	53						319,111	319,111	319,111								
Other areas																			
Alaska	19	19	8	11					140,382	140,382	103,732	36,650							
American Samoa	1	1		1					1,235	1,235		1,235							
Hawaii	9	9	2	2	5				406,051	406,051	31,481	374,570							
Mariana Islands ⁴									22,774	22,774		22,774							
Panama Canal Zone ⁴									21,815	21,815		21,815							
Puerto Rico ⁴	11	11	8	3					279,544	279,544	244,566	34,978							
Virgin Islands	3	3	2	1					6,976	6,976	6,797	179							

¹ Includes 14 noninsured banks of deposit (8 in Georgia, 2 in Iowa, and 4 in Texas) for which deposits are not available.

² Includes Puerto Rico and the Virgin Islands.

³ Includes Alaska, American Samoa, Hawaii, Mariana Islands, and the Panama Canal Zone.

⁴ Includes deposit data for the following branches of insured banks in continental United States: 3 noninsured branches in the Mariana Islands (2 in Guam and 1 in Saipan); 4 noninsured branches in the Panama Canal Zone; and 9 insured branches in Puerto Rico. Data for these branches are not included in the figures for the States in which the parent banks are located.

Back figures: See the Annual Report for 1952, pp. 98-99, and earlier reports.

ASSETS AND LIABILITIES OF OPERATING BANKS

- Table 104. Assets and liabilities of operating banks in the United States (continental U. S. and other areas), June 30, 1953
Banks grouped according to insurance status and type of bank
- Table 105. Assets and liabilities of operating banks in the United States (continental U. S. and other areas), December 31, 1953
Banks grouped according to insurance status and type of bank
- Table 106. Assets and liabilities of operating banks in the United States (continental U. S. and other areas), December 31, 1953
Banks grouped by district and State
- Table 107. Assets and liabilities of operating insured banks in the United States (continental U. S. and other areas), December 31, 1953, June 30, 1953, and December 31, 1952

The data in these tables relate to banks operating in the United States (continental U. S. and other areas). Data from the same tabulations for all operating banks in each State and other area are also shown in the Corporation's publication, "Assets, Liabilities, and Capital Accounts, Commercial and Mutual Savings Banks," as follows:

For June 30, 1953	Report No. 39, pp. 8-9
For December 31, 1953	Report No. 40, pp. 8-9

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 and premium reserves.

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." Branches outside the continental United States of insured banks in the United States are treated as separate entities but as in the case of other branches are not included in the count of banks. Data for such branches are not included in the figures for the States in which the parent banks are located. Asset and liability data for nine branches in Puerto Rico of two national banks in New York are included with insured bank figures for Puerto Rico and for all insured banks.

Demand balances with and demand deposits due to banks in the United States, except private banks and American branches of foreign banks, exclude reciprocal interbank deposits. Reciprocal interbank deposits arise when two banks maintain deposit accounts with each other.

Individual loan items are reported gross instead of net of valuation reserves. Accordingly, reserves for losses on loans under the provisions

of Mimeograph 6209 issued by the Bureau of Internal Revenue in December 1947 and other loan valuation reserves have been shown separately.

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 exclusions which are permitted and deductions which may be claimed.

Asset and liability data for noninsured banks are tabulated from reports pertaining to the individual banks. In a few cases these reports are not as detailed as those submitted by insured banks, and some of the items reported have been allocated to more detailed categories according to the distribution of asset and liability data for insured State banks not members of the Federal Reserve System or for other noninsured banks.

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*; *Polk's Bankers Encyclopedia*; and reports from individual banks.

Table 104. ASSETS AND LIABILITIES OF OPERATING BANKS IN THE UNITED STATES (CONTINENTAL U. S. AND OTHER AREAS), JUNE 30, 1953
BANKS GROUPED ACCORDING TO INSURANCE STATUS AND TYPE OF BANK
 (Amounts in thousands of dollars)

Asset, liability, or capital account item	All banks			Commercial and stock savings banks and nondeposit trust companies				Mutual savings banks		
	Total	Insured	Non-insured	Total	Insured	Noninsured		Total	Insured	Non-insured
						Banks of deposit	Nondeposit trust companies ¹			
Total assets	208,753,309	199,176,232	9,577,077	182,420,352	179,585,958	2,630,134	204,260	26,332,957	19,590,274	6,742,683
Cash, balances with other banks, and cash collection items—total	42,199,338	41,522,342	676,996	41,332,180	40,830,094	450,377	51,709	867,158	692,248	174,910
Currency and coin	2,755,207	2,664,769	90,438	2,646,841	2,585,836	59,522	1,483	108,366	78,933	29,433
Reserve with F. R. banks (member banks)	19,447,746	19,447,746		19,446,880	19,446,380			1,366	1,366	
Demand balances with banks in U. S.	10,778,041	10,246,408	531,633	10,278,235	9,879,309	350,448	48,478	499,806	367,099	132,707
Other balances with banks in U. S.	273,108	269,097	10,011	43,730	38,093	5,548	89	229,378	225,004	4,374
Balances with banks in foreign countries	60,138	58,557	1,581	60,138	58,557	1,568	13			
Cash items in process of collection	8,885,098	8,841,765	43,333	8,856,856	8,821,919	33,291	1,646	28,242	19,846	8,396
Securities—total	86,298,460	81,045,777	5,252,683	73,265,377	71,761,389	1,395,967	108,021	13,033,083	9,284,388	3,748,695
U. S. Gov't. obligations (incl. guaranteed)	68,368,873	64,408,401	3,960,472	58,904,881	57,765,979	1,075,046	63,856	9,463,992	6,642,422	2,821,570
Obligations of States and subdivisions	10,962,300	10,674,260	288,040	10,583,932	10,333,503	234,101	16,328	378,368	340,757	37,611
Other bonds, notes, and debentures ²	6,168,458	5,474,700	693,758	3,366,403	3,295,971	61,259	9,173	2,802,055	2,178,729	623,326
Corporate stocks	798,829	488,416	310,413	410,161	365,936	25,561	18,664	122,480	122,480	266,188
Loans and discounts, net—total	77,544,114	74,048,679	3,495,435	65,452,699	64,723,440	702,893	26,366	12,091,415	9,325,239	2,766,176
Valuation reserves ³	1,118,513	1,099,151	19,362	940,550	938,223	2,292	35	177,969	160,928	17,035
Loans and discounts, gross—total	78,662,627	75,147,830	3,514,797	66,393,249	65,661,663	705,185	26,401	12,269,378	9,486,167	2,783,211
Commercial and industrial loans	27,593,207	27,388,883	204,324	27,560,885	27,361,492	197,571	1,822	32,322	27,391	4,931
Loans to farmers directly guaranteed by the Commodity Credit Corporation	297,543	284,914	12,629	297,543	284,914					
Other loans to farmers (excl. real estate)	3,402,947	3,326,388	76,559	3,401,044	3,324,801	76,056	187	1,903	1,587	316
Loans to brokers and dealers in securities	1,719,167	1,704,336	14,831	1,719,167	1,704,336	14,831				
Other loans for carrying securities	1,099,486	1,055,677	43,809	1,095,147	1,052,982	37,464	4,701	4,399	2,695	1,644
Real estate loans—total	28,499,581	25,532,092	2,967,489	16,387,224	16,148,116	223,136	15,972	12,112,857	9,383,976	2,728,381
Farm land	1,154,633	1,123,674	30,959	1,104,196	1,084,475	18,554	1,167	50,437	39,199	11,238
Residential properties: Insured by FHA	7,123,931	6,736,990	386,941	3,798,437	3,729,520	65,290	3,677	3,325,444	3,007,470	317,974
Insured or guaranteed by VA	5,603,923	4,799,152	804,771	3,012,619	2,975,811	2,292	3,521	2,590,301	1,823,311	766,963
Not insured or guaranteed by FHA ⁴ or VA	10,392,071	8,959,150	1,432,921	5,733,611	5,650,979	75,480	7,232	4,658,430	3,308,171	1,349,959
Other properties	4,226,023	3,912,326	313,197	2,733,231	2,707,331	2,707,331	2,707,331	1,487,742	1,205,195	282,217
Other loans to individuals	14,280,266	14,130,779	149,487	14,170,758	14,066,747	103,789	272	109,508	64,032	45,476
Loans to banks	155,432	155,022	410	155,432	155,022	410				
All other loans (including overdrafts)	1,614,998	1,569,739	45,259	1,606,049	1,563,253	39,349	3,447	8,949	6,486	2,463
Miscellaneous assets—total	2,711,397	2,559,434	151,963	2,370,096	2,271,035	80,897	18,164	341,301	288,399	52,902
Bank premises owned, furniture and fixtures	1,501,886	1,452,614	49,272	1,363,807	1,343,946	14,016	5,845	138,079	108,668	29,411
Other real estate—direct and indirect	143,275	128,526	14,749	140,252	127,171	5,402	7,679	3,023	1,355	1,668
All other miscellaneous assets	1,066,236	978,294	87,942	866,037	799,918	61,479	4,640	200,199	178,376	21,823

Total liabilities and capital accounts	208,753,309	199,176,232	9,577,077	182,420,352	179,585,958	2,630,134	204,260	26,332,957	19,590,274	6,742,683
Business and personal deposits—total	161,127,024	153,514,742	7,612,282	137,517,312	135,836,267	1,609,298	71,747	23,609,712	17,678,475	5,931,237
Deposits of individuals, partnerships, and corporations—demand	94,276,005	93,142,581	1,133,424	94,251,398	93,118,662	1,062,221	70,515	24,607	23,919	688
Deposits of individuals, partnerships, and corporations—time	64,377,186	57,923,020	6,454,166	40,800,458	40,276,448	522,934	1,076	23,576,728	17,646,572	5,930,156
Certified and officers' checks, cash letters of credit and travelers' checks outstanding, and amounts due to Federal Reserve banks	2,473,833	2,449,141	24,692	2,465,456	2,441,157	24,143	156	8,377	7,984	393
Government deposits—total	15,265,776	14,941,304	324,472	15,249,898	14,927,295	322,541	62	15,878	14,009	1,869
United States Government—demand	3,712,491	3,642,618	69,873	3,710,238	3,640,912	69,326	6	2,253	1,706	547
United States Government—time	318,599	318,033	566	318,593	318,027	566	6	6	6	6
States and subdivisions—demand	9,425,287	9,254,078	171,209	9,423,546	9,252,587	170,897	62	1,741	1,491	250
States and subdivisions—time	1,809,399	1,726,575	82,824	1,797,521	1,715,769	81,752	6	11,878	10,806	1,072
Interbank and postal savings deposits—total	13,647,113	13,284,416	362,697	13,644,552	13,281,954	362,518	80	2,561	2,462	99
Banks in the United States—demand	11,421,502	11,248,072	173,430	11,421,452	11,248,022	173,351	79	50	50	6
Banks in the United States—time	191,474	43,354	148,120	188,963	40,942	148,021	1	2,511	2,412	99
Banks in foreign countries—demand	1,344,331	1,305,872	38,459	1,344,331	1,305,872	38,458	1	1	1	1
Banks in foreign countries—time	656,817	654,772	2,045	656,817	654,772	2,045	1	1	1	1
Postal savings	32,989	32,346	643	32,989	32,346	643	1	1	1	1
Total deposits	190,039,913	181,740,462	8,299,451	166,411,762	164,045,516	2,294,357	71,889	23,628,151	17,694,946	5,933,205
<i>Demand</i>	<i>122,653,449</i>	<i>121,042,362</i>	<i>1,611,087</i>	<i>122,616,421</i>	<i>121,007,212</i>	<i>1,538,396</i>	<i>70,813</i>	<i>37,028</i>	<i>35,150</i>	<i>1,878</i>
<i>Time</i>	<i>67,386,464</i>	<i>60,698,100</i>	<i>6,688,364</i>	<i>43,795,341</i>	<i>43,038,304</i>	<i>755,961</i>	<i>1,076</i>	<i>23,591,123</i>	<i>17,659,796</i>	<i>5,931,327</i>
Miscellaneous liabilities—total	2,833,112	2,689,794	143,318	2,644,115	2,565,722	54,841	23,552	188,997	124,072	64,925
Rediscounts and other borrowed money	114,917	104,885	10,032	114,882	104,850	8,478	1,554	35	35	35
All other miscellaneous liabilities	2,718,195	2,584,909	133,286	2,529,233	2,460,872	46,363	21,998	188,962	124,037	64,925
Total liabilities (excluding capital accounts)	192,873,025	184,430,256	8,442,769	169,055,877	166,611,238	2,349,198	95,441	23,817,148	17,819,018	5,998,130
Capital accounts—total	15,880,284	14,745,976	1,134,308	13,364,475	12,974,720	280,936	108,819	2,515,809	1,771,256	744,553
Preferred capital	76,642	55,221	21,421	76,642	55,221	21,421	6	(¹)	(¹)	6
Common stock	4,031,551	3,909,633	121,918	4,031,551	3,909,633	81,307	40,611	1,729,888	1,300,513	429,375
Surplus	7,944,382	7,380,760	563,622	6,214,494	6,080,247	95,425	38,822	785,921	470,743	315,178
Undivided profits and reserves	3,827,709	3,400,362	427,347	3,041,788	2,929,619	82,783	29,386	1	1	1
Number of banks ²	14,579	13,648	931	14,051	13,435	551	65	528	213	315

¹ Amounts shown as deposits are special accounts and uninvested trust funds, with the latter classified as demand deposits of individuals, partnerships, and corporations.

² Includes obligations of United States Government corporations and agencies, not guaranteed by the United States Government.

³ Reserves for losses on loans authorized by the Bureau of Internal Revenue for income tax purposes and other valuation reserves.

⁴ Not reported separately. Included with "Undivided profits and reserves."

⁵ Includes 18 noninsured banks of deposit for which asset and liability data are not available.

Back figures: See the Annual Report for 1952, pp. 102-103, and earlier reports.

Table 105. ASSETS AND LIABILITIES OF OPERATING BANKS IN THE UNITED STATES (CONTINENTAL U. S. AND OTHER AREAS), DECEMBER 31, 1953
BANKS GROUPED ACCORDING TO INSURANCE STATUS AND TYPE OF BANK
 (Amounts in thousands of dollars)

Asset, liability, or capital account item	All banks			Commercial and stock savings banks and nondeposit trust companies				Mutual savings banks		
	Total	Insured	Non-insured	Total	Insured	Noninsured		Total	Insured	Non-insured
						Banks of deposit	Nondeposit trust companies ¹			
Total assets	221,132,803	211,396,426	9,736,377	194,002,839	191,062,625	2,755,735	184,479	27,129,964	20,333,801	6,796,163
Cash, balances with other banks, and cash collection items—total	45,991,609	45,277,380	714,229	45,008,810	44,478,304	482,885	47,621	982,799	799,076	183,723
Currency and coin.....	2,690,476	2,602,167	88,309	2,564,007	2,507,547	56,396	1,064	126,469	94,620	31,849
Reserve with F. R. banks (member banks).....	19,996,858	19,996,858	.....	19,995,969	19,995,969	.....	.....	1,489	1,489	.....
Demand balances with banks in U. S.	12,727,617	12,163,830	563,787	12,152,190	11,724,184	382,304	45,702	575,427	439,616	135,781
Other balances with banks in U. S.	258,204	278,796	9,408	44,865	39,745	5,064	56	243,339	239,051	4,288
Balances with banks in foreign countries.....	67,036	63,691	3,345	67,036	63,691	3,332	13	.....	.....	.....
Cash items in process of collection.....	10,221,418	10,172,038	49,380	10,185,343	10,147,768	36,789	786	36,075	24,270	11,805
Securities—total	91,325,110	86,087,664	5,237,446	78,440,139	76,851,462	1,491,182	97,495	12,884,971	9,236,202	3,648,769
U. S. Gov't. obligations (incl. guaranteed).....	72,872,466	68,949,419	3,923,047	63,688,526	62,472,935	1,164,172	51,419	9,183,940	6,476,434	2,707,456
Obligations of States and subdivisions.....	11,283,010	10,980,493	302,517	10,875,578	10,620,012	273,513	22,053	407,432	360,481	46,951
Other bonds, notes, and debentures ²	6,322,351	5,628,529	693,822	3,460,139	3,386,730	67,622	5,787	2,862,212	2,241,799	620,413
Corporate stocks.....	847,283	529,223	318,060	415,896	371,785	25,875	18,236	431,387	157,438	273,949
Loans and discounts, net—total	80,920,155	77,281,768	3,638,387	67,994,918	67,266,168	707,020	21,730	12,925,237	10,015,600	2,909,637
Valuation reserves ³	1,142,299	1,124,272	18,027	963,443	961,317	2,080	46	178,856	162,955	15,901
Loans and discounts, gross—total	82,062,454	78,406,040	3,656,414	68,958,361	68,227,485	709,100	21,776	13,104,093	10,178,555	2,925,538
Commercial and industrial loans.....	27,368,089	27,186,496	181,593	27,336,176	27,157,544	178,355	277	31,913	28,952	2,961
Loans to farmers directly guaranteed by the Commodity Credit Corporation.....	2,205,729	2,164,791	40,938	2,205,729	2,164,791	40,938	.....	.....	.....	.....
Other loans to farmers (excl. real estate).....	2,783,515	2,720,599	62,916	2,781,828	2,719,046	62,663	119	1,687	1,553	134
Loans to brokers and dealers in securities.....	2,361,534	2,344,232	17,302	2,361,534	2,344,232	17,302	.....	.....	.....	.....
Other loans for carrying securities.....	1,228,553	1,185,373	43,180	1,223,740	1,182,462	36,608	4,670	4,813	2,911	1,902
Real estate loans—total.....	29,798,143	26,682,236	3,110,907	16,849,654	16,612,658	222,296	14,700	12,943,489	10,069,578	2,873,911
Farm land.....	1,134,657	1,102,669	31,988	1,081,642	1,062,224	18,631	787	53,015	40,445	12,570
Residential properties: Insured by FHA.....	7,401,747	7,003,593	398,154	3,912,899	3,853,009	57,673	1,717	3,439,348	3,150,534	338,764
Insured or guaranteed by VA.....	6,114,674	5,234,356	880,318	3,061,442	3,024,839	35,132	1,421	3,053,232	2,209,467	843,765
Not insured or guaranteed by FHA or VA.....	10,742,350	9,269,723	1,472,627	5,950,787	5,866,475	75,739	8,573	4,791,563	3,403,248	1,388,315
Other properties.....	4,399,715	4,071,895	327,820	2,843,384	2,806,061	35,121	2,302	1,556,331	1,265,834	290,497
Other loans to individuals.....	14,633,219	14,479,089	154,130	14,520,320	14,411,636	108,392	292	112,899	67,453	45,446
Loans to banks.....	162,222	161,925	297	162,222	161,925	297	.....	.....	.....	.....
All other loans (including overdrafts).....	1,526,450	1,481,299	45,151	1,517,158	1,473,191	42,249	1,718	9,292	8,108	1,184
Miscellaneous assets—total	2,895,929	2,749,614	146,315	2,558,972	2,466,691	74,648	17,633	336,957	282,923	54,034
Bank premises owned, furniture and fixtures.....	1,556,540	1,506,865	49,675	1,411,402	1,392,396	13,650	5,356	145,138	114,469	30,669
Other real estate—direct and indirect.....	143,300	129,169	14,131	140,632	128,052	4,902	7,678	1,117	1,117	1,551
All other miscellaneous assets.....	1,196,089	1,113,580	82,509	1,006,938	946,243	56,096	4,599	189,151	167,337	21,814

Total liabilities and capital accounts	221,132,803	211,396,426	9,736,377	194,002,839	191,062,625	2,755,735	184,479	27,129,964	20,333,801	6,796,163
Business and personal deposits—total	169,783,434	162,029,962	7,753,472	145,408,536	143,667,798	1,662,960	77,778	24,374,898	18,362,164	6,012,73
Deposits of individuals, partnerships, and corporations—demand.....	100,417,627	99,216,948	1,200,679	100,395,568	99,195,829	1,123,077	76,662	22,059	21,119	940
Deposits of individuals, partnerships, and corporations—time.....	66,345,719	59,817,273	6,528,446	42,001,120	41,484,058	516,019	1,043	24,344,599	18,333,215	6,011,384
Certified and officers' checks, cash letters of credit and travelers' checks outstanding, and amounts due to Federal Reserve banks.....	3,020,088	2,995,741	24,347	3,011,848	2,987,911	23,864	73	8,240	7,830	410
Government deposits—total	16,190,331	15,846,486	343,845	16,169,851	15,828,516	341,274	61	20,480	17,970	2,510
United States Government—demand.....	4,218,558	4,137,855	80,703	4,215,454	4,135,590	79,864	.....	3,104	2,265	839
United States Government—time.....	322,694	319,991	2,703	322,664	319,967	2,697	.....	30	24	6
States and subdivisions—demand.....	9,624,737	9,448,844	175,893	9,620,398	9,444,755	175,582	61	4,339	4,089	250
States and subdivisions—time.....	2,024,342	1,939,796	84,546	2,011,335	1,928,204	83,131	.....	13,007	11,592	1,415
Interbank and postal savings deposits—total	16,004,532	15,589,568	414,964	16,002,028	15,587,167	414,768	93	2,564	2,401	103
Banks in the United States—demand.....	13,457,360	13,229,080	228,280	13,457,310	13,229,030	228,188	92	50	50	.....
Banks in the United States—time.....	176,236	50,520	125,716	173,782	48,169	125,613	.....	2,454	2,351	103
Banks in foreign countries—demand.....	1,346,638	1,296,108	50,530	1,346,638	1,296,108	50,529	1	.....	.....	.....
Banks in foreign countries—time.....	993,445	983,650	9,795	993,445	983,650	9,795	.....	.....	.....	.....
Postal savings.....	30,853	30,210	643	30,853	30,210	643	.....	.....	.....	.....
Total deposits	201,978,297	193,466,016	8,512,281	177,580,415	175,083,481	2,419,002	77,932	24,397,882	18,382,535	6,015,347
Demand.....	132,085,008	130,324,576	1,760,432	132,047,216	130,289,223	1,681,104	76,889	37,792	35,353	2,439
Time.....	69,893,289	63,141,440	6,751,849	45,533,199	44,794,258	737,898	1,043	24,360,090	18,347,182	6,012,908
Miscellaneous liabilities—total	2,945,142	2,847,301	97,841	2,772,139	2,714,666	50,429	7,044	173,003	132,635	40,368
Rediscounts and other borrowed money.....	66,803	59,090	7,713	66,753	59,040	6,920	793	50	50	.....
All other miscellaneous liabilities.....	2,878,339	2,788,211	90,128	2,705,386	2,655,626	43,509	6,251	172,953	132,585	40,368
Total liabilities (excluding capital accounts)	204,923,439	196,313,317	8,610,122	180,352,554	177,798,147	2,469,431	84,976	24,570,885	18,515,170	6,055,715
Capital accounts—total	16,209,364	15,083,109	1,126,255	13,650,285	13,264,478	286,304	99,503	2,559,079	1,818,631	740,448
Preferred capital.....	73,878	52,457	21,421	73,878	52,457	21,421	.....	(¹)	(¹)	.....
Common stock.....	4,099,829	3,978,135	121,694	4,099,829	3,978,135	84,383	37,311	.....	.....	.....
Surplus.....	8,193,898	7,623,978	569,920	6,419,482	6,283,560	99,328	36,594	1,774,416	1,340,418	433,998
Undivided profits and reserves.....	3,841,759	3,428,539	413,220	3,057,096	2,950,326	81,172	25,598	784,663	478,213	306,450
Number of banks ⁵	14,552	13,651	901	14,024	13,432	532	60	528	219	309

¹ Amounts shown as deposits are special accounts and uninvested trust funds, with the latter classified as demand deposits of individuals, partnerships, and corporations.

