

ANNUAL REPORT
OF THE
FEDERAL DEPOSIT INSURANCE CORPORATION
FOR THE YEAR ENDED
DECEMBER 31, 1960



LETTER OF TRANSMITTAL

FEDERAL DEPOSIT INSURANCE CORPORATION
Washington, D. C., June 8, 1961

SIRS: Pursuant to the provisions of Section 17(a) of the Federal Deposit Insurance Act, the Federal Deposit Insurance Corporation is pleased to submit its annual report.

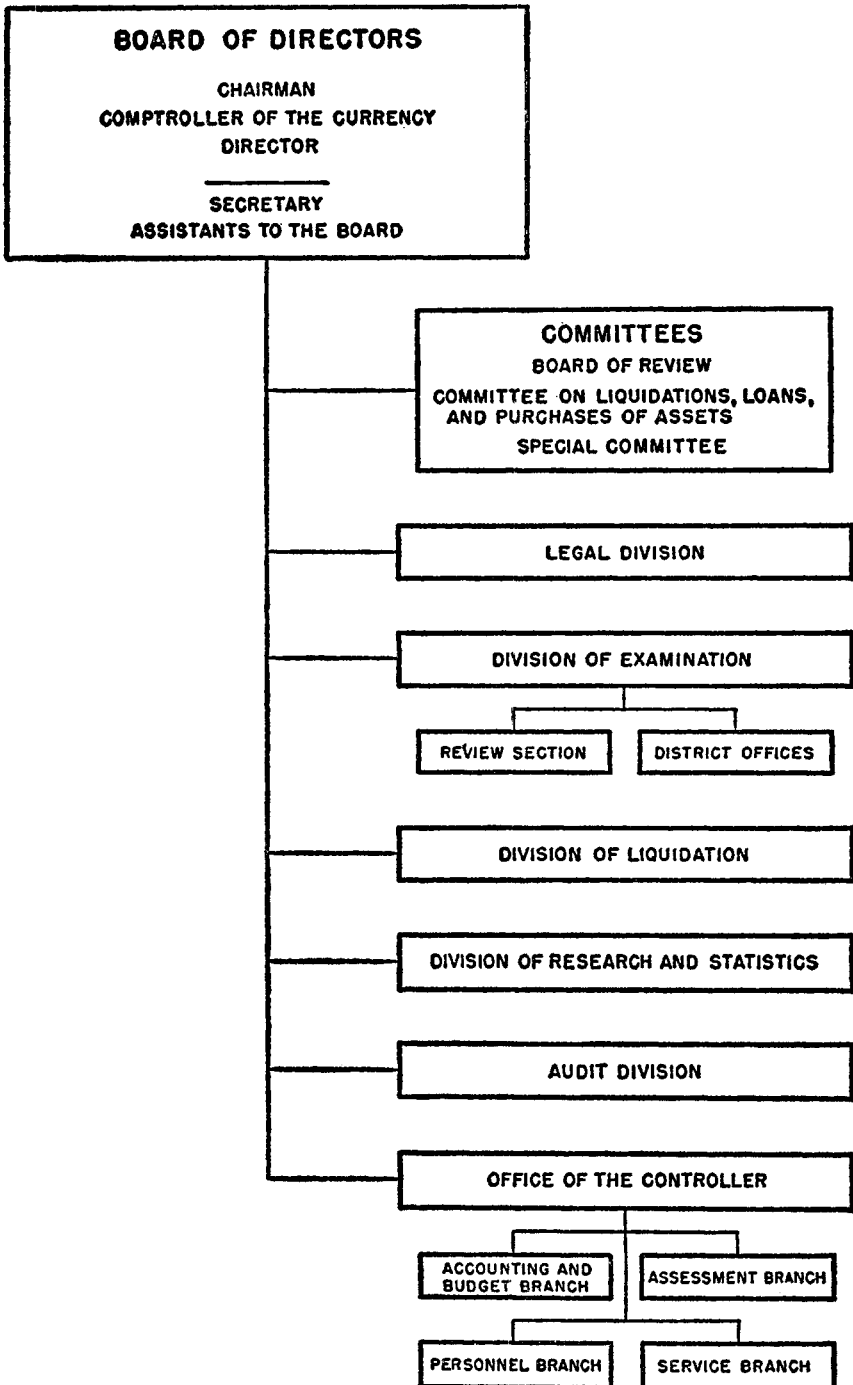
Respectfully,

ERLE COCKE, SR., *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.....ERLE COCKE, SR.
Comptroller of the Currency.....RAY M. GIDNEY
Director.....JESSE P. WOLCOTT

OFFICIALS—June 8, 1961

Assistant to Chairman.....William M. Moroney
Assistant to Director (Acting).....Neil G. Greensides
Assistant to Director.....William Matthews
Chief, Division of Examination.....Neil G. Greensides
General Counsel, Legal Division.....Royal L. Coburn
Controller.....William G. Loeffler
Chief, Division of Liquidation.....A. E. Anderson
Chief, Division of Research and Statistics.....Edison H. Cramer
Chief, Audit Division.....Mark A. Heck
Deputy Chief, Division of Examination.....Edward H. DeHority
Secretary.....Miss E. F. Downey
Assistant to the Board.....Don Lester Waage

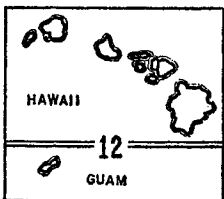
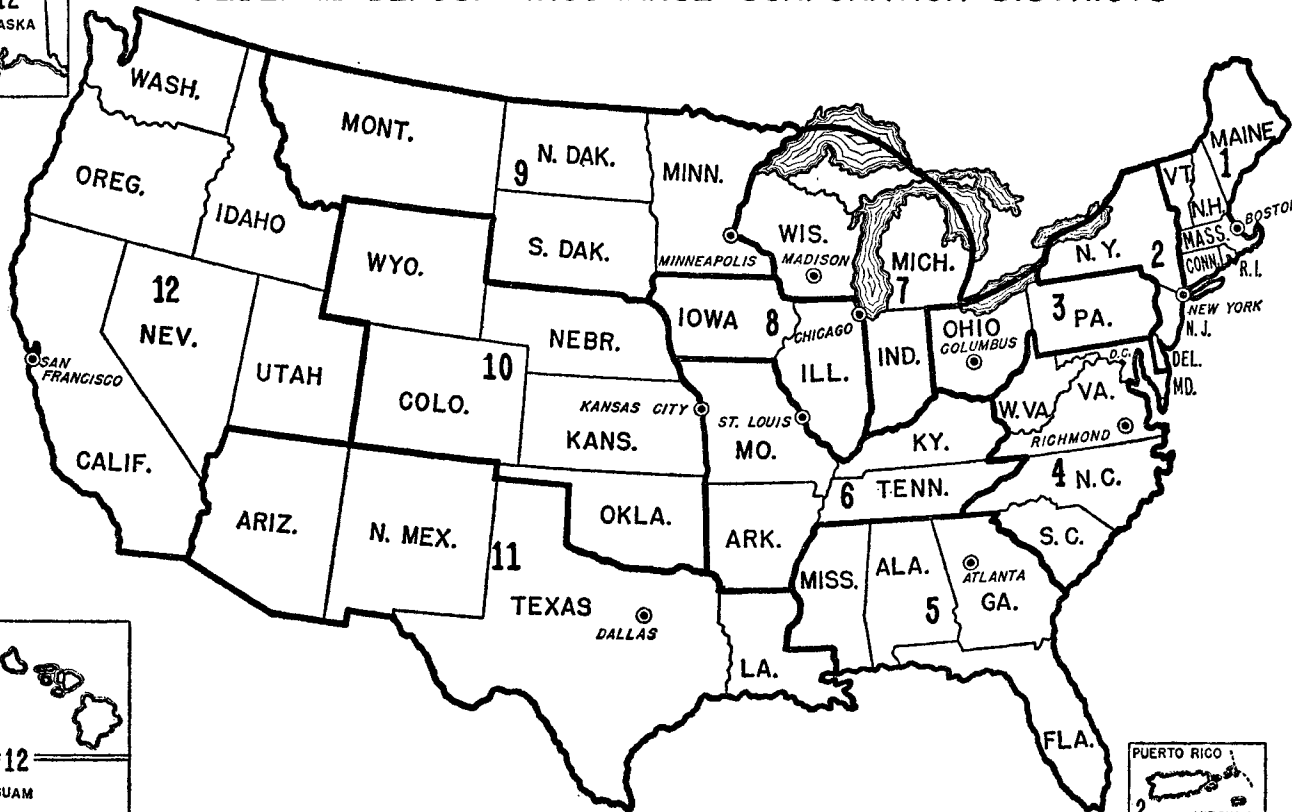
DISTRICT OFFICES

<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.	Philip C. Lods	74 Trinity Place, New York 6, N. Y.	New York, New Jersey, Delaware, Puerto Rico, Virgin Islands
3.	Gilbert E. Mounts	Suite 500, 50 West Gay Street, Columbus 15, Ohio	Ohio, Pennsylvania
4.	W. F. Parkerson, Acting Supervising Examiner	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	1000 Bank of Georgia Building, Atlanta 3, Ga.	Georgia, Florida, Alabama, Mississippi
6.	Charles M. Dunn	1059 Arcade Building, St. Louis 1, Mo.	Kentucky, Tennessee, Missouri, Arkansas
7.	William T. Hammill	715 Tenney Building, Madison 3, Wis.	Indiana, Michigan, Wisconsin
8.	Darrell E. Wilkins	164 W. Jackson Blvd., Chicago 4, Ill.	Illinois, Iowa
9.	Charles F. Alden	950 Federal Reserve Bank Building, Minneapolis 2, Minn.	Minnesota, North Dakota, South Dakota, Montana
10.	James H. Meek, Jr.	1207 Federal Reserve Bank Building, Kansas City 6, Mo.	Nebraska, Kansas, Oklahoma, Colorado, Wyoming
11.	Lloyd Thomas	Federal Reserve Bank Building, Station K, Dallas 13, Texas	Louisiana, Texas, New Mexico, Arizona
12.	Walter W. Smith	Suite 1120, 315 Montgomery Street, San Francisco 4, Calif.	Idaho, Utah, Nevada, Washington, Oregon, California, Alaska, Hawaii, Guam

FEDERAL DEPOSIT INSURANCE CORPORATION DISTRICTS



1/4 U.S. Scale



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SUMMARY

Out of a total of 13,999 banks in the United States at the end of 1960, 13,451 participated in Federal deposit insurance. Deposits in insured banks totaled \$260 billion, and an estimated \$150 billion was insured under the limit of \$10,000 for each depositor. (Pp. 3, 21.)

The deposit insurance fund amounted to \$2,222 million on December 31, 1960, or 0.85 percent of total deposits in insured banks. (Pp. 20-21.)

One insured bank required disbursements from the insurance fund in 1960. This raised to 440 the total number of banks whose depositors have received financial assistance from the Corporation since the beginning of 1934. (Pp. 4-5.)

Although normal growth and wartime expansion have led to larger banks, statistics indicate that the largest 100 and the largest 10 commercial banks in the United States hold a smaller percentage of total deposits than was the case in 1934 or in 1940. Similarly, in the majority of the States the proportion of deposits held by the largest banks, and by the largest five banks, in the State declined during the past two decades. Consequently, insofar as concentration in banking can be used as a criterion, evidence would suggest that there has been no diminution of competition within the commercial banking system since the 1930's. (Pp. 27-61, 99-104.)

There were 25,105 banking offices operating in the United States at the end of 1960, an increase of 863 over the 1959 level. (P. 94.)

Assets of all banks totaled \$299 billion at the end of 1960, an increase of 5 percent during the year. Insured commercial banks held \$256 billion, and insured mutual savings banks, \$35 billion. (Pp. 92, 95, 97.)

Net profits after taxes of insured commercial banks reached \$2 billion in 1960, a third greater than in 1959, and the highest rate of return since 1945. Retained profits were two-thirds greater than in 1959, and were primarily responsible for raising total capital accounts to 8.1 percent of total assets. (Pp. 94, 106.)

The Federal Deposit Insurance Act was amended in 1960 by two significant measures. One requires approval by a Federal bank supervisory agency of absorption transactions between insured banks. The other provides for a simplification of the method of determining deposit insurance assessments. (Pp. 10, 14, 65-72.)

PART ONE

OPERATIONS OF THE CORPORATION

DEPOSIT INSURANCE PARTICIPATION AND COVERAGE

The Federal Deposit Insurance Corporation was created by Congress in 1933, during the depths of the most severe banking crisis and business depression in the nation's history. The situation at that time was described as follows in the report of the Committee on Banking and Currency of the House of Representatives:

Experts advise us that more than 90 percent of the business of the nation is conducted with bank credit, or check currency. The use of bank credit has declined to the vanishing point . . . The result is curtailment of business, decline in values, idleness, unemployment, bread lines, national depression, and distress. We must resume the use of bank credit if we are to find our way out of our present difficulties.¹

The record of events since 1933 has substantiated the belief that deposit insurance, together with other banking reforms, would revive and maintain confidence in the nation's banks, permitting uninterrupted use of their obligations as the major means of making payments. For the next ten years business recovery was continuous, except for an interruption in 1937-1938. War financing then brought an unparalleled expansion in bank assets and liabilities, with a consequent price inflation; but at the close of World War II the contraction and deflation that had followed previous major wars was avoided. From 1946 to 1960, inclusive, only 42 insured banks were closed because of financial difficulties requiring disbursements by the Corporation, with no more than five in any one year. Most of the closings were due to defalcations.

Participation in Federal deposit insurance. The Corporation began its insurance operations on January 1, 1934, with 86 percent of all banks participating. The proportion of banks participating in Federal deposit insurance has increased each year to more than 96 percent at the end of 1960. On that date the Corporation was insuring deposits in 13,451 banks, out of a total of 13,999 operating in the United States.

The 548 nonparticipating banks at the end of 1960 included diverse types of banking institutions. Only 168 were incorporated commercial banks operating under the general banking codes of the various States. There were 28 each in Iowa and Nebraska; the remainder were distributed among 35 States, no one of which had more than 12. In Massachusetts 177 mutual savings banks, and in other States 13 such banks, were not participating in Federal deposit insurance. In a few States some un-

¹ Report No. 150, House of Representatives, 73d Congress, 1st session, submitted by Mr. Steagall from the Committee on Banking and Currency to accompany H. R. 5661, *Banking Act of 1933*, p. 6.

incorporated banks of deposit remain in operation, though no State now permits their establishment, and they are not eligible for admission to insurance. The number at the end of 1960 was 85, of which 54 were in Georgia, with no more than 11 in any other State. Another group of noninsured institutions consists of trust companies not regularly engaged in deposit banking, numbering 54 at the end of 1960, which also are ineligible for admission to deposit insurance. The remaining 51 noninsured banks at the end of 1960 consisted of a variety of institutions operating under special State laws, government operated banks, and branches in the United States of banks chartered in foreign countries.

Deposit insurance coverage. In the law of 1933 Congress provided two separate plans of deposit insurance: a temporary plan, effective January 1, 1934, and a permanent plan, which was intended to become effective on July 1, 1934, but which did not become effective as it was superseded by a revised permanent plan embodied in the Banking Act of 1935. The temporary plan limited the insurance to \$2,500 for each depositor, which was later increased to \$5,000. The original permanent plan provided for full coverage on the first \$10,000 of each depositor, 75 percent coverage on the next \$40,000 of deposits, and 50 percent coverage on all deposits in excess of \$50,000.

The revised permanent plan, as adopted in 1935, continued the provision of the temporary plan limiting the insurance coverage afforded to each depositor to \$5,000. The Corporation was authorized to effect assumptions, mergers, or consolidations by making loans secured by assets of insured banks, by purchasing assets from insured banks, or by guaranteeing an insured bank against loss by reason of its assuming the deposit liabilities and taking over the assets of another insured bank, when such loan, purchase, or assumption transaction would reduce the risk or avert a threatened loss to the Corporation. In these transactions the depositors sustain no loss.

In 1950 the insurance coverage was increased to a maximum of \$10,000 for each depositor, and a provision was added authorizing the Corporation to make a subordinated deposit in or loan to, or purchase assets from, an insured bank in danger of closing when the continued operation of the bank is deemed essential to provide adequate banking service in the community.

INSURANCE OPERATIONS TO PROTECT DEPOSITORS OF FAILING BANKS

Bank failing during 1960. On July 29, 1960, the Capitol Hill State Bank, Oklahoma City, Oklahoma, was closed as the result of financial irregularities. The Corporation was appointed Liquidating Agent for the State Bank Commissioner. The bank had approximately 11,200 depositors, with total deposits of nearly \$7 million.

Insured deposits were promptly paid by the Corporation, starting within ten days after the bank closed; and on February 23, 1961, payment in full of all deposit claims was authorized by means of a liquidating dividend.

Banks failing, 1934-1960. The Corporation acts to make insured deposits available to their owners as soon as possible after an insured bank is closed as a result of inability to meet the demands of its depositors. By the end of 1960 the Corporation had made disbursements to protect the depositors in 440 failing insured banks. In 258 of these cases, the

Table 1. PROTECTION OF DEPOSITORS OF INSURED BANKS REQUIRING DISBURSEMENTS BY THE FEDERAL DEPOSIT INSURANCE CORPORATION, 1934-1960

Item	All cases (440 banks)		Deposit payoff cases (258 banks)		Deposit assumption cases (182 banks)	
	Number or amount	Percent	Number or amount	Percent	Number or amount	Percent
Number of depositors or accounts—total¹.....	1,451,960	100.0%	417,227	100.0%	1,034,733	100.0%
Full recovery received or available.....	1,447,101	99.7	412,368	98.8	1,034,733	100.0
From FDIC ²	1,404,808	96.8	370,075 ³	88.6	1,034,733	100.0
By offset ⁴	36,709	2.5	36,709	8.8		
Through security or preference ⁵	2,803	.2	2,803	.7		
From receiver ⁶	2,781	.2	2,781	.7		
Full recovery not received as of December 31, 1960.....	4,859	.3	4,859	1.2		
Terminated cases.....	2,781	.2	2,781	.7		
Active cases.....	2,078	.1	2,078	.5		
Amount of deposits (in thousands)—total.....	\$602,191	100.0%	\$135,664	100.0%	\$466,527	100.0%
Paid or made available.....	599,502	99.6	132,975	98.0	466,527	100.0
By FDIC ²	571,898	94.9	104,871 ⁷	77.3	466,527	100.0
By offset ⁸	8,814	1.5	8,814	6.5		
By security or preference ⁹	8,714	1.4	8,714	6.4		
By receiver ¹⁰	10,576	1.8	10,576	7.8		
Not paid as of December 31, 1960.....	2,689	.4	2,689	2.0		
Terminated cases.....	1,779	.3	1,779	1.3		
Active cases.....	910	.1	910	.7		

¹ Number of depositors in deposit payoff cases; number of accounts in deposit assumption cases.

² Through direct payment to depositors in deposit payoff cases; through assumption of deposits of other insured banks, facilitated by FDIC disbursements of \$198,074 thousand, in deposit assumption cases.

³ Includes 55,309 depositors in terminated cases who failed to claim their insured deposits.

⁴ Includes only depositors with claims offset in full; most of these would have been fully protected by insurance in the absence of offsets.

⁵ Excludes depositors paid in part by FDIC whose deposit balances were less than the insurance maximum.

⁶ The insured portions of these depositor claims were paid by the Corporation.

⁷ Includes \$176 thousand insured deposits in terminated cases available but unclaimed from Corporation (see note 3).

⁸ Includes all amounts paid by offset.

⁹ Includes all secured and preferred claims paid by receiver; excludes secured and preferred claims paid by Corporation.

¹⁰ Includes unclaimed deposits paid into trusts by receiver.

deposit payoff method was used, with direct payments by claim agents of the Corporation of amounts due insured depositors in closed banks. In these cases the protection given to depositors by the Corporation was limited to \$2,500 per depositor in one bank closed between January 1 and July 1, 1934; to \$5,000 per depositor in 244 banks closed between July 1, 1934, and September 21, 1950; and to \$10,000 per depositor in 13 banks closed subsequent to September 21, 1950. In 182 cases the deposit liabilities of banks in serious financial difficulties were assumed by other insured banks and became immediately available in full to depositors. These assumption transactions were made possible by Corporation disbursements in the form of loans to, or the purchase of assets from, the failing banks.

Table 2. ANALYSIS OF DISBURSEMENTS, RECOVERIES, AND LOSSES BY THE FEDERAL DEPOSIT INSURANCE CORPORATION IN INSURANCE TRANSACTIONS, 1934-1960
(In thousands)

Type of disbursement	Disbursements	Recoveries ¹	Losses
All disbursements—total	\$353,310	\$324,373	\$28,937²
Principal disbursements in deposit assumption and payoff cases—total	\$302,822	\$274,704	\$28,118
Loans and assets purchased (182 deposit assumption cases):			
To December 31, 1960.....	198,074	184,245	13,102
Estimated additional.....		727	
Deposits paid (258 deposit payoff cases):			
To December 31, 1960.....	104,695	84,228	15,016
Estimated additional.....	53	5,504	
Advances and expenses in deposit assumption and payoff cases—total	\$ 48,625	\$ 47,262	\$ 1,363
Expenses in liquidating assets in 182 deposit assumption cases:			
Advances to protect assets.....	32,849	32,849	
Liquidation expenses.....	14,413	14,413	
Insurance expenses.....	212	1	212
Field payoff and other insurance expenses in 258 deposit payoff cases.....	1,151	1	1,151
Other disbursements—total	\$ 1,863	\$ 2,407	\$ (544)³
Assets purchased to facilitate termination of liquidations:			
To December 31, 1960.....	1,762	2,262	(645) ⁵
Estimated additional.....		145	
Unallocated insurance expenses.....	101	1	101

¹ Recoveries in a few individual cases were in excess of the amount due the Corporation. These recoveries were returned to the stockholders and are not included.

² Net loss of funds after allowing for interest and allowable return collected of \$8,985 thousand was \$19,952 thousand.

³ Not recoverable.

⁴ Net recovery in excess of disbursements.

⁵ Net profit and net income.

By December 31, 1960, fewer than five thousand out of the approximately 1,452,000 depositors in the insured banks which closed since the beginning of Federal deposit insurance had not had their deposits in excess of the insurance maximum made available to them in full. The

amount of the deposits which had not been paid was less than one-half of 1 percent of the total deposits in these banks. Table 1 shows, by type of case, the degree to which depositors have been protected in the 440 insured banks requiring disbursements by this Corporation.

Corporation disbursements and losses. Between January 1, 1934, and December 31, 1960, Corporation disbursements in insurance transactions amounted to \$353 million. Amounts paid to depositors of insured banks or to banks in financial difficulties in order to facilitate the assumption of their deposit liabilities by other insured banks, designated principal disbursements, constituted more than five-sixths of total disbursements. An analysis of the disbursements, recoveries, and losses to the Corporation is shown in Table 2.

Almost 92 percent of the Corporation's disbursements have been or will be recovered. The loss to the Corporation is estimated at slightly less than \$29 million.

SUPERVISORY ACTIVITIES

Admission to insured status. To be admitted to insurance, banks must satisfy criteria set forth in the Federal Deposit Insurance Act. The factors which must be taken into account by the appropriate authority are: (1) the financial history and condition of the bank, (2) the adequacy of its capital structure, (3) its future earnings prospects, (4) the general character of its management, (5) the convenience and needs of the community to be served by the bank, and (6) the consistency of its corporate powers with the purposes of the Federal Deposit Insurance Act. Upon certification to the Corporation that these factors have been considered, national banks and State banks admitted to the Federal Reserve System become insured automatically. State banks not members of the Federal Reserve System may apply to the Corporation for admission to insurance.

An applicant bank must be in operation, or prior to Corporation action have a charter, or a permit to organize, from the appropriate State banking authority. Banks applying to the Corporation for deposit insurance in 1960 totaled 172. Seven of these applicants were disapproved.

About one-half the banks applying for insurance in 1960 were operating banks. Most of these were in Connecticut, where all the mutual savings banks not previously participating in Federal deposit insurance applied and were admitted. New banks approved for insurance by the Corporation were scattered among 30 States. As in 1959, the three States having the largest number approved for admission to insurance were Texas, Florida, and Illinois, with 18, 10, and 8, respectively, in 1960.

Other applications from banks. Certain other actions by insured banks require Corporation approval. Those acted upon by the Board of Directors in 1960, along with applications for admission to insurance, are classified in Table 3.

Table 3. APPLICATIONS ACTED UPON BY THE BOARD OF DIRECTORS OF THE FEDERAL DEPOSIT INSURANCE CORPORATION DURING 1960

Type of application	Total acted upon	Approved	Dis-approved
All applications¹	805	792	13
Admission to insurance—total	172	165	7
New banks ²	94	87	7
Operating banks.....	78	78	
Continuation of insurance of banks withdrawing from Federal Reserve System	23	23	
Change in type of business—total	47	47	
To engage in trust business.....	43	43	
To engage in commercial banking.....	4	4	
Assumption of deposit liabilities—total	26	26	
Of another insured bank ³	22	22	
Of a noninsured bank ⁴	4	4	
Operation of branches—total	335	334	1
New branch offices.....	248	247	1
Banks to become branches as result of absorption.....	25	25	
Continue branches of absorbed predecessor, or bank becoming insured.....	62	62	
Change of location—total	175	174	1
Main offices.....	121	120	1
Branches.....	54	54	
Retirement or adjustment of capital	21	21	
Service of persons convicted of breach of trust	6	2	4

¹ Excludes applications supplementary to a primary application; for example, for an extension of time with respect to an insurance commitment for a new bank. Also excludes a few applications acted upon in prior years on which additional action was taken during 1960.

² Of these, two were newly-chartered banks organized to succeed noninsured banking institutions not eligible for deposit insurance.

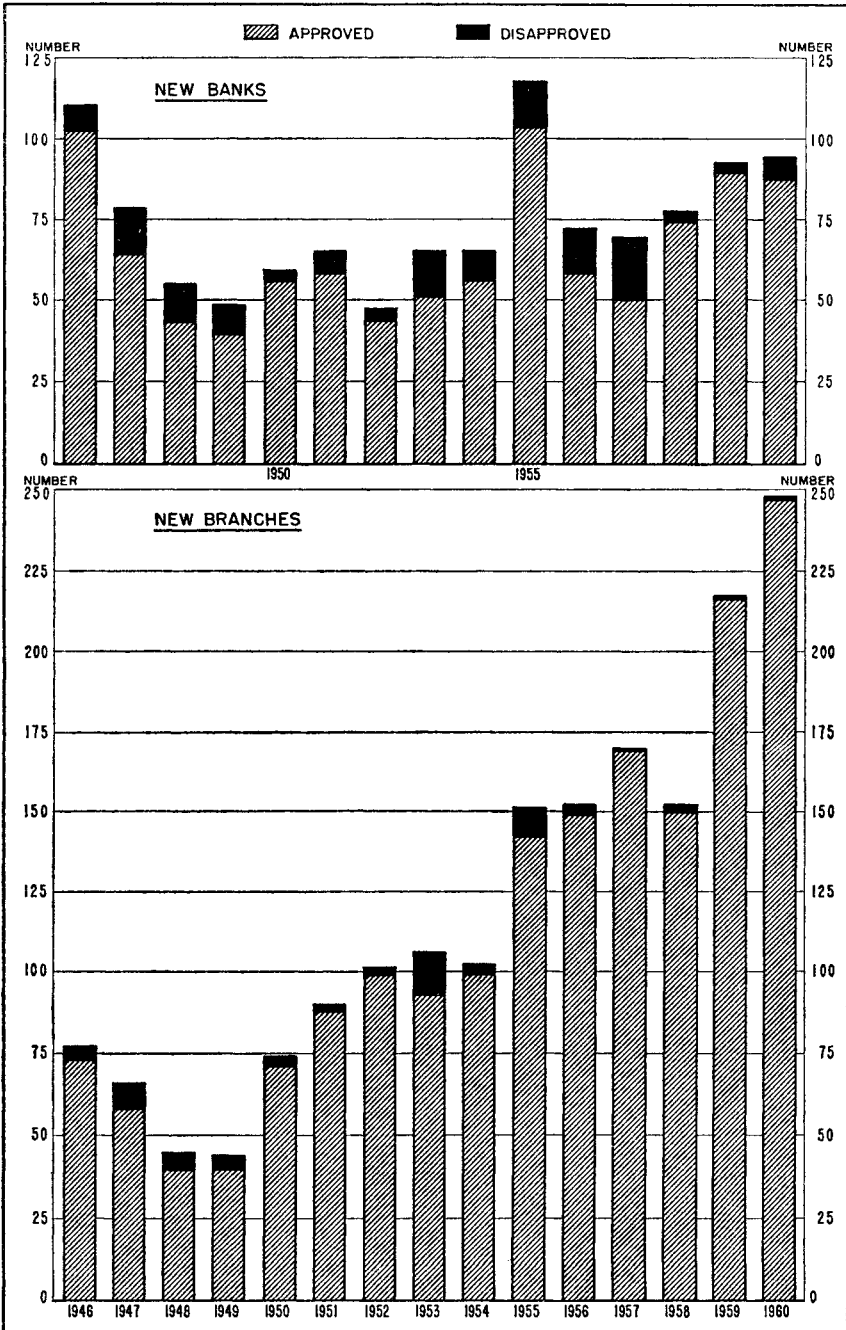
³ One approved prior to, and 21 after, amendment of Federal Deposit Insurance Act May 13, 1960.