² Includes obligations of United States Government corporations and agencies, not guaranteed by the United States Government.

³ Reserves for losses on loans authorized by the Bureau of Internal Revenue for income tax purposes and other valuation reserves.

⁴ Not reported separately. Included with undivided profits and reserves.

⁵ Includes 14 noninsured banks of deposit for which asset and liability data are not available.

Back figures, 1934-1952: See the preceding table and the Annual Report for 1952, pp. 104-105, and earlier reports.

Table 106. ASSETS AND LIABILITIES OF OPERATING BANKS IN THE UNITED STATES (CONTINENTAL U. S. AND OTHER AREAS), DECEMBER 31, 1953
BANKS GROUPED BY DISTRICT AND STATE
 (Amounts in thousands of dollars)

FDIC District and State	Number of banks ¹	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
								Business and personal ²	Government ³	Inter-bank ⁴		
Total United States...	14,552	45,991,609	72,872,466	18,452,644	80,920,155	2,895,929	221,132,803	169,783,434	16,190,331	16,004,532	2,945,142	16,209,364
Continental U. S. ...	14,509	45,811,223	72,609,514	18,369,510	80,518,101	2,831,432	220,139,780	169,147,226	15,964,979	15,987,315	2,921,884	16,118,376
Other areas...	43	180,386	262,952	83,134	402,054	64,497	993,023	636,208	225,352	17,217	23,258	90,988
FDIC District												
District 1.....	846	2,180,640	6,006,936	1,631,457	6,685,252	205,273	16,709,558	13,758,912	707,408	492,934	180,342	1,569,967
District 2 ⁵	1,096	11,591,126	18,513,556	5,495,403	26,820,566	1,088,636	63,459,287	48,147,079	2,831,283	5,783,833	1,386,796	5,310,296
District 3.....	1,558	4,958,331	8,401,340	2,670,617	8,424,958	296,902	24,752,148	19,849,818	1,559,210	1,132,120	205,157	2,005,843
District 4.....	1,055	2,500,694	3,917,944	847,388	3,625,043	162,591	11,053,660	8,338,872	1,037,406	759,611	117,826	799,945
District 5.....	1,048	2,031,260	2,603,361	623,858	2,416,083	97,753	7,772,315	5,659,366	925,714	610,348	65,074	511,813
District 6.....	1,504	3,004,362	3,561,612	678,858	3,861,292	109,066	11,215,185	7,953,407	952,222	1,465,464	92,365	751,727
District 7.....	1,471	3,232,570	6,443,799	1,153,555	4,610,259	142,461	15,582,644	12,700,815	1,328,431	525,343	119,051	909,004
District 8.....	1,564	4,232,312	7,353,266	1,508,187	5,544,946	124,996	18,763,707	14,392,735	1,380,931	1,666,432	130,456	1,193,153
District 9.....	1,109	1,194,388	2,066,438	478,875	2,007,591	45,813	5,793,105	4,383,787	576,912	414,741	47,404	370,260
District 10.....	1,624	2,090,127	2,713,466	597,815	2,423,268	58,275	7,882,951	5,782,352	909,695	630,937	41,784	518,183
District 11.....	1,158	4,119,579	3,778,992	758,725	4,336,183	215,698	13,209,177	9,155,992	1,531,337	1,624,710	105,383	791,755
District 12 ⁶	519	4,856,220	7,511,756	2,007,911	10,164,714	398,465	24,939,066	19,660,299	2,449,787	898,059	453,504	1,477,417
State												
Alabama.....	231	407,009	523,932	164,590	504,921	16,970	1,617,422	1,215,687	187,417	88,186	13,451	112,681
Arizona.....	14	134,460	229,891	55,318	253,076	14,902	687,647	535,896	89,959	10,624	10,357	40,811
Arkansas.....	230	295,623	314,469	91,723	313,169	6,947	1,021,931	777,160	97,365	70,113	3,570	73,723
California.....	206	3,528,285	5,418,955	1,482,332	7,553,903	280,546	18,264,021	14,420,713	1,711,579	689,893	388,458	1,053,378
Colorado.....	162	390,299	574,724	58,534	505,612	10,755	1,539,924	1,200,020	115,390	115,628	12,428	96,458
Connecticut.....	181	526,464	1,514,679	490,883	1,393,757	52,137	3,977,920	3,411,163	147,333	48,126	30,664	340,584
Delaware.....	37	109,831	235,079	99,061	257,854	9,860	711,685	578,386	48,340	4,382	6,281	74,296
District of Columbia.....	19	345,827	497,801	50,592	446,861	24,277	1,365,358	1,123,009	49,732	93,966	10,949	87,652
Florida.....	217	737,332	1,138,793	182,876	733,733	40,434	2,833,168	2,061,277	354,323	225,901	21,294	170,373
Georgia.....	400	618,923	648,794	133,435	866,500	30,454	2,298,106	1,640,838	241,427	227,270	26,168	162,403
Idaho.....	38	102,249	198,056	19,872	218,009	4,888	543,074	425,955	79,516	6,689	2,962	27,952
Illinois.....	900	3,608,209	6,340,488	1,273,781	4,580,615	107,235	15,910,328	12,168,149	1,110,838	1,515,074	123,525	932,742
Indiana.....	482	952,432	1,856,354	245,826	1,158,597	34,675	4,247,884	3,346,047	482,321	140,412	29,637	249,467
Iowa.....	664	624,103	1,012,778	234,406	964,331	17,761	2,853,379	2,224,586	270,093	151,358	6,931	200,411
Kansas.....	606	527,184	717,293	207,293	646,467	12,288	2,110,525	1,471,091	386,590	108,349	7,049	137,446

Kentucky	378	534,058	705,367	84,978	685,218	15,593	2,025,214	1,511,777	160,554	190,798	14,319	147,766
Louisiana	171	690,692	829,327	190,161	649,323	30,045	2,389,548	1,571,129	387,221	280,861	20,011	180,826
Maine	95	122,843	330,385	104,451	324,012	9,183	890,874	740,672	41,334	11,421	6,164	91,283
Maryland	162	469,500	1,045,771	216,820	786,109	51,216	2,569,416	2,047,083	199,574	107,642	18,649	196,468
Massachusetts	367	1,238,961	3,333,396	818,609	3,949,901	115,160	9,456,027	7,601,943	408,472	406,417	122,224	916,971
Michigan	431	1,507,098	3,038,363	632,163	2,262,494	75,004	7,515,122	6,161,358	628,938	229,088	75,240	420,503
Minnesota	678	812,549	1,261,641	346,098	1,380,522	31,975	3,832,785	2,872,592	309,320	359,292	35,559	256,022
Mississippi	200	267,996	291,842	142,957	310,929	9,895	1,023,619	741,564	142,547	68,991	4,161	66,356
Missouri	598	1,467,406	1,795,111	343,552	1,883,856	47,267	5,537,192	3,850,401	451,671	832,770	43,612	358,738
Montana	109	165,609	279,580	46,218	204,192	5,527	701,126	556,241	75,295	31,504	5,318	32,768
Nebraska	419	420,827	622,494	124,266	493,602	10,390	1,671,579	1,252,307	131,827	171,252	6,404	109,789
Nevada	8	47,499	101,858	14,370	95,658	3,903	263,288	209,172	35,837	709	3,815	13,755
New Hampshire	109	81,259	256,189	76,968	309,739	6,123	730,278	605,746	28,636	10,375	4,044	81,577
New Jersey	333	1,066,275	2,427,051	855,331	2,330,611	92,678	6,771,946	5,663,927	508,117	78,383	54,685	466,834
New Mexico	52	152,294	174,551	18,726	144,817	5,846	491,234	368,700	111,193	15,430	2,031	25,880
New York	712	10,358,918	15,787,463	4,504,491	24,057,806	913,961	55,622,639	41,707,124	2,194,025	5,692,991	1,306,106	4,722,393
North Carolina	226	579,660	710,525	274,669	834,561	30,973	2,430,188	1,674,179	267,210	274,573	46,422	167,804
North Dakota	153	97,350	290,741	54,799	206,821	3,610	653,321	468,689	126,499	12,205	3,261	42,667
Ohio	647	2,147,546	3,810,420	767,060	3,382,046	107,903	10,214,975	8,262,544	810,362	410,256	89,391	642,422
Oklahoma	384	662,376	663,680	189,544	682,267	22,444	2,220,311	1,599,487	228,327	223,605	14,419	154,473
Oregon	68	362,563	559,070	152,977	689,127	26,044	1,789,781	1,414,608	193,083	40,416	22,666	119,008
Pennsylvania	911	2,810,785	4,590,920	1,903,557	5,042,917	188,999	14,537,173	11,537,274	748,848	721,864	115,766	1,363,421
Rhode Island	20	158,005	459,885	110,848	484,806	18,114	1,231,658	1,039,330	63,958	14,915	14,250	99,205
South Carolina	150	247,513	318,813	76,257	257,714	8,598	908,895	667,416	149,072	28,589	7,007	56,811
South Dakota	169	118,880	234,476	31,760	216,056	4,701	605,873	486,265	65,798	11,740	3,266	38,804
Tennessee	298	707,275	746,665	158,600	979,049	39,259	2,630,848	1,814,069	242,632	371,783	30,864	171,500
Texas	921	3,142,133	2,545,223	499,520	3,288,967	164,905	9,640,748	6,712,267	942,964	1,317,795	72,984	594,738
Utah	54	176,802	264,568	38,748	289,245	7,146	776,509	535,373	89,001	48,696	7,375	46,064
Vermont	74	53,108	112,402	29,698	223,087	4,556	422,901	360,058	17,720	1,680	2,996	40,347
Virginia	316	598,660	865,703	160,010	948,454	35,485	2,608,312	1,940,645	241,560	207,864	27,326	190,917
Washington	116	514,538	770,260	252,998	1,091,013	33,578	2,662,387	2,165,912	196,220	102,516	24,694	173,045
West Virginia	182	259,534	479,331	69,240	351,344	12,042	1,171,491	886,540	130,208	46,977	7,473	100,293
Wisconsin	558	773,040	1,549,082	275,566	1,189,168	32,782	3,819,638	3,193,410	217,172	155,348	14,174	239,034
Wyoming	53	89,441	135,275	18,178	95,320	2,398	340,612	259,447	47,561	12,108	1,484	20,017
Other area												
Alaska	19	32,029	61,981	14,428	37,548	2,127	148,113	90,728	47,567	2,087	329	7,402
American Samoa	1	426	916		47	10	1,399	1,000	201	34		164
Hawaii	9	86,130	134,357	32,186	184,418	8,556	445,647	323,941	76,992	6,018	2,947	36,649
Mariana Islands ¹		1,066		4,188	17,780	23,029	11,765	11,006	3	3	255	
Panama Canal Zone ²		4,633	1,735		1,563	13,887	21,818	11,132	9,685	998	3	
Puerto Rico ³	11	54,577	60,449	35,972	172,172	21,987	345,157	192,424	79,068	8,052	19,640	45,973
Virgin Islands	3	1,525	3,514	548	2,123	150	7,860	5,218	1,738	25	84	800

¹ Includes 14 noninsured banks of deposit (8 in Georgia, 2 in Iowa, and 4 in Texas) for which asset, liability, and capital account data are not available.

² Demand and time deposits of individuals, partnerships, and corporations, certified and officers' checks, cash letters of credit, etc.

³ Deposits of the United States Government and of States and subdivisions.

⁴ Interbank deposits and postal savings deposits.

⁵ Includes Puerto Rico and the Virgin Islands.

⁶ Includes Alaska, American Samoa, Hawaii, Mariana Islands, and the Panama Canal Zone.

⁷ Includes asset and liability data for the following branches of insured banks in continental United States: 3 noninsured branches in the Mariana Islands (2 in Guam and 1 in Saipan); 4 noninsured branches in the Panama Canal Zone and 9 insured branches in Puerto Rico. Data for these branches are not included in the figures for the States in which the parent banks are located.

Back figures, 1945-1952: See the Annual Report for 1952, pp. 106-107, and earlier reports.

**Table 107. ASSETS AND LIABILITIES OF OPERATING INSURED BANKS IN THE UNITED STATES (CONTINENTAL U. S. AND OTHER AREAS),
DECEMBER 31, 1953, JUNE 30, 1953, AND DECEMBER 31, 1952**
(Amounts in thousands of dollars)

Assets	All insured banks			Insured commercial banks ¹			Insured mutual savings banks		
	Dec. 31, 1953	June 30, 1953	Dec. 31, 1952	Dec. 31, 1953	June 30, 1953	Dec. 31, 1952	Dec. 31, 1953	June 30, 1953	Dec. 31, 1952
Total assets	211,396,426	199,176,232	205,293,919	191,062,625	179,585,958	186,682,180	20,333,801	19,590,274	18,611,739
Cash, balances with other banks, and cash collection items—total	45,277,380	41,522,342	45,030,818	44,478,304	40,830,094	44,299,249	799,076	692,248	731,569
Currency and coin.....	2,602,167	2,664,769	2,842,118	2,507,547	2,585,836	2,749,835	94,620	78,933	92,283
Reserve with Federal Reserve banks (member banks)	19,996,858	19,447,746	19,810,476	19,995,369	19,446,380	19,809,084	1,489	1,366	1,392
Demand balances with banks in the United States (except private banks and American branches of foreign banks)	12,163,830	10,246,408	11,882,646	11,724,184	9,879,309	11,479,724	439,646	367,099	402,922
Other balances with banks in the United States	278,796	263,097	257,638	39,745	38,093	41,961	239,051	225,004	215,677
Balances with banks in foreign countries	63,691	58,557	75,000	63,691	58,557	75,000			
Cash items in process of collection.....	10,172,038	8,841,765	10,162,940	10,147,768	8,821,919	10,143,645	24,270	19,846	19,295
Obligations of the U. S. Government, direct and guaranteed—total	68,949,419	64,408,401	69,001,513	62,472,935	57,765,979	62,408,171	6,476,484	6,642,422	6,593,342
Direct:									
Treasury bills.....	5,001,393	5,011,916	7,740,928	4,899,579	4,931,221	7,628,585	101,814	80,695	112,343
Treasury certificates of indebtedness.....	10,192,949	5,061,743	5,516,726	10,088,104	5,010,214	5,504,308	104,845	51,529	12,418
Treasury notes.....	12,374,101	11,180,853	11,759,564	12,308,414	11,148,290	11,739,757	65,687	32,563	19,807
United States non-marketable bonds ²	3,827,064	3,864,956	3,931,721	2,538,490	2,578,203	2,594,867	1,288,574	1,286,753	1,336,854
Other bonds maturing in 5 years or less.....	18,042,732	20,780,540	18,495,897	17,790,496	20,407,510	18,350,452	252,236	373,030	145,445
Other bonds maturing in 5 to 10 years.....	11,062,264	9,994,616	12,426,254	10,158,499	9,036,119	11,205,784	903,765	958,497	1,220,470
Other bonds maturing in 10 to 20 years.....	8,160,431	8,233,573	9,092,649	4,533,070	4,493,958	5,362,222	3,627,361	3,739,615	3,730,427
Other bonds maturing after 20 years.....	230,754	241,383		122,827	128,697		107,927	112,686	
Guaranteed obligations (FHA debentures).....	57,731	38,821	37,774	33,456	31,767	22,196	24,275	7,054	15,578
Other securities—total	17,138,245	16,637,376	16,209,028	14,378,527	13,995,410	13,872,272	2,759,718	2,641,966	2,336,756
Obligations of States and subdivisions.....	10,980,493	10,674,260	10,303,933	10,620,012	10,333,503	10,006,206	360,481	340,757	297,727
Other bonds, notes, and debentures ³	5,628,529	5,474,700	5,469,385	3,886,730	3,295,971	3,509,325	2,241,799	2,178,729	1,960,060
Corporate stocks:									
Federal Reserve banks.....	265,131	259,488	252,600	265,067	259,427	252,542	64	61	58
Other corporate stocks.....	264,092	228,928	183,110	106,718	106,509	104,199	157,374	122,419	78,911
Total securities	86,087,664	81,045,777	85,210,541	76,851,462	71,761,389	76,280,443	9,236,202	9,284,388	8,930,098

Loans and discounts, net—total	77,281,768	74,048,679	72,515,153	67,266,168	64,723,440	63,824,310	10,015,600	9,325,239	8,690,843
Valuation reserves ⁴	1,124,272	1,099,151	1,058,629	961,317	938,223	903,935	162,955	160,928	154,694
Loans and discounts, gross—total	78,406,040	75,147,830	73,573,782	68,227,485	65,661,663	64,728,245	10,178,555	9,486,167	8,845,537
Commercial and industrial loans (including open market paper).....	27,186,496	27,388,883	27,840,851	27,157,544	27,361,492	27,815,944	28,952	27,391	24,907
Loans to farmers directly guaranteed by the Commodity Credit Corporation.....	2,164,791	284,914	688,769	2,164,791	284,914	688,769			
Other loans to farmers (excluding loans on real estate).....	2,720,599	3,326,388	3,142,286	2,719,046	3,324,801	3,140,789	1,553	1,587	1,497
Loans to brokers and dealers in securities.....	2,344,232	1,704,336	2,050,295	2,344,232	1,704,336	2,050,295			
Other loans for the purpose of purchasing or carrying securities.....	1,185,373	1,055,677	1,084,794	1,182,462	1,052,982	1,083,439	2,911	2,695	1,355
Real estate loans—total.....	26,682,236	25,532,092	24,368,814	16,612,658	16,148,116	15,615,871	10,069,578	9,383,976	8,752,943
<i>Farm land</i>	1,102,669	1,123,674	1,074,732	1,062,224	1,084,475	1,036,500	40,445	39,199	33,232
<i>Residential properties:</i>									
<i>Insured by FHA</i>	7,003,593	6,736,990	6,452,296	3,853,009	3,729,520	3,607,833	3,150,584	3,007,470	2,844,463
<i>Insured or guaranteed by VA</i>	5,234,356	4,799,152	4,497,823	3,024,889	2,975,811	2,971,349	2,209,467	1,823,341	1,526,474
<i>Not insured or guaranteed by FHA or VA</i>	9,269,723	8,959,450	8,592,010	5,866,475	5,650,979	5,416,693	3,403,248	3,308,471	3,175,317
<i>Other properties</i>	4,071,895	3,912,826	3,751,953	2,806,061	2,707,331	2,583,496	1,265,834	1,205,495	1,168,457
Other loans to individuals.....	14,479,089	14,130,779	12,699,259	14,411,636	14,066,747	12,641,861	67,453	64,032	57,998
Loans to banks.....	161,925	155,022	157,357	161,925	155,022	157,357			
All other loans (including overdrafts).....	1,481,299	1,569,739	1,546,357	1,473,191	1,563,253	1,538,920	8,108	6,486	7,437
Total loans and securities	163,369,432	155,094,456	157,725,694	144,117,630	136,484,829	140,104,753	19,251,802	18,609,627	17,620,941
Bank premises, furniture and fixtures, and other real estate—total	1,636,034	1,581,140	1,519,992	1,520,448	1,471,117	1,414,150	115,586	110,023	105,842
Bank premises.....	1,208,834	1,166,123	1,127,997	1,098,761	1,061,552	1,023,685	110,073	104,571	99,312
Furniture and fixtures.....	298,031	286,491	266,107	293,635	282,394	262,113	4,396	4,097	3,994
Real estate owned other than bank premises.....	39,642	32,573	31,648	38,525	31,218	29,112	1,117	1,355	2,536
Investments and other assets indirectly representing bank premises or other real estate.....	89,527	95,953	94,240	89,527	95,953	94,240			
Miscellaneous assets—total	1,113,580	978,294	1,017,415	946,243	799,918	864,028	167,337	178,376	153,387
Customers' liability on acceptances outstanding.....	377,536	279,292	328,600	377,536	279,292	328,600			
Income accrued but not collected.....	427,610	369,591	376,081	352,212	298,026	307,684	75,398	71,565	68,397
Prepaid expenses.....	50,270	62,096	47,437	46,590	57,369	44,018	3,680	4,727	3,419
Other assets.....	258,164	267,815	265,297	169,905	165,231	183,726	88,259	102,084	81,571
RATIOS									
Percentages of total assets:									
Cash and balances with other banks.....	21.4%	20.8%	21.9%	23.3%	22.7%	23.7%	3.9%	3.5%	3.9%
U. S. Government obligations, direct and guaranteed.....	32.6	32.3	33.6	32.7	32.2	33.5	31.8	33.9	35.4
Other securities.....	8.1	8.4	7.9	7.5	7.8	7.4	13.6	13.5	12.6
Loans and discounts.....	36.6	37.2	35.3	35.2	36.0	34.2	49.3	47.6	46.7
Other assets.....	1.3	1.3	1.3	1.3	1.3	1.2	1.4	1.5	1.4
Total capital accounts.....	7.1	7.4	7.0	6.9	7.2	6.7	8.9	9.0	9.3

**Table 107. ASSETS AND LIABILITIES OF OPERATING INSURED BANKS IN THE UNITED STATES (CONTINENTAL U. S. AND OTHER AREAS),
DECEMBER 31, 1953, JUNE 30, 1953, AND DECEMBER 31, 1952—Continued**

(Amounts in thousands of dollars)

Liabilities and capital	All insured banks			Insured commercial banks ¹			Insured mutual savings banks		
	Dec. 31, 1953	June 30, 1953	Dec. 31, 1952	Dec. 31, 1953	June 30, 1953	Dec. 31, 1952	Dec. 31, 1953	June 30, 1953	Dec. 31, 1952
Total liabilities and capital accounts	211,396,426	199,176,232	205,293,919	191,062,625	179,585,958	186,682,180	20,333,801	19,590,274	18,611,739
Business and personal deposits—total	162,029,962	153,514,742	157,411,509	143,667,798	135,836,267	140,639,327	18,362,164	17,678,475	16,772,182
Deposits of individuals, partnerships, and corporations—demand.....	99,216,948	93,142,581	98,917,066	99,195,829	93,118,662	98,897,813	21,119	23,919	19,253
Deposits of individuals, partnerships, and corporations—time.....	59,817,273	57,923,020	55,540,770	41,484,058	40,276,448	38,794,901	18,333,215	17,646,572	16,745,869
Certified and officers' checks, cash letters of credit and travelers' checks outstanding, and amounts due to Federal Reserve banks.....	2,995,741	2,449,141	2,953,673	2,987,911	2,441,157	2,946,613	7,830	7,984	7,060
Government deposits—total	15,846,486	14,941,304	15,697,660	15,828,516	14,927,295	15,686,714	17,970	14,009	10,946
United States Government—demand.....	4,137,855	3,642,618	4,939,177	4,135,590	3,640,912	4,936,857	2,265	1,706	2,320
United States Government—time.....	319,991	318,033	326,455	319,967	318,027	326,449	24	6	6
States and subdivisions—demand.....	9,448,844	9,254,078	8,819,091	9,444,755	9,252,587	8,817,570	4,089	1,491	1,521
States and subdivisions—time.....	1,939,796	1,726,575	1,612,937	1,928,204	1,715,769	1,605,838	11,592	10,806	7,099
Interbank and postal savings deposits—total	15,589,568	13,284,416	15,032,881	15,587,167	13,281,954	15,030,986	2,401	2,462	1,895
Banks in the United States—demand.....	13,229,080	11,248,072	12,955,589	13,229,030	11,248,022	12,955,539	50	50	50
Banks in the United States—time.....	50,520	43,354	44,124	48,169	40,942	42,279	2,351	2,412	1,845
Banks in foreign countries—demand.....	1,296,108	1,305,872	1,437,724	1,296,108	1,305,872	1,437,724	.....	.....	.....
Banks in foreign countries—time.....	983,650	654,772	562,903	983,650	654,772	562,903	.....	.....	.....
Postal savings.....	30,210	32,346	32,541	30,210	32,346	32,541	.....	.....	.....
Total deposits	193,466,016	181,740,462	188,142,050	175,083,481	164,045,516	171,357,027	18,382,535	17,694,946	16,785,023
Demand.....	130,324,576	121,042,362	130,022,320	130,239,223	121,007,212	129,992,116	95,353	85,150	30,204
Time.....	63,141,440	60,698,100	58,119,730	44,794,258	43,038,304	41,364,911	18,347,182	17,659,796	16,754,819
Miscellaneous liabilities—total	2,847,310	2,689,794	2,836,335	2,714,666	2,565,722	2,739,919	132,635	124,072	96,416
Bills payable, rediscounts, and other liabilities for borrowed money.....	59,090	104,885	188,785	59,040	104,850	188,785	50	35	.....
Acceptances outstanding.....	402,550	297,241	347,917	402,550	297,241	347,917	.....	.....	.....
Dividends declared but not yet payable.....	86,923	72,342	75,875	82,175	59,152	71,264	4,748	13,190	4,611
Income collected but not earned.....	573,534	550,865	487,376	564,068	546,227	484,173	9,466	4,638	3,203
Expenses accrued and unpaid.....	824,058	656,556	736,296	813,757	643,316	726,833	10,301	12,640	9,463
Other liabilities.....	901,146	1,007,905	1,000,086	793,076	914,336	920,947	108,070	93,569	79,139
Total liabilities (excluding capital accounts)	196,313,317	184,430,256	190,978,385	177,798,147	166,611,238	174,096,946	18,515,170	17,819,018	16,881,439

Capital accounts—total	15,083,109	14,745,976	14,315,534	13,264,478	12,974,720	12,585,234	1,818,631	1,771,256	1,730,300
Capital stock, notes, and debentures	4,030,592	3,964,854	3,876,080	4,030,592	3,964,854	3,876,080	(6)	(6)	(6)
Surplus	7,623,978	7,380,760	7,208,239	6,283,560	6,080,247	5,938,187	1,340,418	1,300,513	1,270,052
Undivided profits	2,868,498	2,841,984	2,677,798	2,498,871	2,471,136	2,306,828	369,627	370,848	370,970
Reserves	560,041	558,378	553,417	451,455	458,483	464,139	108,586	99,895	89,278
MEMORANDA									
Pledged assets and securities loaned	19,888,963	19,302,169	19,900,745	19,888,963	19,302,169	19,900,745	.....	.....	.....
Capital stock, notes, and debentures:									
Par or face value—total	4,034,560	3,969,153	3,881,129	4,030,660	3,964,993	3,876,279	3,900	4,250	4,850
Common stock	3,978,203	3,909,682	3,818,444	3,978,203	3,909,682	3,818,444	.....	.....	.....
Capital notes and debentures	25,862	27,365	29,877	21,962	23,115	25,027	3,900	4,250	4,850
Preferred stock	30,495	32,106	32,808	30,495	32,106	32,808	.....	.....	.....
Retirable value of preferred stock	67,058	70,204	71,561	67,058	70,204	71,561	.....	.....	.....
Number of banks	13,651	13,648	13,645	13,432	13,435	13,439	219	213	206

¹ Includes stock savings banks.

² United States savings bonds, Treasury bonds (investment series A-1965, and B-1975-80), and depositary bonds.

³ Includes obligations of United States Government corporations and agencies, not guaranteed by the United States Government.

⁴ Reserves for losses on loans authorized by the Bureau of Internal Revenue for income tax purposes and other valuation reserves.

⁵ Revised.

⁶ Not reported separately. Included with "Reserves."

Back figures, 1934-1952: See the Annual Report for 1952, pp. 108-111, and earlier reports.

EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED BANKS

- Table 108. Earnings, expenses, and dividends of insured commercial banks in the United States (continental U. S. and other areas), 1945-1953
- Table 109. Ratios of earnings, expenses, and dividends of insured commercial banks in the United States (continental U. S. and other areas), 1945-1953
- Table 110. Earnings, expenses, and dividends of insured commercial banks in the United States (continental U. S. and other areas), 1953
By class of bank
- Table 111. Ratios of earnings, expenses, and dividends of insured commercial banks in the United States (continental U. S. and other areas), 1953
By class of bank
- Table 112. Earnings, expenses, and dividends of insured commercial banks operating throughout 1953 in the United States (continental U. S. and other areas)
Banks grouped according to amount of deposits
- Table 113. Ratios of earnings, expenses, and dividends of insured commercial banks operating throughout 1953 in the United States (continental U. S. and other areas)
Banks grouped according to amount of deposits
- Table 114. Earnings, expenses, and dividends of insured commercial banks in the United States (continental U. S. and other areas), by State, 1953
- Table 115. Income, expenses, and dividends of insured mutual savings banks, 1953
- Table 116. Ratios of income, expenses, and dividends of insured mutual savings banks, 1953

Commercial banks

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. In addition, appropriate adjustments have been made for banks in operation during part of the year but not at the end of the year. Data for 9 insured branches in Puerto Rico of insured national banks in New York are not available.

On December 8, 1947, the Commissioner of Internal Revenue issued Comm. Mimeograph Coll. No. 6209 entitled, "Reserve Method of Accounting for Bad Debts in the Case of Banks." (See pp. 82-84 in the 1947 Annual Report.) Under this ruling, banks are permitted to accumulate limited amounts of tax-free reserves for bad debt losses on loans. As a result, since 1947 unusually large amounts were set aside from income to valuation reserves, and net profits were decreased accordingly. The uniform report of earnings and dividends for commercial banks was revised in 1948 to show separately for the first time charge-offs and transfers to valuation reserves as well as recoveries and transfers from valuation reserves. Also, the actual recoveries and losses that are credited and charged to valuation reserves were reported as memoranda items.

Averages of assets and liabilities shown in Tables 108-111 and 114 are based upon figures at the beginning, middle, and end of each year, as reported by banks operating on those dates, adjusted to exclude asset and liability figures for insured branches in Puerto Rico of insured national banks in New York. 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 112, and utilized for computation of ratios shown in Table 113, are for the identical banks to which the earnings data pertain. For national banks and State banks members of the Federal Reserve System, assets and liabilities are as of December 31, 1953, and for other banks, are averages of beginning, middle, and end of the year.

Mutual savings banks

A uniform report of income, expenses, and dividends for mutual savings banks was adopted by the Corporation for the calendar year 1951. Summaries of these reports for 1953 are given in Tables 115 and 116. Historical data are omitted because of lack of comparability.

The new form attempts to present operations on a basis accurately reflecting actual income and profit and loss, and provides more detailed information regarding losses and valuation adjustments. For a discussion of the history and principles of this uniform report see pp. 50-52 in Part Two of the 1951 Annual Report.

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 108. EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (CONTINENTAL U. S. AND OTHER AREAS), 1945-1953
(Amounts in thousands of dollars)

Earnings or expense item	1945	1946	1947	1948	1949	1950	1951	1952	1953
Current operating earnings—total	2,482,278	2,862,875	3,097,670	3,403,586	3,606,879	3,930,696	4,395,411	4,931,688	5,483,954
Interest on U. S. Government obligations.....	1,132,977	1,218,517	1,079,535	1,008,138	1,013,515	1,015,456	983,662	1,099,059	1,206,965
Interest and dividends on other securities.....	167,198	176,620	179,408	189,559	201,691	225,425	249,495	276,993	297,739
Interest and discount on loans.....	707,738	936,554	1,263,788	1,577,633	1,733,690	1,976,100	2,390,106	2,742,100	3,107,885
Service charges and fees on bank's loans.....	18,860	14,564	18,386	22,315	26,090	31,724	34,595	42,295	47,850
Service charges on deposit accounts.....	109,789	124,696	147,761	173,791	194,013	212,272	230,507	244,696	271,444
Other service charges, commissions, fees, and collection and exchange charges.....	90,617	97,995	97,264	97,456	95,420	104,602	116,140	121,868	132,978
Trust department.....	120,317	140,340	144,734	156,678	160,430	180,674	192,313	204,967	217,996
Other current operating earnings.....	134,732	153,589	166,794	178,016	182,030	184,445	198,593	199,713	201,101
Current operating expenses—total	1,522,778	1,762,634	1,981,787	2,163,514	2,283,727	2,444,534	2,701,313	3,028,575	3,375,552
Salaries—officers.....	266,018	309,220	344,845	381,756	410,685	446,043	486,300	530,035	582,405
Salaries and wages—employees.....	424,881	521,709	602,266	662,696	700,065	755,681	864,519	965,197	1,069,890
Fees paid to directors and members of executive, discount, and other committees.....	14,610	16,986	18,954	20,859	22,608	24,745	27,343	30,871	34,591
Interest on time and savings deposits.....	233,321	268,624	298,274	316,570	328,010	343,040	385,344	458,059	534,493
Interest and discount on borrowed money.....	2,448	2,364	2,656	3,432	3,582	4,296	9,667	20,921	24,171
Taxes other than on net income.....	98,683	96,314	103,516	106,163	113,569	128,101	135,590	139,290	148,783
Recurring depreciation on banking house, furniture and fixtures.....	40,329	40,850	42,276	48,271	53,988	59,469	65,845	74,953	84,085
Other current operating expenses.....	442,488	506,617	569,000	623,767	651,219	683,159	726,707	809,252	897,137
Net current operating earnings	959,500	1,100,241	1,115,883	1,240,072	1,323,153	1,486,164	1,694,100	1,903,112	2,108,398
Recoveries, transfers from reserve accounts, and profits—total	509,329	408,608	262,042	266,439	213,187	245,461	169,233	144,146	152,373
On securities:									
Recoveries.....				29,221	16,412	14,718	15,292	11,191	11,454
Transfers from reserve accounts.....	122,364	59,515	45,360	24,161	26,672	33,639	12,285	20,492	27,545
Profits on securities sold or redeemed.....	266,764	208,700	100,189	60,025	73,196	90,469	56,563	33,806	38,865
On loans:									
Recoveries.....				39,748	23,142	23,506	22,595	22,004	28,423
Transfers from reserve accounts.....	67,014	74,499	67,687	48,934	28,220	29,971	28,453	27,330	18,292
All other.....	53,187	65,894	48,806	64,350	45,546	43,157	34,046	29,324	27,794
Losses, charge-offs, and transfers to reserve accounts—total	264,122	283,175	294,286	485,753	379,824	366,932	395,687	362,444	448,323
On securities:									
Losses and charge-offs.....				78,590	38,671	38,721	83,756	97,512	155,969
Transfers to reserve accounts.....	132,870	132,254	118,498	40,941	33,044	54,518	31,680	29,531	54,160
On loans:									
Losses and charge-offs.....				32,393	29,064	23,030	21,215	23,637	31,774
Transfers to reserve accounts.....	55,901	71,253	120,370	278,666	221,167	191,248	204,202	154,510	132,127
All other.....	75,351	79,668	55,418	55,163	57,878	59,414	54,836	57,253	74,291

Net profits before income taxes	1,204,707	1,225,674	1,083,639	1,020,758	1,156,514	1,364,690	1,467,645	1,684,813	1,812,451
Taxes on net income—total	298,795	323,328	302,242	275,422	325,148	427,776	559,475	694,883	786,490
Federal.....	277,538	301,048	283,046	258,490	304,572	402,582	530,810	662,277	750,796
State.....	21,257	22,280	19,196	16,932	20,576	25,194	28,664	32,606	35,693
Net profits after income taxes	905,912	902,346	781,397	745,336	831,364	936,915	908,175	989,931	1,025,963
Dividends and interest on capital—total ...	274,438	298,983	315,215	331,833	354,144	391,249	418,860	441,971	473,866
Dividends declared on preferred stock and interest on capital notes and debentures...	11,769	8,345	5,981	5,230	5,093	4,333	3,876	3,675	2,979
Cash dividends declared on common stock...	262,669	290,638	309,234	326,603	349,052	386,916	414,984	438,298	470,888
Net additions to capital from profits	631,474	603,363	466,182	413,503	477,220	545,666	489,315	547,961	552,097
Memoranda									
Recoveries credited to reserve accounts (not included in recoveries above):									
On securities.....	(¹)	(¹)	(¹)	7,224	2,600	3,565	2,363	4,355	2,232
On loans.....	(¹)	(¹)	(¹)	10,844	19,645	23,507	28,477	31,508	33,612
Losses charged to reserve accounts (not included in losses above):									
On securities.....	(¹)	(¹)	(¹)	18,031	6,104	6,324	17,725	25,598	38,480
On loans.....	(¹)	(¹)	(¹)	46,487	72,978	57,733	64,735	64,607	89,186
Average assets and liabilities²									
Assets—total	145,217,438	151,896,770	148,170,261	150,726,513	151,566,078	158,986,894	169,207,394	179,803,463	185,685,283
Cash and due from banks.....	31,236,090	33,236,775	34,279,792	36,247,026	35,683,829	36,006,423	40,373,273	42,952,808	43,192,523
United States Government obligations.....	82,417,236	81,835,381	70,229,835	64,291,298	63,080,739	63,846,830	59,711,922	61,065,059	60,868,295
Other securities.....	6,623,089	7,556,923	8,315,081	8,872,676	9,387,984	11,043,342	12,554,632	13,562,462	14,082,070
Loans and discounts.....	23,500,772	27,768,296	33,863,334	39,650,962	41,670,879	46,250,272	54,533,221	59,999,743	65,213,144
All other assets.....	1,440,251	1,449,395	1,482,219	1,664,551	1,742,647	1,840,027	2,034,346	2,223,391	2,329,251
Liabilities and capital—total	145,217,438	151,896,770	148,170,261	150,726,513	151,566,078	158,986,894	169,207,394	179,803,463	185,685,283
Total deposits.....	135,948,387	141,829,678	137,537,907	139,517,461	139,764,394	146,269,294	155,460,465	165,031,495	170,075,888
Demand deposits.....	108,968,917	109,890,600	103,159,254	104,195,063	103,862,159	109,822,633	118,189,171	125,213,842	127,028,332
Time and savings deposits.....	26,979,470	31,939,078	34,378,653	35,322,398	35,902,235	36,446,656	37,271,294	39,817,653	43,047,556
Borrowings and other liabilities.....	934,381	1,057,079	1,104,386	1,257,852	1,380,578	1,710,204	2,131,162	2,501,055	2,667,917
Total capital accounts.....	8,334,670	9,010,013	9,527,968	9,951,200	10,421,106	11,007,396	11,615,567	12,270,913	12,941,478
Number of active officers, December 31.....	59,119	62,697	65,740	67,609	69,439	71,566	73,806	76,754	79,574
Number of other employees, December 31.....	245,275	271,395	284,072	292,015	296,308	312,324	334,961	358,325	376,750
Number of banks, December 31.....	13,302	13,359	13,403	13,419	13,436	13,446	13,455	13,439	13,432

Note: Due to rounding, earnings data of State banks for 1949 through 1953 may not add precisely to the indicated totals.

¹ Not available.

² Revised.

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

Back figures, 1934-1944: See the following Annual Reports: 1950, pp. 250-251, and 1941, pp. 158-159.

Table 109. RATIOS OF EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (CONTINENTAL U. S. AND OTHER AREAS), 1945-1953

Earnings or expense item	1945	1946	1947	1948	1949	1950	1951	1952	1953
Amounts per \$100 of current operating earnings									
Current operating earnings—total	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00
Interest on U. S. Government obligations.....	45.64	42.56	34.85	29.62	28.10	25.83	22.38	22.29	22.01
Interest and dividends on other securities.....	6.74	6.17	5.79	5.57	5.59	5.74	5.68	5.62	5.43
Income on loans.....	29.27	33.22	41.39	47.01	48.79	51.08	55.17	56.46	57.55
Service charges on deposit accounts.....	4.42	4.36	4.77	5.11	5.38	5.40	5.24	4.96	4.95
Other service charges, commissions, fees, and collection and exchange charges.....	3.65	3.42	3.14	2.86	2.65	2.66	2.64	2.47	2.42
Other current operating earnings.....	10.28	10.27	10.06	9.83	9.49	9.29	8.89	8.20	7.64
Current operating expenses—total	61.35	61.57	63.98	63.57	63.32	62.19	61.46	61.41	61.55
Salaries, wages, and fees.....	28.42	29.62	31.19	31.30	31.42	31.20	31.35	30.95	30.76
Interest on time and savings deposits.....	9.40	9.38	9.63	9.30	9.10	8.73	8.77	9.29	9.75
Taxes other than on net income.....	3.98	3.36	3.34	3.12	3.15	3.26	3.09	2.82	2.71
Recurring depreciation on banking house, furniture and fixtures.....	1.62	1.43	1.36	1.42	1.50	1.51	1.50	1.52	1.53
Other current operating expenses.....	17.93	17.78	18.46	18.43	18.15	17.49	16.75	16.83	16.30
Net current operating earnings	38.65	38.43	36.02	36.43	36.68	37.81	38.54	38.59	38.45
Amounts per \$100 of total assets¹									
Current operating earnings—total.....	1.71	1.88	2.09	2.26	2.38	2.47	2.60	2.74	2.96
Current operating expenses—total.....	1.05	1.16	1.34	1.44	1.51	1.54	1.60	1.68	1.82
Net current operating earnings.....	.66	.72	.75	.82	.87	.93	1.00	1.06	1.14
Recoveries, transfers from reserve accounts, and profits—total.....	.35	.27	.18	.18	.14	.16	.10	.08	.08
Losses, charge-offs, and transfers to reserve accounts—total.....	.18	.18	.20	.32	.25	.23	.23	.20	.24
Net profits before income taxes.....	.83	.81	.73	.68	.76	.86	.87	.94	.98
Net profits after income taxes.....	.62	.59	.53	.49	.55	.59	.54	.55	.55
Amounts per \$100 of total capital accounts¹									
Net current operating earnings.....	11.51	12.21	11.71	12.46	12.70	13.50	14.58	15.51	16.29
Recoveries, transfers from reserve accounts, and profits—total.....	6.11	4.53	2.75	2.68	2.04	2.23	1.46	1.17	1.18
Losses, charge-offs, and transfers to reserve accounts—total.....	3.16	3.14	3.09	4.88	3.64	3.33	3.41	2.95	3.46
Net profits before income taxes.....	14.46	13.60	11.37	10.26	11.10	12.40	12.63	13.73	14.01
Taxes on net income.....	3.59	3.59	3.17	2.77	3.12	3.89	4.83	5.66	6.08
Net profits after income taxes.....	10.87	10.01	8.20	7.49	7.98	8.51	7.82	8.07	7.93
Cash dividends declared.....	3.29	3.32	3.31	3.33	3.40	3.55	3.61	3.60	3.66
Net additions to capital from profits.....	7.58	6.69	4.89	4.16	4.58	4.96	4.21	4.47	4.27

Special ratios¹									
Income on loans per \$100 of loans	3.09	3.43	3.79	4.04	4.22	4.34	4.45	4.64	4.84
Income on securities per \$100 of securities	1.46	1.56	1.60	1.64	1.68	1.66	1.71	1.84	2.01
Service charges per \$100 of demand deposits .....	.10	.11	.14	.17	.19	.19	.20	.20	.21
Interest paid per \$100 of time and savings deposits .....	.87	.84	.87	.90	.91	.94	1.03	1.15	1.24
Assets and liabilities per \$100 of total assets¹									
Assets—total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Cash and due from banks	21.51	21.91	23.14	24.05	23.55	22.65	23.86	23.89	23.26
United States Government obligations	56.76	53.88	47.40	42.65	41.62	40.16	35.29	33.96	32.78
Other securities	4.56	4.98	5.61	5.89	6.19	6.94	7.42	7.54	7.58
Loans and discount	16.18	18.23	22.85	26.31	27.49	29.09	32.23	33.37	35.12
All other assets .....	.99	.95	1.00	1.10	1.15	1.16	1.20	1.24	1.26
Liabilities and capital—total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Total deposits	93.62	93.37	92.82	92.56	92.21	92.00	91.88	91.78	91.59
Demand deposits	75.04	72.34	69.62	69.13	68.52	69.08	69.85	69.64	68.41
Time and savings deposits	18.58	21.03	23.20	23.43	23.69	22.92	22.03	22.14	23.18
Borrowings and other liabilities .....	.64	.70	.75	.84	.91	1.08	1.26	1.39	1.44
Total capital accounts	5.74	5.93	6.43	6.60	6.88	6.92	6.86	6.83	6.97
Number of banks, December 31	13,302	13,359	13,403	13,419	13,436	13,446	13,455	13,439	13,432

¹ Asset and liability items are averages of figures reported at beginning, middle, and end of year.

Back figures, 1934-1944: See the following Annual Reports: 1950, pp. 252-253, and 1941, pp. 160-161.