⁴ Approved prior to May 13, 1960.

The Corporation approved 247 new branch offices in 1960. New York State had 33, Connecticut 21, North Carolina 19, Michigan and Pennsylvania 15 each, and California 12. The 25 banks which became branches as a result of mergers approved by the Corporation were scattered among 14 States, with one-half of them in Pennsylvania, North Carolina, and Maryland.

The number of applications from new banks for admission to insured status approved and disapproved by the Corporation, and applications for new branches approved and disapproved, in each year from 1946 to 1960, are shown in Chart A. During the 15-year period 87 percent of the applications for new banks and 97 percent of the applications for new branches were approved.

Chart A. APPLICATIONS OF NEW BANKS FOR INSURANCE AND OF INSURED BANKS FOR APPROVAL OF NEW BRANCHES ACTED UPON BY THE FEDERAL DEPOSIT INSURANCE CORPORATION, 1946-1960



Regulation of bank mergers. An amendment to the Federal Deposit Insurance Act, approved May 13, 1960, gave Federal banking authorities additional responsibilities for the regulation of bank merger transactions. The amendment provides that without prior written consent of one of the Federal banking authorities no insured bank may merge or consolidate with any other insured bank, or acquire the assets of, or assume liability to pay any deposits in any other insured bank. Consent to engage in a transaction in which the acquiring, assuming, or resulting bank is to be a national bank or is located in the District of Columbia must be obtained from the Comptroller of the Currency; if it is to be a State member bank, except in the District of Columbia, from the Board of Governors of the Federal Reserve System; and if a nonmember insured bank, except in the District of Columbia, from the Corporation.

Table 4. MERGERS, CONSOLIDATIONS, ACQUISITIONS OF ASSETS, AND ASSUMPTIONS OF LIABILITIES APPROVED UNDER SECTION 18(c) OF THE FEDERAL DEPOSIT INSURANCE ACT, MAY 13 TO DECEMBER 31, 1960

Banks	Number of banks ¹	Resources (in thousands) ²	Offices operated ³	
			Prior to transaction	After transaction
ALL CASES				
Banks involved	191	\$18,021,686	1,174	1,143
Absorbing banks	92	16,287,301	964	1,143
Absorbed banks	99	1,734,385	210	.....
National	39	694,619	74	.....
State banks members FRS	20	678,456	63	.....
Not members FRS	40	361,310	73	.....
CASES WITH RESULTING BANK A NATIONAL BANK				
Banks involved	117	\$ 8,000,326	650	622
Absorbing banks	56	6,861,625	516	622
Absorbed banks	61	1,138,701	134	.....
National	29	391,605	54	.....
State banks members FRS	10	564,104	47	.....
Not members FRS	22	182,992	33	.....
CASES WITH RESULTING BANK A STATE BANK MEMBER OF THE FEDERAL RESERVE SYSTEM				
Banks involved	34	\$ 9,135,600	397	396
Absorbing banks	17	8,680,100	353	396
Absorbed banks	17	455,500	39	.....
National	7	284,200	17	.....
State banks members FRS	5	82,300	9	.....
Not members FRS	5	88,500	13	.....
CASES WITH RESULTING BANK NOT A MEMBER OF THE FEDERAL RESERVE SYSTEM				
Banks involved	40	\$ 885,760	127	125
Absorbing banks	19	745,576	90	125
Absorbed banks	21	140,184	37	.....
National	3	18,814	3	.....
State banks members FRS	5	31,552	7	.....
Not members FRS	13	89,818	27	.....

¹ The number of resulting banks is smaller than the number of transactions, which totaled 97, because a few banks engaged in more than one transaction.

² In cases where an absorbing bank engaged in more than one transaction, the resources included are those of the bank before the latest transaction, and the number of offices before the first and after the last transaction.

In granting or withholding consent for a bank to engage in a merger, consolidation, acquisition of assets, or deposit assumption transaction, the appropriate Federal bank supervisory agency must consider the six factors specified for consideration in the admission of banks to insurance, commonly referred to as banking factors, and must also take into consideration the effect of the transaction on competition, including any tendency toward monopoly. A transaction may not be approved unless, after weighing all of these factors, it is found to be in the public interest. The agency must request in each case a report on the competitive factors from the other two Federal banking agencies and from the Attorney General; and must include in its annual report to Congress a description of each transaction approved, the basis for its approval, and a summary prepared by the Attorney General of the substance of his report.

From the date of approval of the amendment on May 13 to December 31, 1960, the Federal Deposit Insurance Corporation granted permission in 21 cases, involving 40 banks with resources of \$886 million, to engage in these types of transactions. Data regarding each bank participating in these transactions, together with a statement in each case of the basis for approval and the Attorney General's summary of his report, are shown in Table 101. Information regarding the number, resources, and offices of all insured banks involved in such transactions approved by the appropriate bank supervisory agency is given in Table 4.

Bank examinations. The Corporation regularly examines insured State banks other than District of Columbia banks and members of the Federal Reserve System, and reviews reports of examination of other insured banks made by the Comptroller of the Currency and by the Federal Reserve banks. It also investigates proposals for new banks and branches, and proposals for bank absorptions where the resulting bank would be a nonmember insured bank. During 1960 the Corporation conducted a total of 11,199 examinations and investigations; these are classified in Table 5.

Examinations comprise the principal contact of the Corporation with insured banks, and furnish information about the nature and extent of the Corporation's risk. They are the medium by which the Corporation has encouraged the development of and adherence to sound banking practices. Equally, they provide information about insured risks and alert the Corporation to situations requiring attention. The field activities of the Division of Examination in examining insured State banks not members of the Federal Reserve System are conducted through twelve district offices located in different parts of the United States, and require the services of about three-fourths of the Corporation's employees. Reports of such examinations are forwarded to the Washington office for review and any necessary action.

Table 5. BANK EXAMINATION ACTIVITIES OF THE FEDERAL DEPOSIT INSURANCE CORPORATION IN 1959 AND 1960

Activity	Number	
	1960	1959
Field examinations and investigations—total	11,199	10,767
Examinations of main offices	6,837	6,872
Regular examinations of insured banks not members of Federal Reserve System.....	6,674	6,646
Re-examinations; or other than regular examinations.....	95	123
Entrance examination of operating noninsured banks.....	68	103
Examinations of departments and branches	3,251	2,915
Examinations of trust departments.....	964	908
Examinations of branches.....	2,287	2,007
Investigations	1,111	980
New bank investigations.....	206	224
National banks or State banks members of Federal Reserve System.....	62	59
Banks not members of Federal Reserve System.....	144	165
New branch investigations.....	355	260
Miscellaneous investigations.....	550	496
Washington office review of reports of examination of insured banks—total	11,036	12,333
National banks.....	3,297	4,585
State banks members of Federal Reserve System.....	1,286	1,621
State banks not members of Federal Reserve System.....	6,453	6,177

Citations for unsafe and unsound banking practices and violations of law. Prohibited and unsound banking practices reported by examiners are usually corrected by normal supervisory actions with the cooperation of the offending bank. However, when examination shows that a bank has persisted in operating in an unsafe or unsound manner or in violation of law or regulations, the Corporation has the authority and duty to begin proceedings for termination of the bank's insured status. Proceedings are initiated only after other corrective methods have been exhausted, and during the proceedings, which include an administrative hearing, the bank is given ample opportunity to present its case. If and when insurance is withdrawn, the insured deposits of each depositor on the date of termination, less subsequent withdrawals, continue to be insured for two years, and each depositor is so notified.

During 1960 proceedings were instituted against two banks operating with hazardous management. One of these cases was discontinued when the bank made the necessary corrections; the other was pending at the end of 1960. One case instituted during 1959 was continued to permit the bank to complete necessary corrections.

During the entire period of Federal deposit insurance, proceedings for the termination of insurance have been initiated against 182 banks. In more than a third of the cases the necessary corrections were made; and in more than one-half of the cases the banks were absorbed or suc-

ceeded by other banks or suspended operations prior to Corporation action setting a date for termination of insurance. In 12 cases the Corporation set a date for termination of insurance. Of these, nine suspended prior to and one shortly after the insurance was terminated; only two continue in operation. Details concerning the outcome of termination proceedings are given in Table 6.

Table 6. ACTIONS TO TERMINATE INSURED STATUS OF BANKS CHARGED WITH UNSAFE OR UNSOUND BANKING PRACTICES OR VIOLATIONS OF LAW OR REGULATIONS, 1936-1960

Disposition or status	1936-1960 ¹
Total banks against which action was taken	182
Cases closed	180
Corrections made.....	68
Banks absorbed or succeeded by other banks.....	68
<i>With financial aid of the Corporation</i>	62
<i>Without financial aid of the Corporation</i>	6
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.....	12
<i>Banks suspended prior to or on date of termination of insured status</i>	9
<i>Banks continued in operation</i> ²	3
Cases not closed, December 31, 1960	2

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.

Reports from banks. The reports obtained from banks are useful for supervisory purposes and as a source of data regarding economic and banking conditions. Each insured bank submitted statements of its assets and liabilities as of June 15 and December 31, 1960, and a statement of its income for the calendar year 1960, to the appropriate Federal supervisory agency. Noninsured banks also furnished data, to State supervisory authorities or to the Corporation, on their assets and liabilities, making possible a tabulation covering assets and liabilities of all banks. No information is received by the Corporation on the income of noninsured banks.

Certified statements of deposit insurance assessments were filed by each insured bank for the six months ended on December 31, 1959, and June 30, 1960, respectively, showing its deposit insurance assessment base and the semiannual assessment due the Corporation.

Statistics on the income of insured banks, and tabulations of the assets and liabilities of both insured and noninsured banks, are presented in Parts Four and Five of this report. Tabulations of reports of assets and liabilities classified by State are published semiannually by the Corporation in separate reports.

LEGAL DEVELOPMENTS

Federal legislation. The Federal Deposit Insurance Act was amended during 1960 by two significant measures. The first of these acts, Public Law 86-463, which was signed by the President on May 13, 1960, requires approval by a Federal bank supervisory agency for merger, consolidation, asset acquisition, and deposit assumption transactions between insured banks, and has been described above.

The second measure, Public Law 86-671, providing for a simplification of the method of determining the deposit insurance assessment under the Federal Deposit Insurance Act, was approved by the President on July 14, 1960. Under this law, assessments will be based on the average of deposits shown in two reports of condition in each semiannual assessment period, with authorized deductions of 16-2/3 percent of demand deposits and 1 percent of time and savings deposits. The basic annual assessment rate of one-twelfth of 1 percent remains unchanged. The credit to insured banks will be computed at 66-2/3 percent of the net assessment income instead of the former 60 percent. These changes in the manner of computing the assessment will take effect with the certified statement to be submitted in July 1961. The change in the ratio of net assessment income to be credited to insured banks will become effective with the credit for calendar year 1961, to be made to insured banks for application toward the payment of their assessments which will become due in July 1962.

The two statutes are published in Part Three of this report.

Rules and regulations of the Corporation. Because of the amendments of the Federal Deposit Insurance Act, Parts 301, 303, 304, and 327 of the Corporation's Rules and Regulations were amended to conform to and implement the new provisions and to effect other changes. Former Part 326 of the Rules and Regulations, relating to bank obligations prescribed as deposits, was repealed, effective January 16, 1961, because of the amendment of the definition of the term "deposit" in subsection (1) of Section 3 of the Federal Deposit Insurance Act, as amended by Public Law 86-671, approved July 14, 1960, and effective January 1, 1961, except as to the determination and payment of assessments due on January 15, 1961 (12 U.S.C. 1813 (1)). However, rights and liabilities existing on or before January 1, 1961, with respect to insured deposits, and existing on or before January 15, 1961, with respect to the determination and payment of assessments, are not affected by the repeal of former Part 326 or the amendment of Part 327. The amended Parts of the Rules and Regulations, published in the Federal Register of January 14, 1961 (26 F.R. 287-292), are set forth in Part Three of this report.

State legislation. Part Three also includes a summary of State banking legislation enacted in 1960.

ADMINISTRATION OF THE CORPORATION

Structure and employees. Management of the Corporation is vested in a three-member Board of Directors. Two directors are appointed by the President of the United States, one of whom serves as Chairman of the Board; the Comptroller of the Currency, also appointed by the President, serves as the third director. Mr. Jesse P. Wolcott was Chairman throughout 1960. With the change in the Federal administration, Mr. Wolcott resigned as Chairman and the Board of Directors elected Mr. Erle Cooke, Sr., as Chairman, effective at noon on January 20, 1961. Mr. Wolcott and the Comptroller of the Currency, Mr. Ray M. Gidney, continue to serve as directors.

The main office of the Corporation is in Washington, D. C., and district offices are maintained in 12 major cities. During 1960 plans went forward for construction of a headquarters building for the Corporation in downtown Washington. Ground was broken early in 1961 at the site at the corner of 17th Street and New York Avenue, N. W., and completion of the building is expected in about two years.

Corporation officials are listed on page v of this report, adjacent to an organization chart of the Corporation. The location of each District office and the area it includes, with the names of the respective Supervising Examiners, are given on pages vi and vii.

Table 7. NUMBER OF OFFICERS AND EMPLOYEES OF THE FEDERAL DEPOSIT INSURANCE CORPORATION, DECEMBER 31, 1960

Division	Total	Washington office	District and other field offices
Total	1,242	319	923
Directors.....	3	3	.....
Executive offices.....	17	17	.....
Legal Division.....	23	23	.....
Division of Examination.....	938	58	885
Division of Liquidation.....	38	34	4
Division of Research and Statistics.....	46	46	.....
Audit Division.....	55	21	34
Office of the Controller.....	122	122	.....

The Corporation had a net increase of seven employees in the year ended December 31, 1960. Turnover was appreciably greater than during 1959. For all employees (excluding temporary personnel engaged in field liquidation activities) the turnover ratio was 16 employees per 100, compared with 13 per 100 in 1959. Among field examiners, the turnover ratio rose from 10 to nearly 14 per 100 during the same period. Almost one-half of the 96 departing field examiners went to banks and other financial institutions or supervisory agencies. At the end of 1960, 107

employees had more than 25 years, and 193 between 15 and 25 years, of service with the Corporation. A distribution of the Corporation's employees at the end of 1960, according to Division and location, is presented in Table 7.

Employee benefits and programs. Corporation employees receive the benefits generally available to Federal employees. The most important of these benefits are retirement annuities, life insurance, vacation and sick leave, compensation for on-the-job injuries, and unemployment and health benefits.

The educational program for examiners instituted by the Corporation in 1946 had resulted by the end of 1960 in completion of over 2700 courses of study. The program has consisted principally of correspondence courses conducted by the American Institute of Banking, but also includes resident graduate work at eight outstanding universities. In addition, nearly 300 examiners have attended the Interagency Bank Examination School conducted in Washington jointly by the Federal bank supervisory agencies.

Further educational purposes are served by a program of detailing a limited number of field examiners to the Washington office. The program includes special training in the analysis of municipal credits and the investment portfolio of banks and short tours of duty as review examiners. Progress was made also in 1960 in training employees to meet the emerging demand for new kinds of skills necessitated by the increasing use of automatic data processing equipment.

FINANCES OF THE CORPORATION

Assets and liabilities. Assets of the Corporation totaled \$2,337 million on December 31, 1960. United States Government obligations, valued at amortized cost, with accrued interest, comprised \$2,325 million of that amount. Half of the remaining \$12 million consisted of the estimated net value of assets acquired in insurance transactions, after provision for losses. Cash exceeded \$3 million. Most of the remaining assets was represented by the building site and planning costs of the Corporation's new headquarters building.

Liabilities of the Corporation totaled \$115 million on December 31, 1960. Net assessment income credits and other credits due insured banks, amounting to \$112 million, were the principal liability item. The excess of the Corporation's assets over its liabilities constitutes the deposit insurance fund, and comprises the Corporation's financial resources for the protection of depositors. At the end of 1960 this fund amounted to \$2,222 million. Assets and liabilities of the Corporation on December 31, 1960, are presented in Table 8.

Table 8. STATEMENT OF FINANCIAL CONDITION, FEDERAL DEPOSIT INSURANCE CORPORATION, DECEMBER 31, 1960

ASSETS		
Cash.....		\$ 3,491,973
U. S. Government obligations:		
Securities at amortized cost (face value, \$2,319,246,000; market or redemption value, \$2,268,489,406).....	\$2,310,456,124	
Accrued interest receivable.....	14,816,357	2,324,772,481
Assets acquired in receivership and deposit assumption transactions:		
Subrogated claims of depositors against closed insured banks	\$ 6,227,689	
Net insured balances of depositors in closed insured banks, to be subrogated when paid—contra.....	52,504	
Loans to insured banks.....	1,371,457	
Loan to receiver for closed insured bank.....	175,000	
Equity in assets acquired under purchase agreements.....	5,302,575	
Assets purchased outright.....	145,023	
	\$ 13,274,248	
Less—reserves for losses.....	6,898,105	6,376,143
Deferred charges and sundry assets.....		144,500
Building site and planning costs.....		1,899,505
Furniture, fixtures, and equipment.....		1
Total assets.....		\$2,336,684,603
LIABILITIES ¹		
Accounts payable and accrued liabilities.....		\$ 650,877
Earnest money, escrow funds, and collections held for others.....		431,562
Accrued annual leave of employees.....		1,255,605
Due insured banks:		
Net assessment income credits available July 1, 1961.....	\$ 100,756,370	
Other.....	11,352,094	112,108,464
Deferred credits.....		7,673
Net insured balances of depositors in closed insured banks—contra.....		52,504
Total liabilities.....		\$ 114,506,685
DEPOSIT INSURANCE FUND		
Fund (See Table 9) ²		2,222,177,918
Total liabilities and fund.....		\$2,336,684,603

¹ Capital stock was retired by payments to the United States Treasury in 1947 and 1948, pursuant to the Acts of August 5, 1947 (61 Stat. 773), and June 29, 1948 (62 Stat. 1092).

² The Deposit Insurance Fund represents the cumulative net income (surplus) of the Corporation from its inception to December 31, 1960. For the protection of depositors, in addition to this Fund, the Corporation is authorized to borrow up to three billion dollars from the United States Treasury when in the judgment of the Board of Directors such funds are required for insurance purposes.

Income in 1960 and its disposition. During 1960 the deposit insurance fund increased \$132 million. Net income from assessments on insured banks amounted to more than \$79 million, and income from United States Government securities totaled \$65 million. Expenses and losses amounted to \$12 million. Table 9 presents a statement of the Corporation's income in 1960, and of changes in the deposit insurance fund during the year.

Income from assessments is determined by a formula which takes account of the Corporation's operating expenses and insurance losses. Under the statutory assessment rate of one-twelfth of 1 percent of asses-

Table 9. STATEMENT OF INCOME, FEDERAL DEPOSIT INSURANCE CORPORATION, AND CHANGES IN THE DEPOSIT INSURANCE FUND, YEAR ENDED DECEMBER 31, 1960

Income:		
Deposit insurance assessments:		
Assessments becoming due in the year	\$180,292,950	
Less net assessment income credits due insured banks	100,740,244	\$ 79,552,706
Corporation's share of adjustments of assessments for prior years		169,692
		\$79,722,398
Net income from U. S. Government securities		64,884,767
Other income		131,785
Total income		\$ 144,738,950
Expenses and losses:		
Administrative and operating expenses (Table 11)		\$ 12,430,336
Provisions for reserves for insurance losses:		
Adjustments to provisions for reserves established prior to 1960—(reductions):		
Applicable to net assessment income for 1960	\$ 129,330(D)	
Not applicable to net assessment income for 1960	41,066(D)	170,396(D) ¹
Other insurance losses and expenses		91,537
Total expenses and losses		\$ 12,351,477
Net addition to the fund during the year ended December 31, 1960		\$ 132,387,473
Deposit insurance fund, December 31, 1959		2,089,790,445
Deposit insurance fund, December 31, 1960¹		\$2,222,177,918

¹ See note 2, Table 8.
(D) Deduct.

Table 10. DETERMINATION AND DISTRIBUTION OF NET ASSESSMENT INCOME, FEDERAL DEPOSIT INSURANCE CORPORATION, YEAR ENDED DECEMBER 31, 1960

Determination of net assessment income:		
Total assessments which became due during the calendar year		\$180,292,950
Less:		
Administrative and operating expenses		\$ 12,430,336
Net additions to reserves to provide for insurance losses—		
Adjustments to provisions for reserves made prior to 1960 (reduction)		129,330(D)
Other insurance losses and expenses		91,537
Total deductions		\$ 12,392,543
Net assessment income for 1960		\$167,900,407
Distribution of net assessment income, December 31, 1960:		
Net assessment income for 1960:		
40 percent transferred to deposit insurance fund		\$ 67,160,163
Balance credited to insured banks		100,740,244
Total		\$167,900,407
Allocation of net assessment income credit among insured banks, December 31, 1960:		
Credit for 1960	\$100,740,244	55.876%
Adjustments of credits for prior years	16,126	.009
Total	\$100,756,370	55.885%

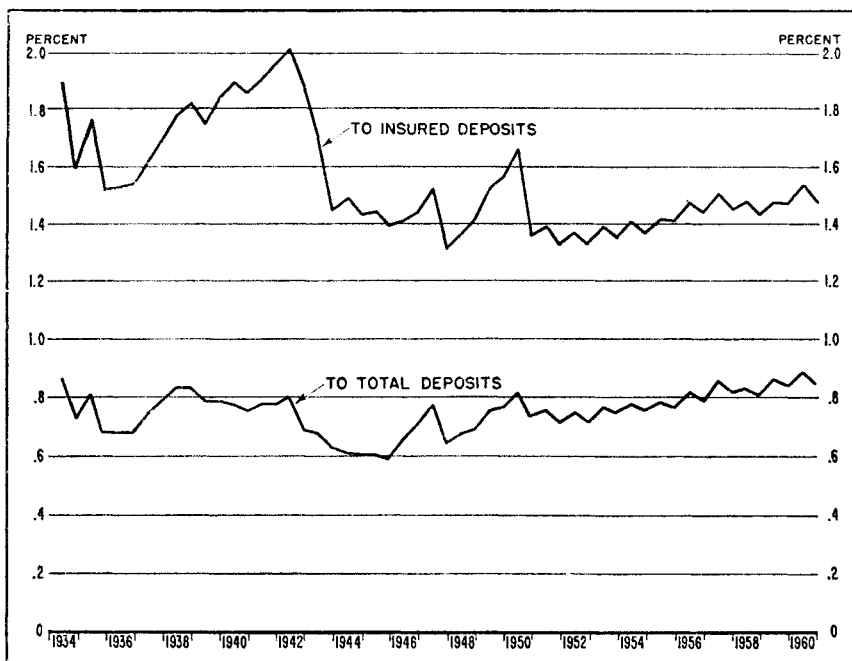
(D) Deduct.

sable deposits, assessments due in 1960 totaled \$180 million. However, in accordance with the provisions of the Act of 1950, the Corporation retained only 40 percent of this amount, after deducting its expenses and losses. Accordingly, \$101 million of the net assessment income in 1960 was credited to insured banks to be applied against future assessments. The determination and distribution of net assessment income in 1960 is shown in Table 10, and the distribution of administrative and operating expenses is given in Table 11.

Table 11. ADMINISTRATIVE AND OPERATING EXPENSES, FEDERAL DEPOSIT INSURANCE CORPORATION, YEAR ENDED DECEMBER 31, 1960

Personal services	\$ 8,664,912
Civil Service retirement fund and F.I.C.A. payments	547,681
Travel	2,231,607
Transportation of things	19,618
Communication services	98,888
Rents and utilities	473,426
Printing and reproduction	79,162
Supplies and materials	55,431
Equipment	76,876
Other contractual services	194,147
Total	\$12,436,698
Less—Recoverable expenses and other credits	6,362
Net administrative and operating expenses	\$12,430,336

Chart B. RATIOS OF DEPOSIT INSURANCE FUND TO TOTAL AND INSURED DEPOSITS, ALL INSURED BANKS, MID-YEAR AND YEAR END, 1934-1960



Income and the deposit insurance fund, 1934-1960. The cumulative income of the Corporation since its establishment reached \$2,494 million at the end of 1960. Expenses and losses during the period totaled \$272 million, of which \$81 million was interest paid to the United States Treasury for the use of the Corporation's initial capital to the time of its retirement, leaving a balance or fund of \$2,222 million for the protection of depositors.

Table 12. INCOME AND EXPENSES, FEDERAL DEPOSIT INSURANCE CORPORATION, BY YEARS, FROM BEGINNING OF OPERATIONS, SEPTEMBER 11, 1933, TO DECEMBER 31, 1960, ADJUSTED TO DECEMBER 31, 1960 (In millions)

Year	Income			Expenses and losses				Net income added to deposit insurance fund ²
	Total	Deposit insurance assessments	Investments and other sources	Total	Deposit insurance losses and expenses	Interest on capital stock ¹	Administrative and operating expenses	
1933-60 . . .	\$2,493.9	\$1,750.8³	\$743.1	\$271.7	\$28.9	\$80.6	\$162.2	\$2,222.2
1960	144.6	79.6 ³	65.0	12.5	.1		12.4	132.1
1959	136.5	78.6 ³	57.9	12.2	.3		11.9	124.3
1958	126.8	73.3 ³	53.0	11.6			11.6	115.2
1957	117.3	69.1 ³	48.2	9.7	.1		9.6	107.6
1956	111.9	68.2 ³	43.7	9.6	.5		9.1	102.3
1955	105.7	66.1 ³	39.6	9.0	.3		8.7	96.7
1954	99.7	62.4 ³	37.3	7.8	.1		7.7	91.9
1953	94.2	60.2 ³	34.0	7.3	.1		7.2	86.9
1952	88.6	57.3 ³	31.3	7.8	.8		7.0	80.8
1951	83.8	54.3 ³	29.5	6.9			6.9	76.9
1950	84.8	54.2 ³	30.6	7.8	1.4		6.4	77.0
1949	151.1	122.7	28.4	6.4	.3		6.1	144.7
1948	146.9	119.3	27.6	7.3	.7	.6	6.0	139.6
1947	157.7	114.4	43.3	10.4	.1	4.8	5.5	147.3
1946	130.9	107.0	23.9	10.4	.1	5.8	4.5	120.5
1945	121.2	93.7	27.5	9.7	.1	5.8	3.8	111.5
1944	99.5	80.9	18.6	9.7	.1	5.8	3.8	89.8
1943	86.7	70.0	16.7	10.2	.2	5.8	4.2	76.5
1942	69.4	56.5	12.9	10.3	.6	5.8	4.0	59.1
1941	62.0	51.4	10.6	10.1	.5	5.8	3.7	51.9
1940	55.9	46.2	9.7	12.9	3.5	5.8	3.6	43.0
1939	51.2	40.7	10.5	16.4	7.2	5.8	3.4	34.8
1938	47.7	38.3	9.4	11.3	2.5	5.8	3.0	36.4
1937	48.2	38.8	9.4	12.2	3.7	5.8	2.7	36.0
1936	43.8	35.6	8.2	10.9	2.6	5.8	2.5	32.9
1935	20.8	11.5	9.3	11.3	2.8	5.8	2.7	9.5
1933-34 . . .	7.0	⁴	7.0	10.0	.2	5.6	4.2 ⁵	-3.0 ⁶

¹ Paid in 1950 and 1951, but allocated among years to which it applies. Initial capital of \$289 million was retired by payments to the United States Treasury in 1947 and 1948.

² The amounts shown herein give effect to adjustments to the deposit insurance fund in the years to which they are applicable, whereas the amounts of the Fund shown in Table 13 represent the Fund as reported on the dates specified. Hence the deposit insurance fund reported in Table 13 cannot be computed by annual addition of income reported herein, except for the Fund as of December 31, 1960.