Table 110. EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (CONTINENTAL U. S. AND OTHER AREAS), 1953

BY CLASS OF BANK
(Amounts in thousands of dollars)

Earnings or expense item	Total	Members F. R. System		Not members F. R. System	Operating throughout the year	Operating less than full year ¹
		National	State			
Current operating earnings—total	5,483,954	3,057,753	1,531,814	894,387	5,463,757	20,197
Interest on U. S. Government obligations.....	1,206,965	692,848	317,856	196,261	1,202,647	4,318
Interest and dividends on other securities.....	297,739	176,079	75,663	45,997	296,722	1,018
Interest and discount on loans.....	3,107,885	1,745,811	845,354	516,720	3,100,382	7,504
Service charges and fees on bank's loans.....	47,850	27,901	12,635	7,314	47,761	89
Service charges on deposit accounts.....	271,444	149,899	68,932	52,613	270,451	992
Other service charges, commissions, fees, and collection and exchange charges.....	132,978	59,882	32,435	40,661	132,606	372
Trust department.....	217,996	85,967	121,248	10,781	213,359	4,638
Other current operating earnings.....	201,101	119,366	57,691	24,044	199,837	1,264
Current operating expenses—total	3,375,552	1,837,481	943,478	594,593	3,360,706	14,846
Salaries—officers.....	582,405	296,850	150,220	135,335	579,462	2,943
Salaries and wages—employees.....	1,069,890	593,288	331,005	145,597	1,065,491	4,399
Fees paid to directors and members of executive, discount, and other committees.....	34,591	16,060	7,649	10,882	34,460	131
Interest on time and savings deposits.....	534,493	297,598	126,798	110,097	532,966	1,526
Interest and discount on borrowed money.....	24,171	14,362	8,295	1,514	24,135	35
Taxes other than net income.....	148,783	84,290	40,887	23,606	148,316	466
Recurring depreciation on banking house, furniture and fixtures.....	84,085	47,147	19,896	17,042	83,812	273
Other current operating expenses.....	897,137	487,886	258,729	150,522	892,064	5,073
Net current operating earnings	2,108,398	1,220,272	588,336	299,790	2,103,051	5,347
Recoveries, transfers from reserve accounts, and profits—total	152,373	81,877	50,395	20,101	150,267	2,106
On securities:						
Recoveries.....	11,454	7,876	1,970	1,608	11,329	125
Transfers from reserve accounts.....	27,545	15,226	10,651	1,668	27,427	118
Profits on securities sold or redeemed.....	38,865	23,449	11,152	4,264	38,703	163
On loans:						
Recoveries.....	28,423	16,427	6,731	5,265	28,240	183
Transfers from reserve accounts.....	18,292	5,327	10,402	2,563	17,922	370
All other.....	27,794	13,572	9,488	4,734	26,647	1,147
Losses, charge-offs, and transfers to reserve accounts—total	448,323	265,814	117,655	64,854	445,779	2,544
On securities:						
Losses and charge-offs.....	155,969	96,625	43,248	16,096	154,392	1,577
Transfers to reserve accounts.....	54,160	31,388	16,911	5,861	54,137	23
On loans:						
Losses and charge-offs.....	31,774	15,323	5,093	11,358	31,721	54
Transfers to reserve accounts.....	132,127	76,878	35,098	20,151	131,878	249
All other.....	74,291	45,600	17,304	11,387	73,650	642

Net profits before income taxes	1,812,451	1,036,335	521,076	255,040	1,807,542	4,908
Taxes on net income—total	786,490	464,488	227,764	94,238	784,485	2,005
Federal.....	750,796	445,574	214,632	90,590	748,904	1,892
State.....	35,693	18,914	13,131	3,648	35,581	113
Net profits after income taxes	1,025,963	571,847	293,312	160,804	1,023,059	2,904
Dividends and interest on capital—total	473,866	274,628	144,024	55,214	472,620	1,246
Dividends declared on preferred stock and interest on capital notes and debentures.....	2,979	332	1,623	1,024	2,979	.....
Cash dividends declared on common stock.....	470,888	274,296	142,401	54,191	469,642	1,246
Net additions to capital from profits	552,097	297,219	149,288	105,590	550,440	1,658
Memoranda						
Recoveries credited to reserve accounts (not included in recoveries above):						
On securities.....	2,232	449	318	1,465	2,223	9
On loans.....	33,612	19,743	9,187	4,682	33,563	49
Losses charged to reserve accounts (not included in losses above):						
On securities.....	38,480	22,448	11,478	4,554	38,386	94
On loans.....	89,186	52,837	21,657	14,692	88,853	333
Average assets and liabilities²						
Assets—total	185,685,283	107,017,312	52,648,467	26,019,504		
Cash and due from banks.....	43,192,523	25,697,007	12,668,070	4,827,446		
United States Government obligations.....	60,868,295	34,758,083	16,457,752	9,652,460		
Other securities.....	14,082,070	8,470,757	3,416,221	2,195,092		
Loans and discounts.....	65,213,144	36,751,600	19,377,748	9,083,796		
All other assets.....	2,329,251	1,339,865	728,676	260,710		
Liabilities and capital—total	185,685,283	107,017,312	52,648,467	26,019,504		
Total deposits.....	170,075,888	98,034,428	48,118,144	23,923,316		
Demand deposits.....	127,028,832	74,207,676	37,126,216	15,694,440		
Time and savings deposits.....	43,047,556	23,826,752	10,991,928	8,228,876		
Borrowings and other liabilities.....	2,667,917	1,765,260	700,896	201,761		
Total capital accounts.....	12,941,478	7,217,624	3,829,427	1,894,427		
Number of active officers, December 31.....	79,574	37,958	16,669	24,947	79,245	329
Number of other employees, December 31.....	376,750	205,892	110,061	60,797	375,080	1,670
Number of banks, December 31.....	13,432	4,856	1,884	6,692	13,359	73

Note: Due to rounding, earnings data of State banks may not add precisely to the indicated totals.

¹ Includes banks operating less than full year and a few banks which engage primarily in fiduciary business.

² Asset and liability items are average of figures reported at beginning, middle, and end of year.

Back figures, 1984-1952: See Table 108, pp. 106-107. See also the Annual Report for 1952, pp. 118-119, and earlier reports.

Table III. RATIOS OF EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (CONTINENTAL U. S. AND OTHER AREAS), 1953
BY CLASS OF BANK

Earnings or expense item	Total	Members F. R. System		Not members F. R. System
		National	State	
Amounts per \$100 of current operating earnings				
Current operating earnings—total	\$100.00	\$100.00	\$100.00	\$100.00
Interest on United States Government obligations.....	22.01	22.66	20.75	21.94
Interest and dividends on other securities.....	5.43	5.76	4.94	5.14
Income on loans.....	57.55	58.01	56.01	58.59
Service charges on deposit accounts.....	4.95	4.90	4.50	5.88
Other service charges, commissions, fees, and collection and exchange charges.....	2.42	1.96	2.12	4.55
Other current operating earnings.....	7.64	6.71	11.68	3.90
Current operating expenses—total	61.55	60.09	61.59	66.48
Salaries, wages, and fees.....	30.76	29.64	31.91	32.63
Interest on time and savings deposits.....	9.75	9.73	8.28	12.31
Taxes other than on net income.....	2.71	2.76	2.67	2.63
Recurring depreciation on banking house, furniture and fixtures.....	1.53	1.54	1.30	1.91
Other current operating expenses.....	16.80	16.42	17.43	17.00
Net current operating earnings	38.45	39.91	38.41	33.52
Amounts per \$100 of total assets¹				
Current operating earnings—total.....	2.96	2.86	2.91	3.44
Current operating expenses—total.....	1.82	1.72	1.79	2.29
Net current operating earnings.....	1.14	1.14	1.12	1.15
Recoveries, transfers from reserve accounts, and profits—total.....	.08	.08	.10	.08
Losses, charge-offs, and transfers to reserve accounts—total.....	.24	.25	.22	.25
Net profits before income taxes.....	.98	.97	.99	.98
Net profits after income taxes.....	.55	.53	.56	.62
Memoranda				
Recoveries credited to reserve accounts (not included in recoveries above):				
On securities.....	(²)	(²)	(²)	.01
On loans.....	.02	.02	.02	.02
Losses charged to reserve accounts (not included in losses above):				
On securities.....	.02	.02	.02	.02
On loans.....	.05	.05	.04	.06

Amounts per \$100 of total capital accounts ¹				
Net current operating earnings.....	16.29	16.91	15.36	15.82
Recoveries, transfers from reserve accounts, and profits—total.....	1.18	1.13	1.32	1.06
Losses, charge-offs, and transfers to reserve accounts—total.....	3.46	3.68	3.07	3.42
Net profits before income taxes.....	14.01	14.36	13.61	13.46
Taxes on net income.....	6.08	6.44	5.95	4.97
Net profits after income taxes.....	7.93	7.92	7.66	8.49
Cash dividends declared.....	3.66	3.80	3.76	2.92
Net additions to capital from profits.....	4.27	4.12	3.90	5.57
Memoranda				
Recoveries credited to reserve accounts (not included in recoveries above):				
On securities.....	.02	.01	.01	.08
On loans.....	.26	.27	.24	.25
Losses charged to reserve accounts (not included in losses above):				
On securities.....	.30	.31	.30	.24
On loans.....	.69	.73	.57	.78
Special ratios¹				
Income on loans per \$100 of loans.....	4.84	4.83	4.43	5.77
Income on securities per \$100 of securities.....	2.01	2.01	1.98	2.04
Service charges per \$100 of demand deposits.....	.21	.20	.19	.34
Interest paid per \$100 of time and savings deposits.....	1.24	1.25	1.15	1.34
Assets and liabilities per \$100 of total assets¹				
Assets—total.....	100.00	100.00	100.00	100.00
Cash and due from banks.....	23.26	24.01	24.06	18.55
United States Government obligations.....	32.78	32.48	31.26	37.10
Other securities.....	7.58	7.92	6.49	8.44
Loans and discounts.....	35.12	34.34	36.81	34.91
All other assets.....	1.26	1.25	1.38	1.00
Liabilities and capital—total.....	100.00	100.00	100.00	100.00
Total deposits.....	91.59	91.61	91.40	91.94
Demand deposits.....	68.47	69.34	70.52	60.32
Time and savings deposits.....	23.12	22.27	20.88	31.62
Borrowings and other liabilities.....	1.44	1.65	1.33	.78
Total capital accounts.....	6.97	6.74	7.27	7.28
Number of banks, December 31.....	13,432	4,856	1,884	6,692

¹ Asset and liability items are averages of figures reported at beginning, middle, and end of year.

² Less than .005.

Back figures, 1934-1952: See Table 109, pp. 108-109. See also the Annual Report for 1952, pp. 120-121, and earlier reports.

**Table 112. EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS OPERATING THROUGHOUT 1953
IN THE UNITED STATES (CONTINENTAL U. S. AND OTHER AREAS)**

BANKS GROUPED ACCORDING TO AMOUNT OF DEPOSITS

Earnings or expense item	All banks ¹	Banks with deposits of— ²								
		\$1,000,000 or less	\$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 \$25,000,000	\$25,000,000 to \$50,000,000	\$50,000,000 to \$100,000,000	\$100,000,000 to \$500,000,000	More than \$500,000,000
(Amounts in thousands of dollars)										
Current operating earnings—total	5,463,757	49,778	158,162	477,404	473,329	613,458	412,826	427,289	1,107,488	1,744,026
Interest on U. S. Government obligations...	1,202,647	10,117	36,485	115,806	113,263	145,839	98,182	93,116	257,594	332,243
Interest and dividends on other securities...	296,722	1,508	6,299	24,901	27,676	33,967	23,701	20,995	52,099	105,576
Interest and discount on loans.....	3,100,382	31,207	95,250	278,370	269,601	339,050	223,080	232,853	604,452	1,026,515
Service charges and fees on bank's loans.....	47,761	350	818	2,018	2,845	4,692	2,971	3,562	8,341	22,165
Service charges on deposit accounts.....	270,451	2,345	7,740	26,642	31,033	43,616	26,892	24,248	46,063	61,870
Other service charges, commissions, fees, and collection and exchange charges.....	132,606	3,460	8,484	18,321	13,555	15,062	9,188	8,897	22,105	33,535
Trust department.....	213,359	16	170	1,229	3,608	11,163	11,689	25,865	64,761	94,857
Other current operating earnings.....	199,837	776	2,916	10,116	11,751	20,069	17,124	17,750	52,073	67,265
Current operating expenses—total	3,360,706	31,855	99,682	307,023	308,611	409,123	271,581	281,113	687,721	963,996
Salaries—officers.....	579,462	12,733	34,540	84,735	67,877	74,149	44,499	43,085	96,252	121,792
Salaries and wages—employees.....	1,065,491	4,437	16,198	62,385	77,004	116,480	85,121	94,925	241,077	367,862
Fees paid to directors and members of executive, discount, and other committees.....	34,460	901	2,863	8,444	6,172	5,628	2,460	2,078	3,349	2,568
Interest on time and savings deposits.....	532,966	4,119	15,870	55,047	56,641	73,357	43,878	38,258	89,053	156,743
Interest and discount on borrowed money.....	24,135	31	128	457	684	1,057	1,038	1,561	7,439	11,740
Taxes other than on net income.....	148,316	1,311	4,395	13,745	13,868	17,450	12,361	12,369	33,373	39,443
Recurring depreciation on banking house, furniture and fixtures.....	83,812	724	2,689	9,485	10,102	13,302	8,129	8,377	16,632	14,375
Other current operating expenses.....	892,064	7,600	23,000	72,727	76,465	107,701	74,094	80,460	200,547	249,472
Net current operating earnings	2,103,051	17,922	58,479	170,380	164,718	204,336	141,244	146,176	419,766	780,030
Recoveries, transfers from reserve accounts, and profits—total	150,267	1,327	3,226	8,800	9,467	13,674	9,916	13,886	38,941	51,029
On securities:										
Recoveries.....	11,329	38	125	652	1,402	1,432	560	1,927	2,165	3,027
Transfers from reserve accounts.....	27,427	9	20	200	361	1,725	632	1,440	7,415	15,624
Profits on securities sold or redeemed.....	38,703	100	338	1,260	1,865	3,128	2,814	3,502	11,180	14,516
On loans:										
Recoveries.....	28,240	895	1,946	3,898	2,630	2,471	1,222	954	6,376	7,848
Transfers from reserve accounts.....	17,922	62	156	776	1,075	1,546	1,140	3,885	4,062	5,220
All other.....	26,647	221	640	2,013	2,136	3,373	3,547	2,179	7,744	4,793
Losses, charge-offs, and transfers to reserve accounts—total	445,779	3,491	9,624	32,116	34,974	42,660	31,381	34,825	96,104	160,604
On securities:										
Losses and charge-offs.....	154,392	221	1,173	7,129	10,221	15,823	11,469	10,849	35,659	61,850
Transfers to reserve accounts.....	54,137	28	359	1,271	1,271	3,081	2,672	2,930	17,538	25,192
On loans:										
Losses and charge-offs.....	31,721	2,120	4,146	9,327	6,284	3,824	1,522	1,438	2,237	824
Transfers to reserve accounts.....	131,878	608	2,230	8,717	11,249	13,143	10,344	14,098	24,314	47,177
All other.....	73,650	514	1,717	5,876	5,950	6,789	5,374	5,512	16,355	25,562

Net profits before income taxes.....	1,807,542	15,759	52,081	147,064	139,213	175,350	119,779	125,238	362,603	670,455
Taxes on net income—total.....	784,485	4,571	15,127	49,035	54,367	72,987	50,905	55,884	167,322	314,289
Federal.....	748,904	4,350	14,479	47,306	52,709	70,744	49,370	53,872	160,303	295,771
State.....	35,581	221	648	1,728	1,658	2,243	1,535	2,012	7,020	18,518
Net profits after income taxes.....	1,023,059	11,189	36,954	98,031	84,847	102,364	68,874	69,354	195,281	356,166
Dividends and interest on capital—total.....	472,620	3,693	11,614	33,548	30,373	37,651	26,973	28,620	90,075	210,073
Dividends declared on preferred stock and interest on capital notes and debentures..	2,979	16	44	220	231	358	210	832	1,070	.....
Cash dividends declared on common stock..	469,642	3,677	11,570	33,328	30,142	37,293	26,763	27,790	89,005	210,073
Net additions to capital from profits.....	550,440	7,496	25,340	64,482	54,475	64,714	41,902	40,733	105,206	146,093
Memoranda										
Recoveries credited to reserve accounts (not included in recoveries above):										
On securities.....	2,223	1	6	22	27	1,336	173	28	246	384
On loans.....	33,563	159	644	2,620	3,251	4,005	2,102	3,178	6,171	11,434
Losses charged to reserve accounts (not included in losses above):										
On securities.....	38,386	5	63	166	384	2,241	1,328	1,796	8,734	23,669
On loans.....	88,853	409	1,774	7,348	9,631	10,844	7,757	8,326	16,462	26,303
Assets and liabilities²										
Assets—total.....	189,751,099	1,384,993	4,761,636	15,233,455	15,225,769	19,781,966	13,968,271	13,948,902	40,190,763	65,255,344
Cash and due from banks.....	44,158,415	330,787	1,059,651	3,277,047	3,159,036	4,105,708	3,080,434	3,194,087	10,190,531	15,761,134
United States Government obligations.....	62,149,715	483,221	1,763,766	5,668,731	5,624,994	7,374,593	5,044,854	4,829,420	13,307,953	18,052,183
Other securities.....	14,239,018	64,139	276,309	1,191,898	1,401,102	1,730,653	1,217,386	1,069,347	2,404,622	4,883,562
Loans and discounts.....	66,765,513	498,226	1,629,623	4,970,529	4,894,721	6,337,525	4,453,670	4,662,480	13,756,714	26,562,025
All other assets.....	2,438,438	8,620	32,287	125,250	145,916	233,487	171,927	193,568	530,943	996,440
Liabilities and capital—total.....	189,751,099	1,384,993	4,761,636	15,233,455	15,225,769	19,781,966	13,968,271	13,948,902	40,190,763	65,255,344
Total deposits.....	173,875,910	1,243,242	4,331,023	14,009,506	14,069,428	18,318,890	12,963,114	12,894,312	37,219,824	58,826,571
Demand deposits.....	129,591,344	946,137	3,122,334	9,633,571	9,270,686	11,933,653	9,042,938	9,479,243	29,547,162	46,565,270
Time and savings deposits.....	44,284,566	296,805	1,208,689	4,375,935	4,798,742	6,385,237	3,920,176	3,415,069	7,672,662	12,261,301
Borrowings and other liabilities.....	2,703,823	2,880	13,138	52,367	84,494	155,262	123,238	165,455	467,740	1,639,199
Total capital accounts.....	13,171,366	188,871	417,475	1,171,582	1,071,847	1,307,814	881,869	889,135	2,503,199	4,789,574
Number of active officers, December 31.....	79,245	4,014	8,428	16,427	10,637	9,845	5,219	4,549	9,369	10,757
Number of other employees, December 31.....	375,080	2,859	8,717	28,022	31,499	45,073	32,073	34,548	83,656	108,633
Number of banks, December 31.....	13,359	1,829	3,021	4,438	2,042	1,233	383	189	183	41

Note: Due to rounding, earnings data of State banks may not add precisely to the indicated totals.

¹ This group of banks is the same as the group shown in Table 110 under the heading "Operating throughout the year."

² Deposits are as of December 31, 1953.

³ Asset and liability items are averages of figures reported at beginning, middle, and end of year for banks submitting reports to FDIC and are as of December 31, 1953, for banks not submitting reports to FDIC.

Back figures, 1941-1952: See the Annual Report for 1952, pp. 122-123, and earlier reports.

**Table 113. RATIOS OF EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS OPERATING THROUGHOUT 1953
IN THE UNITED STATES (CONTINENTAL U. S. AND OTHER AREAS)
BANKS GROUPED ACCORDING TO AMOUNT OF DEPOSITS**

Earnings or expense item	All banks ¹	Banks with deposits of— ²								
		\$1,000,000 or less	\$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 \$25,000,000	\$25,000,000 to \$50,000,000	\$50,000,000 to \$100,000,000	\$100,000,000 to \$500,000,000	More than \$500,000,000
Amounts per \$100 of current operating earnings										
Current operating earnings—total	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00
Interest on U. S. Government obligations	22.01	20.32	23.07	24.26	23.93	23.77	23.78	21.79	23.26	19.05
Interest and dividends on other securities	5.43	3.03	3.98	5.21	5.85	5.54	5.74	4.91	4.70	6.05
Income on loans	57.62	63.40	60.74	58.73	57.56	56.03	54.76	55.33	55.33	60.13
Service charges on deposit accounts	4.95	4.71	4.89	5.58	6.56	7.11	6.51	5.68	4.16	3.55
Other service charges, commissions, fees, and collection and exchange charges	2.43	6.95	5.37	3.84	2.86	2.46	2.23	2.08	2.00	1.92
Other current operating earnings	7.56	1.59	1.95	2.38	3.24	5.09	6.98	10.21	10.55	9.30
Current operating expenses—total	61.51	64.00	63.03	64.31	65.20	66.69	65.79	65.79	62.10	55.27
Salaries, wages, and fees	30.74	36.30	33.89	32.58	31.87	31.99	31.99	32.79	30.76	28.22
Interest on time and savings deposits	9.76	8.28	10.04	11.53	11.97	11.96	10.63	8.95	8.04	8.99
Taxes other than on net income	2.71	2.63	2.78	2.38	2.93	2.84	3.00	2.89	3.02	2.26
Recurring depreciation on banking house, furniture and fixtures	1.53	1.46	1.70	1.99	2.13	2.17	1.97	1.96	1.50	.82
Other current operating expenses	16.77	15.33	14.62	15.33	16.30	17.73	18.20	19.20	18.78	14.98
Net current operating earnings	38.49	36.00	36.97	35.69	34.80	33.31	34.21	34.21	37.90	44.73
Amounts per \$100 of total assets³										
Current operating earnings—total	2.88	3.59	3.32	3.13	3.11	3.10	2.95	3.06	2.75	2.67
Current operating expenses—total	1.77	2.30	2.09	2.01	2.03	2.07	1.94	2.01	1.71	1.48
Net current operating earnings	1.11	1.29	1.23	1.12	1.08	1.03	1.01	1.05	1.04	1.19
Recoveries, transfers from reserve accounts, and profits—total	.08	.10	.06	.06	.06	.07	.07	.10	.10	.08
Losses, charge-offs, and transfers to reserve accounts—total	.24	.25	.20	.21	.23	.22	.22	.25	.24	.24
Net profits before income taxes	.95	1.14	1.09	.97	.91	.88	.86	.90	.90	1.03
Net profits after income taxes	.54	.81	.78	.64	.56	.52	.49	.50	.49	.55
Memoranda										
Recoveries credited to reserve accounts (not included in recoveries above):										
On securities	(⁴) .02	(⁴) .01	(⁴) .01	(⁴) .02	(⁴) .02	.01	(⁴) .02	(⁴) .02	(⁴) .02	(⁴) .02
On loans										
Losses charged to reserve accounts (not included in losses above):										
On securities	.02	(⁴) .03	(⁴) .04	(⁴) .05	(⁴) .06	.01	.01	.01	.02	.04
On loans	.05					.05	.06	.06	.04	.04

Amounts per \$100 of total capital accounts ²										
Net current operating earnings	15.97	12.91	14.01	14.54	15.37	15.62	16.02	16.44	16.77	16.29
Recoveries, transfers from reserve accounts, and profits—total	1.14	.95	.77	.75	.88	1.05	1.12	1.56	1.56	1.06
Losses, charge-offs, and transfers to reserve accounts—total	3.39	2.51	2.31	2.74	3.26	3.26	3.56	3.92	3.84	3.35
Net profits before income taxes	13.72	11.35	12.47	12.55	12.99	13.41	13.58	14.09	14.49	14.00
Taxes on net income	5.95	3.29	3.62	4.18	5.07	5.58	5.77	6.29	6.69	6.56
Net profits after income taxes	7.77	8.06	8.85	8.37	7.92	7.83	7.81	7.80	7.80	7.44
Cash dividends declared	3.59	2.65	2.78	2.87	2.84	2.88	3.06	3.22	3.60	4.39
Net additions to capital from profits	4.18	5.40	6.07	5.50	5.08	4.95	4.75	4.58	4.20	3.05
Memoranda										
Recoveries credited to reserve accounts (not included in recoveries above):										
On securities	.02	(⁴)	(⁴)	(⁴)	(⁴)	.10	.02	(⁴)	.01	.01
On loans	.25	.11	.15	.22	.30	.31	.24	.36	.25	.24
Losses charged to reserve accounts (not included in losses above):										
On securities	.29	(⁴)	.02	.01	.04	.17	.15	.20	.35	.49
On loans	.67	.29	.42	.63	.90	.83	.88	.94	.66	.55
Special ratios³										
Income on loans per \$100 of loans	4.72	6.33	5.90	5.64	5.57	5.42	5.08	5.07	4.45	4.10
Income on securities per \$100 of securities	1.96	2.12	2.10	2.05	2.01	1.97	1.95	1.93	1.97	1.91
Service charges per \$100 of demand deposits	.21	.25	.25	.28	.33	.36	.30	.26	.16	.13
Interest paid per \$100 of time and savings deposits	1.20	1.39	1.31	1.26	1.18	1.16	1.12	1.12	1.16	1.28
Assets and Liabilities per \$100 of total assets³										
Assets—total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Cash and due from banks	23.27	23.89	22.25	21.51	20.75	20.75	22.05	22.90	25.36	24.15
United States Government obligations	32.75	34.89	37.04	37.21	36.94	37.28	36.12	34.62	33.11	27.67
Other securities	7.50	4.63	5.80	7.83	9.20	8.75	8.72	7.67	5.98	7.48
Loans and discounts	35.19	35.97	34.23	32.63	32.15	32.04	31.88	33.42	34.23	39.17
All other assets	1.29	.62	.68	.82	.96	1.18	1.23	1.39	1.32	1.53
Liabilities and capital—total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Total deposits	91.63	89.76	90.96	91.97	92.41	92.60	92.81	92.44	92.61	90.15
Demand deposits	68.29	68.43	65.58	63.24	60.89	60.58	64.74	67.96	73.52	71.36
Time and savings deposits	23.34	21.33	25.38	28.73	31.52	32.02	28.07	24.48	19.09	18.79
Borrowings and other liabilities	1.43	.21	.27	.34	.55	.79	.88	1.19	1.16	2.51
Total capital accounts	6.94	10.03	8.77	7.69	7.04	6.61	6.31	6.37	6.23	7.34
Number of banks, December 31	13,359	1,829	3,021	4,438	2,042	1,233	383	189	183	41

¹ This group of banks is the same as the group shown in Table 110 under the heading "Operating throughout the year." These ratios differ slightly from the ratios for all insured commercial banks shown in Tables 109 and 111.

² Deposits are as of December 31, 1953.

³ Asset and liability items are averages of figures reported at beginning, middle, and end of year for banks submitting reports to FDIC and are as of December 31, 1953, for banks not submitting reports to FDIC.

⁴ Less than .005.

Back figures, 1941-1952: See the Annual Report for 1952, pp. 124-125, and earlier reports.

Table 114. EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (CONTINENTAL U. S. AND OTHER AREAS), BY STATE, 1953
(Amounts in thousands of dollars)

Earnings or expense item	U. S. (continental U. S. and other areas)	Other areas			Continental United States	Alabama	Arizona	Arkansas	California	Colorado	Connecticut
		Alaska	Puerto Rico	Other ¹							
Current operating earnings—total	5,483,954	4,148	8,545	1,334	5,469,927	49,511	25,621	28,969	628,164	47,095	65,213
Interest on U. S. Government obligations.....	1,206,965	905	544	241	1,205,275	9,753	4,393	6,515	106,938	11,270	13,401
Interest and dividends on other securities.....	297,739	148	717	81	296,793	3,090	1,021	2,155	31,821	1,248	3,980
Interest and discount on loans.....	3,107,885	1,819	5,695	765	3,099,606	29,222	15,373	15,040	395,447	27,086	34,746
Service charges and fees on bank's loans.....	47,850	173	169	4	47,504	212	575	192	11,090	400	327
Service charges on deposit accounts.....	271,444	195	149	74	271,026	2,675	1,798	1,739	37,814	3,748	4,239
Other service charges, commissions, fees, and collection and exchange charges.....	132,978	771	1,062	143	131,002	1,949	684	2,181	9,577	858	986
Trust department.....	217,996	23	6	.....	217,967	1,043	443	229	16,996	1,323	5,527
Other current operating earnings.....	201,101	115	205	25	200,756	1,567	1,335	919	18,484	1,164	2,609
Current operating expenses—total	3,375,552	2,754	6,880	959	3,364,959	28,963	17,366	17,619	386,987	29,439	43,011
Salaries—officers.....	582,405	557	1,099	164	580,585	6,688	2,775	4,930	47,881	5,756	7,788
Salaries and wages—employees.....	1,069,890	1,032	2,129	280	1,066,449	8,122	6,372	4,330	128,989	8,708	13,988
Fees paid to directors and members of execu- tive, discount, and other committees.....	34,591	7	93	27	34,464	407	54	468	968	493	442
Interest on time and savings deposits.....	534,493	308	1,059	204	532,922	3,418	1,745	1,601	112,840	5,298	5,826
Interest and discount on borrowed money.....	24,171	.....	152	.....	24,019	29	127	24	2,197	195	231
Taxes other than on net income.....	148,783	82	391	22	148,288	505	422	825	11,592	706	1,435
Recurring depreciation on banking house, furniture and fixtures.....	84,085	116	268	28	83,673	923	608	483	7,422	630	1,365
Other current operating expenses.....	897,137	652	1,690	233	894,562	8,874	5,265	4,959	75,699	7,652	11,935
Net current operating earnings	2,108,398	1,394	1,665	375	2,104,964	20,549	8,254	11,350	241,177	17,658	22,202
Recoveries, transfers from reserve ac- counts, and profits—total	152,373	156	593	45	151,579	1,022	136	593	12,093	1,440	1,405
On securities:											
Recoveries.....	11,454	31	2	.....	11,421	6	.....	38	811	324	33
Transfers from reserve accounts.....	27,545	.....	.....	.....	27,545	116	.....	43	2,395	25	83
Profits on securities sold or redeemed.....	38,865	12	148	.....	38,705	244	83	122	1,772	200	321
On loans:											
Recoveries.....	28,423	67	8	3	28,345	297	10	225	3,036	441	181
Transfers from reserve accounts.....	18,292	1	396	42	17,853	105	.....	14	1,708	183	360
All other.....	27,794	45	39	.....	27,710	255	42	152	2,372	269	427
Losses, charge-offs, and transfers to re- serve accounts—total	448,323	626	491	112	447,094	4,379	2,255	1,867	48,654	4,438	5,708
On securities:											
Losses and charge-offs.....	155,969	110	28	3	155,828	1,280	600	661	12,563	809	2,136
Transfers to reserve accounts.....	54,160	66	84	.....	54,010	135	12	45	10,931	32	147
On loans:											
Losses and charge-offs.....	31,774	176	28	96	31,474	999	224	613	840	1,186	40
Transfers to reserve accounts.....	132,127	153	153	.....	131,821	1,150	853	271	19,805	1,730	1,185
All other.....	74,291	121	198	12	73,960	816	566	278	4,515	681	2,200
Net profits before income taxes	1,812,451	925	1,767	309	1,809,450	17,191	6,136	10,076	204,618	14,660	17,899

Taxes on net income—total	786,490	468	195	116	785,711	7,502	2,688	3,558	101,483	7,154	8,162
Federal.....	750,796	462	165	116	750,053	6,832	2,536	3,558	94,878	6,612½	7,334
State.....	35,693	6	30	.....	35,657	670	152	.....	6,604	542	828
Net profits after income taxes	1,025,963	457	1,572	193	1,023,741	9,689	3,448	6,519	103,136	7,506	9,738
Dividends and interest on capital—total ..	473,866	147	743	100	472,876	3,864	1,347	2,316	60,881	2,869	4,999
Dividends declared on preferred stock and interest on capital notes and debentures..	2,979	.....	.....	.....	2,979	.....	.....	5	84	.....	.....
Cash dividends declared on common stock..	470,888	147	743	100	469,898	3,864	1,347	2,311	60,798	2,869	4,999
Net additions to capital from profits	552,097	310	829	93	550,865	5,826	2,101	4,204	42,256	4,636	4,739
Memoranda											
Recoveries credited to reserve accounts (not included in recoveries above):											
On securities.....	2,232	.....	.....	.....	2,232	.....	.....	.....	24	.....	.....
On loans.....	33,612	93	4	.....	33,515	229	350	72	5,126	725	250
Losses charged to reserve accounts (not included in losses above):											
On securities.....	38,480	.....	254	.....	38,226	.....	8	6	8,065	1	12
On loans.....	89,186	182	104	.....	88,900	777	1,404	241	15,634	1,863	745
Average assets and liabilities²											
Assets—total	185,685,283	103,223	195,305	38,170	185,348,585	1,553,767	659,132	977,771	17,708,088	1,491,158	2,042,899
Cash and due from banks.....	43,192,523	24,368	35,717	6,872	43,125,566	392,764	123,004	280,377	3,343,371	381,482	452,930
United States Government obligations.....	60,868,295	44,826	26,577	11,763	60,785,129	495,220	218,287	327,199	5,207,304	554,073	691,467
Other securities.....	14,082,070	8,209	30,728	3,516	14,039,617	156,453	59,954	89,506	1,454,527	56,262	202,933
Loans and discounts.....	65,213,144	24,564	94,776	15,278	65,078,526	492,782	251,396	274,214	7,439,726	489,035	669,267
All other assets.....	2,329,251	1,256	7,507	741	2,319,747	16,548	12,491	6,475	263,160	10,306	26,302
Liabilities and capital—total	185,685,283	103,223	195,305	38,170	185,348,585	1,553,767	659,132	977,771	17,708,088	1,491,158	2,042,899
Total deposits	170,075,888	98,603	169,577	35,056	169,772,652	1,431,654	613,364	903,410	16,303,894	1,389,417	1,883,561
Demand deposits	127,028,332	63,476	85,171	19,923	126,859,757	1,128,078	479,671	780,638	9,225,481	1,065,667	1,451,048
Time and savings deposits	43,047,556	35,127	84,406	15,123	42,912,895	303,576	134,193	122,772	7,078,413	323,750	432,513
Borrowings and other liabilities	2,667,917	243	9,000	162	2,658,512	12,151	9,745	3,081	388,452	10,465	18,547
Total capital accounts	12,941,478	4,377	16,728	2,952	12,917,421	109,962	35,523	71,280	1,015,742	91,276	140,791
Number of active officers, December 31	79,574	64	209	24	79,277	1,044	334	902	5,946	829	884
Number of other employees, December 31	376,750	280	1,091	114	375,265	3,392	2,287	1,899	38,500	3,226	5,112
Number of banks, December 31	13,432	8	8	4	13,412	231	13	224	197	152	94

Note: Due to rounding, earnings data of State banks may not add precisely to the indicated totals.

¹ Includes 2 banks in Hawaii, and 2 banks in the Virgin Islands, not members of the Federal Reserve System.

² Asset and liability items are averages of figures reported at beginning, middle, and end of year, adjusted for "U. S. (continental U. S. and other areas)" and for "Puerto Rico" to exclude data for 9 insured branches in Puerto Rico of insured national banks in New York; earnings data of these branches are not available.

Back figures, 1946-1952: See the Annual Report for 1952, pp. 126-135, and earlier reports.

Table 114. EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (CONTINENTAL U. S. AND OTHER AREAS), BY STATE, 1953—Continued
(Amounts in thousands of dollars)

Earnings or expense item	Delaware	District of Columbia	Florida	Georgia	Idaho	Illinois	Indiana	Iowa	Kansas	Kentucky	Louisiana
Current operating earnings—total	19,218	37,724	79,131	77,782	18,548	380,941	111,645	78,327	52,937	55,806	61,957
Interest on U. S. Government obligations...	3,680	9,923	23,121	12,522	4,270	120,152	34,395	18,448	13,613	13,772	16,225
Interest and dividends on other securities...	792	1,284	3,846	3,317	459	24,207	4,395	3,852	3,200	2,051	4,284
Interest and discount on loans.....	10,676	18,980	36,178	46,812	11,600	179,281	57,741	46,008	29,024	33,269	31,286
Service charges and fees on bank's loans.....	128	173	353	1,008	194	3,288	573	177	327	372	70
Service charges on deposit accounts.....	360	2,855	7,264	4,479	1,170	15,919	5,249	4,987	3,353	2,101	3,479
Other service charges, commissions, fees, and collection and exchange charges.....	175	1,035	2,676	4,795	363	6,807	2,328	2,215	1,122	716	3,303
Trust department.....	3,060	2,036	1,524	2,009	81	19,578	2,391	737	425	1,901	614
Other current operating earnings.....	347	1,442	4,170	2,841	413	11,710	4,074	1,904	1,873	1,625	2,697
Current operating expenses—total	10,656	24,638	51,011	50,411	12,153	231,096	72,351	49,290	32,104	32,650	39,423
Salaries—officers.....	2,314	4,056	9,252	10,258	2,516	39,253	13,974	13,513	9,260	7,885	7,502
Salaries and wages—employees.....	3,422	9,013	15,936	13,764	3,172	68,771	19,896	11,345	7,734	8,887	11,421
Fees paid to directors and members of execu- tive, discount, and other committees.....	174	297	735	637	93	2,064	1,050	582	541	642	629
Interest on time and savings deposits.....	950	2,245	5,370	4,962	2,743	40,660	11,631	8,500	3,478	3,033	4,168
Interest and discount on borrowed money...	124	161	117	541	94	2,773	99	110	121	167	279
Taxes other than on net income.....	275	1,531	1,522	3,127	239	9,920	5,319	1,607	1,331	2,306	3,259
Recurring depreciation on banking house, furniture and fixtures.....	378	773	2,311	1,537	396	4,219	1,799	1,177	686	790	1,051
Other current operating expenses.....	3,018	6,558	15,767	15,486	2,900	63,437	18,584	12,457	8,955	8,941	11,115
Net current operating earnings	8,563	13,086	28,120	27,372	6,395	149,845	39,295	29,037	20,833	23,155	22,534
Recoveries, transfers from reserve ac- counts, and profits—total	196	1,497	1,344	1,506	333	18,872	2,964	1,283	1,119	1,847	1,900
On securities:											
Recoveries.....		72	360	90	126	1,710	84	66	22	132	16
Transfers from reserve accounts.....	4	12	25	6	.....	6,173	181	.....	3	846	739
Profits on securities sold or redeemed.....	47	337	576	634	90	5,266	900	405	239	445	564
On loans:											
Recoveries.....	26	107	107	317	25	1,243	437	303	593	196	230
Transfers from reserve accounts.....	94	.....	12	212	2	2,094	263	121	10	47	156
All other.....	24	969	263	247	90	2,387	1,100	387	252	181	194
Losses, charge-offs, and transfers to re- serve accounts—total	1,400	1,361	5,167	5,000	1,831	36,209	8,422	3,695	4,234	4,438	4,038
On securities:											
Losses and charge-offs.....	206	634	2,368	2,185	781	8,405	2,088	1,268	900	715	833
Transfers to reserve accounts.....	83	150	432	3	.....	3,824	952	85	8	465	646
On loans:											
Losses and charge-offs.....	118	185	472	561	79	1,111	314	602	1,896	443	439
Transfers to reserve accounts.....	370	187	1,386	1,316	324	12,590	2,779	885	568	1,863	985
All other.....	624	207	509	936	648	10,279	2,289	855	861	952	1,134
Net profits before income taxes	7,359	13,223	24,297	23,878	4,897	132,507	33,837	26,625	17,718	20,564	20,396

Taxes on net income—total	3,833	6,080	10,300	9,544	2,131	54,780	13,995	10,513	6,832	8,273	7,770
Federal.....	3,833	6,080	10,300	9,544	1,948	54,780	13,995	10,513	6,832	8,273	7,770
State.....					184						
Net profits after income taxes	3,526	7,145	13,998	14,334	2,767	77,727	19,842	16,113	10,887	12,291	12,626
Dividends and interest on capital—total ..	2,464	3,166	4,021	6,043	1,093	29,230	5,821	5,372	3,292	4,196	3,521
Dividends declared on preferred stock and interest on capital notes and debentures...			10	3		80	36	39	1	3	4
Cash dividends declared on common stock...	2,464	3,166	4,011	6,041	1,093	29,150	5,786	5,334	3,291	4,193	3,517
Net additions to capital from profits	1,063	3,979	9,976	8,290	1,673	48,498	14,021	10,740	7,595	8,096	9,105
Memoranda											
Recoveries credited to reserve accounts (not included in recoveries above):											
On securities.....	8			1		13					3
On loans.....	49	300	264	719	31	2,236	652	319	506	267	152
Losses charged to reserve accounts (not included in losses above):											
On securities.....	76		361	6		427	130	4	5	634	93
On loans.....	162	396	733	1,922	148	4,217	1,222	823	1,235	1,168	675
Average assets and liabilities¹											
Assets—total	559,863	1,347,045	2,710,784	2,219,328	528,971	15,361,117	4,008,830	2,632,039	1,896,276	1,939,106	2,253,744
Cash and due from banks.....	98,516	336,602	696,300	592,384	98,508	3,523,119	910,216	563,231	486,084	500,347	628,867
United States Government obligations.....	197,681	504,994	1,128,612	626,599	197,451	6,129,399	1,752,252	915,830	660,245	693,442	805,430
Other securities.....	27,125	52,530	176,942	129,318	19,782	1,202,632	233,542	218,715	180,811	83,614	188,583
Loans and discounts.....	228,013	429,850	671,760	841,671	208,300	4,410,268	1,080,166	917,358	557,958	647,147	603,792
All other assets.....	8,528	23,069	37,170	29,356	4,930	95,699	32,654	16,905	11,178	14,566	27,072
Liabilities and capital—total	559,863	1,347,045	2,710,784	2,219,328	528,971	15,361,117	4,008,830	2,632,039	1,896,276	1,939,106	2,253,744
Total deposits.....	498,317	1,250,164	2,532,308	2,040,390	498,843	14,318,514	3,747,026	2,439,302	1,770,561	1,784,676	2,111,544
Demand deposits.....	403,099	996,004	2,052,190	1,673,077	355,497	10,593,093	2,694,632	1,324,491	1,543,275	1,513,039	1,730,868
Time and savings deposits.....	95,218	254,160	480,118	367,313	143,346	3,725,416	1,052,394	614,811	227,286	271,637	330,676
Borrowings and other liabilities.....	5,203	11,174	18,411	25,035	3,310	108,663	26,137	6,000	6,332	12,955	16,545
Total capital accounts.....	56,343	85,707	160,065	153,903	26,818	933,940	235,667	186,737	119,383	141,475	125,655
Number of active officers, December 31.....	286	411	1,337	1,571	346	4,855	2,287	2,264	1,690	1,507	1,011
Number of other employees, December 31.....	1,360	3,083	6,366	5,367	1,218	23,890	8,048	4,816	3,259	3,913	4,348
Number of banks, December 31.....	34	19	213	345	38	889	469	612	477	360	170

Note: Due to rounding, earnings data of State banks may not add precisely to the indicated totals.

¹ Asset and liability items are averages of figures reported at beginning, middle, and end of year.

Back figures, 1916-1952: See the Annual Report for 1952, pp. 126-135, and earlier reports.

Table 114. EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (CONTINENTAL U. S. AND OTHER AREAS), BY STATE, 1953—Continued
(Amounts in thousands of dollars)

Earnings or expense item	Maine	Maryland	Massachusetts	Michigan	Minnesota	Mississippi	Missouri	Montana	Nebraska	Nevada	New Hampshire
Current operating earnings—total	18,613	53,198	152,918	206,704	110,905	30,684	145,781	20,271	42,670	8,612	10,022
Interest on U. S. Government obligations..	3,629	14,686	29,195	57,604	23,086	5,866	33,736	5,537	11,070	1,949	1,909
Interest and dividends on other securities..	809	2,449	6,957	10,879	5,705	3,246	7,193	928	2,066	312	490
Interest and discount on loans.....	11,859	28,239	84,175	114,548	61,592	15,570	88,154	10,621	23,807	5,063	6,058
Service charges and fees on bank's loans....	70	120	829	1,936	695	77	681	222	100	232	22
Service charges on deposit accounts.....	1,118	3,510	8,864	9,786	6,058	1,570	5,389	1,526	2,566	411	878
Other service charges, commissions, fees, and collection and exchange charges.....	276	1,125	4,602	4,468	7,828	3,299	2,807	678	1,054	179	164
Trust department.....	439	1,460	10,799	2,880	2,751	168	3,448	68	541	179	144
Other current operating earnings.....	415	1,611	7,497	4,604	3,190	890	4,372	693	1,465	287	358
Current operating expenses—total	12,655	33,440	93,041	131,799	72,062	19,602	85,993	12,605	25,396	5,184	6,719
Salaries—officers.....	2,053	5,168	15,656	18,488	16,140	5,111	16,942	2,952	7,496	890	1,256
Salaries and wages—employees.....	3,292	11,019	32,754	44,760	19,448	5,067	25,978	3,196	6,352	1,681	1,594
Fees paid to directors and members of execu- tive, discount, and other committees.....	222	554	865	1,196	903	371	1,091	117	483	12	134
Interest on time and savings deposits.....	3,038	4,707	7,547	23,208	13,568	1,250	10,199	1,144	1,442	977	1,414
Interest and discount on borrowed money..	26	226	353	974	555	32	1,384	28	173	12	19
Taxes other than on net income.....	538	1,907	3,780	7,322	1,323	1,296	3,152	1,264	1,193	256	240
Recurring depreciation on banking house, furniture and fixtures.....	272	968	2,909	3,484	1,378	515	2,211	305	608	160	190
Other current operating expenses.....	3,215	8,890	29,176	32,366	18,748	5,960	25,036	3,600	7,648	1,195	1,873
Net current operating earnings	5,958	19,759	59,878	74,905	38,843	11,082	59,787	7,666	17,274	3,427	3,303
Recoveries, transfers from reserve ac- counts, and profits—total	574	1,060	12,638	2,267	2,640	1,149	2,688	730	913	72	380
On securities:											
Recoveries.....	109	162	866	81	163	144	384	40	323	.....	69
Transfers from reserve accounts.....	22	63	4,799	37	401	141	82	45	2	.....	.....
Profits on securities sold or redeemed.....	207	247	1,131	918	315	134	1,016	130	145	51	87
On loans:											
Recoveries.....	107	111	4,442	326	1,054	214	495	407	235	4	81
Transfers from reserve accounts.....	28	143	249	159	18	296	237	21	97	.....	6
All other.....	100	335	1,151	747	689	221	473	86	110	18	137
Losses, charge-offs, and transfers to re- serve accounts—total	1,534	4,121	19,168	17,733	6,038	3,090	9,054	2,282	2,992	285	1,030
On securities:											
Losses and charge-offs.....	658	1,956	2,682	10,870	2,913	788	2,794	726	587	57	428
Transfers to reserve accounts.....	28	107	6,107	1,104	77	287	1,212	427	311	.....	95
On loans:											
Losses and charge-offs.....	172	83	163	564	1,489	365	1,243	655	472	13	122
Transfers to reserve accounts.....	491	1,224	3,841	2,737	954	1,064	2,673	229	1,021	161	225
All other.....	185	750	6,375	2,458	1,204	585	1,132	245	601	53	160
Net profits before income taxes	4,997	16,699	53,349	59,439	35,444	9,143	53,420	6,114	15,195	3,215	2,654

Taxes on net income—total	2,017	6,740	24,590	22,106	14,639	2,455	23,908	2,813	5,802	1,820	899
Federal.....	2,017	6,740	20,268	22,106	12,804	2,455	23,172	2,726	5,802	1,820	899
State.....			4,322		1,835		736	87			
Net profits after income taxes	2,980	9,958	28,759	37,332	20,805	6,687	29,512	3,300	9,394	1,395	1,755
Dividends and interest on capital—total	1,312	4,321	15,991	13,402	7,943	2,132	11,552	1,431	3,216	475	693
Dividends declared on preferred stock and interest on capital notes and debentures.....	6	22	16	115	6	17	41	1	2		
Cash dividends declared on common stock.....	1,306	4,298	15,976	13,286	7,937	2,115	11,512	1,430	3,215	475	693
Net additions to capital from profits	1,669	5,637	12,768	23,930	12,863	4,555	17,960	1,869	6,178	920	1,063
Memoranda											
Recoveries credited to reserve accounts (not included in recoveries above):											
On securities.....		5	8			8	54		8		
On loans.....	65	94	477	1,149	394	291	707	125	274	40	58
Losses charged to reserve accounts (not included in losses above):											
On securities.....		25	269	2,265		13	523	150	426		
On loans.....	460	480	2,069	2,380	1,209	633	2,187	266	986	95	141
Average assets and liabilities¹											
Assets—total	524,738	1,936,713	4,908,419	7,075,570	3,459,024	969,357	5,350,058	675,538	1,568,397	249,566	282,017
Cash and due from banks.....	100,365	459,092	1,112,287	1,440,390	760,635	245,023	1,406,769	157,970	400,254	46,934	61,073
United States Government obligations.....	173,203	749,424	1,514,801	2,866,562	1,161,856	291,337	1,715,741	280,413	573,498	99,296	90,616
Other securities.....	37,847	125,133	323,372	594,969	284,904	138,944	318,912	45,201	116,642	13,147	21,032
Loans and discounts.....	207,628	597,533	1,867,661	2,106,293	1,221,899	284,339	1,865,364	185,773	468,510	86,608	106,541
All other assets.....	5,695	25,531	90,298	67,356	29,730	9,714	43,272	6,181	9,493	3,581	2,755
Liabilities and capital—total	524,738	1,936,713	4,908,419	7,075,570	3,459,024	969,357	5,350,058	675,538	1,568,397	249,566	282,017
Total deposits.....	474,703	1,796,357	4,402,638	6,631,776	3,197,079	901,306	4,977,933	638,913	1,461,155	233,167	252,328
Demand deposits.....	277,699	1,334,358	3,692,526	4,027,024	2,226,958	759,480	4,148,861	521,618	1,302,406	166,989	174,876
Time and savings deposits.....	197,004	461,999	710,112	2,604,752	970,121	141,826	328,932	117,295	158,749	76,178	77,452
Borrowings and other liabilities.....	4,101	13,264	88,499	67,245	32,536	3,783	40,483	5,063	6,306	3,142	1,515
Total capital accounts.....	45,934	127,092	417,282	376,549	229,409	64,268	331,642	31,562	100,936	13,257	28,174
Number of active officers, December 31.....	855	876	1,860	2,184	2,704	853	2,699	453	1,290	135	226
Number of other employees, December 31.....	1,426	4,623	12,451	15,415	7,707	2,105	10,410	1,272	2,656	673	669
Number of banks, December 31.....	55	153	173	419	665	197	580	109	373	8	62

Note: Due to rounding, earnings data of State banks may not add precisely to the indicated totals.