³ Net after deducting the portion of net assessment income credited to insured banks, pursuant to provisions of the Federal Deposit Insurance Act of 1950. Since that time, assessment credits to insured banks have amounted to \$931.8 million, equal to 56.276% of gross assessments.

⁴ Assessments collected from insured banks, members of the temporary insurance funds which became insured under the permanent plan, 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 amounts and disposition of the Corporation's income for each year from 1933 to 1960, and cumulatively, are presented in Table 12.

The relationship of the deposit insurance fund to deposits in insured banks for each year from 1934 to 1960 is shown in Table 13. Chart B shows the ratio of the fund to total deposits and to insured deposits at the middle and at the end of each year. At the end of 1960 the fund amounted to 0.85 percent of total deposits in insured banks.

Table 13. INSURED DEPOSITS AND THE DEPOSIT INSURANCE FUND, 1934-1960

Year (Dec. 31)	Deposits in insured banks (in millions)		Percent of deposits insured	Deposit insurance fund (in millions)	Ratio of deposit insurance fund to—	
	Total	Insured ¹			Total deposits	Insured deposits
1960.....	\$260,495	\$149,684	57.5%	\$2,222.2	.85%	1.48%
1959.....	247,589	142,131	57.4	2,089.8	.84	1.47
1958.....	242,445	137,698	56.8	1,965.4	.81	1.43
1957.....	225,507	127,055	56.3	1,850.5	.82	1.46
1956.....	219,393	121,008	55.2	1,742.1	.79	1.44
1955.....	212,225	116,380	54.8	1,639.6	.77	1.41
1954.....	208,195	110,973	54.6	1,542.7	.76	1.39
1953.....	193,466	105,610	54.6	1,450.7	.75	1.37
1952.....	188,142	101,842	54.1	1,363.5	.72	1.34
1951.....	178,540	96,718	54.2	1,282.2	.72	1.33
1950.....	167,818	91,359	54.4	1,243.9	.74	1.36
1949.....	156,786	76,589	48.8	1,203.9	.77	1.57
1948.....	153,454	75,320	49.1	1,065.9	.69	1.42
1947.....	154,096	76,254	49.5	1,066.1	.65	1.32
1946.....	148,458	73,759	49.7	1,053.5	.71	1.44
1945.....	158,174	67,021	42.4	929.2	.59	1.39
1944.....	134,662	56,338	41.9	804.3	.60	1.43
1943.....	111,650	48,440	43.4	703.1	.63	1.45
1942.....	89,869	32,837	36.5	616.9	.69	1.38
1941.....	71,209	28,249	39.7	553.5	.78	1.96
1940.....	65,238	26,638	40.8	496.0	.76	1.36
1939.....	57,485	24,650	42.9	452.7	.79	1.34
1938.....	50,791	23,121	45.5	420.5	.83	1.32
1937.....	48,228	22,557	46.8	393.1	.79	1.70
1936.....	50,281	22,330	44.4	343.4	.68	1.54
1935.....	45,125	20,158	44.7	306.0	.68	1.52
1934.....	40,060	18,075	45.1	333.0	.83	1.34

¹ Estimated by applying to the deposits in the various types of account at the regular call dates the percentages insured as determined from special reports secured from insured banks, the latest of which was for September 21, 1955.

Audit. The Audit Division of the Corporation makes a continuous audit of its financial operations. Outside audits have been made each year from the beginning of the Corporation, first by private firms, and since 1945 by the General Accounting Office.

The short form report on audit for the year ended June 30, 1960, furnished by the Comptroller General, is presented in Table 14. As indicated there, and in his larger report to the Congress, the Comptroller General found the financial accounts to be as represented and in general conformity with accepted accounting principles. In the report to Congress, two²³ recommendations were repeated from earlier audit reports: (a)

that the Federal Deposit Insurance Act be amended to require the Corporation to pay, currently and retroactively from its creation, the Government's share of the cost of administering and providing retirement, disability, and workmen's compensation benefits to the Corporation's employees; and (b) that the Act be amended to require the General Accounting Office to make its report of audit on a calendar-year rather than a fiscal-year basis. The Board of Directors of the Corporation has expressed its accord with each of these recommendations.

**Table 14. REPORT ON AUDIT OF FEDERAL DEPOSIT INSURANCE CORPORATION,
YEAR ENDED JUNE 30, 1960**

COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON 25

B-114831

December 8, 1960

To
Federal Deposit Insurance Corporation

The General Accounting Office has made an audit of the Federal Deposit Insurance Corporation, an independent Government agency, for the year ended June 30, 1960, pursuant to section 17(b) of the Federal Deposit Insurance Act (12 U.S.C. 1827).

Our audit included an examination of the Corporation's financial condition as of June 30, 1960, and the related income and expenses for the year then ended, in accordance with generally accepted auditing standards and such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances and appropriate in view of the effectiveness of the system of internal control and the work performed by the Corporation's internal auditors.

The financial statements in this report were prepared by us from the accounts and related records of the Corporation. The statements are similar in format to the official financial statements issued by the Corporation on a calendar-year basis except that in the statement of income (schedule 2) we have included \$699,663 representing adjustments to prior years' income, which type of adjustments the Corporation normally credits directly to its deposit insurance fund. Of this amount, \$541,210 represents a decrease in the Corporation's estimate of insurance losses applicable to banks closed in prior years and \$158,453 represents a net increase in assessments applicable to prior years.

The Corporation's accumulated net income has been retained as a deposit insurance fund and is available for future deposit insurance losses. We are unable to express an opinion on the adequacy of the deposit insurance fund to meet future losses because the amount that may be needed is dependent on future economic conditions which cannot be predicted.

In our opinion, subject to the comments in the preceding paragraph, the accompanying financial statements (schedules 1 and 2) present fairly the financial position of the Federal Deposit Insurance Corporation at June 30, 1960, 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.

/s/ JOSEPH CAMPBELL

Comptroller General of the United States

Table 14. REPORT ON AUDIT OF FEDERAL DEPOSIT INSURANCE CORPORATION,
YEAR ENDED JUNE 30, 1960—Continued**Schedule 1. FEDERAL DEPOSIT INSURANCE CORPORATION,
STATEMENT OF FINANCIAL CONDITION, JUNE 30, 1960**

ASSETS		
Cash.....		\$ 3,267,616
U. S. Government obligations:		
Securities at amortized cost (face value, \$2,291,996,000; market or redemption value, \$2,213,148,123).....	\$2,288,786,045	
Accrued interest receivable.....	12,146,398	2,300,932,443
Assets acquired in deposit assumption and receivership transactions:		
Subrogated claims of depositors against closed insured banks.....	2,283,834	
Net balances of depositors in closed insured banks, to be sub- rogated when paid—see related liability.....	19,600	
Loans to insured banks and to receiver of closed insured bank.....	1,714,402	
Equity in assets acquired under purchase agreements.....	5,489,984	
Assets purchased outright.....	159,411	
	9,667,231	
Less estimate for losses.....	7,328,965	2,338,266
Accounts receivable, deferred charges, and sundry assets		116,357
Building site and planning costs (note 1).....		1,692,850
Furniture, fixtures, and equipment, cost \$737,224		1
Total assets		<u>\$2,308,347,533</u>
LIABILITIES AND DEPOSIT INSURANCE FUND		
Accounts payable and accrued liabilities		\$ 668,918
Earnest money, escrow funds, and collections held for others		410,738
Employees' accrued annual leave		1,212,021
Deferred credits		887
Net balances of depositors in closed insured banks—see related asset		19,600
Net assessment income credits due insured banks (note 2):		
Available July 1, 1960.....	\$ 99,926,339	
Estimated amount available July 1, 1961, from net assess- ment income for 6 months ended June 30, 1960.....	50,976,747	150,903,086
Total liabilities		153,215,250
Deposit insurance fund, accumulated income available for future deposit insurance losses (note 3):		
Balance July 1, 1959.....	2,026,703,780	
Net income for year ended June 30, 1960 (schedule 2).....	128,428,503	
Balance, June 30, 1960		2,155,132,283
Total liabilities and deposit insurance fund		<u>\$2,308,347,533</u>

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

Table 14. REPORT ON AUDIT OF FEDERAL DEPOSIT INSURANCE CORPORATION,
YEAR ENDED JUNE 30, 1960—Continued**Schedule 2.** FEDERAL DEPOSIT INSURANCE CORPORATION,
STATEMENT OF INCOME, YEAR ENDED JUNE 30, 1960

Income:		
Deposit insurance assessments		\$180,424,253
Less net assessment income credits due insured banks (note 2)		101,149,593
		79,274,660
Income from U. S. Government securities		60,842,251
Other income		116,850
Total income		140,233,761
Expenses and losses:		
Administrative and operating expenses:		
Salaries	\$ 8,276,035	
Travel	2,212,331	
Rents and utilities	467,537	
Other	1,023,112	
	11,984,015	
Other deposit insurance expenses	85,061	
	12,069,076	
Less net reduction in estimated loss on banking assets acquired in deposit assumption and receivership transactions	263,818	
Total expenses and losses		11,805,258
Net income for the year ended June 30, 1960, transferred to deposit insurance fund (schedule 1)		\$128,428,503

The following notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS—JUNE 30, 1960

1. The Corporation has acquired a building site in the District of Columbia on which it plans to construct its own office building. The Corporation estimates that the completed structure will cost about 7.5 million dollars and will be ready for occupancy during calendar year 1962.

2. The Federal Deposit Insurance Act (12 U.S.C. 1817(d)) provides that insured banks shall be allowed, against current semiannual insurance assessments, pro rata credits totaling 60 percent of the Corporation's net assessment income (as defined by the act) for the prior calendar year. At June 30, 1960, the amounts due the banks for net assessment income credits totaled \$150,903,086 which comprised credits of \$99,926,339 for calendar year 1959 and prior years and estimated credits of \$50,976,747 for the first 6 months of calendar year 1960.

3. The deposit insurance fund of \$2,155,132,283 at June 30, 1960, is available for future deposit insurance losses and related expenses. The fund amounts to about 1.54 percent of all insured deposits, which the Corporation estimates at 140 billion dollars. The existing law does not specify either the amount or the ratio of insured deposits to which the insurance fund is to be accumulated.

The fund is not a measure of the deposit insurance risk. Its adequacy to meet future losses is dependent on future economic conditions which cannot be predicted. The Corporation from its inception to June 30, 1960, has made disbursements of about \$348,400,000 in protecting depositors of 439 insured banks and in facilitating the termination of liquidations. The Corporation's accumulated losses amount to about \$29,000,000, including estimated losses of \$7,329,000 on cases not terminated at the close of the year ended June 30, 1960.

The Corporation is authorized to borrow from the United States Treasury up to 3 billion dollars outstanding at any one time when, in the judgment of the board of directors, such funds are required for insurance purposes. The Corporation has never used this borrowing authority.

PART TWO

**CHANGES IN THE NUMBER OF BANKING OFFICES, 1859-1959,
AND IN THE RELATIVE POSITION OF BANKS, 1921-1958**

CHANGES IN THE NUMBER OF BANKING OFFICES, 1859-1959, AND IN THE RELATIVE POSITION OF BANKS, 1921-1958

During the four decades since 1920 there have been fundamental and far-reaching changes in the number of operating banks and branches in the United States. In 1921, approximately 31,000 banks were in operation, the largest number in the nation's history. From that peak the number of banks has declined to about 14,000. Branches, on the other hand, numbered fewer than 1,500, or less than five percent of all banking offices, in 1921; but there are now nearly 11,000 branches, comprising more than 40 percent of all banking offices.

These changes in the numbers of banks and branches have given rise to diverse reactions. Some people view the decline in number of banks and the rise in number of branches with alarm; others see the same developments as beneficial, or at least as natural and reasonable adjustments to more fundamental changes in our economic system. An analysis is given here of changes in the number of banks and branches, with comments regarding their effect on the competitive character of the banking system.¹

CHANGES IN NUMBER OF BANKS AND BANKING OFFICES IN THE UNITED STATES, 1859-1959

Because of the peak in the number of banks in 1921, the magnitude of the subsequent decline, and the lack of annual data on the character of bank changes prior to 1921, that year has become the bench-mark from which changes in the banking structure are usually measured. Use of 1921 as the starting point in analyses of bank changes carries a connotation of normality in the banking structure of that year. Such an implication is unwarranted; in fact the banking structure in 1921 appears to have been inherently unstable. Many sections of the country were undoubtedly "over-banked" in the sense that they could not support for long the number of banks attempting to do business. Accordingly, bank changes since 1920 should be viewed in the perspective of such changes over a longer period of time.

Changes in number of banks, 1859-1959. The past 100 years of American banking have been characterized by periods of remarkably rapid change, intermixed with periods of minor change. For approximately six decades, from 1859 to 1921, the number of banks moved almost continuously upward—sometimes slowly or with interruptions as in the 1870's and 1890's, and sometimes very rapidly, as during the early 1900's. The decline which began in 1921, like the rise that preceded it,

¹ Changes in the number of banks and branches during 1960 are described in Part Four of this report.

has been virtually continuous and also at an uneven pace. There was a precipitous fall in the number of banks during the 12 years after 1921, and during the quarter of a century subsequent to 1933 a slow downward drift. Annual data are given in Tables 15 and 16.

Although the growth in number of banks during the six decades from 1860 to 1920 did not proceed at an even pace, in all but a few years that growth exceeded the rate of population increase. By 1920 the average bank in the United States depended for its potential business on a smaller number of people than ever before or since in the nation's history. A century ago there were about 3,000 banks in the nation, and about 11,000 people for each bank. By 1880 the number of persons per bank had declined to about 8,000, by 1890 to 6,000, and by 1920 to fewer than 3,500.

The instability of the 1921 banking structure was demonstrated by the fact that the number of banks fell by half in the next 12 years. About one-third of this great reduction occurred during the predominantly prosperous period of the 1920's, and two-thirds during the depression years, 1930-1933. The decline in number of banks from 1920 to 1933, when adjusted for those that reopened after the banking holiday of 1933, was enough to offset the increase, relative to population, of the 40 years prior to 1920, so that the population per bank was again about 8,000.

During 1934 there was a significant increase in the number of banks, due almost entirely to reopening of banks previously closed. From 1934 to 1959 there was a slow decline in the number of banks, at an average rate of about one-half of 1 percent per year. However, the growth of population during this time resulted in a rise in population per bank to nearly 13,000.

Changes in number of branches and total banking offices, 1900-1959. Changes in the number of banks do not, of course, accurately reflect changes in the availability of banking services. Because of the increase in the number of branches, particularly in most of the large cities and throughout several States, the population per banking office is now much smaller than the population per bank. Annual data since 1920, and by 5-year periods from 1900 to 1920, are given in Tables 15 and 16.

The earliest year for which a tabulation of branches is available is 1900, when about a hundred branches were being operated by incorporated commercial banks.¹ During the next twenty years, when there was an increase of about 18,000 in the number of banks, the increase in number of branches was about 1,200. From 1920 to 1934, when the number of

¹ Information regarding the number of branches of private banks and of mutual savings banks prior to 1934 is not available, but the number is believed to have been small.

Table 15. NUMBER OF BANKS AND POPULATION PER BANK, 1859-1934, AND NUMBER OF BRANCHES AND OFFICES AND POPULATION PER OFFICE, 1900-1934, CONTINENTAL UNITED STATES

1859-1896			1896-1934					
Year	Number of banks ¹	Population per bank ²	Year	Total offices	Number of banks (midyear) ³	Number of branches ⁴	Population per office ²	Population per bank ²
1859	2,829	10,847	1896		12,112			5,852
			1897		12,079			5,976
1860	3,051	10,329	1898		12,163			6,042
1861	2,905	11,136	1899		12,459			6,004
1862	2,778	11,947						
1863	2,853	11,926	1900	13,172	13,053	119	5,777	5,830
1864	3,016	11,559	1901		14,054			5,520
			1902		15,112			6,238
1865	3,696	9,659	1903		16,433			4,907
1866	4,013	9,105	1904		17,659			4,653
1867	4,183	8,935						
1868	4,308	8,870	1905	19,117	18,767	350	4,385	4,466
1869	4,258	9,171	1906		20,407			4,187
			1907		21,986			3,957
1870	4,491	8,886	1908		23,161			3,830
1871	5,089	8,044	1909		23,734			3,813
1872	5,374	7,810						
1873	5,680	7,571	1910	25,699	25,151	548	3,596	3,674
1874	5,994	7,347	1911		25,815			3,636
			1912		26,472			3,601
1875	6,087	7,405	1913		27,285			3,563
1876	6,125	7,528	1914		27,864			3,557
1877	6,256	7,535						
1878	6,136	7,851	1915	28,802	28,017	785	3,491	3,589
1879	6,074	8,101	1916		28,362			3,595
			1917		28,919			3,576
1880	6,110	8,226	1918		29,480			3,546
1881	6,377	8,082	1919		29,767			3,530
1882	6,825	7,739						
1883	7,304	7,407	1920	32,190	30,909	1,281	3,307	3,444
1884	7,757	7,139	1921	32,531	31,076	1,455	3,337	3,493
			1922	32,537	30,736	1,801	3,382	3,581
1885	7,939	7,137	1923	32,498	30,444	2,054	3,445	3,677
1886	8,866	6,925	1924	31,898	29,601	2,297	3,577	3,855
1887	9,171	6,457						
1888	9,606	6,298	1925	31,577	29,052	2,525	3,668	3,987
1889	10,236	6,035	1926	31,053	28,350	2,703	3,781	4,141
			1927	30,169	27,255	2,914	3,946	4,368
1890	11,055	5,704	1928	29,539	26,401	3,188	4,079	4,564
1891	11,738	5,483	1929	28,921	25,568	3,353	4,210	4,763
1892	12,006	5,469						
1893	12,393	5,404	1930	27,795	24,273	3,522	4,428	5,071
1894	12,196	5,598	1931	25,709	22,242	3,467	4,825	5,577
			1932	22,512	19,317	3,195	5,545	6,463
1895	12,347	5,635	1933	17,555	14,771	2,784	7,153	8,502
1896	12,324	5,752	1934	18,918	15,913	3,005	6,680	7,942

¹ 1859-1877: banks other than national and mutual savings compiled from listings for those operating at end of year in Homan's Bankers Almanacs and (for a few States) histories of banking and other sources, omitting agencies and brokers listed among private bankers and including institutions listed as branches because many of these were more closely akin to present-day independent banks (particularly in Indiana, Iowa, and Ohio prior to 1865), or to chain banks, than to branches; national banks, number at call date nearest end of year, annual report of Federal Deposit Insurance Corporation for 1934, p. 107 (original data from annual reports of Comptroller of the Currency); mutual savings banks, 1859-1864, Emerson W. Keyes, *A History of Savings Banks in the United States* (New York, 1878), vol. II, p. 532, and 1865-1877, annual report of Federal Deposit Insurance Corporation for 1934, p. 112. 1878-1896: State banks, trust companies, and private banks, George E. Barnett, *State Banks and Trust Companies*, publication of National Monetary Commission, Senate Document No. 659, 61st Congress, 3d Session, 1911, pp. 248-50 (original data from State reports and Homan's Bankers Almanacs); national banks, number at call date nearest June 30, annual report of Federal Deposit Insurance Corporation for 1934, pp. 107-08 (original data from annual reports of Comptroller of the Currency); mutual savings banks, annual report of Federal Deposit Insurance Corporation, 1934, pp. 112-13 (original data from various sources).

² Computed from number of banks or offices and population as of July 1 as estimated by Bureau of the Census and published in *Historical Statistics of the United States, 1789-1945*.

³ Board of Governors of the Federal Reserve System, *All-Bank Statistics, United States, 1896-1955* (1959), p. 33. Number of banks in territories and possessions, not included, ranged from none in 1896 and 1 in 1897 to 60 in 1929 and 44 in 1934 (*ibid.*, p. 1153).

⁴ Branches of incorporated commercial banks, Board of Governors of the Federal Reserve System, *Banking and Monetary Statistics*, p. 297. For years prior to 1924 the figures are not for any uniform month; for 1924 and 1927-1931 they are as of June; for 1925-1926 and 1932-1934, as of December. Branches of private banks and mutual savings banks, for which data are not available prior to 1934 and numbered about 125 in that year, are omitted.

banks was reduced by about 15,000, there was an increase of about 1,700 in the number of branches; and from 1934 to 1959, when there was a slow downward trend in number of banks with a total reduction of about 2,000, there was a relatively large growth, about 7,000, in number of branches.

Table 16. NUMBER OF BANKS AND BRANCHES IN THE UNITED STATES (CONTINENTAL U.S. AND OTHER AREAS), 1933-1959

December 31	Total banking offices ¹	Number of banks ¹	Number of branches ¹	Population per office ²	Population per bank ²
1933 ³	18,402	15,363	3,039	6,943	8,316
1934.....	19,360	16,128	3,282	6,643	7,974
1935.....	19,395	16,023	3,372	6,677	8,083
1936.....	19,298	15,809	3,489	6,755	8,246
1937.....	19,162	15,556	3,606	6,845	8,432
1938.....	19,018	15,370	3,648	6,952	8,602
1939.....	18,889	15,196	3,693	7,058	8,773
1940.....	18,791	15,063	3,728	7,154	8,925
1941.....	18,757	14,988	3,769	7,234	9,054
1942.....	18,650	14,837	3,813	7,330	9,213
1943.....	18,740	14,740	4,000	7,323	9,310
1944.....	18,841	14,700	4,141	7,222	9,256
1945.....	18,881	14,713	4,168	7,185	9,220
1946.....	18,967	14,747	4,220	7,535	9,691
1947.....	19,171	14,763	4,408	7,635	9,914
1948.....	19,363	14,750	4,613	7,697	10,105
1949.....	19,594	14,730	4,864	7,739	10,295
1950.....	19,851	14,693	5,158	7,769	10,496
1951.....	20,156	14,662	5,494	7,762	10,670
1952.....	20,449	14,616	5,833	7,769	10,869
1953.....	20,780	14,553	6,227	7,768	11,092
1954.....	21,160	14,409	6,751	7,765	11,404
1955.....	21,676	14,285	7,391	7,723	11,726
1956.....	22,315	14,209	8,106	7,640	11,999
1957.....	22,907	14,130	8,777	7,579	12,287
1958.....	23,563	14,060	9,493	7,493	12,560
1959.....	24,242	14,004	10,238	7,407	12,823

¹ Tabulations of the Federal Deposit Insurance Corporation. Data have been revised and for most years differ slightly from those published in the respective annual reports of the Corporation. For 1933 and 1934 numbers exceed those in Table 15 by the number of mutual savings branches in continental United States plus the number of commercial and mutual savings banks and branches in other areas (Alaska, American Samoa, Hawaii, Mariana Islands, Panama Canal Zone, Puerto Rico, and Virgin Islands).

² Population data used are Bureau of the Census estimates for July 1, as published in *Historical Statistics of the United States, 1789-1945*, and various issues of the *Statistical Abstract of the United States*.

³ As of January 1, 1934. Figures differ from those for December 30, 1933, because of banks absorbed or otherwise ceasing operations after the close of business on December 30, and because of those unlicensed on that date but approved for insurance or licensed in time to reopen on the morning of January 2, 1934.

The consequence of these changes was a growing divergence between the population per bank and the population per banking office. Both in 1900 and in 1920 the population per banking office was only a little smaller than the population per bank. By 1934 there was a greater difference, with about 8,000 persons per bank and 6,600 per banking office. But at the end of 1959, when the population per bank was nearly 13,000, the population per office was about 7,400. The latter figure was smaller than in 1880, when the population per bank was over 8,000 and there were relatively few branches. This seems remarkable in view of the much

greater accessibility of banking offices today because of urbanization and transportation developments and the consequent ability of a banking office to serve conveniently a larger number of persons.

CHARACTER OF BANK AND BRANCH CHANGES

Character of bank changes, 1859-1920. Detailed statistics regarding the character of bank changes prior to 1921 are not available. However, there was a remarkable increase in number of banks during the twenty years preceding 1921, with a consequent decline in population per bank.

Character of bank changes, 1921-1934. From 1920 to 1959 the number of banks going out of business exceeded the number opened in all years except 1934 and 1945-1947. However, the changes from 1920 to 1934 were of a different order of magnitude, largely different in character, and the available statistics are somewhat different, than for the period after 1934. It is accordingly convenient to present separately, in Tables 17 and 18, the pertinent data for these two periods.

In the years 1921-1933, the number of banks going out of business was far greater than the number opened. Annual data for each year of this period and for 1934 are shown in Table 17, with the closings classified into those suspended, those absorbed, and those placed in voluntary liquidation, and the openings divided between new banks and reopenings of suspended banks. The data pertain to incorporated commercial banks in continental United States. Most of the changes occurred among those banks, the net decrease in the number of incorporated commercial banks for 1920 to 1934 being approximately 14,000, compared with about 900 for unincorporated commercial banks and about 50 for mutual savings banks.

The decline of 14,000 in the number of incorporated commercial banks during the years 1921-1934 represented the difference between the closing of 22,000 banks and the opening of about 8,000 banks, with the latter figure including reopenings of suspended banks and the chartering of previously unincorporated banks. About half of the openings were new banks, and nearly half reopenings of suspended banks.

Bank suspensions from 1921 to 1934 accounted for nearly two-thirds of the 22,000 banks that ceased business during that period. Suspensions were numerous during the prosperous years of the 1920's. In each year from 1923 through 1929 the number of banks ceasing operation because of financial difficulties substantially exceeded the number of newly organized banks, the typical ratio being about two failed banks for each new bank. In all, over 5,400 banks suspended during the nine years, 1921-1929, or an average of about 600 per year during one of the most prosperous decades in the nation's history. These failures represented,

Table 17. ANALYSIS OF CHANGES IN NUMBER OF INCORPORATED COMMERCIAL BANKS IN CONTINENTAL UNITED STATES, 1921-1934

Year	Number at end of preceding year ¹	Net change during period	Began operations			Ceased operations				Other changes—net ⁶
			Total	New banks ²	Reopenings of suspended banks ³	Total	Absorbed ⁴	Suspended ⁵	Voluntary liquidations	
Total 1921-1934		-13,963	7,473	4,438	3,035	21,777	6,516	14,267	994	+341
1921	29,206	-188	565	472	93	814	305	461	48	+61
1922	29,018	-198	527	409	118	772	394	343	35	+47
1923	28,820	-424	526	458	68	1,003	329	623	51	+53
1924	28,396	-672	491	383	108	1,191	373	738	80	+23
1925	27,724	-501	484	403	81	1,001	363	579	59	+16
1926	27,223	-943	505	345	160	1,461	462	924	75	+13
1927	26,280	-812	423	296	127	1,260	567	636	57	+25
1928	25,468	-765	305	252	53	1,084	534	479	71	+14
1929	24,703	-1,008	304	235	69	1,321	636	623	57	+9
1930	23,695	-1,818	308	153	155	2,129	769	1,292	68	+3
1931	21,877	-2,723	380	105	275	3,110	798	2,213	99	+2
1932	19,149	-1,571	372	93	279	1,950	433	1,416	101	+7
1933	17,578	-3,226	1,020	323	697	4,302	322	3,891	89	+56
1934 ⁷	14,352	+891	1,263	511	752	379	231	44	104	+7

¹ Federal Reserve Bulletin, November 1937, p. 1087. Excludes mutual savings banks and private banks.

² Excludes new banks organized to succeed operating banks, but for 1933 and 1934 includes new banks organized to succeed national and State banks unlicensed after the banking holiday.

³ For 1921-32 includes reopenings accompanied by a change of name and issuance of a new charter. For 1933-34 includes banks closed during the banking holiday in March 1933 which were licensed subsequent to June 30, 1933. Banks licensed between March 15 and June 30, 1933, are not included in this table (either as suspensions or reopenings).

⁴ Decrease in number resulting from consolidations, mergers, and absorptions of going banks. Does not include suspended banks that were taken over by other banks.

⁵ Includes banks which reopened in the same or a subsequent year.

⁶ Chiefly conversions from private banks, but including some unclassified changes, particularly in 1933.

⁷ Changes in 1934 include banks that had been closed at the time of the banking holiday and were unlicensed as of December 30, 1933, but were approved for deposit insurance or licensed in time to reopen on January 2, 1934, and other changes between those dates.