¹ Asset and liability items are averages of figures reported at beginning, middle, and end of year.

Back figures, 1946-1952: See the Annual Report for 1952, pp. 126-135, and earlier reports.

Table 114. EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (CONTINENTAL U. S. AND OTHER AREAS), BY STATE, 1953—Continued
(Amounts in thousands of dollars)

Earnings or expense item	New Jersey	New Mexico	New York	North Carolina	North Dakota	Ohio	Oklahoma	Oregon	Pennsylvania	Rhode Island	South Carolina
Current operating earnings—total	176,038	15,248	1,033,458	75,776	17,176	266,014	64,649	57,688	394,039	27,416	26,875
Interest on U. S. Government obligations.....	43,597	3,442	190,441	13,723	4,834	70,657	13,372	10,405	84,205	6,574	6,266
Interest and dividends on other securities.....	12,835	230	57,184	4,133	660	14,948	3,546	2,884	30,824	631	1,535
Interest and discount on loans.....	94,847	9,440	590,946	43,249	8,038	141,750	38,520	36,166	218,307	15,115	14,035
Service charges and fees on bank's loans.....	724	224	10,594	875	114	1,737	168	461	2,103	10	59
Service charges on deposit accounts.....	10,773	951	38,590	3,724	1,089	12,095	4,221	4,005	12,600	1,020	2,008
Other service charges, commissions, fees, and collection and exchange charges.....	2,301	395	21,572	6,037	1,958	4,445	1,096	1,124	5,079	296	2,163
Trust department.....	5,252	192	76,357	2,075	56	9,550	496	1,103	25,217	2,134	336
Other current operating earnings.....	5,712	376	47,775	1,909	427	10,334	3,231	1,540	15,703	1,637	476
Current operating expenses—total	120,792	10,065	594,210	47,293	10,285	169,215	37,692	37,855	234,680	18,118	16,364
Salaries—officers.....	17,901	2,022	83,303	10,521	2,847	24,678	9,746	6,446	38,613	2,446	3,888
Salaries and wages—employees.....	37,525	3,201	232,232	12,838	2,282	43,602	10,352	12,299	76,121	5,543	5,016
Fees paid to directors and members of executive, discount, and other committees.....	1,678	98	3,773	440	127	1,699	412	116	3,662	203	255
Interest on time and savings deposits.....	21,243	1,189	64,628	6,498	1,698	31,481	3,411	9,302	35,200	3,852	1,156
Interest and discount on borrowed money.....	475	4	6,319	631	22	1,404	738	99	980	41	74
Taxes other than on net income.....	6,564	499	18,351	1,409	273	16,320	731	743	10,427	1,239	245
Recurring depreciation on banking house, furniture and fixtures.....	4,228	457	9,524	1,563	196	3,936	1,412	1,240	6,981	409	582
Other current operating expenses.....	31,178	2,594	176,031	13,344	2,842	41,096	10,893	7,612	62,697	4,387	5,146
Net current operating earnings	55,246	5,183	439,249	28,483	6,892	96,799	26,957	19,833	159,359	9,299	10,511
Recoveries, transfers from reserve accounts, and profits—total	5,289	349	31,984	1,524	272	3,975	1,153	647	13,493	1,263	279
On securities:											
Recoveries.....	898	26	1,408	74	12	409	47	12	889	.....	11
Transfers from reserve accounts.....	303	.....	5,991	87	.....	315	.....	.....	1,975	340	.....
Profits on securities sold or redeemed.....	1,958	45	9,786	1,013	61	976	187	425	3,661	101	46
On loans:											
Recoveries.....	549	227	5,395	176	119	582	571	56	1,276	16	68
Transfers from reserve accounts.....	802	1	6,425	28	.....	786	1	6	1,439	236	4
All other.....	779	51	2,979	147	79	908	346	148	4,204	570	151
Losses, charge-offs, and transfers to reserve accounts—total	15,372	1,596	85,758	6,819	1,071	16,574	3,585	2,371	41,610	3,639	1,607
On securities:											
Losses and charge-offs.....	5,087	70	41,652	3,220	424	5,745	352	1,664	13,067	1,394	671
Transfers to reserve accounts.....	893	75	6,371	127	6	2,367	190	.....	10,806	540	74
On loans:											
Losses and charge-offs.....	481	389	1,635	428	138	875	1,355	32	936	6	169
Transfers to reserve accounts.....	6,712	867	27,067	1,918	275	5,106	628	405	11,195	591	503
All other.....	2,199	195	9,034	1,126	228	2,481	561	271	5,606	1,109	190
Net profits before income taxes	45,161	3,936	385,474	23,187	6,092	84,200	24,524	18,109	131,242	6,923	9,183

Taxes on net income—total	14,699	1,567	181,771	10,379	2,268	37,001	10,572	7,865	47,592	3,312	4,042
Federal.....	14,699	1,567	165,892	9,982	2,189	37,001	9,949	6,458	47,592	3,036	3,770
State.....			15,879	397	79		623	1,407		277	272
Net profits after income taxes	30,461	2,369	203,704	12,808	3,823	47,199	13,953	10,244	83,650	3,610	5,142
Dividends and interest on capital—total ..	11,052	808	122,420	4,672	1,332	18,845	4,969	4,635	40,430	1,835	1,921
Dividends declared on preferred stock and interest on capital notes and debentures...	882	2	1,253	3	1	60			27		1
Cash dividends declared on common stock...	10,170	806	121,167	4,669	1,331	18,785	4,969	4,635	40,403	1,835	1,920
Net additions to capital from profits	19,410	1,561	81,284	8,136	2,492	28,355	8,983	5,609	43,220	1,775	3,220
Memoranda											
Recoveries credited to reserve accounts (not included in recoveries above):											
On securities.....	20		699	1		8			1,314		
On loans.....	588	233	8,711	267	113	1,050	589	265	1,248	92	98
Losses charged to reserve accounts (not included in losses above):											
On securities.....	658		5,566	23		1,036			15,418	40	32
On loans.....	2,290	667	15,143	713	307	2,667	1,144	670	5,092	388	507
Average assets and liabilities¹											
Assets—total	5,707,425	471,509	38,263,288	2,304,665	515,760	9,543,955	2,137,823	1,707,349	12,850,709	840,481	873,361
Cash and due from banks.....	991,958	138,606	9,601,505	552,259	87,365	2,025,217	610,903	341,613	2,728,515	142,351	232,787
United States Government obligations.....	2,115,446	172,324	10,010,265	668,982	232,819	3,625,033	662,882	523,269	4,124,313	330,813	309,068
Other securities.....	636,401	13,268	2,674,227	239,993	33,493	722,321	183,681	145,117	1,293,897	33,762	73,716
Loans and discounts.....	1,883,499	141,241	15,348,528	814,252	158,477	3,071,393	659,871	672,162	4,538,227	318,092	249,720
All other assets.....	80,121	5,470	628,763	29,179	3,606	99,986	20,486	25,188	165,757	15,463	8,070
Liabilities and capital—total	5,707,425	471,509	38,263,288	2,304,665	515,760	9,543,955	2,137,823	1,707,349	12,850,709	840,481	873,361
Total deposits.....	5,284,684	444,769	33,909,393	2,101,008	480,486	8,860,043	1,973,296	1,571,779	11,534,626	767,592	812,540
Demand deposits.....	3,104,789	371,513	28,699,645	1,613,002	358,749	5,893,803	1,751,579	1,043,706	8,196,143	482,178	702,071
Time and savings deposits.....	2,179,895	73,256	5,209,748	488,006	121,737	2,966,240	221,717	523,073	3,338,483	285,414	110,469
Borrowings and other liabilities.....	45,784	1,317	1,205,721	43,731	2,966	80,362	14,974	21,378	104,853	10,885	6,163
Total capital accounts.....	376,957	24,923	3,148,174	159,876	32,308	603,550	149,553	114,192	1,211,230	62,004	54,658
Number of active officers, December 31.....	2,331	301	7,543	1,497	508	3,393	1,642	981	5,163	282	635
Number of other employees, December 31.....	13,655	1,234	70,341	5,168	1,040	17,329	4,135	4,224	27,021	2,169	2,009
Number of banks, December 31.....	307	51	572	225	148	638	376	65	888	9	136

Note: Due to rounding, earnings data of State banks may not add precisely to the indicated totals.

¹ Asset and liability items are averages of figures reported at beginning, middle, and end of year.

Back figures, 1946-1952: See the Annual Report for 1952, pp. 126-135, and earlier reports.

Table 114. EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (CONTINENTAL U. S. AND OTHER AREAS), BY STATE, 1953—Continued
(Amounts in thousands of dollars)

Earnings or expense item	South Dakota	Tennessee	Texas	Utah	Vermont	Virginia	Washington	West Virginia	Wisconsin	Wyoming
Current operating earnings—total	19,979	77,881	255,315	25,140	11,508	84,020	78,647	35,347	98,774	9,971
Interest on U. S. Government obligations..	4,613	14,319	48,912	5,134	1,958	16,952	12,767	9,507	30,443	2,501
Interest and dividends on other securities..	713	3,759	10,701	821	563	3,425	4,736	1,490	5,392	355
Interest and discount on loans.....	11,090	50,849	159,337	15,363	7,706	52,420	48,141	20,140	51,017	5,676
Service charges and fees on bank's loans....	106	461	2,230	618	76	738	851	215	653	46
Service charges on deposit accounts.....	1,281	2,224	12,003	1,277	620	4,323	6,429	1,264	4,984	647
Other service charges, commissions, fees, and collection and exchange charges.....	1,640	2,341	4,308	786	152	1,474	2,108	723	1,923	291
Trust department.....	91	1,250	3,667	500	183	2,657	1,763	909	1,327	60
Other current operating earnings.....	446	2,678	14,155	643	248	2,030	1,851	1,101	3,035	396
Current operating expenses—total	12,351	49,059	157,892	16,344	8,414	52,970	51,482	20,524	65,635	6,060
Salaries—officers.....	3,653	9,207	35,061	2,575	1,305	9,906	9,048	4,140	14,017	1,512
Salaries and wages—employees.....	2,827	12,797	44,450	4,353	1,690	14,011	17,566	5,411	17,317	1,577
Fees paid to directors and members of execu- tive, discount, and other committees.....	221	459	1,889	252	161	823	244	382	1,195	113
Interest on time and savings deposits.....	1,749	9,254	10,888	4,251	3,077	11,166	7,998	3,857	13,065	1,007
Interest and discount on borrowed money....	38	336	696	109	13	372	112	111	243	33
Taxes other than on net income.....	265	3,047	13,319	291	164	2,470	1,137	840	1,484	260
Recurring depreciation on banking house, furniture and fixtures.....	278	1,411	5,118	379	194	1,793	1,795	680	1,726	176
Other current operating expenses.....	3,327	12,553	46,472	4,134	1,812	12,431	13,582	5,103	16,588	1,382
Net current operating earnings	7,628	28,822	97,423	8,797	3,094	31,050	27,165	14,823	33,139	3,910
Recoveries, transfers from reserve ac- counts, and profits—total	204	1,838	7,956	377	219	2,012	1,224	932	1,709	223
On securities:										
Recoveries.....	6	381	301	2	46	31	378	65	194	2
Transfers from reserve accounts.....		161	1,227	3	1	547	29	72	253	
Profits on securities sold or redeemed.....	46	653	938	93	51	598	435	180	762	69
On loans:										
Recoveries.....	99	246	2,675	59	62	337	126	179	181	139
Transfers from reserve accounts.....		16	930		6	210	22	167	97	1
All other.....	54	381	1,887	221	55	288	234	269	272	11
Losses, charge-offs, and transfers to re- serve accounts—total	1,118	5,017	25,046	1,048	539	4,872	6,520	2,482	9,038	992
On securities:										
Losses and charge-offs.....	400	1,338	6,227	361	280	1,825	3,360	984	4,728	188
Transfers to reserve accounts.....		1,138	1,458	75		667	1,097	147	275	1
On loans:										
Losses and charge-offs.....	220	392	7,339	60	76	452	106	208	261	449
Transfers to reserve accounts.....	233	816	6,320	440	135	1,294	950	439	2,969	99
All other.....	265	1,334	3,702	114	49	635	1,006	704	804	255
Net profits before income taxes	6,715	25,643	80,334	8,125	2,774	28,190	21,870	13,274	25,811	3,142

Taxes on net income—total	2,880	11,005	37,427	3,638	931	11,472	8,810	5,712	8,998	1,383
Federal.....	2,763	10,835	37,427	3,489	828	11,472	8,810	5,712	8,771	1,383
State.....	117	170	.....	150	103	.....	.....	.....	227	.....
Net profits after income taxes	3,835	14,638	42,907	4,486	1,844	16,717	13,059	7,561	16,812	1,760
Dividends and interest on capital—total ..	1,407	6,080	21,980	1,800	720	6,454	4,780	2,725	6,477	575
Dividends declared on preferred stock and interest on capital notes and debentures..	3	1	17	8	68	48	.....	1	109	7
Cash dividends declared on common stock..	1,404	6,079	21,963	1,792	652	6,406	4,780	2,723	6,368	570
Net additions to capital from profits	2,427	8,558	20,926	2,687	1,125	10,263	8,279	4,837	10,336	1,184
Memoranda										
Recoveries credited to reserve accounts (not included in recoveries above):										
On securities.....			53			9			2	
On loans.....	142	330	2,152	119	92	353	467	141	453	100
Losses charged to reserve accounts (not included in losses above):										
On securities.....		222	125		11	325	1,173		98	
On loans.....	314	1,096	9,976	419	95	987	847	248	867	250
Average assets and liabilities¹										
Assets—total	584,058	2,495,227	9,075,030	748,324	312,227	2,546,874	2,318,178	1,139,133	3,696,024	327,870
Cash and due from banks.....	115,023	660,687	2,907,167	167,261	47,744	588,893	522,387	256,204	744,172	84,055
United States Government obligations.....	235,531	723,801	2,454,898	254,849	90,970	850,201	647,887	461,391	1,537,778	129,777
Other securities.....	32,840	151,961	461,604	38,303	26,759	155,952	220,922	68,899	268,708	16,461
Loans and discounts.....	195,945	924,119	3,101,745	281,122	143,415	918,547	896,790	341,201	1,114,204	95,119
All other assets.....	4,719	34,659	149,616	6,789	3,339	33,281	30,192	11,438	31,162	2,458
Liabilities and capital—total	584,058	2,495,227	9,075,030	748,324	312,227	2,546,874	2,318,178	1,139,133	3,696,024	327,870
Total deposits.....	543,526	2,305,327	8,442,763	696,896	279,792	2,333,759	2,150,268	1,036,080	3,452,592	306,633
<i>Demand deposits</i>	<i>423,807</i>	<i>1,712,036</i>	<i>7,511,350</i>	<i>465,030</i>	<i>113,248</i>	<i>1,564,075</i>	<i>1,554,166</i>	<i>743,854</i>	<i>2,095,501</i>	<i>241,274</i>
<i>Time and savings deposits</i>	<i>119,719</i>	<i>593,291</i>	<i>930,913</i>	<i>231,866</i>	<i>166,544</i>	<i>769,684</i>	<i>596,102</i>	<i>292,226</i>	<i>1,357,091</i>	<i>65,359</i>
Borrowings and other liabilities.....	2,913	25,426	63,108	6,619	2,321	28,423	20,263	6,797	13,899	1,916
Total capital accounts.....	37,619	164,474	569,159	44,809	30,114	184,692	147,647	96,256	229,533	19,321
Number of active officers, December 31	661	1,565	5,043	361	246	1,667	1,182	683	2,201	248
Number of other employees, December 31	1,256	5,300	16,857	1,706	709	5,884	6,046	2,097	6,998	596
Number of banks, December 31	169	291	882	54	66	316	109	178	548	53

Note: Due to rounding, earnings data of State banks may not add precisely to the indicated totals.

¹ Asset and liability items are averages of figures reported at beginning, middle, and end of year.

Back figures, 1946-1952: See the Annual Report for 1952, pp. 126-135, and earlier reports.

Table 115. INCOME, EXPENSES, AND DIVIDENDS OF INSURED MUTUAL SAVINGS BANKS, 1953
(Amounts in thousands of dollars)

Sources and disposition of income		Memoranda—realized profits and recoveries, realized losses, and valuation adjustment provisions ¹	Realized profits and recoveries, and transfers from valuation adjustment provisions	Realized losses and transfers to valuation adjustment provisions
Current operating income—total	647,067			
Interest on U. S. Government obligations.....	164,630			
Interest and dividends on other securities.....	82,003			
Interest and discount on real estate mortgage loans—net.....	381,895			
<i>Interest and discount on real estate mortgage loans—gross</i>	<i>396,264</i>			
<i>Less: Mortgage servicing fees</i>	<i>9,483</i>			
<i>Premium amortization</i>	<i>4,886</i>			
Interest and discount on other loans and discounts—net.....	5,184			
Income on real estate other than bank building—net.....	77			
<i>Income on real estate other than bank building—gross</i>	<i>338</i>			
<i>Less: Operating expense</i>	<i>261</i>			
Income on other assets.....	7,171			
Income from service operations.....	6,107			
Current operating expense—total	127,336			
Salaries—officers.....	21,142			
Salaries and wages—employees.....	44,351			
Pension, hospitalization and group insurance payments, and other employee benefits.....	11,566			
Fees paid to trustees and committee members.....	2,308			
Occupancy, maintenance, etc. of bank premises (including taxes and recurring depreciation)—net.....	13,521			
<i>Occupancy, maintenance, etc. of bank premises (including taxes and recurring depreciation)—gross</i>	<i>20,926</i>			
<i>Less: Income from bank building</i>	<i>7,405</i>			
Deposit insurance assessments.....	6,837			
Furniture and fixtures (including recurring depreciation).....	2,445			
All other current operating expense.....	25,171			
Net current operating income	519,731			
Franchise and income taxes—total	8,569			
State franchise and income taxes.....	6,459			
Federal income taxes.....	2,110			
Net current operating income after taxes	511,162			
Dividends and interest on deposits	414,951			
Net current operating income after taxes and dividends	96,211			
Non-recurring income, realized profits and recoveries credited to profit and loss, and transfers from valuation adjustment provisions—total	36,962			
Non-recurring income.....	12,372			
Realized profits and recoveries (see memoranda).....	7,863			
Transfers from valuation adjustment provisions ² (see memoranda).....	16,727			
Non-recurring expense, realized losses charged to profit and loss, and transfers to valuation adjustment provisions—total	70,507			
Non-recurring expense.....	12,156			
Realized losses (see memoranda) ³	28,630			
Transfers to valuation adjustment provisions ¹ (see memoranda).....	29,721			
Net additions to total surplus accounts from operations	62,666			
		Realized profits and recoveries credited, or realized losses charged, to profit and loss—total	7,863	28,630
		Securities sold or matured.....	5,287	28,333
		Real estate mortgage loans.....	783	152
		Other real estate.....	304	39
		All other assets.....	1,489	106
		Transfers from (or to) valuation adjustment provisions—total	16,727	29,721
		Securities.....	6,132	10,639
		Real estate mortgage loans.....	9,965	17,005
		Other real estate.....	275	11
		All other assets.....	355	2,066
		Recoveries credited (or realized losses charged) to valuation adjustment provisions¹ (not included in recoveries or losses above)—total	59	13,764
		Securities.....	15	12,523
		Real estate mortgage loans.....	33	469
		Other real estate.....	10	683
		All other assets.....	1	89
		Average assets and liabilities³		
		Assets—total		19,625,429
		Cash and due from banks.....	744,369	
		United States Government obligations.....	6,620,535	
		Other securities.....	2,591,176	
		Real estate mortgage loans.....	9,288,364	
		Other loans and discounts.....	102,768	
		Other real estate.....	2,432	
		All other assets.....	275,785	
		Liabilities and surplus accounts—total		19,625,429
		Total deposits.....	17,718,957	
		<i>Savings and time deposits</i>	<i>17,688,777</i>	
		<i>Demand deposits</i>	<i>30,180</i>	
		Other liabilities.....	119,359	
		Total surplus accounts.....	1,787,113	
		Number of active officers, December 31.....		1,908
		Number of other employees, December 31.....		12,525
		Number of banks, December 31.....		219

¹ Includes "Valuation reserves" and "Other asset valuation provisions (direct write-downs)."

² Total realized losses for the year were \$42,394,000, of which a portion was charged to valuation adjustment provisions (see memoranda).

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

Back figures, 1934-1952: Comparable data for 1951 and 1952 may be found in the 1951 and 1952 Annual Reports, pp. 184 and 186, respectively. Data for prior years, which however are not comparable with figures for 1951-1953, may be found in the following Annual Reports: 1950, pp. 272-273; and 1941, p. 173.

Table 116. RATIOS OF INCOME, EXPENSES, AND DIVIDENDS OF INSURED MUTUAL SAVINGS BANKS, 1953

Amounts per \$100 of current operating income		Special ratios ¹	
Current operating income—total	\$100.00	Interest on U. S. Government obligations per \$100 of U. S. Government obligations.....	\$2.49
Interest on U. S. Government obligations.....	25.44	Interest and dividends on other securities per \$100 of other securities.....	3.16
Interest and dividends on other securities.....	12.67	Interest and discount on real estate mortgage loans per \$100 of real estate mortgage loans.....	4.11
Interest and discount on real estate mortgage loans—net.....	59.02	Interest and discount on other loans and discounts per \$100 of other loans and discounts.....	5.04
Interest and discount on other loans and discounts—net.....	.80	Dividends and interest on deposits per \$100 of savings and time deposits.....	2.35
Income on other assets.....	1.12	Net additions to total surplus accounts from operations per \$100 of total surplus accounts.....	3.51
Income from service operations.....	.95		
Current operating expense—total	19.68	Average assets and liabilities¹	
Salaries—officers.....	3.27	Assets—total	100.00
Salaries and wages—employees.....	6.85	Cash and due from banks.....	3.79
Pension, hospitalization and group insurance payments, and other employee benefits.....	1.79	United States Government obligations.....	33.74
Fees paid to trustees and committee members.....	.35	Other securities.....	13.20
Occupancy, maintenance, etc. of bank premises (including taxes and recurring depreciation)—net.....	2.09	Real estate mortgage loans.....	47.33
Deposit insurance assessments.....	1.06	Other loans and discounts.....	.52
Furniture and fixtures (including recurring depreciation).....	.38	Other real estate.....	.01
All other current operating expense.....	3.89	All other assets.....	1.41
Net current operating income	80.32	Liabilities and surplus accounts—total	100.00
Franchise and income taxes—total	1.32	Total deposits.....	90.28
State franchise and income taxes.....	1.00	<i>Savings and time deposits</i>	90.13
Federal income taxes.....	.32	<i>Demand deposits</i>.....	.15
Net current operating income after taxes	79.00	Other liabilities.....	.61
Dividends and interest on deposits	64.13	Total surplus accounts.....	9.11
Net current operating income after taxes and dividends	14.87		
		Number of banks, December 31	219
Amounts per \$100 of total assets¹			
Current operating income—total.....	3.30		
Current operating expense—total.....	.65		
Net current operating income.....	2.65		
State franchise or income tax.....	.05		
Net current operating income after taxes.....	2.60		
Dividends and interest on deposits.....	2.11		
Net current operating income after taxes and dividends.....	.49		
Non-recurring income, realized profits and recoveries credited to profit and loss, and transfers from valuation adjustment provisions ² —total.....	.19		
Non-recurring expense, realized losses charged to profit and loss, and transfers to valuation adjustment provisions ² —total.....	.36		
Net additions to total surplus accounts from operations.....	.32		

¹ Asset and liability items are averages of figures reported at beginning, middle, and end of year.

² Includes "Valuation reserves" and "Other asset valuation provisions (direct write-downs)."

Back figures, 1931, and 1941-1952: Comparable data for 1951 and 1952 may be found in the 1951 and 1952 Annual Reports, pp. 185 and 137, respectively. Data for prior years, which however are not comparable with figures for 1951-1953, may be found in the following Annual Reports: 1950, pp. 274-275, and 1947, pp. 154-155.

DEPOSIT INSURANCE DISBURSEMENTS

- Table 117. Disbursements, deposits, and depositors in insured banks financially aided by the Federal Deposit Insurance Corporation, 1934-1953
Banks grouped by class of bank, year of receivership or absorption, amount of deposits, and State
- Table 118. Assets and liabilities of insured banks placed in receivership and of insured banks absorbed with the financial aid of the Federal Deposit Insurance Corporation, 1934-1953
As shown by books of bank at date of closing
- Table 119. Name, location, Federal Deposit Insurance Corporation disbursement, and assets and liabilities of insured banks absorbed with the financial aid of the Corporation during 1953
- Table 120. Recoveries and losses by the Federal Deposit Insurance Corporation in connection with insured banks financially aided by the Corporation, 1934-1953
As shown by books of FDIC, December 31, 1953

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

Detailed data for insured banks placed in receivership are omitted since there has been no receivership since 1944. For such data, see the Annual Reports of the Corporation for 1946, pages 167 and 171, and 1950, page 280.

Deposits of insured banks placed in receivership as given in Table 117 are taken from the books of FDIC at the end of the year and differ from the deposits in Table 118 which are taken from books of the bank at date of closing. This is because the former include deposits discovered or reclassified after the date of a bank's closing.

Details of the absorptions during 1953 are given in Table 119. The disbursements by the Corporation were made to purchase assets from the selling banks which were not acceptable to the absorbing banks.

Two insured banks in Illinois which in 1953 were closed by the State supervisory authority "for examination and adjustment" and were reopened without financial aid by the Corporation are excluded from Tables 117-120.

Noninsured bank failures

One noninsured bank failed in 1953. The name and location of this bank and its deposits and date of closing are given below.

Broadway Industrial Bank, Denver, Colorado, January 1953, deposits \$390,000.

For suspensions of noninsured banks in previous years, see the Annual Reports of the Corporation as follows: 1943, p. 102; 1946, p. 167; 1947, p. 159; 1949, p. 187; 1950, p. 277; 1951, p. 187; and 1952, p. 139.

Sources of data

Insured banks: books of bank at date of closing; and books of FDIC, December 31, 1953.

Noninsured bank: news report.

Table 117. DISBURSEMENTS, DEPOSITS, AND DEPOSITORS IN INSURED BANKS FINANCIALLY AIDED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION, 1934-1953

BANKS GROUPED BY CLASS OF BANK, YEAR OF RECEIVERSHIP OR ABSORPTION, AMOUNT OF DEPOSITS, AND STATE

Classification	Disbursements by FDIC (in thousands of dollars)			Number of banks			Deposits (in thousands of dollars) ¹			Number of depositors ¹		
	Total	Receiverships	Absorptions ²	Total	Receiverships	Absorptions	Total	Receiverships	Absorptions	Total	Receiverships	Absorptions ²
All banks.....	281,112	87,044	194,068	422	245	177	558,946	109,590	449,356	1,390,993	382,722	1,008,271
Class of bank												
National banks.....	52,888	14,808	38,075	73	21	52	112,548	19,474	93,074	290,349	55,406	234,943
State banks members F. R. System.....	101,205	20,934	80,271	22	6	16	187,656	26,537	161,119	368,424	82,818	285,606
Banks not members F. R. S.	127,024	51,302	75,722	327	218	109	258,742	63,579	195,163	732,220	244,498	487,722
Year												
1934.....	941	941	.....	9	9	.....	1,968	1,968	.....	15,767	15,767	.....
1935.....	8,890	6,025	2,865	25	24	1	13,320	9,091	4,229	44,655	32,331	12,324
1936.....	14,781	8,056	6,725	69	42	27	27,508	11,241	16,267	89,018	43,225	45,793
1937.....	19,160	12,044	7,116	75	50	25	33,349	14,960	18,389	130,337	74,148	56,239
1938.....	30,479	9,092	21,387	74	50	24	59,684	10,296	49,388	203,961	44,288	159,673
1939.....	67,771	26,197	41,574	60	32	28	157,772	32,738	125,034	392,718	90,169	302,549
1940.....	74,134	4,895	69,239	43	19	24	142,430	5,657	136,773	256,361	20,667	235,694
1941.....	23,880	12,278	11,602	15	8	7	29,717	14,730	14,987	78,005	38,594	34,411
1942.....	10,825	1,612	9,213	20	6	14	19,185	1,816	17,369	60,688	5,717	54,971
1943.....	7,172	5,500	1,672	5	4	1	12,525	6,637	5,888	27,371	16,917	10,454
1944.....	1,503	404	1,099	2	1	1	1,915	456	1,459	5,487	899	4,588
1945.....	1,768	.....	1,768	1	.....	1	5,695	.....	5,695	12,483	.....	12,483
1946.....	265	.....	265	1	.....	1	347	.....	347	1,383	.....	1,383
1947.....	1,724	.....	1,724	5	.....	5	7,040	.....	7,040	10,637	.....	10,637
1948.....	2,990	.....	2,990	3	.....	3	10,674	.....	10,674	18,540	.....	18,540
1949.....	2,551	.....	2,551	4	.....	4	5,475	.....	5,475	5,671	.....	5,671
1950.....	3,986	.....	3,986	4	.....	4	5,502	.....	5,502	6,365	.....	6,365
1951.....	1,885	.....	1,885	2	.....	2	3,408	.....	3,408	5,276	.....	5,276
1952.....	1,368	.....	1,368	3	.....	3	3,170	.....	3,170	6,751	.....	6,751
1953.....	5,039	.....	5,039	2	.....	2	18,262	.....	18,262	24,469	.....	24,469
Banks with deposits of—												
\$100,000 or less.....	4,946	4,308	638	106	83	23	6,358	4,947	1,411	38,055	29,695	8,360
\$100,000 to \$250,000.....	12,906	11,554	1,352	109	86	23	17,759	13,920	3,839	83,370	65,512	17,858
\$250,000 to \$500,000.....	14,588	10,223	4,365	59	36	23	20,978	12,462	8,514	89,949	56,777	33,172
\$500,000 to \$1,000,000.....	27,897	13,901	13,996	58	24	34	43,440	17,590	25,850	147,613	63,487	84,126
\$1,000,000 to \$2,000,000.....	31,140	8,961	22,179	42	9	33	60,553	11,748	48,805	193,530	54,324	139,206
\$2,000,000 to \$5,000,000.....	46,813	12,421	34,392	29	5	24	88,333	16,279	72,054	225,188	51,756	173,432
\$5,000,000 to \$10,000,000.....	23,400	.....	23,400	10	.....	10	65,397	.....	65,397	170,841	.....	170,841
\$10,000,000 to \$25,000,000.....	45,769	25,676	20,093	5	2	3	96,712	32,644	64,068	170,119	61,171	108,948
\$25,000,000 to \$50,000,000.....	73,653	.....	73,653	4	.....	4	159,418	.....	159,418	272,328	.....	272,328

State	1,089	94	995	3	1	2	2,286	101	2,185	7,905	794	7,111
Alabama	984	841	143	6	5	1	1,763	1,168	595	4,483	3,529	904
Arkansas	861		861	1		1	1,078		1,078	3,169		3,169
California	8			1					8	10		10
Colorado	1,242	1,242		2	2		1,526	1,526		5,379	5,379	
Connecticut												
Florida	300	203	97	2	1	1	491	217	274	1,642	448	1,194
Georgia	863	846	17	8	7	1	1,027	998	29	8,094	7,773	321
Illinois	9,246	1,242	8,004	18	6	12	27,321	1,637	25,684	43,291	5,372	37,919
Indiana	6,197	3,096	3,101	20	15	5	13,594	3,932	9,662	30,006	12,549	17,457
Iowa	1,456	385	1,071	6	3	3	5,516	498	5,018	13,665	1,676	11,989
Kansas	974	482	492	9	5	4	1,233	539	694	5,145	2,254	2,891
Kentucky	4,594	3,329	1,265	22	18	4	7,951	3,954	3,997	34,620	18,490	16,130
Louisiana	668	668		3	3		1,652	1,652		6,087	6,087	
Maryland	3,109	735	2,374	5	2	3	4,566	828	3,738	22,567	6,643	15,924
Massachusetts	1,564		1,564	2		2	3,019		3,019	9,046		9,046
Michigan	6,290	139	6,151	8	3	5	13,531	160	13,371	31,663	928	30,735
Minnesota	640	640		5	5		818	818		2,650	2,650	
Mississippi	257	257		3	3		334	334		1,651	1,651	
Missouri	4,981	4,335	646	46	34	12	7,149	5,116	2,033	34,929	26,760	8,169
Montana	639	186	453	5	3	2	1,095	215	880	1,500	849	651
Nebraska	469	469		4	4		538	538		2,224	2,224	
New Hampshire	118		118	1		1	296		296	1,780		1,780
New Jersey	80,760	25,103	55,657	38	11	27	192,417	30,915	161,502	520,380	101,614	418,766
New York	67,334	10,835	56,499	25	3	22	138,811	13,286	125,525	259,889	23,440	231,449
North Carolina	2,387	1,156	1,231	7	2	5	3,266	1,421	1,845	10,408	3,677	6,731
North Dakota	2,656	1,397	1,259	29	18	11	3,830	1,552	2,278	14,103	6,760	7,343
Ohio	1,868	1,610	253	3	2	1	3,139	2,345	794	8,544	7,585	959
Oklahoma	2,444	1,133	1,311	8	5	3	4,371	1,659	2,712	10,795	5,874	4,921
Oregon	962			1			1,302		1,302	2,209		2,209
Pennsylvania	51,292	10,133	41,159	29	8	21	75,746	14,340	61,406	166,893	43,828	123,065
South Carolina	274	136	138	2	1	1	850	136	714	1,848	403	1,445
South Dakota	2,412	2,388	24	23	22	1	2,988	2,862	126	12,515	11,412	1,103
Tennessee	1,278	1,164	114	12	8	4	1,942	1,620	322	12,353	9,993	2,365
Texas	2,761	2,463	293	18	16	2	3,925	3,239	686	19,862	18,334	1,528
Vermont	3,445	3,259	186	3	2	1	3,725	3,375	350	11,057	8,687	2,370
Virginia	4,907	511	4,396	8	3	5	10,756	629	10,127	26,041	2,964	23,077
Washington	935		935	1		1	1,536		1,536	4,179		4,179
West Virginia	1,458	1,458		3	3		2,006	2,006		8,346	8,346	
Wisconsin	7,188	5,096	2,092	31	20	11	9,511	5,966	3,545	26,893	18,739	8,159
Wyoming	202		202	1		1	2,033		2,033	3,212		3,212

¹ Adjusted to December 31, 1953.

² Excludes excess collections turned over to banks as additional purchase price at termination of liquidation.

³ Number of deposit accounts.

Table 118. ASSETS AND LIABILITIES OF INSURED BANKS PLACED IN RECEIVERSHIP AND OF INSURED BANKS ABSORBED WITH THE FINANCIAL AID OF THE FEDERAL DEPOSIT INSURANCE CORPORATION, 1934-1953
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 ¹
Total	\$127,868,048	\$90,339,763	\$75,075,634	\$245,317,986	\$22,710,199	\$59,563,796	\$14,018,535	\$634,893,961	\$555,569,372	\$11,715,554	\$25,180,114	\$38,688,611	\$3,740,310
RECEIVERSHIPS²													
Total	\$22,620,382	\$10,154,078	\$15,946,562	\$65,569,217	\$5,375,616	\$12,293,686	\$8,330,507	\$140,290,048	\$107,374,564	\$10,122,023	\$5,896,246	\$12,254,299	\$4,642,916
ABSORPTIONS													
Total	\$105,247,666	\$80,185,685	\$59,129,072	\$179,748,769	\$17,334,583	\$47,270,110	\$5,688,028	\$494,603,913	\$448,194,808	\$1,593,531	\$19,283,868	\$26,434,312	\$-902,606
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	8,133,387	7,018,796	10,377,037	20,896,236	2,873,257	3,913,009	2,380,489	55,592,711	49,428,383	168,674	3,726,463	2,697,650	-428,459
1939	27,451,442	27,929,162	16,266,036	44,289,765	5,142,832	15,459,743	1,049,600	137,588,630	125,038,946	679,659	6,103,500	6,381,000	-614,475
1940	30,227,874	17,183,076	17,987,527	60,687,428	4,553,388	22,340,095	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 ³	4,159,617	3,547,766	2,275,392	7,231,137	759,861	1,824,586	354,362	20,152,721	17,195,146	584	913,400	1,748,200	295,391
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	363,633	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
1946	126,764	114,326	30,236	77,049	.....	2,369	425	351,169	316,402	.....	.....	10,000	24,767
1947	2,769,014	2,201,186	318,322	1,452,370	.....	56,630	215	6,797,738	6,965,742	.....	.....	197,500	-365,504
1948	6,864,201	1,013,657	178,720	2,015,414	112,200	19,196	156,808	10,360,196	10,454,520	.....	.....	375,000	-469,324
1949	2,616,025	647,349	217,903	1,336,785	61,705	.....	5,853	4,885,620	4,977,235	5,959	15,000	142,500	-255,074
1950	1,548,158	335,163	89,643	1,965,624	40,500	.....	26,030	4,005,118	5,466,946	200,915	9,650	114,150	-1,786,543
1951	886,937	625,657	6,450	1,484,869	34,502	.....	11,493	3,049,908	3,408,095	8,659	.....	85,000	-451,846
1952	552,710	781,093	40,723	924,419	35,121	.....	54,320	2,388,391	3,006,036	8,908	.....	62,000	-688,553
1953	4,485,650	8,326,289	660,548	4,878,142	141,556	.....	319,032	18,811,217	18,262,055	22,339	25,000	225,000	276,823

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

² No insured bank has been placed in receivership since 1944. For data by years see the Annual Report of the Corporation for 1950, p. 280.

³ Revised.

Table 119. NAME, LOCATION, FEDERAL DEPOSIT INSURANCE CORPORATION DISBURSEMENT, AND ASSETS AND LIABILITIES OF INSURED BANKS ABSORBED WITH THE FINANCIAL AID OF THE CORPORATION DURING 1953

Case number	Name and location	Class of bank	Number of accounts ¹	Disbursement		Absorbing bank
				Date	Amount ²	
176	Mayfield State Bank, Mayfield, Pennsylvania	State bank not member F. R. System	2,380	February 13, 1953	\$180,063	The First National Bank of Carbondale, Carbondale, Pennsylvania
177	First State Bank of Elmwood Park, Elmwood Park, Illinois	State bank not member F. R. System	22,089	May 26, 1953	4,858,968	Bank of Elmwood Park, Elmwood Park, Illinois

Case number	Assets							Total	Liabilities and capital accounts				
	Cash and due from banks	U. S. Gov- ernment obligations	Other securities	Loans, discounts, and overdrafts	Banking house, furniture & fixtures	Other real estate	Other assets		Deposits ³	Other liabilities	R. F. C. capital	Private capital stock	Other capital accounts ⁴
176	\$105,370	\$322,069	\$405,558	\$498,547	\$18,500	.....	\$4,804	\$1,354,848	\$1,305,034	\$12,482	\$25,000	\$25,000	\$-12,668
177	4,380,280	8,004,220	254,990	4,379,595	123,056	.....	314,228	17,456,369	16,957,147	52,394	.....	200,000	246,828

¹ Number of accounts as of December 31, 1953, from books of FDIC.

² As of December 31, 1953; does not include preliminary and field liquidation expense or advances for the protection of assets incident to the transaction.

³ As determined by FDIC agents after adjustment of books of bank for liabilities discovered subsequent to closing as of December 31, 1953.

⁴ Includes surplus, undivided profits, and reserve funds minus deficit, if any, after adjustment for liabilities discovered subsequent to closing.

Table 120. RECOVERIES AND LOSSES BY THE FEDERAL DEPOSIT INSURANCE CORPORATION IN CONNECTION WITH INSURED BANKS FINANCIALLY AIDED BY THE CORPORATION, 1934-1953
AS SHOWN BY BOOKS OF FDIC, DECEMBER 31, 1953
(Amounts in thousands of dollars)

Liquidation status and year of receivership or absorption	All banks					Receiverships				Absorptions				
	Number of banks	FDIC disbursement	Recoveries to December 31, 1953	Estimated additional recoveries	Losses ¹	Number of banks	FDIC disbursement	Recoveries	Losses	Number of banks	FDIC disbursement ²	Recoveries to December 31, 1953	Estimated additional recoveries	Losses ¹
Total	422	281,112	251,831	1,332	27,949	245	87,044	72,866	14,178	177	194,068	178,965	1,332	13,771
Status														
Active.....	9	11,807	8,123	1,332	2,352					9	11,807	8,123	1,332	2,352
Terminated.....	413	269,305	243,708		25,597	245	87,044	72,866	14,178	168	182,261	170,842		11,419
Year														
1934.....	9	941	734		207	9	941	734	207					
1935.....	25	8,890	6,160		2,730	24	6,025	4,274	1,751	1	2,865	1,886		979
1936.....	69	14,781	12,370		2,411	42	8,056	6,596	1,460	27	6,725	5,774		951
1937.....	75	19,160	15,607		3,553	50	12,044	9,517	2,527	25	7,116	6,090		1,026
1938.....	74	30,479	28,047		2,432	50	9,092	7,908	1,184	24	21,387	20,139		1,248
1939.....	60	67,771	60,555		7,216	32	26,197	20,899	5,798	23	41,574	40,156		1,418
1940.....	43	74,134	69,947		4,187	19	4,895	4,313	582	24	69,239	65,634		3,605
1941.....	15	23,880	23,269		611	8	12,278	12,065	213	7	11,602	11,204		398
1942.....	20	10,825	10,139		686	6	1,612	1,320	292	14	9,213	8,819		394
1943.....	5	7,172	7,048		124	4	5,500	5,376	124	1	1,672	1,672		
1944.....	2	1,503	1,463		40	1	404	364	40	1	1,099	1,099		
1945.....	1	1,768	1,768							1	1,768	1,768		
1946.....	1	265	265							1	265	265		
1947.....	5	1,724	1,421	229	74	5	1,724	1,421		5	1,724	1,421	229	74
1948.....	3	2,990	2,331		659	3	2,990	2,331		3	2,990	2,331		659
1949.....	4	2,552	2,173		379	4	2,552	2,173		4	2,552	2,173		379
1950.....	4	3,985	2,467	83	1,435	4	3,985	2,467	83	4	3,985	2,467	83	1,435
1951.....	2	1,885	1,698	85	102	2	1,885	1,698	85	2	1,885	1,698	85	102
1952.....	3	1,368	440	125	803	3	1,368	440	125	3	1,368	440	125	803
1953.....	2	5,039	3,929	810	300	2	5,039	3,929	810	2	5,039	3,929	810	300

¹ Losses in the cases in which the disbursement by the Corporation was not paid in full, including estimated losses in active absorption cases. Excludes interest or allowable return in cases in which the disbursement by the Corporation was fully recovered. Also excludes gains or losses on assets purchased by the Corporation from liquidations.