**Table 18. ANALYSIS OF CHANGES IN THE NUMBER OF BANKS AND BRANCHES IN THE UNITED STATES
(CONTINENTAL U.S. AND OTHER AREAS), 1934-1959**

Year	Total banking offices—net change	Banks							Branches				
		Net change	Began operations		Ceased operations			Other or unclassified changes net	Net change	Opened for business		Dis-continued ⁶	Other or unclassified changes—net ⁷
			New banks ¹	Reopenings of suspended banks ²	Absorbed ³	Suspended ⁴	Other liquidations			Succeeded absorbed banks	Other new branches ⁵		
Total 1934-1959	+5,840	-1,359	2,070	1,324	3,177	561	915		+7,199	2,130	6,375	1,385	+79
1934 ⁸	+958	+765	130	1,042	212	62	131	-2	+193	75	186	100	+32
1935	+85	-105	97	110	170	32	109	-1	+140	87	138	36	+1
1936	-97	-214	61	22	161	72	65	+1	+117	73	100	56	
1937	-136	-253	63	12	177	23	68		+117	90	96	69	
1938	-144	-186	44	2	87	80	65		+42	43	51	52	
1939	-129	-174	34	9	100	72	45		+45	43	52	50	
1940	-98	-133	41	6	78	48	54		+85	41	51	57	
1941	-34	-75	48	3	59	16	51		+41	19	59	39	+2
1942	-107	-151	22	2	81	23	71		+44	28	68	52	
1943	+90	-97	52		82	5	62		+187	23	212	48	
1944	+101	-40	69	1	74	2	34		+141	36	198	33	
1945	+40	+12	118	1	77	1	23		+27	40	133	146	
1946	+86	+34	144	3	93	2	18		+52	55	171	174	
1947	+204	+16	114	2	82	6	12		+188	55	165	31	-1
1948	+192	-13	79	1	77	3	13		+205	59	162	20	+4
1949	+231	-20	73	1	76	9	14		+251	61	201	11	
1950	+257	-37	68		89	5	11		+294	73	231	22	+12
1951	+305	-31	65		79	5	12		+336	59	298	24	+3
1952	+293	-46	69	1	99	4	13		+339	84	278	21	-3
1953	+331	-63	65	3	115	5	11		+394	97	323	29	+3
1954	+380	-144	72	1	207	4	6		+524	181	378	37	+2
1955	+516	-124	117		231	5	5		+640	206	483	50	+1
1956	+639	-76	122	1	139	3	7		+715	163	582	39	+4
1957	+592	-79	87	1	161	3	3		+671	145	555	33	+4
1958	+646	-70	96		152	9	5		+716	135	615	37	+3
1959	+689	-56	115	1	169	3	2	-2	+745	154	649	69	+11

CHARACTER OF BANK AND BRANCH CHANGES

¹ Mostly new banks, but includes previously operating financial institutions which became banks of deposit.
² Reopenings of or successors to suspended banks, including banks previously in conservatorship, operating under restrictions, or in receivership or liquidation.
³ Net decrease as a consequence of absorptions, consolidations, and mergers (excluding cases involving financial aid by the Federal Deposit Insurance Corporation).
⁴ Banks closed because of financial difficulties, including banks the deposits of which were assumed by other insured banks with the financial assistance of the Federal Deposit Insurance Corporation.
⁵ Includes a small number of branches replacing banks relocated or placed in liquidation or receivership, and facilities established in or near military or other Federal government installations.
⁶ Includes facilities discontinued at military or other Federal government installations.
⁷ For 1934, includes branches of banks reopened or previously operating under restrictions.
⁸ Changes in 1934 exclude banks approved for insurance or licensed to reopen on January 2, 1934, and other changes between the close of business on December 30, 1933, and the opening of business on January 2, 1934.

primarily, the inability of banks in the agricultural regions of the nation to adjust themselves to the impact of a set of economic circumstances having an adverse effect on agriculture and on the trading centers of agricultural areas, even though business throughout the nation was generally prosperous. The depression of the early 1930's saw a catastrophic rise in bank suspensions, as approximately 9,000 banks failed during four years. This depression, which was nation-wide, together with the financial panic of 1933, was primarily responsible for the extraordinarily large number of failures during those years.

Bank absorptions, using that term to include consolidations, mergers, and assumption of deposit liabilities of one bank by another, were of significant importance in the decline in the number of banks between 1920 and 1934, although they ranked well below bank suspensions as a cause of the decline in number of banks. Absorptions accounted for about three out of every ten banks ceasing business during this period, whereas suspensions were responsible for approximately six out of every ten banks that closed.

Expansion of branch banking systems was not a primary force in these bank absorptions. The number of banks absorbed was much larger than the increase in the number of branches operated and a relatively small proportion of the absorptions occurred in the same States as most of the increase in branches. Moreover, during most of the period from 1920 to 1934, the number of absorptions appears to have been related to the number of suspensions. Both tended to rise during the 1920's and both increased with the onset of the depression, though absorptions dropped back to earlier levels as the depression continued. Also, the majority of the absorptions occurred in the same States as the majority of suspensions. Many, if not most, of the absorption transactions of that period appear to have been alternatives either to failure or to voluntary liquidation. To the extent that this was true, bank absorptions were not a direct cause of decline in the number of banks but, instead, only the means by which many banks, which would have ceased business in any event, happen to have left the banking scene.

Of the banks that suspended during the years 1921-1930, more than 200 were taken over, after suspension, by another bank. Thus whether a distressed bank was deleted from the count because it suspended or because it was absorbed apparently depended to a great extent on whether it was able to find a purchaser; i.e., another bank, prior to suspension; if it was successful it appears in tabulations as an absorption; if not immediately successful it appears in such tabulations as a suspension. It is noteworthy that with the precipitous decline in number of bank failures after 1933 and the consequent stabilization of the banking

system there occurred a decline of similar proportions in the number of bank absorptions.¹

Voluntary liquidations accounted for less than 5 percent of the banks ceasing operations during the period from 1920 to 1934. Little specific information is available regarding the reasons for these liquidations, but it is highly likely that the motivation in most of them was unprofitability.

In summary, the character of bank changes from 1920 to 1934 indicates that most of those changes were a consequence of a previous uneconomic and hence undesirable expansion in the number of banks, or of an inevitable adjustment to changes in communications and transportation facilities that brought more competition into banking and made survival of many of the smaller banks impossible, or were due to the impact of the forces that produced the deep depression of the early 1930's. Consequently, the great reduction in number of banks that resulted from the changes of the 1920-1934 period has no significant relevance to bank absorptions today.

Character of bank changes, 1934-1959. Both the number of banks beginning operations and the number ceasing operations were much smaller during the 25 years from 1934 to 1959 than during the preceding thirteen years. However, the number of branches experienced far more change in the recent period than in the earlier one. Table 18 shows for all banks in the entire United States the character of changes occurring each year from 1934 to 1959, inclusive, with a classification similar to that for changes among incorporated commercial banks in continental United States in the preceding table; and also shows the character of changes among branches each year. The figures in this table are more inclusive than those in the preceding table, because they include not only commercial banks in continental United States, but also private banks, mutual savings banks, and banks in Alaska, Hawaii, Puerto Rico, and other noncontiguous parts of the nation. The figures are also compiled from different sources and by somewhat different methods than the preceding table. The difference in method of compilation is especially important for 1934, which is covered in both tables, because in this table newly chartered banks that succeeded banks "unlicensed" after the banking holiday (that is, remaining in conservatorship, operating under restrictions, or otherwise in a state of suspended animation without formal placement in receivership or liquidation) are classified with reopenings of suspended banks instead of with new banks as in the preceding table.

¹ The probability that many absorptions during the 1920's and early 1930's were "forced lifesaving jobs . . . to prevent failure" was noted in *Concentration of Banking in the United States*, a Staff Report of the Board of Governors of the Federal Reserve System submitted to the Subcommittee on Monopoly of the Select Committee on Small Business, U. S. Senate, September 10, 1952, p. 6.

Of the approximately 3,300 banks beginning operations in the entire United States from 1934 to 1959, inclusive, about 1,200 were reopened suspended banks. Most of the reopenings were in 1934; after 1935 the number of suspended banks reopened became almost negligible. For the 26-year period new banks organized averaged 80 per year, ranging from a low of 22 in 1942, during World War II, to a high of 144 in 1946, the first post-war year. During recent years the number of new banks opened has averaged about 100 per year.

Various reasons account for the fact that since 1934 the rate of opening of new banks has been much smaller than prior to 1920 or during the decade of the 1920's. A survey made by the Joint Economic Committee and published in February 1952 reveals that State bank supervisors, except for those in States in the rapidly growing Southwest, reported receiving relatively few bank applications. Generally speaking, the reasons given were the adequacy of existing banking facilities and the low level of bank profits relative to other industries.¹ During the past few years the number of applications for new bank charters has increased somewhat because of the high level of economic activity and larger bank profits, but the number is still much lower than in the 1920's. The growth in branch banking is undoubtedly an important factor helping to explain the reduced demand for new banks, particularly in those States which in the 1930's changed their banking codes to permit more expansive or statewide branch banking.

Another factor has been the attitude of bank chartering authorities. With the experience of thousands of bank failures between 1920 and 1934, attributed in many instances to weak or under-capitalized banks in population centers unable to support them, bank chartering authorities were alert to prevent a repetition of the over-banked situation of the early 1920's. While it may to some persons now seem a desirable situation to have, as in 1921, more than 30,000 banks with "open doors for borrowers and depositors throughout the United States,"² bank supervisors and chartering authorities of the 1930's and 1940's knew that many of those banks closed their doors with great losses and hardships to their depositors and were determined that this should not happen again. The Federal Deposit Insurance Corporation has particularly stressed capital adequacy as a requirement for insurance.

The closing of banks because of financial difficulties has been of small importance in accounting for changes in the number of banks since 1933. During the entire period from that year to 1959 the net decline in number

¹ *Monetary Policy and the Management of the Public Debt*, Replies to questions and other material for use of Subcommittee on General Credit Control and Public Debt Management, Joint Committee on the Economic Report (1952), Part 2, pp. 935-97.

² *Bank Mergers and Concentration of Banking Facilities*, a Staff Report to Subcommittee No. 5 of the Committee on the Judiciary, United States House of Representatives, 82d Congress, 2d Session, September 17, 1952, p. 6.

of banks attributable to bank suspensions, including absorptions with Corporation aid, was only 561, less than the number closed because of financial difficulties during a typical year in the 1920's.¹ The principal causes of the failures that have occurred since 1934 have been: (1) the weakened condition of banks as a consequence of the depression of 1930-1933, which accounted for a substantial percentage of those during the early years of Federal deposit insurance; (2) the inability of small and uneconomic banking units to continue operations; and (3) financial irregularities in banks. The latter factor has accounted for about one-fourth of the banks in financial difficulties handled by the Federal Deposit Insurance Corporation since January 1, 1934.

The fact that bank failures have been relatively infrequent since 1933 of course accounts for the fact that most of the decline in number of banks since 1920 occurred between 1921 and 1934. With the drop in number of bank failures, the precipitous decline in the number of banks which was so apparent during the 1920's, and particularly during the early 1930's, also ceased.

Since 1933 absorptions have been the leading cause of banks ceasing operations, and thus have been largely responsible for the slow downward drift in number of banks during the past 25 years. However, the annual number of absorptions was only about one-fourth of that prior to the depression of the 1930's, and from 1938 to 1952 did not exceed 100 in any one year. The year 1952 appears to mark the beginning of an upturn in bank absorptions, although after reaching a high of 231 cases in 1955 the number declined to 152 in 1958 and 169 in 1959.

Over 900 banks ceased business by voluntary liquidation during the 26 years from 1933 to 1959, accounting for about one-fifth of all banks ceasing business. This is about the same number as during the preceding 13 years. Though the average annual number since 1933 is only about half that of the earlier period, the rate of closing for this reason relative to the number of banks in operation is about the same.

No recent tabulation of the reasons for voluntary liquidations of banks is available, but it appears that in most cases such liquidations reflect unprofitability, or a management succession problem, combined with inability to find a purchaser. A tabulation of reasons for voluntary liquidations of national banks from 1941 through 1950 supports this conclusion.²

In summary, an analysis of bank changes after 1920 shows a much higher degree of stability since 1933 than during the preceding 13-year period. The rapid decline in number of banks ceased abruptly in 1934 as many banks closed during the depression were reopened. Since that time

¹ Absorptions facilitated by financial aid of the Federal Deposit Insurance Corporation are included with suspensions, and excluded from the figures for absorptions, consolidations, and mergers in Table 18.

² *Bank Mergers and Concentration of Banking Facilities*, a Staff Report to House Committee on the Judiciary, *op. cit.*, p. 18.

all elements affecting bank changes have been of lesser magnitude than during the 1920's and early 1930's, with the greatest difference being that between bank suspensions during the two periods. The organization of new banks has substantially exceeded the number of banks placed in voluntary liquidation or closed because of financial difficulties. The banking facilities which were not uneconomic but were lost in the depression have been replaced. Nevertheless, there was a slow and small decline in the total number of banks, attributable to bank absorptions.

Character of changes in number of branches, 1921-1959. Changes in number of branches have been different from changes in number of banks. In 1921 there were about 32,500 banking offices, including both commercial and mutual savings banks, in the entire United States, of which about 1,500 were branches. At the end of 1959 there were about 24,200 banking offices, including over 10,200 branches.

Except for a relatively small decline during the early 1930's the number of branches has grown in each year of the period, 1921-1959. Since World War II there has been a noticeable acceleration in this growth, reflected in the fact that in recent years the number of branches has been increasing at between 8 and 9 percent per year, compared to an increase of about 4 percent per year during the immediate post-war years.

From 1933 to 1959 growth in number of branches more than offset the decline in number of banks, so that the total number of banking offices increased by more than 30 percent. Though the number of banking offices increased by nearly 6,000 during that period, the total at the end of 1959 was less than three-fourths of the number in 1921. However, in recent years the growth in banking offices has been keeping pace with, or exceeding, the growth in population.

Growth in number of branches is due principally to the opening of new offices. For the entire period, 1934-1959, six times as many branches were opened as were discontinued. Within recent years the number of branches opened has approached 800 per year. Approximately three-fourths of all branches opened during the years, 1934-1959, were new offices, and one-fourth were at the locations of absorbed banks. For that period as a whole approximately two-thirds of the absorbed banks were continued in operation as branches of the absorbing bank, though in recent years this proportion has been about nine out of ten. Thus bank absorptions now have comparatively little effect on changes in the number of banking offices, a different situation than prior to 1934, when only a few of the absorbed banks were continued as branches.

Much of this growth in the number of branches would not have been possible without changes in legislation regarding establishment of branches. Since 1920 many of the States have enlarged the areas within which

branches are permitted, and a few abolished laws prohibiting branch banking. The pressure for changed banking laws and the actual growth in the number of branches are both traceable to the same set of forces.

The most important underlying reason for the expansion in the number of branches has been a need for additional banking facilities. Whereas many parts of the nation were doubtless over-banked in 1921, by the end of 1933 an under-banked situation existed in many places as a consequence of the disappearance during the preceding four years of about 40 percent of the nation's banks. Some of the States in which bank suspensions had left many communities without adequate banking facilities and which had previously prohibited branch banking changed their banking codes to permit branches, at least for limited types of business. With the continued, though much slower, decline in the number of banks after 1934 additional branch offices were opened. However, at the end of World War II there were fewer banking offices in the United States than in 1934. During the intervening years there had been substantial increases in both population and national output, so that the accelerated growth in the number of branches since the end of World War II may be viewed as representing primarily a response to a need for banking facilities that had been accumulating since the depression of the 1930's.

An additional aspect of population growth which in recent years has been of particular importance to branch banking has been the great development of suburbs and expansion of metropolitan areas in many parts of the country. Except in States where branch banking is prohibited, this has led to the development of suburban business centers in which banks have found it advantageous to operate branches. Existing banks are usually desirous of opening branches in such areas prior to the time when an independent bank would appear to be profitable enough to stimulate its promotion. In addition, city banks have found that they need branches with parking facilities and drive-in windows that cannot be provided at their head office locations.

To some extent the increase in demand for banking facilities has been met by the organization of new banks. However, many places which are unable to support an independent bank can support a branch, sometimes doing only a limited business. More strict requirements of banking legislation and chartering authorities, in comparison with the period before 1920, make establishment of new banks more difficult in many instances.

In States permitting Statewide branch banking and to some degree in those permitting branches in limited areas, the growth in number of branches may also reflect intense competition between two or more large branch banking systems. This has led to aggressive drives for branch locations, including absorptions of unit banks. In such situations

competition may lead to establishment of a branch in an area of potential economic growth, thereby reducing the need for and making more difficult the establishment of a unit bank when the community achieves the size needed for profitable operation.

BANK CHANGES BY STATE

Table 19 shows for selected years—1880, 1900, 1920, 1934, and 1958—the number of banks in each State, and for the latter three of these years the number of banking offices. Table 20 shows for the same years the population per bank and per banking office in each State. Table 21 gives for each State the change in number of banks for three periods—1900 to 1920, 1920 to 1934, and 1934 to 1958—and in number of branches for the last two of these periods. Table 22 shows percentage changes in number of banks and number of banking offices in each State for the same periods.

Changes in number of banks by State, 1880-1958. When the growth in the number of banks prior to 1920 is looked at by States, it becomes evident that this growth was largely concentrated in the agricultural States of the Great Plains. Nine States of this area accounted for 45 percent of the net increase in number of banks between 1900 and 1920 in the entire United States. The extent to which the rapid increase in number of banks reduced the potential clientele of individual banks is indicated by the population per bank. In 1880 there was one State and in 1900 four States with fewer than 2,500 persons per bank. By 1920 there were thirteen States with less than 2,500 people per bank, all of them in the Great Plains and Rocky Mountain areas. The State with the lowest figure was North Dakota, with a bank for every 720 persons.

To a considerable degree the decline in number of banks between 1920 and 1934 was also concentrated in the agricultural States of the Great Plains, with the largest reductions in the nine States having the largest increases of the preceding twenty years. These States—Illinois, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, Oklahoma, and Texas—accounted for 50 percent of the net decrease in number of banks in the entire United States from 1920 to 1934.

The tremendous reduction in the number of banks between 1920 and 1934 reversed the trend toward more and more States with a small number of persons per bank, and raised the population per bank in almost every State. However, the data by States do not indicate that the consequence was an unduly small number of banks in any part of the country in comparison with the situation prior to 1900. In 1934, as in 1900, there were three States with a population per bank above 15,000, but in 1880 there had been fourteen States in this category. In 1934, as in 1900, there

Table 19. NUMBER OF BANKS AND BANKING OFFICES, SELECTED YEARS, BY STATE

State	Number of banks ¹					Number of banking offices ¹		
	1880	1900	1920	1934	1938	1920	1934	1938
Entire United States²	6,110	13,067	30,962	16,128	14,060	32,282	19,360	23,553
Continental United States	6,110	13,053	30,909	16,084	14,018	32,190	19,262	23,305
Alabama	39	107	352	221	239	372	237	301
Arizona	2	21	87	19	8	108	37	151
Arkansas	14	125	487	241	237	493	248	272
California	107	287	717	272	124	896	1,078	1,590
Colorado	45	118	403	165	181	403	165	187
Connecticut	199	205	237	199	151	251	209	353
Delaware	24	25	41	49	29	57	62	75
District of Columbia	7	20	45	22	13	49	52	73
Florida	8	38	263	150	280	265	150	293
Georgia	81	223	779	342	410	804	369	486
Idaho	6	40	222	63	28	222	89	109
Illinois	489	990	1,969	891	946	1,969	891	950
Indiana	239	489	1,057	548	463	1,060	587	711
Iowa	370	1,140	1,922	663	670	1,922	759	893
Kansas	153	487	1,349	741	593	1,349	741	607
Kentucky	134	314	584	441	360	585	466	476
Louisiana	25	78	267	149	186	347	203	342
Maine	136	150	162	105	87	194	164	210
Maryland	77	141	260	201	149	319	298	390
Massachusetts	482	468	526	404	356	526	548	777
Michigan	245	521	851	479	393	1,069	621	886
Minnesota	114	519	1,515	686	687	1,515	692	693
Mississippi	31	113	332	213	194	356	248	318
Missouri	212	676	1,652	703	613	1,652	703	617
Montana	10	56	431	120	115	431	120	116
Nebraska	78	516	1,225	447	423	1,227	450	425
Nevada	16	10	33	10	6	33	15	39
New Hampshire	117	116	126	113	109	127	114	113
New Jersey	112	190	402	426	283	423	543	670
New Mexico	11	14	123	42	53	128	44	95
New York	742	907	1,125	934	561	1,354	1,615	1,935
North Carolina	29	118	578	246	203	624	317	615
North Dakota	16	153	899	207	155	899	209	182
Ohio	426	721	1,145	707	609	1,251	876	1,174
Oklahoma		156	960	414	387	960	414	402
Oregon	9	78	277	106	56	278	136	221
Pennsylvania	623	795	1,482	1,133	750	1,518	1,242	1,465
Rhode Island	115	90	48	33	17	93	74	124
South Carolina	34	137	461	133	144	476	159	272
South Dakota	(*)	205	679	212	172	679	215	226
Tennessee	54	183	548	324	298	579	383	431
Texas	111	410	1,681	947	971	1,681	947	994
Utah	10	39	133	58	49	133	68	117
Vermont	70	89	108	96	64	108	108	95
Virginia	94	159	496	328	312	516	398	546
Washington	3	107	394	204	93	404	235	353
West Virginia	39	127	340	180	183	340	181	183
Wisconsin	145	349	976	627	556	985	722	708
Wyoming	7	33	160	60	52	160	60	53

¹ For 1880, 1900, and 1920, call dates nearest June 30, from sources described in Table 15; for 1934 and 1938, end-of-year call dates, from sources described in Table 16.

² Including territories and other areas (except the Philippines).

³ Included with North Dakota.

was no State with more than 25,000 persons per bank, though in 1880 there had been nine such States.¹

¹ In these comparisons the District of Columbia has been omitted because of its greater comparability with metropolitan areas than with the States.

From 1934 to 1958 the changes in number of banks by State were of great diversity. In twelve States the number of banks increased. In only one State was there a reduction in the population per bank. In the

**Table 20. POPULATION PER BANK AND PER BANKING OFFICE,
SELECTED YEARS, BY STATE**

State	Population per bank ¹					Population per banking office ¹		
	1880	1900	1920	1934	1958	1920	1934	1958
Entire United States.....	8,214	5,914	3,472	7,974	12,561	3,330	6,643	7,498
Continental United States....	8,208	5,822	3,420	7,857	12,360	3,284	6,561	7,434
Alabama.....	32,371	17,091	6,671	12,353	13,435	6,312	11,519	10,668
Arizona.....	20,220	5,854	3,841	24,368	142,500	3,094	12,514	7,550
Arkansas.....	57,323	10,493	3,598	7,876	7,451	3,554	7,653	6,493
California.....	8,081	5,174	4,779	22,831	115,621	3,825	5,761	9,017
Colorado.....	4,318	4,574	2,332	6,515	9,453	2,332	6,515	9,150
Connecticut.....	3,129	4,431	5,825	8,307	15,338	5,501	7,909	6,561
Delaware.....	6,108	7,389	5,439	5,122	15,655	3,912	4,048	6,068
District of Columbia.....	25,374	13,936	9,724	25,591	63,462	8,930	10,827	11,301
Florida.....	33,686	13,909	3,682	10,573	15,864	3,655	10,434	15,160
Georgia.....	19,039	9,512	3,717	8,787	9,312	3,602	8,144	7,856
Idaho.....	5,435	4,044	1,945	7,619	23,643	1,945	6,393	6,073
Illinois.....	6,294	4,870	3,294	8,705	10,453	3,294	8,705	10,409
Indiana.....	8,277	5,146	2,772	6,066	9,894	2,765	6,663	6,443
Iowa.....	4,390	1,958	1,251	3,775	4,212	1,251	3,298	3,388
Kansas.....	6,510	3,019	1,312	2,433	3,568	1,312	2,433	3,486
Kentucky.....	12,303	6,333	4,138	6,161	8,556	4,131	5,830	6,471
Louisiana.....	37,597	17,713	6,736	14,872	16,720	5,133	10,916	9,094
Maine.....	4,771	4,630	4,741	7,810	10,943	3,959	5,000	4,533
Maryland.....	12,142	8,426	5,576	8,532	19,339	4,544	5,755	7,579
Massachusetts.....	3,699	5,994	7,324	10,743	13,657	7,324	7,920	6,257
Michigan.....	6,681	4,647	4,311	9,775	20,015	3,432	7,539	8,878
Minnesota.....	6,848	3,375	1,576	3,885	4,913	1,576	3,351	4,870
Mississippi.....	36,503	13,728	5,393	9,793	11,268	5,030	8,415	6,874
Missouri.....	10,228	4,596	2,061	5,265	6,967	2,061	5,265	6,922
Montana.....	3,915	4,345	1,274	4,567	5,983	1,272	4,567	5,931
Nebraska.....	5,300	2,066	1,058	3,029	3,444	1,057	3,009	3,428
Nevada.....	3,891	4,234	2,346	9,900	44,500	2,346	6,600	6,346
New Hampshire.....	2,965	3,548	3,517	4,221	5,358	3,489	4,184	5,168
New Jersey.....	10,099	9,914	7,850	9,620	20,314	7,461	7,547	8,531
New Mexico.....	10,869	13,951	2,930	11,190	15,887	2,815	10,632	8,771
New York.....	6,850	8,014	9,231	13,905	28,929	7,670	8,041	8,337
North Carolina.....	48,267	16,049	4,423	13,602	22,409	4,101	10,555	7,397
North Dakota.....	8,448	2,086	720	3,213	4,194	720	3,182	3,571
Ohio.....	7,507	5,766	5,030	9,573	15,345	4,604	7,726	7,960
Oklahoma.....	.....	5,067	2,113	5,734	5,904	2,113	5,734	5,684
Oregon.....	19,418	5,302	2,823	9,557	31,661	2,818	7,449	8,023
Pennsylvania.....	6,374	7,927	5,834	8,615	14,301	5,744	7,859	7,577
Rhode Island.....	2,404	4,762	12,592	20,667	51,471	6,499	9,216	7,056
South Carolina.....	29,281	9,783	3,652	13,609	16,694	3,537	11,384	8,338
South Dakota.....	(²)	1,959	937	3,193	4,064	938	3,153	3,093
Tennessee.....	23,562	11,042	4,266	8,223	11,641	4,038	7,175	7,212
Texas.....	14,340	7,436	2,774	6,426	9,657	2,774	6,426	9,434
Utah.....	14,396	7,096	3,379	9,086	17,653	3,379	7,750	7,393
Vermont.....	4,746	3,861	3,263	3,750	5,813	3,263	3,333	3,916
Virginia.....	16,091	11,662	4,656	7,729	12,612	4,475	6,369	7,207
Washington.....	25,033	4,842	3,443	8,034	29,774	3,358	6,974	7,844
West Virginia.....	15,857	7,550	4,305	10,023	10,760	4,305	9,972	10,760
Wisconsin.....	9,072	5,928	2,697	4,829	7,083	2,672	4,194	5,562
Wyoming.....	2,969	2,304	1,215	3,950	6,154	1,215	3,950	6,038

¹ For 1880, 1900, and 1920 computed from number of banks and offices at call dates nearest June 30 and population at census dates; for 1934 and 1958 from number of banks and offices at end of year and population estimates for July 1. Data for number of banks and offices from Table 19; for population, from various issues of *Statistical Abstract of the United States*.

² Included with North Dakota.

remaining States there was a wide variation in the proportionate change in number of banks, and considerable differences in the rate of growth of population. As a consequence, by 1958 population per bank ranged from about 3,400 in Nebraska to 142,000 in Arizona.

Table 21. CHANGE IN NUMBER OF BANKS AND BRANCHES, SELECTED PERIODS, BY STATE

State	Change in number of banks ¹			Change in number of branches ¹	
	1900 to 1920	1920 to 1934	1934 to 1958	1920 to 1934	1934 to 1958
Entire United States.....	17,895	-14,834	-2,068	1,912	6,261
Continental United States.....	17,856	-14,825	-2,066	1,897	6,109
Alabama.....	245	-181	18	-4	46
Arizona.....	66	-68	-11	-3	125
Arkansas.....	362	-246	-4	1	28
California.....	430	-445	-148	627	660
Colorado.....	285	-238	16	.....	6
Connecticut.....	32	-88	-48	-4	192
Delaware.....	16	8	-20	-3	33
District of Columbia.....	25	-23	-9	26	30
Florida.....	225	-118	190	-2	18
Georgia.....	556	-487	68	2	49
Idaho.....	182	-159	-35	26	55
Illinois.....	979	-1,078	55	.....	4
Indiana.....	568	-509	-85	36	209
Iowa.....	782	-1,259	7	96	67
Kansas.....	862	-608	-148	.....	14
Kentucky.....	270	-143	-81	24	91
Louisiana.....	189	-118	37	-26	102
Maine.....	12	-57	-18	27	64
Maryland.....	119	-59	-52	38	144
Massachusetts.....	58	-122	-48	144	277
Michigan.....	830	-372	-86	-76	351
Minnesota.....	996	-829	1	6	.....
Mississippi.....	219	-119	-19	11	89
Missouri.....	976	-949	-90	.....	4
Montana.....	375	-311	-5	.....	1
Nebraska.....	709	-778	-24	1	-1
Nevada.....	23	-23	-4	5	28
New Hampshire.....	10	-18	-4	.....	8
New Jersey.....	212	24	-143	96	270
New Mexico.....	109	-81	11	-3	41
New York.....	218	-191	-378	452	698
North Carolina.....	460	-332	-43	25	341
North Dakota.....	746	-692	-52	2	25
Ohio.....	424	-438	-98	63	896
Oklahoma.....	804	-546	-27	.....	15
Oregon.....	199	-171	-50	29	185
Pennsylvania.....	687	-349	-383	73	606
Rhode Island.....	-42	-15	-16	-4	66
South Carolina.....	324	-328	11	11	102
South Dakota.....	474	-467	-40	3	51
Tennessee.....	365	-214	-86	18	134
Texas.....	1,271	-734	24	.....	23
Utah.....	94	-75	-9	10	58
Vermont.....	19	-12	-32	12	19
Virginia.....	837	-168	-16	50	164
Washington.....	287	-190	-111	21	229
West Virginia.....	213	-160	3	1	-1
Wisconsin.....	627	-349	-71	86	57
Wyoming.....	127	-100	-8	.....	1

¹ Computed from number of banks in Table 19, for dates near June 30, 1900 and 1920, and at end of year, 1934 and 1958; changes in number of branches computed from data for the same dates. Branches include facilities established in or near military or other Federal Government installations at request of the Treasury or Commanding Officer of the installation.

Changes in number of banking offices by State. Both in 1934 and in 1958 there was a narrower range in the population per banking office than in population per bank. In 1958, population per office ranged from about 3,100 in South Dakota to 15,100 in Florida. In 1934, the range

Table 22. PERCENTAGE CHANGE IN NUMBER OF BANKS AND BANKING OFFICES, SELECTED PERIODS, BY STATE

State	Percentage change in number of banks ¹			Percentage change in number of banking offices ¹	
	1900 to 1920	1920 to 1934	1934 to 1958	1920 to 1934	1934 to 1958
Entire United States	136.9	-47.9	-12.8	-40.0	21.7
Continental United States	136.8	-48.0	-12.8	-40.2	21.0
Alabama.....	229.0	-37.2	8.1	-36.3	27.0
Arizona.....	314.3	-78.2	-87.9	-65.7	308.1
Arkansas.....	239.6	-50.5	-1.7	-49.7	9.7
California.....	149.8	-62.1	-54.4	20.3	47.5
Colorado.....	241.5	-59.1	9.7	-59.1	13.3
Connecticut.....	15.6	-16.0	-24.1	-16.7	68.9
Delaware.....	64.0	19.5	-40.8	8.8	21.0
District of Columbia.....	125.0	-51.1	-40.9	6.1	40.4
Florida.....	592.1	-43.0	86.7	-42.6	92.8
Georgia.....	249.3	-56.1	19.9	-54.1	31.7
Idaho.....	455.0	-71.6	-55.6	-59.9	22.5
Illinois.....	98.9	-54.7	6.2	-54.7	6.6
Indiana.....	116.2	-48.2	-15.5	-44.6	21.1
Iowa.....	68.6	-65.5	1.1	-60.5	9.7
Kansas.....	177.0	-45.1	-20.0	-45.1	-18.1
Kentucky.....	86.0	-24.5	-18.4	-20.3	2.1
Louisiana.....	242.3	-44.2	24.8	-43.5	68.5
Maine.....	8.0	-35.2	-17.1	-15.5	28.0
Maryland.....	84.4	-22.7	-25.9	-6.6	30.9
Massachusetts.....	12.4	-23.2	-11.9	4.2	41.8
Michigan.....	63.3	-43.7	-18.0	-41.9	42.7
Minnesota.....	191.9	-54.7	-1	-54.3	.1
Mississippi.....	193.8	-35.8	-8.9	-30.3	28.2
Missouri.....	144.4	-57.4	-12.8	-57.4	-12.2
Montana.....	669.6	-72.2	-4.2	-72.2	-3.3
Nebraska.....	137.4	-63.5	-5.4	-63.3	-5.6
Nevada.....	230.0	-69.7	-40.0	-54.5	160.0
New Hampshire.....	8.6	-10.3	-3.5	-10.2	-9
New Jersey.....	111.6	6.0	-33.6	28.4	23.4
New Mexico.....	778.6	-65.9	26.2	-65.6	118.2
New York.....	24.0	-17.0	-39.9	19.3	19.8
North Carolina.....	339.8	-57.4	-17.5	-49.2	94.0
North Dakota.....	487.6	-77.0	-25.1	-76.3	-12.9
Ohio.....	53.8	-38.2	-13.9	-30.0	34.0
Oklahoma.....	515.4	-56.9	-6.5	-56.9	-2.9
Oregon.....	255.1	-61.7	-47.2	-51.1	62.5
Pennsylvania.....	86.4	-23.5	-33.8	-18.2	18.0
Rhode Island.....	-46.7	-31.3	-48.5	-20.4	67.6
South Carolina.....	236.5	-71.1	8.3	-66.6	71.1
South Dakota.....	231.2	-68.8	-18.9	-68.3	5.1
Tennessee.....	199.5	-39.1	-10.8	-33.9	25.6
Texas.....	310.0	-43.7	2.5	-43.7	5.0
Utah.....	241.0	-56.4	-15.5	-48.9	72.1
Vermont.....	21.3	-11.1	-33.3	.....	-12.0
Virginia.....	211.9	-33.9	-4.9	-22.9	37.2
Washington.....	268.2	-48.2	-54.4	-41.8	50.2
West Virginia.....	167.7	-47.1	1.7	-46.8	1.1
Wisconsin.....	179.7	-35.8	-11.3	-26.7	-1.9
Wyoming.....	384.8	-62.5	-13.3	-62.5	-11.7

¹ Computed from number of banks and offices in Table 19, for dates near June 30, 1900 and 1920, and at end of year, 1934 and 1958.

was rather similar, from 2,500 in Kansas to 12,500 in Arizona. These differences between the changes in population per bank, on the one hand, and population per office, on the other, are, of course, the result of rapid expansion of branch banking in some States and its absence or limited development in other States.

The differences among the States in the development of branch banking have been decisively influenced by State legislation. Statewide branch banking has become prevalent in nearly a third of the States; limited area branch banking, largely within county limits, has become prevalent in a third of the States; and unit banking remains predominant in more than a third of the States. Table 23 shows the States in each of these categories at the end of 1958, together with a sub-classification and with notes regarding variations among State laws respecting places in which branches may be located.

Table 23. CLASSIFICATION OF STATES ACCORDING TO STATUS OF BRANCH BANKING AND LOCATIONAL REQUIREMENTS FOR BRANCHES, DECEMBER 31, 1958¹

Statewide branch banking prevalent ²		Limited area branch banking prevalent		Unit banking prevalent throughout the State	
Without locational limitations ³	With some locational conditions ⁴	Countywide ⁵	Other ⁶	With limited branch banking ⁷	Without branch banking ⁸
Arizona California Delaware Maryland Nevada North Carolina Rhode Island South Carolina Vermont	Connecticut Idaho Oregon Utah Washington	Indiana Kentucky Louisiana Massachusetts Michigan New Jersey New Mexico Ohio Tennessee	Alabama District of Columbia Georgia Maine Mississippi New York Pennsylvania Virginia	Arkansas Iowa Kansas North Dakota Oklahoma South Dakota Wisconsin	Colorado Florida Illinois Minnesota Missouri Montana Nebraska New Hampshire Texas West Virginia Wyoming

¹ Capital requirements, and those pertaining to approval by the supervisory authority, are not considered in this classification. Minor locational requirements in a few States, such as a requirement that any branch established shall be within the limits of a city or incorporated town, are also neglected. For the most part, the classification is also applicable to the major part of period since Dec. 31, 1920.

² Several of these States did not permit branches prior to 1933.

³ Capital requirements according to location of branch are not included here as locational requirements.

⁴ The locational conditions in these States are each different, but all follow the principle that a branch can be established in a place outside of the head office town or county which has an operating bank only by absorption of an existing bank.

⁵ In Kentucky, Massachusetts, and New Jersey establishment of a branch outside of the parent bank's head office town or municipality is limited to specified conditions, such as through absorption or in a place with no bank or with one under liquidation. In Louisiana, Michigan, and New Mexico, a branch may be established in an adjoining county or within a certain distance from the parent bank, under specified similar conditions.

⁶ Alabama: within the head office county in eleven counties and within the head office city in two other counties. District of Columbia: throughout the District (classified in this category because District-wide branch banking is more comparable to countywide or citywide branch banking than to statewide branch banking). Georgia: within head office city in the two largest cities, and throughout the State if established prior to 1927. Maine: within head office county or contiguous county. Mississippi: limited function offices within head office county or contiguous county, but not in a place under 3,500 population with an existing office; other branches under more stringent restrictions. New York: within head office city or district (each district consisting of 3 to 15 counties), but in a city or village with an operating bank only through absorption of a bank. Pennsylvania: within head office county or contiguous county or by absorption of an existing bank. Virginia: within head office city or county.

⁷ Limited function offices permitted within specified distance from head office or in a place with no operating bank within the head office county or contiguous county, to be closed (in most cases) upon establishment of a bank; and in Wisconsin, only if established prior to 1947. In South Dakota, other branches upon absorption of a bank, without locational restrictions.

⁸ The few branches in these States were established prior to existing prohibitory legislation or under unusual circumstances.

Table 24. COMMERCIAL BANKS AND BRANCHES, 1920 AND 1958, IN STATES GROUPED ACCORDING TO THE STATUS OF BRANCH BANKING AT THE END OF 1958, BY METROPOLITAN AND OTHER AREAS

Status of branch banking and type of area	Number of banks		Number of branches		Change from 1920 to 1958	
	Dec. 31, 1920	June 30, 1958	Dec. 31, 1920	June 30, 1958 ¹	Banks	Branches
Continental United States—total.....	30,434	13,483	1,252	8,253	-16,951	7,001
Metropolitan area counties².....	6,329	3,201	847	5,476	-3,128	4,629
Other counties.....	24,105	10,282	405	2,777	-13,823	2,372
States with statewide branch banking:³						
9 States without locational limitations:						
Metropolitan area counties.....	734	202	168	1,547	-532	1,879
Other counties.....	1,598	523	174	821	-1,075	647
5 States with some locational limitations:						
Metropolitan area counties.....	289	120	4	315	-169	311
Other counties.....	888	182	8	879	-706	371
States with limited area branch banking prevalent:⁴						
9 States with countywide branch banking prevalent:						
Metropolitan area counties.....	1,494	796	408	1,742	-698	1,334
Other counties.....	3,802	1,993	97	579	-1,809	482
7 States and D.C. with other limited area branch banking prevalent:⁴						
Metropolitan area counties.....	1,711	762	258	1,801	-949	1,543
Other counties.....	2,911	1,666	114	617	-1,245	503
States with unit banking prevalent throughout the State:⁵						
7 States with limited branch banking:⁵						
Metropolitan area counties.....	610	320	8	61	-290	53
Other area counties.....	6,723	2,441	8	377	-4,282	369
11 States without branch banking:⁶						
Metropolitan area counties.....	1,491	1,001	1	10	-490	9
Other area counties.....	8,183	3,477	4	4	-4,706	.....

¹ Excluding trust companies not regularly engaged in deposit banking and "facilities" at Federal Government establishments.

² Includes all metropolitan areas in continental United States as defined by the Bureau of the Budget, January 15, 1957, except that in States where metropolitan areas are defined in terms of cities and towns (Connecticut, Maine, Massachusetts, New Hampshire, and Rhode Island) counties with the majority of their population in the metropolitan portions are included in lieu of the specified cities and towns. Metropolitan area counties include the District of Columbia and 295 counties and independent cities out of 3,102 counties and independent cities in continental United States.

³ For the States in each group see Table 23.

⁴ For the branch banking areas see note 6 to Table 23.

⁵ For the type of branches permitted see note 7 to Table 23.

⁶ See note 8 to Table 23.

The growth of branch banking during the past quarter of a century should not be regarded as a sequel to the great decline in number of banks subsequent to 1920. The development of branch banking has occurred, for the most part, in different States and in different areas within States from those in which the decrease in number of banks was concentrated. Only 3 percent of the increase in number of branches from 1920 to 1958 was in the nine States which accounted for 50 percent of the great reduction in number of banks from 1920 to 1934. The increase in branches occurred chiefly in metropolitan areas; the decrease in banks in other areas. This is indicated in Table 24, which compares the number of commercial banks and branches in 1920 and 1958 in metropolitan and

other counties in States grouped according to the status of branch banking as shown in the preceding table. Of the total reduction of nearly 17,000 in number of commercial banks between the end of 1920 and the middle of 1958, nearly 14,000 were in counties not classified as metropolitan in 1958. In these counties the increase in number of branches during the same period was less than 2,400. In contrast, the metropolitan counties, with a decrease of about 3,100 in the number of banks from the end of 1920 to midyear 1958, showed an increase during the same period of about 4,600 in the number of branches.

Between 1920 and 1958, the total number of commercial banking offices in non-metropolitan counties declined by nearly 11,500; those in metropolitan areas increased by 1,500. In 1920, 79 percent of all commercial banks and 77 percent of all commercial banking offices were in the non-metropolitan counties; in 1958, 76 percent of all commercial banks but only 60 percent of all commercial banking offices were in the non-metropolitan counties. That is, in 1920, 21 percent of the commercial banks and 23 percent of commercial banking offices were in counties that in 1958 were classified as metropolitan; while in the latter year, 24 percent of the commercial banks and 40 percent of their offices were in the metropolitan areas.

ACCESSIBILITY OF BANKING OFFICES

Location of banking offices by size of center. The number of localities in which there is only a single banking office is sometimes cited as evidence of lack of competition. In using such figures careful attention must be given to the ability of such places to support more than one banking office. Table 25 gives a distribution of banking offices on June 30, 1958, according to the number of offices in the centers in which they were located and the population of those centers. This table differs from previous tabulations of this sort by treating each metropolitan area, rather than each city or town in such metropolitan areas, as a single center. In earlier tabulations, including those published in the annual reports of the Federal Deposit Insurance Corporation, numerous banking offices located in metropolitan areas, but not within the limits of the principal city therein, were classified as located in a place with only one or two banking offices, although in fact the patrons of such offices had convenient access to other offices within the metropolitan area. Those tabulations therefore gave an erroneous impression of the number of places served by only one or two banking offices.

It will be noted from this table that on June 30, 1958, 7,703 of the 21,736 commercial banking offices in the continental United States, excluding "facilities" at Federal Government establishments, were located in population centers with only one banking office. Put another

way, there were 7,703 population centers with only one banking office each. However, almost all of these centers had a population of less than 5,000 and three-fifths of such centers had a population of less than 1,000; some of them had less than 250 people. Thus although it is statistically correct to say that in each of these centers there was only one office available to provide banking services, this fact must be tempered by the realization that in most communities of this size it is probably impracticable, because unprofitable, for more than one banking office to operate successfully. Nevertheless, the figures do suggest that some population centers may be "underbanked" in the sense that an increase in banking facilities could be supported and would be advantageous to the communities. However, no final conclusion can be drawn with respect to the need for additional facilities in any particular case without going beyond the data available in this table to consider such questions as the existing availability of banking facilities in nearby communities.

Table 25. NUMBER OF OPERATING OFFICES OF COMMERCIAL BANKS IN THE CONTINENTAL UNITED STATES, JUNE 30, 1958

GROUPED BY NUMBER OF COMMERCIAL BANKING OFFICES
AND POPULATION OF CENTER IN WHICH LOCATED

Population of center or metropolitan area	All offices ¹	Offices in centers or metropolitan areas with—								
		1 office	2 offices	3 offices	4 offices	5 offices	6 offices	7 or 8 offices	9 to 19 offices	20 or more offices
All banking offices ¹	21,736	7,703	3,412	921	472	220	204	217	872	7,715
In centers or metropolitan areas with population of—										
Less than 250.....	644	642	2							
250 to 1,000.....	4,116	3,950	160	6						
1,000 to 5,000.....	4,843	2,919	1,788	120	16					
5,000 to 25,000.....	2,848	192	1,422	675	308	135	66	50		
25,000 to 100,000.....	860		40	120	148	80	132	132	208	
100,000 to 500,000.....	3,024					5	6	35	664	2,314
500,000 to 2,500,000.....	2,723									2,723
2,500,000 or more.....	2,678									2,678

¹ Excludes trust companies not regularly engaged in deposit banking and "facilities" at military or other Federal Government establishments.

Counties without banking facilities. The importance of considering the availability of banking facilities in nearby communities, when examining the need for such facilities in a place with only one banking office or none, may be illustrated by some of the counties in the nation with no banking office. In June 1958, there were 62 such counties, ranging in population in 1950 from 241 to over 17,000. The five with the largest populations in 1950 were as follows:

Alleghany County, Virginia, with a population of 17,000, is served by banks in an independent city (Covington) almost in its center, and another (Clifton Forge) at its border.¹

Sandoval County, New Mexico, with a population of 12,000, is situated north of Albuquerque and west of Santa Fe, both of which are in adjoining counties near the borders of Sandoval County, with the most populous portion of Sandoval in its southeastern corner directly between those two cities.

Spotsylvania County, Virginia, with a population of 12,000, has the independent city of Fredericksburg on its northeastern border.¹

Torrance County, New Mexico, with a population of 8,000, has its populous portion in its western side, which adjoins Bernalillo County in which Albuquerque is located.

Oconee County, Georgia, with a population of 7,000, is a small county not far from Athens, located in an adjoining county.

In all these cases, it is apparent that the size of population of the county cannot be used as a criterion for concluding that banking services are inadequate, though the availability of banking services in nearby cities also cannot be taken as conclusive evidence that banking services are reasonably available and adequate.

RELATIVE POSITION OF BANKS

The concern which has been expressed over the decline in number of banks has been accompanied by anxiety about concentration of banking services, for the nation as a whole or in various sections or localities, in the hands of a relatively small number of banks. To understand what changes have occurred, it is necessary to distinguish between various aspects of concentration and to make use of tabulations not hitherto available.

Increasing size of banks. The generally larger size of banks in recent years as compared with that of a quarter of a century ago, and the accompanying greater numbers and percentages of the banks in the upper categories and the reduced numbers and percentages in the smaller categories of standardized size groups, have been cited as an indication of increasing concentration in banking.² Such data, however, may reflect normal growth or wartime expansion without indicating any change in concentration. In a growing economy banks furnish the largest part of the money supply and therefore should be expected to grow in size, and in wartime the government may pursue financial policies resulting in an abnormal rate of expansion of bank assets and deposits. The growth in average size of banks in the United States has been due primarily to these factors. For example, the average commercial bank increased in size from \$2.6 million deposits in 1934 to \$16.0 million in deposits at the end of 1958. If there had been no change in number of banks during this period the average size of a commercial bank would have increased

¹ In Virginia, counties and independent cities are mutually exclusive areas, and county tabulations therefore exclude data for cities which are adjacent to or surrounded by a county.

² *Bank Mergers and Concentration of Banking Facilities*, Staff report to House Committee on the Judiciary, *op. cit.*, pp. 25-26.

to \$13.9 million, or more than five times as large as in 1934. The growth in average size of banks has therefore been dependent to only a minor extent upon the decrease in number of banks. As an indicator, therefore, banks with, say, \$100 million of deposits in 1934 should be compared with banks of more than \$500 million of deposits in 1958.

It is possible, of course, for concentration to increase even though the average size of banks merely keeps pace with the expansion of the banking system as a whole. That is, banks toward the lower end of the size scale may be smaller relative to the average, and those toward the upper end of the size scale larger relative to the average, than at some former time.

The hundred and the ten largest banks. A measure of change in the relative position of banks frequently used is the change in the proportion of total commercial bank deposits held by a selected number, such as 100 or 10, of the largest commercial banks. This avoids the use of banks in standardized size groups. Use of this measure indicates that concentration increased during the 1920's and 1930's, decreased during the 1940's, and was approximately unchanged during the 1950's. This is shown by Table 26 which gives for selected years from 1920 to 1958 the percentage of deposits of all commercial banks in continental United States held by the largest 100 and the largest 10 banks.¹ At the end of 1958, by number, the 100 largest banks comprised 0.74 percent, and the 10 largest 0.074 percent of all commercial banks in continental United States. The 100 largest held 46 percent and the 10 largest 20 percent of the deposits of all commercial banks. These ratios are slightly higher than in 1949, but substantially below those in 1934 and 1940.

Data for a given number of the largest banks do not give as accurate a measure of concentration as those for a selected percentage of the banks. The lower part of Table 26, therefore, gives the proportion of deposits of all commercial banks held by the largest one-half of 1 percent, and by the largest one-tenth of 1 percent, of such banks. These figures substantiate the conclusion that there was less concentration of the banking business in the largest banks in 1958 than in 1929 or 1940.

Group banking. The degree of concentrated control of banking in the United States is somewhat greater than the figures in the preceding table indicate. This is because of the development, over a period of several decades, of group and chain banking. Group banking refers to control through stock ownership by a corporation, trust, or similar organization; chain banking to ownership of stock in a number of banks by one individual, or one family, or by a small group of persons.² Data

¹ It is also supported by annual tabulations based on deposits of large banks as published in *The American Banker*, though such tabulations, because of the inclusion of deposits of foreign branches, exaggerate by about one percentage point the proportion of deposits of all commercial banks held by the largest banks.

² Federal Reserve Committee on Branch, Group and Chain Banking, *Banking Groups and Chains* (mimeographed, 1932); and *Federal Reserve Bulletin*, February 1938, p. 92.

for banking chains are not available for recent years, and those for earlier years are not as satisfactory as for groups.

Table 26. RELATIVE IMPORTANCE OF THE LARGEST COMMERCIAL BANKS IN CONTINENTAL UNITED STATES, DECEMBER 31, SELECTED YEARS, 1920-1958

Bank group	1920	1929	1934	1940	1949	1958
All commercial banks						
Number.....	30,444	24,287	15,518	14,477	14,156	13,499
Deposits (millions).....	\$35,947	\$51,282	\$40,060	\$65,431	\$145,174	\$215,995
Largest 100 banks						
Percent of number of all commercial banks.....	0.33%	0.41%	0.64%	0.69%	0.71%	0.74%
Deposits (millions).....	(¹)	\$21,506	\$21,462	\$37,081	\$64,611	\$98,731
Percent of deposits of all commercial banks.....	(¹)	41.9%	53.6%	56.7%	44.5%	45.7%
Largest 10 banks						
Deposits (millions).....	\$3,481	\$8,400	\$9,169	\$17,244	\$27,505	\$42,939
Percent of deposits of all commercial banks.....	9.7%	16.4%	22.9%	26.4%	18.9%	19.9%
Largest bank						
Deposits (millions).....	\$699	\$1,314	\$1,629	\$3,466	\$5,656	\$9,928
Percent of deposits of all commercial banks.....	1.9%	2.6%	4.1%	5.3%	3.9%	4.6%
Largest ½ of 1 percent of the banks						
Number of banks.....	152	121	78	72	71	67
Deposits (millions).....	(¹)	\$22,555	\$20,135	\$34,159	\$58,519	\$87,333
Percent of deposits of all commercial banks.....	(¹)	44.0%	50.3%	52.2%	40.3%	40.4%
Largest 1/10 of 1 percent of the banks						
Number of banks.....	30	24	16	14	14	13
Deposits (millions).....	(¹)	\$13,315	\$11,897	\$20,360	\$32,607	\$48,305
Percent of deposits of all commercial banks.....	(¹)	26.0%	29.7%	31.1%	22.5%	22.4%

¹ Not available.

Table 27. RELATIVE IMPORTANCE OF THE LARGEST COMMERCIAL BANKS OR BANK GROUPS, CONTINENTAL UNITED STATES, DECEMBER 31, 1934, 1940 AND 1958

Bank group	1934	1940	1958
All commercial banks or bank groups			
Number.....	15,006	14,099	13,097
Deposits (millions).....	\$40,060	\$65,431	\$215,995
Largest 100 banks or bank groups			
Percent of all commercial banks or bank groups.....	0.67%	0.71%	0.76%
Deposits (millions).....	\$22,718	\$38,343	\$105,961
Percent of deposits of all commercial banks.....	56.7%	59.4%	49.1%
Largest 10 banks or bank groups			
Deposits (millions).....	\$9,501	\$17,577	\$44,708
Percent of deposits of all commercial banks.....	23.7%	26.9%	20.7%
Largest ½ of 1 percent of the banks or bank groups			
Number of banks or groups.....	75	70	65
Deposits (millions).....	\$21,253	\$35,800	\$93,509
Percent of deposits of all commercial banks.....	53.1%	54.7%	43.3%
Largest 1/10 of 1 percent of the banks or bank groups			
Number of banks or groups.....	15	14	13
Deposits (millions).....	\$11,959	\$20,996	\$51,159
Percent of deposits of all commercial banks.....	29.9%	32.1%	23.7%

Table 27 shows for 1934, 1940, and 1958 measures of bank concentration similar to those in the preceding table, except that the deposits of banks that were members of a group have been tabulated as though they were branches of the leading bank in the group.¹ Tabulation of the data in this way shows that at the end of 1958 one-half of 1 percent of the banks or groups held 43 percent of the deposits of all commercial banks, compared with 40 percent held by the same percentage of the banks. Similarly, one-tenth of 1 percent of the banks and groups held 24 percent of the deposits of all commercial banks, compared with 22 percent held by the same percentage of the banks. The data available for chains indicate that these percentages would be increased very little by treating chains also as though they were branch systems.² The data for banks and groups, like those for banks, show considerably less concentration in 1958 than in 1934 or 1940.

Relative position of banks by States. It is well known that banking concentration in the United States is far below that in other countries, such as Canada, Great Britain, and Germany, where nationwide branch banking is permitted. In the United States, similarly, there is a tendency for the greatest concentration to occur in the States with statewide branch banking. This is illustrated by Table 28, which shows for four dates the percentages of deposits in the largest bank and the largest five banks in each State, with the States grouped in three categories: those in which statewide branch banking is prevalent, those in which limited area branch banking is prevalent, and those in which unit banking is prevalent throughout the State.

In the statewide branch banking States the largest five banks in 1958 held from 35 percent to 99 percent of the total deposits of all commercial banks in the State. In States with limited area branch banking the corresponding range was from 25 percent to 52 percent and in the States with unit banking predominant from 18 percent to 44 percent. In the majority of the States with statewide branch banking the largest bank alone held more than 30 percent of the total deposits of all commercial banks in the State. In the States with limited area branch banking or unit banking no bank held so large a proportion.

In all of the States except Florida, Louisiana, and New Hampshire, there was a greater concentration of deposits in the largest bank, and in the largest five banks, in 1958 than in 1920. However, most of this increase occurred between 1920 and 1934, and almost all of it between 1920 and 1940. From 1940 to 1958 the percentage of all commercial bank

¹ Tabulations by the Federal Deposit Insurance Corporation, with banks members of groups identified from Federal Reserve records and other sources.

² In 1939 and 1941 the deposits of chains for which information was available were 12 and 11 percent, respectively, of the deposits of groups, though the number of chains was more than twice the number of groups. *Banking and Monetary Statistics* (Board of Governors of the Federal Reserve System, 1943), pp. 317-322.

deposits in the largest bank declined in 31 States, remained the same in 1 State, and increased in 16 States. During the same period the percentage of all commercial bank deposits in the largest five banks declined in 30 States, and increased in 18 States. Of the States with an increased concentration, whether measured by the largest bank or the largest five banks, the majority were in the group with statewide branch banking prevalent.

Figures are also given in Table 28 to show for 1934, 1940, and 1958 bank concentration in each State if the members of any bank group in a State are tabulated as a bank and branches in that State.¹ These data differ in one important respect from the tabulations by banks without regard to group banking: they show much more concentration in some of the States in which unit banking is predominant throughout the State. However, they show the same results with respect to changes over time, namely, that in most of the States the largest bank or bank group, and the largest five banks or bank groups, held in 1958 smaller proportions than in 1940 of the deposits of all commercial banks in the State.