² Excludes excess collections turned over to banks as additional purchase price at termination of liquidations.

INDEX

INDEX

	Page
Absorptions:	
Applications to permit.....	9-10
Of insured banks with financial aid of the Corporation. <i>See</i> Banks in financial difficulties.	
Of operating banks, 1953.....	4, 80-81
Under State systems of bank-obligation insurance, 1829-1866. <i>See</i> State systems of bank-obligation insurance, 1829-1866, Methods used to protect bank creditors.	
Admission of banks to insurance:	
Applications for.....	9-10
Mutual savings banks admitted, 1953.....	31
Number of banks admitted, by class of bank, 1953.....	80-81
Areas outside continental United States, banks and branches located in:	
Assets and liabilities, December 31, 1953.....	98-99
Deposits, December 31, 1953.....	90-91, 98-99
Earnings, expenses, profits, and dividends, 1953.....	118-119
Number, December 31, 1953.....	82, 89, 90-91
American Institute of Banking.....	15
Applications from banks.....	9-10
Assessments for deposit insurance. <i>See</i> Federal Deposit Insurance Corporation; State systems of bank-obligation insurance, 1829-1866.	
Assets and liabilities of closed banks. <i>See</i> Banks in financial difficulties.	
Assets, liabilities, and capital of operating banks (<i>see also</i> Deposits):	
All banks:	
Amount and changes in, by type, 1953.....	25-29
By FDIC district and State, December 31, 1953.....	98-99
In banks grouped according to insurance status and type of bank, June 30 and December 31, 1953.....	94-97
Percentage changes, half-years and years, 1947-1953.....	27-28
Percentage distribution, December 31, 1953.....	28-29
Commercial banks, June 30 and December 31, 1953.....	94-97
Insured banks, December 31, 1952, June 30 and December 31, 1953.....	100-103
Insured commercial banks:	
Amount, December 31, 1952, June 30 and December 31, 1953.....	29-30, 94-97, 100-103
Major categories, average for year, 1945-1953.....	107
Major categories, 1953, by class or size of bank.....	111, 115
Major categories, 1953, by State.....	119, 121, 123, 125, 127
Percentage distributions.....	109, 113, 117
Insured mutual savings banks:	
Amount, December 31, 1952, June 30 and December 31, 1953.....	31-32, 100-103
Major categories, average for 1953.....	41, 128
Percentage distributions.....	32, 129
Mutual savings banks, June 30 and December 31, 1953.....	94-97
Noninsured banks, June 30 and December 31, 1953.....	94-97
Sources of data.....	12-13, 93
Assets and liabilities of the Federal Deposit Insurance Corporation.....	6, 16-17, 20-22
Assets pledged to secure bank obligations.....	103
Assets purchased by the Federal Deposit Insurance Corporation from banks in financial difficulties. <i>See</i> Banks in financial difficulties.	
Audits of the Federal Deposit Insurance Corporation.....	20-22

	Page
Bad-debt reserves. <i>See</i> Valuation reserves.	
Bank supervision. <i>See</i> Supervision of banks; Examination of insured banks; State systems of bank-obligation insurance, 1829-1866.	
Banking offices, number of. <i>See</i> Number of operating banks and branches.	
Banking practices. <i>See</i> Unsafe and unsound banking practices.	
Banks, applications from, acted on by the Federal Deposit Insurance Corporation	9
Banks in financial difficulties:	
Absorptions of insured banks with financial aid of the Corporation:	
Assets and liabilities at date of absorption, by years, 1934-1953	134
Assets and liabilities of 1953 absorptions, December 31, 1953	135
Banks cited for unsafe and unsound practices	11-12
Deposits protected	7-8, 132-135
Disbursements by the Corporation	7-8, 132-133, 135-136
Loans made and assets purchased by Corporation	7-8, 16, 20-21
Losses incurred by Corporation	8, 17, 19, 22, 136
Name and location of banks absorbed, 1953	135
Number of banks	8, 132-133, 135-136
Number of deposit accounts	8, 132-133, 135
Recoveries by the Corporation on assets acquired	8, 136
Receivership, insured banks placed in:	
Assets and liabilities of, at dates of suspension, 1934-1953	134
Deposits, 1934-1953	8, 132-134
Disbursements by the Corporation	8, 132-133, 136
Losses by the Corporation on disbursements	8, 136
Number of banks	8, 132-133, 136
Recoveries by the Corporation on disbursements	8, 136
Sources of data	131
Suspensions:	
Insured banks (reopened without Federal Deposit Insurance Corporation aid)	80
Noninsured banks	80, 131
Under State systems of bank-obligation insurance, 1829-1866. <i>See</i> State systems of bank-obligation insurance, 1829-1866.	
Banks, number of. <i>See</i> Number of operating banks and branches.	
Banks operating branches. <i>See</i> Number of operating banks and branches.	
Board of Directors of the Federal Deposit Insurance Corporation. <i>See</i> Federal Deposit Insurance Corporation.	
Board of Governors of the Federal Reserve System	10, 93, 105
Borrowing power. <i>See</i> Federal Deposit Insurance Corporation; State systems of bank-obligation insurance, 1829-1866.	
Branches (<i>see also</i> Number of operating banks and branches):	
Establishment approved by Federal Deposit Insurance Corporation, 1953	9-10
Increase during 1953, insured banks	4
Legislation, State	71
Business and personal deposits. <i>See</i> Deposits (items referring to type of account).	
Call reports. <i>See</i> Assets, liabilities, and capital of operating banks; Reports from banks.	
Capital of banks. <i>See</i> Assets, liabilities, and capital of operating banks; Banks in financial difficulties; Earnings and expenses of insured commercial banks; Earnings and expenses of insured mutual savings banks.	
Charge-offs by banks. <i>See</i> Earnings and expenses of insured mutual savings banks; Valuation reserves.	

	Page
Class of bank, banking data presented by:	
Admissions to and terminations of insurance	80-81
Assets and liabilities of operating banks	94-97
Banks absorbed with financial aid of the Corporation, 1953	135
Deposits	90-91, 94, 97
Earnings of insured commercial banks, 1953	110-113
Insured banks financially aided by the Corporation, 1934-1953	132
Number of banks and banking offices, 1953	80-91
Ratios of earnings of insured commercial banks, 1953	112-113
Classification of banks	78-79
Closed banks. <i>See</i> Banks in financial difficulties.	
Commercial banks. <i>See</i> Assets, liabilities, and capital of operating banks; Deposits; Earnings and expenses of insured commercial banks; Number of operating banks and branches.	
Commodity Credit Corporation	26
Comptroller General of the United States	20
Comptroller of the Currency	iv-v, 10, 13-14, 93, 105
Consolidations. <i>See</i> Absorptions.	
Coverage of deposit insurance:	
Banks participating	4-5, 31, 80-91
Protection of individual depositors	3-4
Credit, bank. <i>See</i> Assets, liabilities, and capital of operating banks.	
Demand deposits. <i>See</i> Assets, liabilities, and capital of operating banks; De- posits (items referring to type of account).	
Deposit insurance fund	5-7, 16-17, 20-22
Deposits:	
All banks:	
By insurance status of bank and type of account, December 31, 1953	97
By insurance status of bank and type of account, June 30, 1953	95
By type of account in each State and FDIC district, December 31, 1953	98-99
By type of bank in each State and FDIC district, December 31, 1953	90-91
Developments in 1953	25-29
Growth rates, 1947-1953	27-28
All insured banks:	
By type of account, December 31, 1953	97
By type of account, December 31, 1952, June 30 and December 31, 1953	102
By type of account, June 30, 1953	95
Ratios of deposit insurance fund to	6-7
Commercial banks:	
By FDIC district and State, December 31, 1953	90-91
By type of account, December 31, 1953	97
By type of account, June 30, 1953	95
Insured banks placed in receivership or absorbed with financial aid of the Corporation. <i>See</i> Banks in financial difficulties.	
Insured commercial banks, by type of account, December 31, 1952, June 30 and December 31, 1953	29-30, 102
Insured mutual savings banks:	
By FDIC district and State, December 31, 1953	90-91
By type of account, December 31, 1952, June 30 and December 31, 1953	31-32, 102
Interest on	33-35, 38-40, 42, 106-129
Mutual savings banks:	
By FDIC district and State, December 31, 1953	90-91
By type of account, December 31, 1953	97
By type of account, June 30, 1953	95

	Page
Deposits:—Continued	
Noninsured banks:	
By FDIC district and State, December 31, 1953	90-91
By type of account and type of bank, December 31, 1953	97
By type of account and type of bank, June 30, 1953	95
Sources of data	93
State legislation	72
Directors of the Federal Deposit Insurance Corporation. <i>See</i> Federal Deposit Insurance Corporation.	
Disbursements. <i>See</i> Banks in financial difficulties; State systems of bank-obligation insurance, 1829-1866.	
Dividends:	
To depositors in insured mutual savings banks	38-40, 42, 128-129
To stockholders of operating insured commercial banks. <i>See</i> Earnings and expenses of insured commercial banks.	
Earnings and expenses of insured commercial banks:	
Amounts of principal components:	
Annually, 1945-1953	106-107
By class of bank, 1953	110-111
By size of bank, 1953	114-115
By State, 1953	118-127
Charge-offs, recoveries, and changes in valuation reserves	37-38
Income, sources and disposition of total, 1952-1953	33-35
Rate of income on assets	35-36, 108-109, 112-113, 116-117
Rate of net profit on total capital accounts, by State, 1953	34
Ratios of earnings items:	
Annually, 1945-1953	108-109
By class of bank, 1953	112-113
By size of bank, 1953	116-117
Sources of data	105
Earnings and expenses of insured mutual savings banks:	
Amounts of principal components, 1953	128
Income, sources and disposition of total, 1952-1953	38-40
Rates of income on assets	40-42, 129
Ratios of earnings items	129
Sources of data	105
Educational program for bank examiners. <i>See</i> Federal Deposit Insurance Corporation.	
Employees:	
Federal Deposit Insurance Corporation	13-15, 22
Insured commercial banks:	
Number and compensation, 1945-1953	106-107
Number and compensation, by class of bank, by size of bank, and by State, 1953	110-111, 114-115, 118-127
Insured mutual savings banks, number and compensation, 1953	128
Examination of insured banks:	
Banks examined by the Federal Deposit Insurance Corporation, 1953	10-11
Examination staff	vi, 14-15
Expenses of banks. <i>See</i> Earnings and expenses of insured commercial banks; Earnings and expenses of insured mutual savings banks.	
Expenses of the Corporation. <i>See</i> Federal Deposit Insurance Corporation, income and expenses.	
Failures. <i>See</i> Banks in financial difficulties.	
Federal bank supervisory authorities	10-13

	Page
Federal Deposit Insurance Act.....	7, 11, 18, 20, 22
Federal Deposit Insurance Corporation:	
Assessments on insured banks.....	5-6, 16-22
Assets and liabilities.....	6, 16-17, 20-21
Audit.....	20-22
Banks examined by, and submitting reports to.....	10-13
Board of Directors, actions on applications and banking practices.....	9-10, 11
Borrowing power.....	7, 22
Capital stock.....	5, 16
Deposit insurance fund (surplus).....	5-7, 16-17, 20-22
Directors (members of the Board).....	iv-v, 13-14
Disbursements for protection of depositors. <i>See</i> Banks in financial difficulties.	
Districts.....	vi-vii, 14
Divisions.....	iv, 14
Educational program for bank examiners.....	15
Employees.....	14-15
Examination of banks. <i>See</i> Examination of insured banks.	
Expenses. <i>See</i> Income and expenses.	
Financial statements.....	16-22
Income and expenses.....	5-6, 17-20, 22
Insured banks receiving financial aid from. <i>See</i> Banks in financial difficulties.	
Liabilities.....	16-17, 20-21
Loans to and purchase of assets from insured banks. <i>See</i> Banks in financial difficulties.	
Losses incurred, 1934-1953. <i>See</i> Banks in financial difficulties.	
Methods of protecting depositors. <i>See</i> Banks in financial difficulties.	
Organization and staff.....	iv-vi, 13-15
Payments to insured depositors. <i>See</i> Banks in financial difficulties.	
Protection of depositors. <i>See</i> Banks in financial difficulties.	
Recoveries. <i>See</i> Banks in financial difficulties.	
Reports from banks.....	12-13
Reserve for losses on assets acquired.....	16, 21
Retirement of capital stock of the Corporation.....	5, 16
Rules and regulations.....	71
Supervisory activities.....	9-13
Federal Deposit Insurance Corporation districts, banking data classified by:	
Assets and liabilities of all banks, December 31, 1953.....	98
Number and deposits of banks, by type of bank, December 31, 1953.....	90
Federal Reserve System. <i>See</i> Board of Governors of the Federal Reserve System.	
“Free banking”.....	46, 49, 55
General Accounting Office.....	21
Government deposits. <i>See</i> Deposits (items referring to type of account).	
History of State systems of bank-obligation insurance, 1829-1866. <i>See</i> State systems of bank-obligation insurance, 1829-1866.	
Income of insured banks. <i>See</i> Earnings and expenses of insured commercial banks; Earnings and expenses of insured mutual savings banks.	
Income of the Federal Deposit Insurance Corporation. <i>See</i> Federal Deposit Insurance Corporation.	
Insolvent banks. <i>See</i> Banks in financial difficulties.	
Insurance of bank obligations prior to Federal Deposit Insurance. <i>See</i> State systems of bank-obligation insurance, 1829-1866.	

	Page
Insurance status, banks classified by:	
Assets and liabilities, June 30 and December 31, 1953.....	94-97, 100-103
Changes in number, 1953.....	80-81
Deposits, June 30 and December 31, 1953.....	90-91, 95, 97
Number, December 31, 1953.....	82-91
Percentage of banks insured, by State, December 31, 1953.....	4-5, 82-89
Insured banks. <i>See</i> Assets, liabilities, and capital of operating banks; Banks in financial difficulties; Deposits; Earnings and expenses of insured commercial banks; Earnings and expenses of insured mutual savings banks; Number of operating banks and branches.	
Insured commercial banks not members of the Federal Reserve System. <i>See</i> Class of bank, banking data presented by.	
Insured deposits. <i>See</i> Banks in financial difficulties.	
Insured State banks members of the Federal Reserve System. <i>See</i> Class of bank, banking data presented by.	
Interbank deposits. <i>See</i> Deposits (items referring to type of account).	
Interest. <i>See</i> Earnings and expenses of insured commercial banks; Earnings and expenses of insured mutual savings banks.	
Internal Revenue Code.....	37, 93, 105
Investments. <i>See</i> Assets, liabilities, and capital of operating banks; Assets and liabilities of the Federal Deposit Insurance Corporation; Banks in financial difficulties.	
Law, violations of by insured banks. <i>See</i> Unsafe and unsound banking practices.	
Legislation relating to deposit insurance and banking:	
Federal, enacted in 1953.....	13, 71
State, enacted in 1953.....	13, 71-75
Loans. <i>See</i> Assets, liabilities, and capital of operating banks; Banks in financial difficulties.	
Losses:	
Of banks, charged off. <i>See</i> Earnings and expenses of insured commercial banks; Earnings and expenses of insured mutual savings banks.	
Of the Federal Deposit Insurance Corporation. <i>See</i> Federal Deposit Insurance Corporation.	
Provision for, in banks.....	37-38, 105-129
Mergers. <i>See</i> Absorptions.	
Methods of tabulating banking data:	
Assets and liabilities of operating banks.....	93
Deposit insurance disbursements.....	131
Earnings, expenses, and dividends of insured banks.....	105
Number, offices, and deposits of operating banks.....	78-79
Mutual savings banks. <i>See</i> Assets, liabilities, and capital of operating banks; Deposits; Earnings and expenses of insured mutual savings banks; Number of operating banks and branches.	
National banks. <i>See</i> Class of bank, banking data presented by.	
Net assessment income credits. <i>See</i> Federal Deposit Insurance Corporation, Assessments on insured banks.	

	Page
Net earnings of insured commercial banks. <i>See</i> Earnings and expenses of insured commercial banks.	
Net profits of insured commercial banks. <i>See</i> Earnings and expenses of insured commercial banks.	
New banks. <i>See</i> Number of operating banks and branches.	
Noninsured banks. <i>See</i> Absorptions; Admission of banks to insurance; Assets, liabilities, and capital of operating banks; Class of bank, banking data presented by; Deposits; Number of operating banks and branches.	
Number of operating banks and branches:	
Banking offices (banks and branches):	
By insurance status, type of bank, and State, December 31, 1953.....	82-89
Changes during 1953.....	4, 81
Banks:	
By insurance status and type of bank, December 31, 1953.....	4, 80, 97
By insurance status and type of bank, June 30, 1953.....	95
By insurance status, type of bank, and State, December 31, 1953.....	82-89
By insurance status, type of bank, FDIC district and State, December 31, 1953.....	90-91
Changes during 1953, by insurance status and type of bank.....	80
Banks operating branches, by insurance status and State, December 31, 1953	82-89
Branches:	
By insurance status, type of bank, and State, December 31, 1953.....	82-89
Changes during 1953, by insurance status and type of bank.....	81
Insured banks, December 31, 1952, June 30 and December 31, 1953.....	103
Insured commercial banks:	
December 31, 1945-1953.....	107
December 31, 1953, by class, and operating throughout the year.....	111
December 31, 1953, by size of bank.....	115
Unit banks, by insurance status and State, December 31, 1953.....	82-89
Obligations of banks. <i>See</i> Assets, liabilities, and capital of operating banks; Deposits; State systems of bank-obligation insurance, 1829-1866.	
Officers of the Federal Deposit Insurance Corporation.....	v-vi, 13-14
Officers of insured banks. <i>See</i> Employees.	
Operating banks. <i>See</i> Number of operating banks and branches.	
Payments to depositors in closed insured banks. <i>See</i> Banks in financial difficulties.	
Personnel. <i>See</i> Employees.	
Possessions, banks and branches located in. <i>See</i> Areas outside continental United States, banks and branches located in.	
Profits. <i>See</i> Earnings and expenses of insured commercial banks.	
Protection of depositors. <i>See</i> Banks in financial difficulties.	
Public funds. <i>See</i> Deposits (items referring to type of account).	
Receivership, insured banks placed in. <i>See</i> Banks in financial difficulties.	
Recoveries:	
By banks on assets charged off. <i>See</i> Earnings and expenses of insured commercial banks; Earnings and expenses of insured mutual savings banks.	
By the Corporation on disbursements. <i>See</i> Banks in financial difficulties.	
Under State systems of bank-obligation insurance, 1829-1866. <i>See</i> State systems of bank-obligation insurance, 1829-1866.	

	Page
Reports from banks.....	12-13
Reserves:	
Of Federal Deposit Insurance Corporation, for losses on assets acquired..	16-21
Of insured banks for losses on assets. <i>See</i> Valuation reserves.	
With Federal Reserve banks. <i>See</i> Assets, liabilities, and capital of operating banks.	
Salaries and wages:	
Federal Deposit Insurance Corporation.....	18
Insured banks. <i>See</i> Earnings and expenses of insured commercial banks; Earnings and expenses of insured mutual savings banks.	
Savings and time deposits. <i>See</i> Deposits (items referring to type of account).	
Securities. <i>See</i> Assets, liabilities, and capital of operating banks; Assets and liabilities of the Federal Deposit Insurance Corporation; Banks in financial difficulties.	
Size of banks, data for banks classified by amount of deposits:	
Assets and liabilities, insured commercial banks operating throughout 1953.....	115, 117
Banks receiving financial aid from the Corporation, 1934-1953.....	132
Disbursements for protection of depositors, 1934-1953.....	132
Earnings data of insured commercial banks, 1953.....	114-115
Earnings ratios of insured commercial banks, 1953.....	116-117
Number of employees of insured commercial banks operating throughout 1953.....	115
Number of insured commercial banks operating throughout 1953.....	115, 117
State bank supervisory authorities:	
Data obtained from.....	12-13, 93
State legislation regarding.....	71
State, banking data classified by:	
Assets and liabilities of operating banks, December 31, 1953.....	98-99
Deposits of operating banks, December 31, 1953.....	90-91
Disbursements, deposits, and depositors in insured banks financially aided by the Corporation, 1934-1953.....	133
Earnings and expenses of insured commercial banks, 1953.....	118-127
Net profits after taxes as a proportion of total capital accounts, 1953.....	34
Number of operating banks and branches, December 31, 1953, by class of bank and type of office.....	82-89
Number of operating banks, December 31, 1953, by class.....	90-91
Percentage change in total assets, all banks, 1953.....	25
Proportion of banks insured, December 31, 1953.....	4-5, 82-89
State banking legislation enacted in 1953.....	13, 71-75
State banks members of the Federal Reserve System. <i>See</i> Class of bank, banking data presented by.	
State banks not members of the Federal Reserve System. <i>See</i> Class of bank, banking data presented by.	
State systems of bank-obligation insurance, 1829-1866:	
Appraisal.....	45, 53-55, 57-59
Assessments.....	45, 52, 55-58
Banks in financial difficulties.....	47-50, 53
Borrowing power.....	50-51, 54, 57
Character.....	45-46
Depression, effect of.....	49, 55, 58-59
Disbursements to protect bank creditors.....	53-54, 56
Federal deposit insurance, similarities to.....	49, 51-52, 56
"Free banking," effect of.....	46, 49, 55
Future studies.....	45, 59
Insurance funds.....	55-57, 59, 66-67

	Page
State systems of bank-obligation insurance:—Continued	
Liquidation of assets.....	57-58
Methods used to protect bank creditors.....	49-54
Number of banks.....	47-50, 59-61
Obligations of banks.....	47-48, 59, 62-65
Periods of operation.....	47
Recoveries of funds disbursed.....	50, 53
States adopting.....	45-46
Supervision of participating banks.....	55, 59
Stockholders of banks, net profits available for. <i>See</i> Earnings and expenses of insured commercial banks.	
Summary of this report.....	xvii
Supervision of banks (<i>see also</i> Examination of insured banks):	
By the Federal Deposit Insurance Corporation.....	vi, 9-13
State legislation, 1953.....	71
Under State systems of bank-obligation insurance, 1829-1866. <i>See</i> State systems of bank-obligation insurance, 1829-1866.	
Suspensions. <i>See</i> Banks in financial difficulties.	
Taxes paid by insured banks. <i>See</i> Earnings and expenses of insured commercial banks; Earnings and expenses of insured mutual savings banks.	
Terminations of insurance for unsafe and unsound practices.....	11-13
Time and savings deposits. <i>See</i> Deposits (items referring to type of account).	
Trust companies:	
Classification of.....	78-79
Noninsured, not engaged in deposit banking.....	4, 80-91, 94-97
State legislation.....	74
Trust powers, applications for.....	9-10
Unit banks. <i>See</i> Number of operating banks and branches.	
United States Department of Labor.....	15
United States Treasury Department, Commissioner of Internal Revenue, ruling on reserves for bad-debt losses on loans.....	37, 93, 105
Unsafe and unsound banking practices.....	11-13
Valuation reserves:	
Amounts held, December 31, 1953.....	37, 94, 96, 101
Changes in, 1953.....	37-38, 106-129
Commissioner of Internal Revenue, ruling on.....	37, 93, 105
Violations of law or regulations, banks charged with. <i>See</i> Unsafe and unsound banking practices.	