Relative position of banks in leading cities or metropolitan areas. Another frequently used method of indicating bank concentration pertains to the proportion of all bank assets or deposits in a given city held by the largest bank, or by a few of the largest banks. A tabulation of this kind was presented in a statement before the Senate Banking and Currency Committee considering bank merger legislation.² Such a tabulation spotlights those cities in which the degree of bank concentration may seem excessive. However, such figures may be misleading because they do not take into account banking facilities in the full metropolitan areas of the respective cities.

In many cities, as in the majority of the States, there has been a decrease in banking concentration in recent years, even if no allowance is made for the inclusion of metropolitan areas. Of the 53 cities included in the tabulation as of June 30, 1956, presented to the Senate Banking and Currency Committee, two-fifths had less bank concentration than on June 30, 1936, whether the concentration is measured by the proportion of assets held by the largest bank or by the largest five banks in the city. If only the proportion of assets held by the largest bank is considered, in over three-fifths of the cities the largest bank owned a smaller percentage of the assets in 1956 than in 1936. These findings have no bearing, of course, on the question of whether there was an excessive degree of concentration on either date in many cities; the point is simply that measurements of this type for a single recent date may lead to the inference that concentration in major cities is increasing, whereas the facts do not warrant such a conclusion.

¹ Data are not available for making this kind of tabulation for 1920.

² *Regulation of Bank Mergers*, Hearings before the Committee on Banking and Currency, United States Senate, 86th Congress, 1st session, on S. 1062, p. 88.

Table 28. DEPOSITS IN THE LARGEST COMMERCIAL BANK, AND IN THE LARGEST FIVE COMMERCIAL BANKS, IN EACH STATE, 1920, 1934, 1940 and 1958

State	Percentage of all deposits in the largest bank or bank group ¹				Percentage of all deposits in the largest five banks or bank group ¹			
	Dec. 31, 1920	Dec. 31, 1934	Dec. 31, 1940	Dec. 31, 1958	Dec. 31, 1920	Dec. 31, 1934	Dec. 31, 1940	Dec. 31, 1958
	14 States with statewide branch banking prevalent							
Nevada.....	12.5	52.9	77.1 (80.8)	65.9 (75.4)	49.4	83.7	91.3 (94.8)	98.5 (100.0)
Rhode Island.....	30.7	33.9 (41.6)	35.7 (38.0)	53.9	71.9	81.5 (84.1)	79.6 (81.9)	96.2
Arizona.....	6.4	25.8	46.1	47.5	26.7	68.2	85.3 (89.2)	98.8 (99.4)
California.....	6.9	29.9 (30.6)	34.3 (35.5)	43.6	23.4	63.1 (63.9)	65.2 (66.4)	75.9 (80.2)
Oregon.....	11.9	40.6	45.6	43.4	42.0	73.2	87.3 (87.7)	89.1
Delaware.....	23.6	35.2	52.0	38.0	68.4	73.3	81.3	86.1
Idaho.....	4.9	29.7	27.5	36.3	13.7	57.4 (60.2)	68.0	85.9
Washington.....	5.5	24.9	35.2	33.3	22.4	53.3 (55.6)	69.1	72.3 (73.1)
Utah.....	8.3	19.1 (26.1)	19.2 (25.6)	31.9 (32.9)	32.6	65.4 (79.3)	61.6 (77.8)	77.6 (78.6)
South Carolina.....	5.0	14.2	25.2	25.3	12.6	46.0	51.3	51.1
North Carolina.....	5.3	19.2	20.5	20.6	13.9	43.9	43.4	47.1
Connecticut.....	4.6	11.8	12.6	18.0	21.7	35.6 (37.3)	38.7	53.5
Maryland.....	4.9	30.7	29.5	12.7	20.3	52.5	55.3	48.4
Vermont.....	4.7	5.8	6.2	10.2	18.8	21.9	22.6	35.4
16 States with limited area branch banking prevalent								
Massachusetts.....	11.2	32.3 (37.4)	33.6 (38.6)	28.7	35.5	55.6 (61.4)	57.7 (63.5)	50.4 (60.8)
Michigan.....	8.5	30.2	30.6	21.6	26.2	55.1	57.7	51.0
Alabama.....	18.5	20.1 (21.1)	21.4	18.2	34.4	51.0 (51.9)	54.5	40.8
Georgia.....	10.2	26.7	24.1	17.3 (21.1)	26.1	60.7 (67.3)	61.7 (67.6)	48.1 (56.7)
New Mexico.....	10.6	14.4	17.4	17.1	27.3	55.3	54.3	46.3 (55.5)
New York.....	8.6	13.4	16.0	16.3	23.5	46.0	51.7	52.1
Louisiana.....	16.3	30.2	26.1	15.2	47.1	63.2	59.1	39.6
Pennsylvania.....	3.1	9.0 (17.7)	11.4 (18.5)	13.4	12.4	30.0 (39.0)	32.9 (42.0)	37.3
Maine.....	6.3	7.4	8.4	12.9	29.1	29.2 (30.4)	29.3 (29.9)	40.5
Ohio.....	12.0	16.0	15.8	12.7	25.5	38.1 (39.2)	38.3 (38.9)	32.9 (35.1)
Mississippi.....	3.2	4.5	6.9	11.8	19.8	19.7	22.2	23.8
Kentucky.....	9.3	13.3	14.7	11.7	21.9	32.9 (35.8)	36.6 (39.6)	32.2 (32.8)
Tennessee.....	6.0	11.0 (15.9)	13.8 (14.5)	11.2	24.7	46.3 (56.1)	43.7 (55.4)	40.3
Indiana.....	3.6	12.6	14.2	10.3	11.8	27.3	29.5	27.4
Virginia.....	6.3	11.9	12.1	7.5	20.0	34.4	35.2	27.5
New Jersey.....	4.9	8.7	8.8	6.8	16.3	21.6 (21.8)	21.9	24.6

18 States with unit banking prevalent

Nebraska.....	4.5	13.2 (15.9)	14.4	16.5	15.2	40.5 (47.6)	41.7 (45.6)	36.6 (39.9)
Wisconsin.....	10.7	24.9 (34.5)	24.8 (31.4)	16.3 (20.2)	20.6	38.5 (46.9)	38.7 (44.0)	29.3 (32.9)
Illinois.....	10.5	27.5	28.0	16.1	25.9	70.1	66.5	42.2
Colorado.....	9.8	19.0	18.2	15.7	33.4	57.7	54.7	44.1
North Dakota.....	5.9	28.0	21.5	15.3	11.7	44.0 (67.2)	37.5 (58.5)	27.8 (56.8)
Oklahoma.....	5.7	12.9	13.7	13.5	15.4	42.1	44.5	43.5
Minnesota.....	6.6	17.1 (38.4)	15.5 (35.9)	12.1 (29.7)	30.0	53.9 (70.4)	51.4 (67.8)	35.8 (63.8)
Wyoming.....	8.1	9.6	12.3	11.9 (16.8)	25.0	38.1	40.6	41.2 (46.0)
Missouri.....	9.4	16.5	16.9	9.9	25.4	55.3 (56.1)	53.4	36.6 (37.3)
South Dakota.....	2.1	6.0 (29.4)	10.5 (28.6)	3.8 (24.1)	6.9	21.6 (49.5)	36.1 (48.7)	30.3 (42.3)
Kansas.....	1.5	6.5	7.3	7.8 (8.4)	5.8	21.6	22.2	18.8 (19.4)
Texas.....	2.7	8.6	7.7	7.7	11.0	25.4 (26.8)	23.3 (24.6)	27.7
Arkansas.....	4.1	8.1	10.7	7.0	14.0	31.8	36.7	24.1
Florida.....	9.7	14.9 (18.9)	14.0 (17.9)	6.8 (13.4)	28.0	46.7 (59.4)	42.6 (58.3)	21.0 (34.1)
West Virginia.....	3.2	8.5	7.7	6.5	12.7	31.0	30.0	24.3
New Hampshire.....	7.5	6.9 (7.6)	5.9 (8.5)	6.1 (10.8)	23.9	29.2 (31.4)	26.2 (29.3)	25.3 (31.4)
Montana.....	4.1	9.2 (38.0)	8.6 (37.0)	5.6 (30.6)	15.4	38.3 (69.3)	36.4 (63.9)	24.5 (57.3)
Iowa.....	1.6	7.8 (10.7)	6.3 (8.7)	4.6 (6.7)	6.0	23.6 (26.6)	22.6 (25.0)	17.6 (19.6)

¹ Figures in parentheses indicate percentages if banks in a group are tabulated as a bank and branches in the State.

Table 29. DEPOSITS IN THE LARGEST COMMERCIAL BANK, AND IN THE LARGEST FIVE COMMERCIAL BANKS, IN THE PRINCIPAL COUNTY (OR COUNTIES) IN 48 METROPOLITAN AREAS, 1920, 1934, AND 1958¹

Metropolitan area	Percentage of all deposits in the largest bank or bank group ²			Percentage of all deposits in the largest five banks or bank group ²		
	Dec. 31, 1920	Dec. 31, 1934	Dec. 31, 1958	Dec. 31, 1920	Dec. 31, 1934	Dec. 31, 1958
31 metropolitan areas in States with limited area branch banking prevalent						
Birmingham: Jefferson County, Alabama.....	43.8	64.0 (66.9)	62.1	89.9	96.7 (99.2)	98.8
Norfolk-Portsmouth: Norfolk County and Norfolk and Portsmouth Cities, Virginia.....	22.1	48.8	56.3	61.7	92.3	97.2
Toledo: Lucas County, Ohio.....	19.9	71.3	54.9	64.9	97.3	98.6
Dayton: Montgomery County, Ohio.....	33.1	54.4	54.6	69.1	94.3	93.5
Pittsburgh: Allegheny County, Pennsylvania.....	11.9	24.3 (62.6)	53.1	39.6	70.5 (84.6)	85.3
Boston: Suffolk County, Massachusetts.....	18.1	50.3 (50.4)	52.2	57.5	86.3 (86.4)	91.6
Knoxville: Knox County, Tennessee.....	24.9	64.1	50.4	82.6	99.4	100.0
Columbus: Franklin County, Ohio.....	13.2	40.1 (41.8)	49.6 (52.1)	56.7	95.0 (96.6)	92.8 (95.3)
Buffalo: Erie and Niagara Counties, New York.....	31.4	41.6 (52.2)	48.8	64.7	86.6 (91.3)	95.2
Akron: Summit County, Ohio.....	25.1	32.1	46.4	68.2	96.1	96.8
Rochester: Monroe County, New York.....	22.6	27.3	46.0	73.2	86.8	99.6
Memphis: Shelby County, Tennessee.....	25.5	40.4	45.5	65.9	99.3	97.2 (97.4)
Atlanta: DeKalb and Fulton Counties, Georgia.....	26.2	65.5	44.6	86.7	98.9	89.7 (92.5)
Cleveland: Cuyahoga County, Ohio.....	39.5	52.0	44.4	80.2	98.2	97.3
Indianapolis: Marion County, Indiana.....	20.7	39.6	41.7	65.8	86.0	99.5
New Orleans: Orleans County, Louisiana.....	30.9	52.9	41.6	89.2	100.0	99.7
Detroit: Wayne County, Michigan.....	19.3	53.8	41.2	59.4	95.5	89.4
Nashville: Davidson County, Tennessee.....	35.3	48.8 (49.0)	39.8	84.5	99.3 (99.7)	98.9
Syracuse: Onondaga County, New York.....	37.8	46.0 (48.9)	33.6	90.7	92.4	97.6
Albany-Schenectady-Troy: Albany, Rensselaer and Schenectady Counties, New York.....	20.7	29.4	33.3	61.4	76.6	81.2
Cincinnati: Hamilton County, Ohio.....	18.2	26.0	33.0	56.8	80.0	94.9
Louisville: Jefferson County, Kentucky.....	35.9	35.2	32.5	79.9	85.9 (89.5)	89.7 (91.4)
Washington: District of Columbia.....	13.7	29.4	32.4	45.8	68.1	85.0
Richmond: Richmond City and Henrico County, Virginia.....	24.5	39.5	31.3 (35.3)	75.4	91.6	94.9
Springfield-Holyoke: Hampden County, Massachusetts.....	15.4	29.0 (29.1)	29.0	61.7	80.6	85.7
Youngstown: Mahoning and Trumbull Counties, Ohio.....	23.6	26.2	25.5	65.1	80.4	84.4
Philadelphia: Philadelphia County, Pennsylvania.....	10.3	26.7	25.1	31.6	65.4	85.1
New York City: Bronx, Kings, New York, Queens, and Richmond Counties, New York.....	10.6	15.9	20.5	34.9	54.8	65.8
Wilkesbarre-Hazleton: Luzerne County, Pennsylvania.....	9.8	15.4	20.4	31.2	43.6	55.1
Allentown-Bethlehem-Easton: Lehigh and Northampton Counties, Pennsylvania.....	6.8	10.3	16.9	30.5	41.3	49.9
Northeastern New Jersey: Essex, Hudson, and Passaic Counties, New Jersey.....	8.9	15.3	16.0	29.7	37.9 (38.3)	58.1

FEDERAL DEPOSIT INSURANCE CORPORATION

17 metropolitan areas in States with unit banking prevalent

Omaha: Douglas County, Nebraska	21.0	84.1	47.4	71.6	95.5 (98.4)	91.2 (94.5)
Oklahoma City: Oklahoma County, Oklahoma	26.1	51.3	44.5	68.6	95.6	83.3
Milwaukee: Milwaukee County, Wisconsin	38.3	64.3 (67.7)	43.3 (48.5)	78.5	92.9 (94.9)	74.8 (77.0)
Wheeling-Steubenville: Ohio County, West Virginia	23.9	44.3	41.0	64.0	85.0	91.0
Fort Worth: Tarrant County, Texas	23.6	46.0	36.9	77.4	98.4	83.8 (87.3)
Dallas: Dallas County, Texas	27.1	45.7	34.8	34.3	96.5 (99.0)	87.8
Charleston: Kanawha County, West Virginia	27.2	48.2	32.9	76.2	97.7	88.8
Jacksonville: Duval County, Florida	40.7	46.0	31.9 (34.9)	93.0	100.0	89.5 (95.4)
Houston: Harris County, Texas	24.1	21.7	30.8	33.0	79.7	75.6
Kansas City: Clay and Jackson Counties, Missouri	13.3	36.5 (39.1)	29.7	53.7	82.8 (85.4)	71.5 (73.9)
Denver: Denver County, Colorado	20.5	31.6	28.8	70.0	93.3	80.9
San Antonio: Bexar County, Texas	15.5	39.1	28.5	63.2	94.8	78.7
Miami: Dade County, Florida	32.0	59.8 (65.1)	27.5	90.7	94.1 (99.3)	53.3 (55.1)
Minneapolis-St. Paul: Hennepin and Ramsey Counties, Minnesota	18.7	29.6 (59.1)	24.2 (45.3)	60.0	90.8 (97.7)	71.3 (92.2)
Chicago: Cook County, Illinois	16.2	34.3	22.5	39.9	87.3	59.1
St. Louis: St. Louis City and St. Louis County, Missouri	23.7	34.0	22.1	59.2	80.1	60.7 (63.6)
Tampa-St. Petersburg: Hillsborough and Pinellas Counties, Florida	20.8	33.4	15.6	66.0	86.9	57.8

¹ Principal counties in 47 of the 57 most populous metropolitan areas in continental United States, as defined by the Bureau of the Budget, January 15, 1957. The metropolitan areas to which the table pertains are those with a population in 1950 of over 300,000, excluding 10 which are in States with statewide branch banking prevalent. For this table the New York-Northeastern New Jersey metropolitan area is divided between the New York and the New Jersey portions, so that 48 areas are listed. In these areas, as defined by the Bureau of the Budget, there are 139 counties and independent cities and the District of Columbia. Of these, 66 counties and independent cities and the District of Columbia are included in this tabulation as principal counties. For treatment of counties in New England States (where metropolitan areas are defined in terms of cities and towns) see note 2 to Table 24.

² Figures in parentheses indicate percentages if banks in a group are tabulated as a bank and branches in the area.

RELATIVE POSITION OF BANKS

A more comprehensive tabulation relating to banking concentration by cities is given in Table 29, which shows for 48 metropolitan areas the percentage of all commercial bank deposits in the principal counties of the area that were held by the largest bank, and by the largest five banks, in 1920, 1934, and 1958.¹ The 48 metropolitan areas are in States in which limited area branch banking, or unit banking throughout the State, is prevalent. Similar tabulations from available data for ten metropolitan areas in the States in which statewide branch banking is prevalent are not presented because they would be meaningless.²

At the end of 1958 the percentage of the deposits of the banks in the principal metropolitan area counties held by the largest bank ranged from 16 percent to 62 percent in the 48 metropolitan areas; the corresponding range in 1934 was from 10 percent to 71 percent, and in 1920 from 7 percent to 44 percent. The percentage of deposits held by the largest five banks in the respective areas ranged from 50 percent to 100 percent in 1958, from 38 percent to 100 percent in 1934, and from 30 percent to 93 percent in 1920. These ranges indicate a tendency for an increasing concentration from 1920 to 1934 and suggest that there may have been a similar tendency from 1934 to 1958. But when the data for the individual metropolitan areas are examined, it is clear that there was considerable difference between the two periods. In all but two of the 48 areas the largest bank held a larger proportion of the deposits of all the banks in 1934 than in 1920, and in all but one the proportion held by the largest five banks also increased. But in 29 of the areas, the largest bank in 1958 held a smaller proportion than in 1934 of the deposits of all the banks; and in 25 of the areas, the largest five banks in 1958 held a smaller proportion than in 1934 of the deposits of all the banks. Evidently, in the majority of these metropolitan areas, any increased concentration since 1934 consequent upon bank mergers has been more than offset by expansion of the smaller banks of the area.

In 19 of the 48 metropolitan areas tabulation of the banks in a group as though they were a bank and branches yields higher figures for percentages of the deposits of the area held by the largest bank or bank group, or by the largest five banks or bank groups, or both, for 1934 or 1958, or both of these years, than for the largest bank or the largest five banks. However, as in the case of the data by States, these do not affect the conclusion that in a majority of the metropolitan areas the degree of concentration of deposits in one or in five banks or bank groups was less in 1958 than in 1934.

¹ Tabulations for 1940, included in the preceding table by States, are not given because tabulations pertaining to all banks by county are not available. The State data suggest that the bank concentration in metropolitan areas was higher in 1940 than in 1934.

² This is because they would pertain to the deposits in branches throughout the State, with the banks grouped according to the head office county. Tabulations of commercial bank deposits in offices located in each county are available for some recent years, but the data for individual banks from which the county tabulations are derived are not available at the Federal Deposit Insurance Corporation, and comparable data were not reported for any pre-World War II date.

SOME OBSERVATIONS ON BANK COMPETITION

A general analysis of changes in bank competition during the last several decades is beyond the scope of this report on changes in number of banking offices and the relative position of banks. Nevertheless, the two subjects are related, since data on changes in the number and distribution of banks and branches are essential, though not sufficient, for an appraisal of changes in competition among banks. It has been asserted in recent years that there has been a marked decrease in bank competition as a direct result of the decline in number of banks since 1920. Information collected for this report does not support such an assumption.

The decline in number of banks during the 1920's and early 1930's is largely attributable to the elimination of uneconomic units which could not survive economic changes and excessive competition of too many banks. The significant question is whether there has been a decline in competition over and above that attributable to the elimination of uneconomic units in that period.

The three measures of concentration used above—proportion of deposits held by a specific number or percentage of banks in the nation, the proportion of deposits in each State held by the largest bank and the largest five banks in the State, and the proportion of deposits in the leading counties in each of 48 metropolitan areas held by the largest bank and the largest five banks in the area—all point toward the conclusion that there has been no general increase in bank concentration during the past twenty or twenty-five years. If increasing concentration is taken as evidence of declining competition, the data suggest that the banking system of the nation in the late 1950's, though less competitive than in 1920, was more competitive than in the middle 1930's or early 1940's.

However, it should be kept in mind that there is no fixed relationship between changes in concentration and changes in competition. Other developments in the economy also have an impact on the degree of competition. To what extent, for example, has the quite remarkable change in transportation and communication facilities since 1921 altered the competitive picture? Is the banking situation in a town which had three banks in 1921 less competitive today with only one bank, but with two banks within easy driving distance? Banks in neighboring towns, in neighboring counties, and in neighboring States often compete with the local bank in today's market, at least for certain types of business, but there is no way of measuring the extent of this competition, nor is it possible to compare the degree of such competition with that which may have existed in 1921.

Quite apart from the possibility of competition from banks located near a particular community, a reduction in number of banks within a community will not, by itself, justify a conclusion that competition has been diminished. For example, when the number of banks is reduced from five to three, is competition increased or decreased thereby if the result is three strong banks rather than five weak banks? Or if a community had two banks in 1921 and now has in their places two branches, each of a different bank, is competition for the banking business in the community likely to be any less between the two branches than it was between the two banks? Still another element in the competitive picture is the continuing growth of metropolitan areas. Many local communities which have undergone a reduction in the number of banks during the past forty years have, during the same period, become a part of a metropolitan area, and now have more ready access than formerly to a broad range of banking services.

From the point of view of an individual bank customer, the decline in number of banks since 1921 may or may not have altered the competitive picture, the answer depending in part on the magnitude of the customer's own business. For large business concerns it seems quite probable that there has been an increase during the past 40 years in the competition among banks for their business. That is to say, the larger banks, mostly located in large cities, compete with each other for the patronage of concerns doing a nationwide business. With the greatly increased facilities of transportation and communication of recent years, there is more competition of this sort now than formerly, regardless of the changes which have occurred in the number of banks or the number and location of banking offices.

However defined, the banking "giants" competing on a nationwide basis appear to be sufficiently numerous to maintain active competition among themselves. Banking is perhaps the only industry in which attempts to demonstrate a decline in competition invoke the size of the 100 largest—or 50 or 25 or 10 largest—units in the industry in the nation. In any other industry—say automobile, steel, or electronics—this many "giants" would be taken as *prima facie* evidence of a high degree of competition.

Of course, not all bank customers have access to the nation's large banks; the majority depend upon banks in their own area for such facilities and services as they require. For an individual or a small firm, a reduction in the number of banks operating in a community from two to one may effectively remove the only nearby alternative source of bank credit. On the other hand, some of the requirements of such bank customers can be handled by other financial institutions, which have grown in considerable importance in many areas of the country, or by

banks at a greater distance away than would have been feasible a few decades ago.

It must also be recognized that though we have a changing economy that increases the need for banking services in most parts of the nation, some localities are adversely affected and as a consequence some independent banks are destined to disappear. New highways, particularly those with limited access, may divert the patronage of some local banks to other places because of changes in the flow and routing of traffic. Working forces of an industrial establishment that formed a significant part of the clientele of a local bank may be curtailed because of technical developments, or disappear entirely with the closing of a plant. Absorption of the remaining business of a local bank caught in such a situation may be the only reasonable solution to its difficulties.

No easy or simple answer can be given to the question of the extent to which bank competition has been affected by changes in the number of banks and in the relative position of banks since 1921. If there have been significant changes in the nature of competition among banks, or an appreciable reduction in the intensity of competition among them, the evidence of such changes must come from something other than an examination of changes in the number of banks and in their relative position.

PART THREE

LEGISLATION AND REGULATIONS

FEDERAL LEGISLATION

AMENDMENTS TO THE FEDERAL DEPOSIT INSURANCE ACT

PUBLIC LAW 86—463

86TH CONGRESS, S. 1062

MAY 13, 1960

AN ACT

To amend the Federal Deposit Insurance Act to require Federal approval for mergers and consolidations of insured banks.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (c) of section 18 of the Federal Deposit Insurance Act is amended by striking out the third sentence and inserting in lieu thereof the following: "No insured bank shall merge or consolidate with any other insured bank or, either directly or indirectly, acquire the assets of, or assume liability to pay any deposits made in, any other insured bank without the prior written consent (i) of the Comptroller of the Currency if the acquiring, assuming, or resulting bank is to be a national bank or a District bank, or (ii) of the Board of Governors of the Federal Reserve System if the acquiring, assuming, or resulting bank is to be a State member bank (except a District bank), or (iii) of the Corporation if the acquiring, assuming, or resulting bank is to be a nonmember insured bank (except a District bank). Notice of any proposed merger, consolidation, acquisition of assets, or assumption of liabilities, in a form approved by the Comptroller, the Board, or the Corporation, as the case may be, shall (except in a case where the furnishing of reports under the seventh sentence of this subsection is not required) be published, at appropriate intervals during a period (prior to the approval or disapproval of the transaction) at least as long as the period allowed under such sentence for furnishing such reports, in a newspaper of general circulation in the community or communities where the main offices of the banks involved are located (or, if there is no such newspaper in any such community, then in the newspaper of general circulation published nearest thereto). In granting or withholding consent under this subsection, the Comptroller, the Board, or the Corporation, as the case may be, shall consider the financial history and condition of each of the banks involved, the adequacy of its capital structure, its future earnings prospects, the general character of its management, the convenience and needs of the community to be served, and whether or not its corporate powers are consistent with the purposes of this Act. In the case of a merger, consolidation, acquisition of assets, or assumption of liabilities, the appropriate agency shall also take into consideration the effect of the transaction on competition (including any tendency toward monopoly), and shall not approve the transaction unless, after considering all of such factors, it finds the transaction to be in the public interest. In the interests of uniform standards, before acting on a merger, consolidation, acquisition of assets, or assumption of liabilities under this subsection, the agency (unless it finds that it must act immediately in order to prevent the probable failure of one of the banks involved) shall request a report on the competitive factors involved from the Attorney General and the other two banking agencies referred to in this subsection (which report shall be furnished within thirty calendar days of the date on which it is requested, or within ten calendar days of such date if the requesting agency advises the Attorney General and the other two banking agencies that an emergency exists requiring expeditious action). The Comptroller, the Board, and the

Corporation shall each include in its annual report to the Congress a description of each merger, consolidation, acquisition of assets, or assumption of liabilities approved by it during the period covered by the report, along with the following information: the name and total resources of each bank involved; whether a report has been submitted by the Attorney General hereunder, and, if so, a summary by the Attorney General of the substance of such report; and a statement by the Comptroller, the Board, or the Corporation, as the case may be, of the basis for its approval."

Approved May 13, 1960.

PUBLIC LAW 86—671

86TH CONGRESS, H. R. 12465

JULY 14, 1960

AN ACT

To provide for a simpler method of determining assessments under the Federal Deposit Insurance Act, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (1) of section 3 of the Federal Deposit Insurance Act, as amended (12 U.S.C. 1813(1)), is amended to read as follows:

"(1) The term 'deposit' means—

"(1) the unpaid balance of money or its equivalent received or held by a bank in the usual course of business and for which it has given or is obligated to give credit, either conditionally or unconditionally, to a commercial, checking, savings, time, or thrift account, or which is evidenced by its certificate of deposit, or a check or draft drawn against a deposit account and certified by the bank, or a letter of credit or a traveler's check on which the bank is primarily liable: *Provided*, That, without limiting the generality of the term 'money or its equivalent', any such account or instrument must be regarded as evidencing the receipt of the equivalent of money when credited or issued in exchange for checks or drafts or for a promissory note upon which the person obtaining any such credit or instrument is primarily or secondarily liable, or for a charge against a deposit account, or in settlement of checks, drafts, or other instruments forwarded to such bank for collection,

"(2) trust funds as defined in this Act received or held by such bank, whether held in the trust department or held or deposited in any other department of such bank,

"(3) money received or held by a bank, or the credit given for money or its equivalent received or held by a bank, in the usual course of business for a special or specific purpose, regardless of the legal relationship thereby established, including without being limited to, escrow funds, funds held as security for an obligation due to the bank or others (including funds held as dealers reserves) or for securities loaned by the bank, funds deposited by a debtor to meet maturing obligations, funds deposited as advance payment on subscriptions to United States Government securities, funds held for distribution or purchase of securities, funds held to meet its acceptances or letters of credit, and withheld taxes: *Provided*, That there shall not be included funds which are received by the bank for immediate application to the reduction of an indebtedness to the receiving bank, or under condition that the receipt thereof immediately reduces or extinguishes such an indebtedness,

“(4) outstanding draft (including advice or authorization to charge bank’s balance in another bank), cashier’s check, money order, or other officer’s check issued in the usual course of business for any purpose, including without being limited to those issued in payment for services, dividends, or purchases, and

“(5) such other obligations of a bank as the Board of Directors, after consultation with the Comptroller of the Currency and the Board of Governors of the Federal Reserve System, shall find and prescribe by regulation to be deposit liabilities by general usage: *Provided further*, That any obligation of a bank which is payable only at an office of the bank located outside of the States of the United States, the District of Columbia, Puerto Rico, Guam, and the Virgin Islands, shall not be a deposit for any of the purposes of this Act or be included as part of total deposits or of an insured deposit.”

Sec. 2. Subsections (a), (b), and (c) of section 7 of the Federal Deposit Insurance Act (12 U.S.C. 1817 (a), (b), and (c)) are amended to read as follows:

“(a)(1) Each insured State nonmember bank (except a District bank) shall make to the Corporation reports of condition which shall be in such form and shall contain such information as the Board of Directors may require. Such reports shall be made to the Corporation on the dates selected as provided in paragraph (3) of this subsection and the deposit liabilities shall be reported therein in accordance with and pursuant to paragraphs (4) and (5) of this subsection. The Board of Directors may call for additional reports of condition on dates to be fixed by it and may call for such other reports as the Board may from time to time require. The Board of Directors may require reports of condition to be published in such manner, not inconsistent with any applicable law, as it may direct. Every such bank which fails to make or publish any such report within ten days shall be subject to a penalty of not more than \$100 for each day of such failure recoverable by the Corporation for its use.

“(2) The Corporation shall have access to reports of examination made by, and reports of condition made to, the Comptroller of the Currency or any Federal Reserve bank and to all revisions of reports of condition made to either of them, and they shall promptly advise the Corporation of any revisions or changes in respect to deposit liabilities made or required to be made in any report of condition. The Corporation may accept any report made by or to any commission, board, or authority having supervision of a State nonmember bank (except a District bank), and may furnish to the Comptroller of the Currency, to any Federal Reserve bank, and to any such commission, board, or authority, reports of examinations made on behalf of, and reports of condition made to, the Corporation.

“(3) Each insured State nonmember bank (except a District bank) shall make to the Corporation, each insured national bank and each insured District bank shall make to the Comptroller of the Currency, and each insured State member bank shall make to the Federal Reserve bank of which it is a member, four reports of condition annually upon dates which shall be selected by the Chairman of the Board of Directors, the Comptroller of the Currency, and the Chairman of the Board of Governors of the Federal Reserve System, or a majority thereof. The dates selected shall be the same for all insured banks, except that when any of said reporting dates is a non-business day for any bank, the preceding business day shall be its reporting date. Two dates shall be selected within the semiannual period of January to June inclusive, and the reports on such dates shall be the basis for the certified statement to be filed in July pursuant to subsection (c) of this section, and two dates shall be selected within the semiannual period of July to December inclusive, and the reports on such dates shall be the basis for the certified statement to be filed in January pursuant to subsection (c) of this section. The deposit liabilities shall be reported in said reports

of condition in accordance with and pursuant to paragraphs (4) and (5) of this subsection, and such other information shall be reported therein as may be required by the respective agencies. Each said report of condition shall contain a declaration by the president, a vice president, the cashier or the treasurer, or by any other officer designated by the board of directors or trustees of the reporting bank to make such declaration, that the report is true and correct to the best of his knowledge and belief. The correctness of said report of condition shall be attested by the signatures of at least three of the directors or trustees of the reporting bank other than the officer making such declaration, or by at least two if there are not more than three directors or trustees, with the declaration that the report has been examined by them and to the best of their knowledge and belief is true and correct. At the time of making said reports of condition each insured national, District and State member bank shall furnish to the Corporation a copy thereof containing such signed declaration and attestations. Nothing herein shall preclude any of the foregoing agencies from requiring the banks under its jurisdiction to make additional reports of condition at any time.

“(4) In the reports of condition required to be made by paragraph (3) of this subsection, each insured bank shall report the total amount of the liability of the bank for deposits in the main office and in any branch located in any State of the United States, the District of Columbia, any Territory of the United States, Puerto Rico, Guam, or the Virgin Islands, according to the definition of the term ‘deposit’ in and pursuant to subsection (1) of section 3 of this Act, without any deduction for indebtedness of depositors or creditors or any deduction for cash items in the process of collection drawn on others than the reporting bank: *Provided*, That the bank in reporting such deposits may (i) subtract from the deposit balance due to any bank the deposit balance due from the same bank (other than trust funds deposited by either bank) and any cash items in the process of collection due from or due to such banks shall be included in determining such net balance, except that balances of time deposits of any bank and any balances standing to the credit of private banks, of banks in foreign countries, of foreign branches of other American banks, and of American branches of foreign banks shall be reported gross without any such subtraction, and (ii) exclude any deposits received in any office of the bank for deposit in any other office of the bank: *And provided further*, That outstanding drafts (including advices and authorizations to charge bank’s balance in another bank) drawn in the regular course of business by the reporting bank on banks need not be reported as deposit liabilities. The amount of trust funds held in the bank’s own trust department, which the reporting bank keeps segregated and apart from its general assets and does not use in the conduct of its business, shall not be included in the total deposits in such reports, but shall be separately stated in such reports.

“(5) The deposits to be reported on such reports of condition shall be segregated between (i) time and savings deposits and (ii) demand deposits. For this purpose and for the computation of assessments provided in subsection (b) of this section, the time and savings deposits shall consist of time certificates of deposit, time deposits-open account, deposits accumulated for the payment of personal loans, and savings deposits; and demand deposits shall consist of all deposits other than time and savings deposits.

“(6) The Board of Directors, after consultation with the Comptroller of the Currency and the Board of Governors of the Federal Reserve System, may by regulation define the terms ‘cash items’ and ‘process of collection’, and shall classify deposits as ‘time’, ‘savings’, and ‘demand’ deposits, for the purposes of this section.

“(b)(1) The annual assessment rate shall be one-twelfth of 1 per centum. Except

as provided in subsection (c)(2) of this section, the semiannual assessment due from any insured bank for any semiannual period shall be equal to one-half the annual assessment rate multiplied by such bank's average assessment base for the immediately preceding semiannual period.

“(2) For the purposes of this section the term ‘semiannual period’ means a period beginning on January 1 of any calendar year and ending on June 30 of the same year, or a period beginning on July 1 of any calendar year and ending on December 31 of the same year.

“(3) A bank's average assessment base for any semiannual period shall be the average of such bank's assessment bases for the two dates, falling within such semiannual period, for which the bank is required to submit reports of condition pursuant to paragraph (3) of subsection (a) of this section (referred to hereafter in this section as ‘reports of condition’).

“(4) A bank's assessment base for any date shall be equal to the bank's liability for deposits (including the deposits of any other bank for which it has assumed liability) as reported in its report of condition for such date, plus the assessment base additions set forth in paragraph (5), and less the assessment base deductions set forth in paragraph (6).

“(5) The assessment base additions shall be the amounts of—

“(A) uninvested trust funds required to be separately stated in the bank's report of condition; and

“(B) any deposits received in any office of the bank for deposit in any other office of the bank located in the United States, the District of Columbia, Puerto Rico, Guam, or the Virgin Islands, except those which have been included in deposits in the report of condition or which have been offset in the report of condition by an equal amount of cash items in its possession drawn on itself (on the same type of deposit as those offset) and not charged against deposit liabilities at the close of business on the date as of which the report of condition is made, either in their actual amount as shown on the books of the bank, or, if not so shown, in an amount determined by means of an experience factor pursuant to regulations prescribed by the Board of Directors.

“(6) The assessment base deductions shall be the amounts of—

“(A) cash items in the bank's possession, drawn on itself, which have not been charged against deposit liabilities at the close of business on the date as of which the report of condition is made, either in their actual amount as shown on the books of the bank, or, if not so shown, in an amount determined by means of an experience factor pursuant to regulations prescribed by the Board of Directors;

“(B) deposits included in reported deposit liabilities which are accumulated for the payment of personal loans and are assigned or pledged to assure repayment of the loans at maturity;

“(C) 1 per centum of the bank's adjusted time and savings deposits (as defined in paragraph (7)); and

“(D) 16 $\frac{2}{3}$ per centum of the bank's adjusted demand deposits (as defined in paragraph (8)).

Each insured bank, as a condition to the right to make any such deduction in determining its assessment base, shall maintain such records as will readily permit verification of the correctness of its assessment base. No insured bank shall be required to retain such records for such purpose for a period in excess of five years from the

date of the filing of any certified statement, except that when there is a dispute between the insured bank and the Corporation over the amount of any assessment the bank shall retain such records until final determination of the issue.

“(7) The term ‘the bank’s adjusted time and savings deposits’ means the amount of the bank’s time and savings deposits as reported in its report of condition, as adjusted—

“(A) either by adding the amount of all deposits of the type described in subparagraph (5) (B) or, if the bank elects to ascertain the respective amounts of such deposits creditable to time and savings deposits and to demand deposits, by adding the amount creditable to time and savings deposits;

“(B) by subtracting, if the bank elects to ascertain the respective amounts of its items of the type described in subparagraph (6)(A) chargeable against time and savings deposits and against demand deposits, the amount chargeable against time and savings deposits; and

“(C) by subtracting the amount of all deposits of the type described in subparagraph (6)(B).

“(8) The term ‘the bank’s adjusted demand deposits’ means the amount of the bank’s demand deposits as reported in its report of condition, as adjusted—

“(A) by adding the amount of all deposits of the type described in subparagraph (5)(A);

“(B) by adding, if the bank elects to ascertain the respective amounts of its deposits of the type described in subparagraph (5)(B) creditable to time and savings deposits and to demand deposits, the amount creditable to demand deposits; and

“(C) either by subtracting the amount of all items of the type described in subparagraph (6)(A), or, if the bank elects to ascertain the respective amounts of such items chargeable against time and savings deposits and against demand deposits, by subtracting the amount chargeable against demand deposits.

“(c)(1) On or before the last day of the first month following each semiannual period, each insured bank which became insured prior to the beginning of such period shall file with the Corporation a certified statement showing its average assessment base for such period, and the amount of the semiannual assessment due to the Corporation for the semiannual period which begins with such month. Each such bank shall pay to the Corporation the amount of the semiannual assessment it is required to certify.

“(2) A bank shall not be required to pay any assessment for the semiannual period in which it becomes an insured bank. On or before the last day of the first month following the semiannual period during which any bank becomes an insured bank, such bank shall—

“(A) file with the Corporation a certified statement showing, as its assessment base for such period, its assessment base for the last date, if any, within such period for which it was required to submit a report of condition, or

“(B) if such bank became an insured bank after the last date in such period for which a report of condition was required, such bank shall make a special report of condition as of the last day of such semiannual period, and shall file with the Corporation a certified statement showing, as its assessment base for such period, its assessment base for the date of such special report.

The semiannual assessment due from such bank for the semiannual period which

begins with such month shall be equal to one-half the annual assessment rate multiplied by the assessment base computed pursuant to subparagraph (A) or (B) of this paragraph, and the amount of such assessment shall be shown on such certified statement. Each such bank shall pay to the Corporation the amount of the semiannual assessment it is required to certify.

“(3) The certified statements required to be filed with the Corporation under paragraphs (1) and (2) of this subsection shall be in such form and set forth such supporting information as the Board of Directors shall prescribe and shall be certified by the president of the bank or any other officer designated by its board of directors or trustees that to the best of his knowledge and belief the statement is true, correct and complete and in accordance with the Federal Deposit Insurance Act and regulations issued thereunder. The assessment payments required from insured banks under paragraphs (1) and (2) of this subsection shall be made in such manner and at such time or times as the Board of Directors shall prescribe, provided the time or times so prescribed shall not be later than sixty days after filing the certified statement setting forth the amount of assessment.

“(4) Except as otherwise provided in this section, the Board of Directors shall prescribe all needful rules and regulations for the enforcement of this section. The Board of Directors may limit the retroactive effect, if any, of any of its rules or regulations.”

SEC. 3. Section 7 of the Federal Deposit Insurance Act (12 U.S.C. 1817) is amended by substituting for the date “December 31, 1950” in subsection (d) the date “December 31, 1961”; by substituting for the numerical figure “40” in subsection (d) the numerical figure “33 $\frac{1}{3}$ ”; by substituting for the words “fails to file” in subsection (f) the words “fails to make any report of condition under subsection (a) of this section or to file”; by substituting for the words “file such statement” in subsection (f) the words “make such report or file such statement”; by substituting for the word “filed” in the first sentence of subsection (g) the words “made any such report of condition under subsection (a) of this section or filed”; by substituting for the words “to file” in the first sentence of subsection (g) the words “to make any such report or file”; by substituting for the words “to file” in the first sentence of subsection (h) the words “to make any report of condition under subsection (a) of this section or to file”; and by substituting for the words “in its trust or deposited in any other department or in another bank” in the first sentence of subsection (i) the words “in its trust department or held or deposited in any other department of the fiduciary bank” and by striking the words after the colon in the second sentence and substituting a period for said colon.

SEC. 4. Section 10 of the Federal Deposit Insurance Act (12 U.S.C. 1820) is amended by striking out subsections (e) and (f) thereof and relettering subsection (g) as subsection (e).

SEC. 5. (a) Section 5211 of the Revised Statutes of the United States (12 U.S.C. 161) is amended by striking out the first paragraph thereof and inserting in lieu of such paragraph the following:

“(a) Every association shall make reports of condition to the Comptroller of the Currency in accordance with the Federal Deposit Insurance Act. The Comptroller of the Currency may call for additional reports of condition, in such form and containing such information as he may prescribe, on dates to be fixed by him, and may call for special reports from any particular association whenever in his judgment the same are necessary for his use in the performance of his supervisory duties. Each report of condition shall contain a declaration by the president, a vice president, the cashier, or by any other officer designated by the board of directors of the bank to make such declaration, that the report is true and correct to the best of his knowl-

edge and belief. The correctness of the report of condition shall be attested by the signatures of at least three of the directors of the bank other than the officer making such declaration, with the declaration that the report has been examined by them and to the best of their knowledge and belief is true and correct. Each report shall exhibit in detail and under appropriate heads the resources and liabilities of the association at the close of business on any past day specified by the Comptroller, and shall be transmitted to the Comptroller within ten days after the receipt of a request therefor from him; and the statement of resources and liabilities in the same form in which it is made to the Comptroller shall be published in a newspaper published in the place where such association is established, or if there is no newspaper in the place, then in the one published nearest thereto in the same county, at the expense of the association, and such proof of publication shall be furnished as may be required by the Comptroller. Special reports called for by the Comptroller need contain only such information as is specified by the Comptroller in his request therefor, and publication of such reports need be made only if directed by the Comptroller.

“(b) Every association shall make to the Comptroller reports of the payment of dividends, including advance reports of dividends proposed to be declared or paid in such cases and under such conditions as the Comptroller deems necessary to carry out the purposes of the laws relating to national banking associations in such form and at such times as he may require.”

(b) The paragraph which, prior to the amendments made by this Act, was the second paragraph of such section, is amended (1) by inserting “(c)” at the beginning thereof, and (2) by striking out “three” in the first sentence and inserting “four” in lieu thereof.

Sec. 6. The Act of February 26, 1881, entitled “An Act defining the verification of returns of national banks” (12 U.S.C. 162) is repealed.

Sec. 7. The amendments made by this Act shall take effect on January 1, 1961, except that the certified statements covering the semiannual period ending December 31, 1960, and the determination and payment of assessments (for the semiannual period ending June 30, 1961) required to be certified in such statements, shall be made as if such amendments were not in effect.

Approved July 14, 1960.

RULES AND REGULATIONS OF THE CORPORATION

METHOD FOR COMPUTING AND REPORTING OF ASSESSMENTS ON DEPOSITS AND OBLIGATIONS PRESCRIBED AS DEPOSITS*

MISCELLANEOUS AMENDMENTS

A. In the FEDERAL REGISTER of November 29, 1960 (25 F.R. 12203—12207), proposed amendments of Part 327 of the Corporation's rules and regulations relating to assessments were published with notice of proposed rule making. The following amendment of Part 327, which includes such proposed amendments, is adopted effective January 16, 1961: *Provided*, That all of the provisions of Part 327 (including the Corporation's Assessment Decisions Nos. 1—167 in §§327.100—327.267 thereof), which were in effect immediately prior to the adoption of the following amendment

* *Federal Register*, vol. 26, pp. 287-292.

thereof, remain applicable to the determination and payment of assessments due on or before January 15, 1961. Part 327 is amended to read as follows:

PART 327—ASSESSMENTS

Sec.

327.1 Reporting of assessment base additions for unposted credits and deductions for unposted debits.

327.2 Classification of deposits.

327.3 Payment of assessments by banks whose insured status has terminated.

327.4 Time of payment.

AUTHORITY: §§ 327.1 to 327.4 issued under sec. 7, 74 Stat. 551, sec. 9, 64 Stat. 882; 12 U.S.C. 1817, 1819. Interpret or apply secs. 7, 8, 74 Stat. 546-551 and 64 Stat. 877-881; 12 U.S.C. 1817, 1818.

§ 327.1 *Reporting of assessment base additions for unposted credits and deductions for unposted debits.*

(a) *Definitions.* (1) The term “unposted credit” as used in this section means any deposit received in any office of the bank for deposit in any other office of the bank located in any State of the United States, the District of Columbia, Puerto Rico, Guam, or the Virgin Islands, except those which have been included in total deposits in the report of conditions or which have been offset in the report of condition by an equal amount of cash items in its possession drawn on itself (on the same type of deposits as those offset) and not charged against deposit liabilities at the close of business on the date as of which the report of condition is made.

(2) The term “unposted debit” as used in this section means a cash item in the bank’s possession drawn on itself which has been paid or credited and is chargeable against, but has not been charged against, deposit liabilities at the close of business on the date as of which the report of condition is made.

(3) The above terms “unposted credit” and “unposted debit” do not include items which have been reflected in deposit accounts on the general ledger and in the report of condition, although they have not been credited or debited to individual deposit accounts.

(b) *Methods of reporting unposted credits and unposted debits.* (1) Each insured bank shall report unposted credits in reports of condition for addition to the assessment base in the following manner:

(i) When the records of the bank show the actual amounts of unposted credits segregated between demand deposits and time and savings deposits, the actual segregated amounts thereof must be reported; or

(ii) When the records of the bank show the actual amount of all unposted credits with no such segregation thereof, the actual amount thereof must be reported, for addition to time and savings deposits, unless the bank determines by experience factors and reports the amounts of the unposted credits so segregated; or

(iii) When the records of the bank do not show the actual amount of unposted credits either in total or in segregated amounts, the amounts of unposted credits must be determined by experience factor or factors and reported in total amount for addition to time and savings deposits or in segregated amounts.

(2) Unposted debits may be reported in the same manner for deduction from the assessment base, except that unsegregated amounts may be reported for deduction only from demand deposits.

(c) *Bank reporting actual amounts.* When actual amounts are shown on the records of the bank, an insured bank shall separately state in the report of condition for additions to deposits for assessment purposes the actual amount of unposted credits

in Schedule FDI either segregated between demand deposits and time and savings deposits according to the type of account to which the item is to be credited, or the total amount shall be reported for additions to time and savings deposits. If the bank elects to take deductions for unposted debits chargeable to deposit accounts and actual amounts are shown on the records of the bank, it shall separately state in the report of condition the actual amounts of the unposted debits either segregated between demand deposits and time and savings deposits according to the type of account against which the items are chargeable, or the total amount shall be reported for deductions from demand deposits. When only the total amount of such unposted credits or unposted debits is shown on the records of the bank, the bank may elect to determine by experience factors such segregated amounts for either unposted credits or unposted debits or both.

(d) *Bank reporting on basis of experience factor.* An insured bank whose records do not show the amounts of unposted credits and unposted debits shall compute by experience factor or factors the unposted credits and may so compute the unposted debits. Banks with two years' experience on January 1, 1961 may establish an experience factor or factors under paragraph (f) of this section, or, upon application to and approval by the Corporation, may establish an experience factor or factors under paragraph (g) of this section, the same as banks with less than two years' experience. Such a bank, upon written approval by the Corporation, may be permitted to use separate factors for computing the additions to demand deposits and to time and savings deposits, or for computing the deductions from such deposits; or may be permitted to use a single factor for computing additions to be made in total amount to time and savings deposits or for computing deductions to be made in total amount from demand deposits. When a single factor is used, the additions or deductions are required to be made to or from the type of deposit giving the lesser advantage to the bank in taking the 16% percent deduction from demand deposits and the 1 percent deduction from time and savings deposits.

(e) *Procedure for obtaining approval of experience factor.* Each bank operating as an insured bank prior to January 1, 1961, which intends to use an experience factor in computing the amounts of unposted credits or unposted debits, shall signify its intention in writing to the Corporation not later than March 1, 1961. Any bank becoming an insured bank on or after January 1, 1961, whose records do not show amounts of unposted credits and unposted debits, and which proposes to report such items for assessment purposes by means of experience factors, shall so inform the Corporation within thirty (30) days after it becomes an insured bank. Upon receipt of such notice, the Corporation will furnish to the bank a form for use in submitting to the Corporation the computations used in determining the percentage factor. Upon approval by the Corporation of such experience factors, the bank shall thereafter use such factors in reporting unposted credits or debits until new experience factors are established pursuant to paragraph (k) of this section.

(f) *Experience factors for banks with not less than two years' experience on January 1, 1961.* (1) The reporting bank may use either of the following experience factors in reporting unposted credits for addition to the assessment base:

(i) *Separate experience factors for additions to demand deposits and to time and savings deposits.* The factor for:

(a) Demand deposits shall be the percentage obtained by dividing the average amount of unposted credits creditable to demand deposits which were added to deposits in certified statements for the assessment base days in the last two years prior to January 1, 1961, by the average amount of total demand deposits shown on the books of the bank on such base days; and

(b) Time and savings deposits shall be the percentage obtained by dividing the average amount of unposted credits creditable to time and savings deposits which were added to deposits in the certified statements for the assessment base days in the last two years prior to January 1, 1961, by the average amount of total time and savings deposits shown on the books of the bank on such base days.

There shall be separately stated in the report of condition for addition to demand deposits for assessment purposes, the amount obtained by multiplying the amount of total demand deposits shown in the report of condition by the factor for demand deposits, and for addition to time and savings deposits for assessment purposes the amount obtained by multiplying the amount of total time and savings deposits shown in the report of condition by the factor for time and savings deposits. In the event that the records of the bank show the total amount of unposted credits which were added to deposits in certified statements for the assessment base days in the last two years prior to January 1, 1961, but do not show the amounts thereof segregated as to those creditable to demand deposits and to time and savings deposits, the bank may determine such segregated amounts for use in determining its separate experience factors hereunder, in the following manner: The bank shall ascertain the percentage to total unposted credits, of the unposted credits which are creditable to demand deposits, and the percentage to total unposted credits, of the unposted credits which are creditable to time and savings deposits, for the business days in the week commencing on March 15, 1961 and ending on March 21, 1961, both days inclusive, and shall apply such percentages to the average amount of all unposted credits which were added to deposits in such certified statements.

(ii) *Single experience factor.* The factor shall be the percentage obtained by dividing the average amount of all unposted credits which were added to deposits in certified statements for the assessment base days in the last two years prior to January 1, 1961, by the average amount of total deposits shown on the books of the bank for such base days. There shall be separately stated in the report of condition for addition to time and savings deposits for assessment purposes, the amount obtained by multiplying the amount of total deposits shown in the report of condition by such factor.

(2) The reporting bank may use either of the following experience factors in reporting unposted debits for deduction from the assessment base:

(i) *Separate experience factors for deductions from demand deposits and from time and savings deposits.* The factor for:

(a) Demand deposits shall be the percentage obtained by dividing the average amount of unposted debits chargeable to demand deposits which were claimed as deductions in the certified statements for the assessment base days in the last two years prior to January 1, 1961, or, if not claimed as a deduction thereunder, the amount of such unposted debits deducted from deposit liabilities before entry in such certified statements, by the average amount of total demand deposits shown on the books of the bank on such base days; and

(b) Time and savings deposits shall be the percentage obtained by dividing the average amount of unposted debits chargeable to time and savings deposits which were claimed as deductions in the certified statements for the assessment base days in the last two years prior to January 1, 1961, or, if not claimed as a deduction thereunder, the amount of such unposted debits deducted from deposit liabilities before entry in such certified statements, by the average amount of total time and savings deposits shown on the books of the bank on such base days.

There shall be separately stated in the report of condition for deduction from

demand deposits for assessment purposes, the amount obtained by multiplying the amount of total demand deposits shown in the report of condition by the factor for demand deposits, and for deduction from time and savings deposits for assessment purposes the amount obtained by multiplying the amount of total time and savings deposits shown in the report of condition by the factor for time and savings deposits. In the event that the records of the bank show the total amount of unposted debits which were claimed as deductions in certified statements for the assessment base days in the last two years prior to January 1, 1961 or deducted from deposit liabilities before entry in such certified statements, but do not show the amounts thereof segregated as to those chargeable to demand deposits and to time and savings deposits, the bank may determine such segregated amounts for use in determining its separate experience factors hereunder, in the following manner: The bank shall ascertain the percentage to total unposted debits, of the unposted debits which are chargeable to demand deposits, and the percentage to total unposted debits, of the unposted debits which are chargeable to time and savings deposits, for the business days in the week commencing on March 15, 1961 and ending on March 21, 1961, both days inclusive, and shall apply such percentages to the average amount of all unposted debits which were claimed as deductions in such certified statements or deducted from deposit liabilities before entry in such certified statements.

(ii) *Single experience factor.* The factor shall be the percentage obtained by dividing the average amount of all unposted debits which were claimed as deductions in the certified statements for the assessment base days in the last two years prior to January 1, 1961, or, if not claimed as a deduction thereunder, the amount of unposted debits deducted from deposit liabilities before entry in such certified statements, by the average amount of total deposits shown on the books of the bank on such base days. There shall be separately stated in the report of condition for deduction from demand deposits for assessment purposes, the amount obtained by multiplying the amount of total deposits shown in the report of condition by such factor. If the amount of deductions so obtained exceeds demand deposits, the excess thereof may be deducted from time and savings deposits.

(g) *Experience factors for banks with less than two years' experience.* (1) The reporting bank may use either of the following experience factors in reporting unposted credits for addition to the assessment base for two years:

(i) *Separate experience factors for additions to demand deposits and to time and savings deposits.* The factor for each semiannual period for:

(a) Demand deposits shall be the percentage obtained by dividing the amount of unposted credits on March 15, 1961 and thereafter on the first business day of February or August which are creditable to demand deposits by the amount of total demand deposits as shown on the books of the bank at the close of business on the same day; and

(b) Time and savings deposits shall be the percentage obtained by dividing the amount of unposted credits on March 15, 1961 and thereafter on the first business day of February or August which are creditable to time and savings deposits by the amount of total time and savings deposits as shown on the books of the bank at the close of business on the same day.

The bank shall determine, on March 15, 1961 and thereafter on the first business day of February or August until two years' experience has been obtained, the actual amount of unposted credits segregated according to the type of account to which creditable. There shall be separately stated in each report of condition for addition to demand deposits for assessment purposes, the amount obtained by multiplying

the amount of total demand deposits shown in the report of condition by the factor for demand deposits for such semiannual period, and for addition to time and savings deposits for assessment purposes the amount obtained by multiplying the amount of total time and savings deposits shown in each report of condition by the factor for time and savings deposits for such semiannual period.

(ii) *Single experience factor.* The factor for each semiannual period shall be the percentage obtained by dividing the amount of all unposted credits on March 15, 1961 and thereafter on the first business day of February or August by the total deposits as shown on the books of the bank at the close of business on the same day. The bank shall determine, on March 15, 1961 and thereafter on the first business day of February or August until two years' experience has been obtained, the actual amount of all unposted credits. There shall be separately stated in each report of condition for addition to time and savings deposits for assessment purposes, the amount obtained by multiplying the amount of total deposits shown in the report of condition by the factor for such semiannual period.

(iii) *Permanent experience factor.* When two years' experience has been obtained under this paragraph, a new factor shall be computed and used for the ninth and subsequent reports of condition. This factor shall be the percentage obtained by dividing the aggregate amount of the unposted credits by the aggregate amount of the deposits, which were used in establishing each factor for the four preceding semiannual periods.

(2) Reporting bank may use either of the following experience factors in reporting unposted debits for deduction from the assessment base for two years:

(i) *Separate experience factors for demand deposits and for time and savings deposits.* The factor for each semiannual period:

(a) Demand deposits shall be the percentage obtained by dividing the amount of unposted debits on March 15, 1961 and thereafter on the first business day of February or August which are chargeable to demand deposits by the amount of total demand deposits as shown on the books of the bank at the close of business on the same day; and

(b) Time and savings deposits shall be the percentage obtained by dividing the amount of unposted debits on March 15, 1961 and thereafter on the first business day of February or August which are chargeable to time and savings deposits by the amount of total time and savings deposits as shown on the books of the bank at the close of business on the same day.

The bank shall determine, on March 15, 1961 and thereafter on the first business day of February or August until two years' experience has been obtained, the actual amount of unposted debits segregated according to the type of account against which chargeable. There shall be separately stated in each report of condition for deduction from demand deposits for assessment purposes, the amount obtained by multiplying the amount of total demand deposits shown in the report of condition by the factor for demand deposits for such semiannual period, and for deduction from time and savings deposits for assessment purposes the amount obtained by multiplying the amount of total time and savings deposits shown in the report of condition by the factor for time and savings deposits for such semiannual period.

(ii) *Single experience factor.* The factor for the semiannual period shall be the percentage obtained by dividing the amount of all unposted debits on March 15, 1961 and thereafter on the first business day of February or August by the total

deposits as shown on the books of the bank at the close of business on the same day. The bank shall determine, on March 15, 1961 and thereafter on the first business day of February or August until two years' experience has been obtained, the actual amount of all unposted debits. There shall be separately stated in each report of condition for deduction from demand deposits for assessment purposes, the amount obtained by multiplying the amount of total deposits shown in the report of condition by the factor for such semiannual period. If the amount of deductions so obtained exceeds demand deposits, the excess thereof may be deducted from time and savings deposits.

(iii) *Permanent experience factor.* When two years' experience has been obtained under this paragraph, a new factor shall be computed and used for the ninth and subsequent reports of condition. This factor shall be the percentage obtained by dividing the aggregate amount of the unposted debits by the aggregate amount of the deposits, which were used in establishing each factor for the four preceding semiannual periods.

(3) When it is impractical to segregate the amounts of unposted credits or debits outstanding in a "branch clearings" account or similar account or to segregate such unposted credits or debits between demand deposits and time and savings deposits in computing a factor or factors under this paragraph, such amounts may be ascertained in accordance with computation methods approved by the Corporation, upon application of the bank to the Corporation for permission to compute such amounts.

(h) *Experience factors for newly insured banks.* A newly insured bank may determine its experience factors in the same manner as that provided for banks with less than two years' experience in subparagraphs (1) and (2) of paragraph (g) of this section, except that in preparing its first report of condition for assessment purposes it shall determine the actual amounts of unposted credits, debits and deposits on a day designated by the Corporation, instead of on the first business day of February or August.

(i) *Mergers, consolidations, deposit assumptions, and conversions.* The continuing or resulting bank in a merger, consolidation or deposit assumption transaction, involving one or more banks which used an experience factor, shall use new experience factors based on the combined experience of the participating banks for the two-year period prior to such transaction or may establish a new factor or factors in accordance with paragraph (g) of this section. A bank resulting from the conversion of a bank shall continue to use the experience factors of the converted bank.

(j) *Use of experience factor.* Experience factors for the computation of unposted credits or unposted debits or both, once established by any bank and approved by the Corporation, must continue to be used for a period of at least three years and until a new factor or factors are established with the approval of the Corporation or until such time as the accounting methods of the bank are changed to show actual amounts thereof from day to day.

(k) *Bank establishing new experience factors.* Upon thirty days' written notice to the Corporation, a bank may establish new permanent factors in the manner provided in subparagraphs (1) and (2) of paragraph (g) of this section: *Provided, however,* That until such new permanent factors have been determined and approved in writing by the Corporation the bank shall continue to use its pre-established factors.

(1) *Corporation requiring new experience factors.* The Corporation may require a bank to establish new factors at any time as provided in subparagraphs (1) or (2), or both, of paragraph (g) of this section, and for this purpose may designate a day

or days and a period or periods other than those specified therein for the determination of deposits and the actual amounts of unposted credits or unposted debits, or both. When such new factor or factors have been computed either by the bank or the Corporation and have been approved in writing by the Corporation, the bank shall use such new factor or factors for reports of condition filed thereafter.

(m) *Notice to Corporation of changes in accounting methods.* When a bank changes its accounting procedures from those used in the period in which its experience factors were established, in such manner as to increase or decrease the amount of unposted credits or unposted debits, it shall promptly give written notice to the Corporation of such change.

§ 327.2 *Classification of deposits.*

(a) The deposits to be reported in the reports of condition required to be made under section 7 of the Federal Deposit Insurance Act (12 U.S.C. 1817) shall be segregated between the time and savings deposits and the demand deposits.

(b) The time and savings deposits for the purpose of such reports and for the computation of assessments as provided in subsection (b) of section 7 of the Act (12 U.S.C. 1817) shall consist of:

(1) Time certificates of deposit evidenced by an instrument providing on its face that the amount of such deposit is payable on a certain date not less than thirty days after the date of deposit, at the expiration of a specified period not less than thirty days after the date of the instrument, or upon written notice to be given not less than thirty days before the date of payment;

(2) Time deposits, open account, being a deposit other than a time certificate of deposit or a savings deposit, with respect to which there is in force a written contract with the depositor that neither the whole nor any part of such deposit may be withdrawn prior to the date of maturity which shall not be less than thirty days after the date of the deposit or prior to the expiration of the period of notice which must be given by the depositor in writing not less than thirty days in advance of withdrawals, including deposits such as Christmas club accounts and vacation club accounts, which are made under written contracts providing that no withdrawal shall be made until a certain number of periodic deposits have been made during a period of not less than three (3) months, even though some of the deposits are made within thirty (30) days from the end of such period; and

(3) Deposits accumulated for the payment of personal loans representing the aggregate of amounts which are accumulated by borrowers for payment of personal loans in accounts opened by borrowers in connection with personal loans (whether or not the bank maintains a separate personal loan department) and which, under contracts between the bank and the borrowers, do not immediately reduce the unpaid balances of the loans but are assigned or pledged to assure repayment of the personal loans at maturity, except that amounts received by the bank which under contracts with the borrowers constitute installment payments on personal loans and immediately reduce the unpaid balances of the loans even though recorded on separate accounts on the books of the bank shall not be reported as deposits; and

(4) Savings deposits being deposits evidenced by a passbook or written receipt or agreement (i) deposited to the credit of one or more individuals or of a corporation, association, or other organization operated primarily for religious, philanthropic, charitable, educational, fraternal, or other similar purposes and not operated for profit, or (ii) in which the entire beneficial interest is held by one or more individuals or by such a corporation, association, or other organization and in respect to which

(iii) the depositor is required, or may at any time be required, by the bank to give notice in writing of an intended withdrawal not less than thirty (30) days before such withdrawal is made and (iv) withdrawals are permitted in only two ways, either upon presentation of a passbook, if any, through payment to the person presenting the passbook, or without presentation of a passbook, through payment to the depositor himself but not to any other person, whether or not acting for the depositor.

(c) Demand deposits shall consist of all deposits other than time and savings deposits.

§ 327.3 *Payment of assessments by banks whose insured status has terminated.*

(a) *Assumed deposits of terminating bank become deposits of assuming bank.* When the deposit liabilities of an insured bank are assumed by another insured bank the assumed deposits, for assessment purposes, shall be deposit liabilities of the assuming bank and shall cease to be deposit liabilities of the bank whose deposits are assumed from and after the effective date of the assumption.

(b) *Payment of assessments by assuming bank on assumed deposits of terminating bank.* Where the deposit liabilities of an insured bank are assumed by another insured bank and the assuming bank agrees to file the Certified Statement which the terminating bank is required to file, the filing of such Certified Statement and the payment of the assessment thereon by the assuming bank shall be deemed the acts of the terminating bank: *Provided*, That the requisite notice of assumption¹ be given to the depositors of the terminating bank, and *Provided further*, That such Certified Statement shall be filed separately from that required to be filed by the assuming bank.

(c) *Resumption of insured status before insurance of deposits ceases.* If a bank whose insured status has been terminated under section 8 (a) or (b) of the Federal Deposit Insurance Act, makes application to the Corporation, before the insurance of its deposits shall have ceased, to be permitted to continue or to resume its status as an insured bank and if the Board of Directors grants the application, the bank will be deemed, for assessment purposes, to continue as an insured bank and must thereafter furnish Certified Statements and pay assessments as though its insured status had not been terminated. For the procedure to be followed in making such application, see § 303.7 of this chapter.

§ 327.4 *Time of payment.*

Each insured bank shall pay to the Corporation the amount of the semiannual assessment due to the Corporation, as shown on its Certified Statement,² at the time such statement is required to be filed under section 7 (c) of the Federal Deposit Insurance Act.

B. Part 326 of the Corporation's rules and regulations, relating to bank obligations prescribed as deposits, is repealed effective January 16, 1961, because of the amendment of the definition of the term "deposit" in subsection (1) of section 3 of the Federal Deposit Insurance Act, as amended by Public Law 86-671, approved July 14, 1960 and effective on January 1, 1961 except as to the determination and payment of assessments due on January 15, 1961 (12 U.S.C. 1813 (1)): *Provided*, That rights and liabilities existing on or before January 1, 1961, with respect to insured deposits, and existing on or before January 15, 1961 with respect to the determination and payment of assessments, are not affected by such repeal.

As the repeal of Part 326 as provided herein and the following amendments of §§ 301.1, 303.5, 304.1, 304.2 and 304.3 do not diminish the rights of insured banks,

¹ The requisite notice of assumption shall be the notice prescribed in § 307.3 of this chapter.

² See §§ 304.1 and 304.3 of this chapter.

notice of them as proposed rules is found to be unnecessary. Further, it is found that the effective date of the amendment of Part 327 and of the repeal of Part 326 as provided herein should not be deferred for thirty days, because of the effective dates of the amendments of the Federal Deposit Insurance Act by Public Law 86—671, approved July 14, 1960, and the effective date of the other amendments should not be deferred for thirty days, because they relate to applications, reports and forms and do not impose additional substantive burdens upon insured banks.

The following amendments of the rules and regulations of the Corporation are adopted effective January 16, 1961:

§ 301.1 [*Amendment*]

1. In § 301.1 delete the following: “(Act of Sept. 21, 1950, Pub. Law 797, 81st Cong.),” and substitute therefor the following: “(12 U.S.C. 1811—1831),”.

§ 303.5 [*Amendment*]

2. Paragraph (c) of § 303.5 is amended to read as follows:

(c) *Merger, consolidation, asset acquisition or assumption transaction between insured banks.* Application by an insured bank for the consent of the Corporation to merge or consolidate with, acquire the assets of, or assume the liability to pay any deposits made in, another insured bank—when the resulting or assuming bank is to be an insured State nonmember bank (except a District bank)—together with copies of all agreements or proposed agreements relating thereto, including the charter or articles of incorporation of the resulting or assuming bank, should be filed with the Supervising Examiner of the Federal Deposit Insurance District in which the resulting or assuming bank is located. The appropriate form of application and instructions for completing the same may be obtained upon request from the office of said Supervising Examiner.

§ 304.1 [*Amendment*]

3. In § 304.1 delete the words “and pursuant to the instructions” in the first sentence and delete the words “and instructions for completing the same” in the second sentence.

§ 304.2 [*Amendment*]

4. In § 304.2 delete the words “by the board of directors pursuant to law” in the first sentence and add at the end of the section the following sentence: “Each insured national bank and each insured District bank at the time of making reports of conditions to the Comptroller of the Currency and each insured State member bank at the time of making reports of condition to the Federal Reserve bank, required under the Federal Deposit Insurance Act, shall furnish an executed and attested copy thereof to the Corporation.”

§ 304.3 [*Amendment*]

5. In paragraph (a) of § 304.3 insert after the words “other application” in the third sentence the words “may be”.

6. In paragraph (d) of § 304.3 delete the words “other application retained by the bank as part of its permanent records” in the third sentence and substitute therefor the words “other application may be retained by the bank”.

7. In paragraph (g) of § 304.3 delete the words “other application retained in the files of the bank as part of its permanent records” in the fourth sentence and substitute therefor the words “other application may be retained by the bank”.

8. Amend § 304.3 by redesignating paragraphs (i) through (u) as paragraphs (j) through (v), respectively, and by adding a new paragraph (i) to read as follows:

(i) *Form 86: Application for merger, consolidation, asset acquisition or assumption.* The bank applying for prior written consent to merge with, consolidate with, acquire the assets of, or assume liability to pay deposits made in, another bank or institution, pursuant to section 18(c) of the Federal Deposit Insurance Act and for the establishment of branches incident thereto pursuant to section 18(d) of the Act is required to submit statements, representations, and information with respect to the several factors enumerated in said section 18(c). Twelve copies of the application and all documents, schedules and exhibits, including the agreement between the participating banks and the charter or articles of incorporation of the resulting or assuming bank, are to be executed by an authorized officer with the bank's corporate seal affixed and forwarded to the Supervising Examiner. The Corporation will furnish the applicant bank with a form of the notice (Form 116) for publication provided for in said section 18(c).

9. In redesignated paragraph (k) of § 304.3 delete the words "one copy retained in the bank's files" in the fifth sentence and substitute therefor the words "one copy may be retained by the bank".

10. In redesignated paragraph (l) of § 304.3 delete the parenthetical statement "(Short form)" wherever it appears in said paragraph, and at the end of the first sentence add the words "and information for assessment purposes".

11. In redesignated paragraph (m) of § 304.3 delete the parenthetical statement "(Short form)".

12. Section 304.3 is amended by deleting redesignated paragraphs (q) through (v), inclusive, and substituting therefor the following paragraphs (q) through (y):

(q) *Form 545: Certified Statement (for banks other than mutual savings).* A Form 545 must be submitted on or before January 31 and July 31 of each year by every insured bank, except any newly insured banks which must submit their First Certified Statement on Form 645, and any mutual savings banks which must use Form 545 (Savings). Form 545 shows the deposit liabilities, less authorized deductions, reported in two reports of condition in each semiannual assessment period. The form will show the computation of the assessment base and the amount of the assessment due the Corporation. It must be prepared in duplicate, certified by the president of the bank or any other officer designated by its board of directors and an original must be forwarded to the Fiscal Agent. The duplicate copy should be retained in the bank's file.⁴ The forms are mailed to all insured banks each six months in ample time to permit compliance with the law, but if not received on or before January 1 or July 1, they should be obtained from the Fiscal Agent. Any questions in respect to such forms should be directed to the Fiscal Agent.

(r) *Form 545 (Savings): Certified Statement (for mutual savings banks).* This form is substantially the same as Form 545, and should be used by mutual savings banks.

(s) *Form 645: First Certified Statement (for banks other than mutual savings).* The First Certified Statement, Form 645, must be submitted on or before July 31 or January 31 following the semiannual period in which the bank began operation as an insured

⁴ Section 7(b)(6) of the Federal Deposit Insurance Act, which relates to assessment base deductions, provides, in part, as follows: "Each insured bank, as a condition to the right to make any such deduction in determining its assessment base, shall maintain such records as will readily permit verification of the correctness of its assessment base. No insured bank shall be required to retain such records for such purpose for a period in excess of five years from the date of the filing of any certified statement, except that when there is a dispute between the insured bank and the Corporation over the amount of any assessment the bank shall retain such records until final determination of the issue."

bank. The form shows the deposit liabilities, less authorized deductions, as provided by law, on the last date within such period for which it was required to submit a report of condition or if such bank became an insured bank after the last date in such period for which a report of condition was required, such bank shall make a report of condition as of the last day of such semiannual period, and shall file with the Corporation a Certified Statement showing, as its assessment base for such period, its assessment base for the date of such special report. The form will show the computation of the assessment base and the amount of the assessment due the Corporation. It must be prepared in duplicate, certified by the president of the bank or any other officer designated by its board of directors, and the original must be forwarded to the Fiscal Agent. The duplicate copy should be retained in the bank's file.⁴ The forms will be mailed by the Fiscal Agent to newly insured banks with appropriate instructions for their preparation.

(t) *Form 645 (Savings): First Certified Statement (for mutual savings banks).* This form is substantially the same as Form 645 and should be used by mutual savings banks.

(u) *Form 845: Final Certified Statement—for use by an insured bank (except mutual savings banks) whose deposits are assumed by another insured bank.* This statement, Form 845, shows the deposit liabilities, less authorized deductions of the bank in the report or reports of condition prior to the assumption date. Form 845 accompanied by appropriate letter of explanation and instructions will be mailed by the Fiscal Agent to each insured bank whose deposit liabilities are assumed by another insured bank. The form must be prepared in duplicate, certified by the president of the bank or any other officer designated by its board of directors and the original must be forwarded to the Fiscal Agent. The duplicate copy should be retained in the bank's files.⁴ If the deposits of the liquidating bank are assumed by a newly insured bank, the liquidating bank is not required to file Form 845 or to pay any assessments upon the deposits so assumed after the semiannual period in which the assumption takes effect.

(v) *Form 845 (Savings): Final Certified Statement (for mutual savings banks).* This form is substantially the same as Form 845 and should be used by mutual savings banks.

(w) *Form 845A: Final Certified Statement—for use of an insured bank (other than mutual savings banks) whose deposit liabilities are assumed by another insured operating bank.* (To be used when the assuming bank executes the Certified Statement for the bank whose deposits were assumed.) Form 845A may be substituted for Form 845 described in paragraph (u) of this section if the assuming bank is executing the Certified Statement for the bank whose deposit liabilities were assumed. Form 845A is prepared in the same manner as Form 845 except the certification is executed by an official of the assuming bank.

(x) *Form 845A (Savings): Final Certified Statement—for use of an insured mutual savings bank whose deposit liabilities are assumed by another insured operating bank.* (To be used when the assuming bank executes the Certified Statement for the bank whose deposits were assumed.) Form 845A (Savings) may be substituted for Form 845 (Savings) described in paragraph (v) of this section if the assuming bank is executing the Certified Statement for the bank whose deposit liabilities were assumed. Form 845A (Savings) is prepared in the same manner as Form 845 (Savings) except the certification is executed by an official of the assuming bank.

⁴ See footnote above.

(y) *Amended and corrected Certified Statements.* Forms for use in amending or correcting previously submitted Certified Statements are identical in number and form with Forms 545, 645, 845 and 845A (for other than mutual savings banks) and Forms 545 (Savings), 645 (Savings), 845 (Savings), and 845A (Savings) described above except the title of the form contains the additional word "Amended" or "Corrected". These forms may be obtained on request from the Fiscal Agent.

FEDERAL DEPOSIT INSURANCE CORPORATION,
E. F. DOWNEY,
Secretary.

[SEAL]

[F.R. Doc. 61-359; Filed, Jan. 13, 1961; 8:53 a.m.]

STATE BANKING LEGISLATION

In 1960, the legislatures of twenty-one States held regular sessions. Four of these legislatures also held special sessions, along with the legislature of one other State.

Some of the more important State banking legislation enacted in 1960 is summarized below.

SUPERVISORY AUTHORITY

Establishment of mutual savings banks.....	Alaska (Ch. 132)
Fees for examination of certain trust companies.....	Georgia (Art. 932)
Authority of Superintendent of Banks to regulate banks.....	Georgia (Art. 442)
Fees for examinations.....	Georgia (Art. 647)
State Depository Board and depositories.....	Georgia (Art. 912)
New or additional private banks prohibited.....	Georgia (Art. 939)
Establishment of drive-in windows at branch offices or branch banks.....	Mississippi (S.B. 1858)
Service of copy of examination reports on president or secretary of board of directors.....	Nevada (Ch. 147)
Investigation fees for approval of organization and branch offices.....	New York (Ch. 51), (Ch. 555)
Discretion of Superintendent of Banks.....	New York (Ch. 146)
Fees for changes in location.....	New York (Ch. 153)
Extension of time within which Superintendent may make investigation.....	New York (Ch. 453)
Amendments to charter.....	Rhode Island (Ch. 71)

GENERAL OPERATING PROVISIONS

Amendment to gift of securities to minors act.....	Georgia (Art. 563)
Periodic distribution of income from trust property.....	Georgia (Art. 533)
Amendment to Securities Act.....	Georgia (Art. 656)
Bank investments in small business investment companies operating under Federal Act.....	Hawaii (S.B. 247)
Validity of certain open end mortgages... Kentucky (Ch. 89); So. Carolina (Art. 902)	
Uniform gifts to minors act.....	Kentucky (Ch. 108)
Transfers of property or money of deceased persons.....	Louisiana (Art. 35)

Sales of securities by banks and trust companies	Louisiana (Art. 164)
Uniform law for simplification of fiduciary security transfers	Georgia (Art. 615); Louisiana (Art. 444); Maryland (Ch. 92); Mississippi (S.B. 1939); So. Carolina (Art. 829); Virginia (Ch. 21)
Payment of dividends of savings institutions	Maryland (Ch. 94)
Safekeeping of certain securities and pass books of depositors	Massachusetts (Ch. 27)
Time for filing annual reports of savings banks	Massachusetts (Ch. 58)
Encouraging organization of small business companies	Mississippi (H.B. 472); So. Carolina (Art. 999)
Deposits of moneys and investment of funds of minors	New Jersey (Ch. 71)
Uniform Securities Law	New Jersey (Ch. 75)
Transfer of securities by fiduciaries	New Jersey (Ch. 200)
Examinations by trustees of savings banks	New York (Ch. 39)
Opening and operating foreign branches by banks and trust companies	New York (Ch. 76)
Regulation of interest charged by banking organizations	New York (Ch. 349)
Power of savings banks to service mortgages	New York (Ch. 475)
Conflicting claims of authority to act with respect to property held by banks and trust companies	New York (Ch. 519); (Ch. 521); (Ch. 520)
Transaction of business by foreign banks	New York (Ch. 553)
Advances by banks and trust companies	New York (Ch. 784)
Permissive closing one day a week	So. Carolina (Art. 604)
Requirement of cash for par value of stock issued	So. Carolina (Art. 813); (Art. 915)
Retention and disposition of records of banks	So. Carolina (Art. 811)
Annual approval of officer and employee bonds by board of directors	So. Carolina (Art. 812)
Legality of checking accounts of minors	So. Carolina (Art. 957)
Negotiation of instrument by agent after death of drawer or endorser	So. Carolina (Art. 911)
Transfer of securities registered in joint names	Virginia (Ch. 20)
Permissive closing of certain banks on Saturdays	Virginia (Ch. 24); (Ch. 588)
Industrial Development Corporation Act	Virginia (Ch. 80)
Payment of commissions, fees, etc. for sale of stock of banks and trust companies	Virginia (Ch. 276)
Recordation of security trusts	Virginia (Ch. 565)

LOANS

Loans by foreign banks and similar lending institutions	Alaska (Ch. 113)
Loans to veterans	Alaska (Ch. 137)
Regulation of real estate loan brokers	California (Ch. 78)
Exemptions from limitations on maximum debts to banks and trust companies	Kentucky (Ch. 152)
Borrowings by credit unions from banks	Massachusetts (Ch. 60)
Increase in aggregate balance of principal of certain participation loans by a savings bank	Massachusetts (Ch. 256)

Authorizing savings banks to make certain collateral loans in participation with other savings banks	Massachusetts (Ch. 257)
Increasing amount savings banks may lend on certain personal loans and extending time of payment	Massachusetts (Ch. 272)
Mortgage loans by savings banks	Massachusetts (Ch. 289); New York (Ch. 973)
Authorizing banks to make certain FHA insured loans	Massachusetts (Ch. 422); West Virginia (Ch. 14)
Limitation on loans	Michigan (P.Act. 87); New Jersey (Ch. 181); Virginia (Ch. 27), (Ch. 23)
Restriction on real estate loans by private banks	New York (Ch. 111)
Restrictions on loans by industrial banks	New York (Ch. A.B. 326)
Restrictions on real estate loans by banks and trust companies	New York (Ch. 357)
Loans by savings banks	New York (Ch. 505), (Ch. 970)
Loans to other banks	So. Carolina (Art. 810)
Certain loans to manufacturing and industrial businesses considered commercial loans	Virginia (Ch. 22)
Removal of defense of infancy in college loans	Virginia (Ch. 78)
Minimum interest on certain loans	Virginia (Ch. 74)

INVESTMENTS

Investments by fiduciaries	Kentucky (Ch. 155); Virginia (Ch. 589)
Investment of bank funds	Kentucky (Ch. 153); Virginia (Ch. 522)
Investment in securities of federal housing agencies	Kentucky (Ch. 163)
Investment in mortgage loans by savings banks	Massachusetts (Ch. 607)
Investments by savings banks in bonds and mortgages on certain real property	New York (Ch. 221), (Ch. 239); So. Carolina (Art. 748)
Investments of savings banks funds	New York (Ch. 704), (Ch. 966)
Removal of certain restrictions on investments by savings bank investment funds	Massachusetts (Ch. 219)

RESERVES

Prescribed amount of paid-up capital and surplus	Nevada (Ch. 146)
Method of computing cash and balances required on hand	Nevada (Ch. 145)

DEPOSITS

Acceptance of savings banks of deposits to secure performance of lease	New York (Ch. 119)
Deposits of custodians of certain funds	New York (Ch. 476)
Disposition of unclaimed deposits	Rhode Island (Ch. 60); Virginia (Ch. 330)

CHECKS

Penalty for issuing false checks	Arizona (Ch. 61)
Regulation of sale of checks, drafts, and money orders as a service or for a fee	Michigan (P.Act 136)
Bad Check law	Nevada (Ch. 214)
Jurisdiction in issue of fraudulent checks	So. Carolina (Art. 993)

DIRECTORS, TRUSTEES, OFFICERS AND EMPLOYEES

Public Notice of names of Directors and Shares (repealed).....Arizona (Ch. 40)
 Embezzlements and false entries, penalty.....Michigan (P.Act 31)

LIQUIDATION

Purchase and sale of property of savings banks in possession of commissioner....
Massachusetts (Ch. 477)
 Accounting by receivers and liquidating agents.....So. Carolina (Art. 814)
 Compensation of receivers.....So. Carolina (Art. 815)

MISCELLANEOUS

Legal rate of interest.....Delaware (H.B. 544)
 Financing of sale of motor vehicles.....Delaware (S.B. 102)
 Retail installment sales.....Delaware (H.B. 550)
 Tax on bank deposits.....Kentucky (Ch. 186)
 Business Development Corporation Act.....Kentucky (Ch. 73)
 Escheat of unclaimed property.....Kentucky (Ch. 142)
 Taxation of savings banks.....Massachusetts (Ch. 558)
 Regulation of bank holding companies.....New York (Ch. 237)
 Amending negotiable instrument law in relation to when instrument is payable
 to bearer.....New York (Ch. 726)
 Effect of taking usurious interest.....New York (Ch. 963), (Ch. 960)
 Maintenance of public accommodation offices.....New York (Ch. 1064)
 Tax on intangible personal property.....Rhode Island (Ch. 52)
 Tax on bank deposits generally.....Rhode Island (Ch. 59)
 Borrowing powers of savings banks.....Rhode Island (Ch. 123)
 Tax on bank and trust company stock.....Virginia (Ch. 335)

PART FOUR
BANKING DEVELOPMENTS

SUPERVISORY STATUS OF BANKS AT THE END OF 1960

Supervisory status of banks. Under the Banking Act of 1933, as amended in 1935 and 1959, all banks of deposit are required to submit to examination and regulation under the laws of the United States or of the State, Territory, or District in which the bank is located.¹ Table 30 classifies the banks and trust companies operating in the United States at the end of 1960 according to the supervisory authority or authorities to which they are subject. Of the 13,999 banks, 32 percent were subject to Federal Government supervision only, 64 percent to both Federal and State supervision, and 4 percent to State supervision only.

Table 30. CLASSIFICATION OF BANKS ACCORDING TO SUPERVISORY STATUS AND FEDERAL DEPOSIT INSURANCE PARTICIPATION, DECEMBER 31, 1960

Supervisory status	All banks			Commercial banks and trust companies ¹		Mutual savings banks	
	Total	Insured	Non-insured	Insured	Non-insured	Insured	Non-insured
Number of banks and trust companies—total	13,999	13,451	548	13,126	358	325	190
Banks of deposit	13,945	13,451	494	13,126	304	325	190
Examined by and reporting to: ²							
Comptroller of the Currency ³	4,537	4,537		4,537			
State authorities and Federal Reserve banks ⁴	1,639	1,639		1,637		2	
State authorities and Federal Deposit Insurance Corporation ⁵	7,275	7,275		6,952		323	
State authorities only ⁶	494		494		304		190
Trust companies not regularly engaged in deposit banking⁷	54		54		54		
Percentage insured and noninsured:							
All banks and trust companies	100.0%	96.1%	3.9%	97.3%	2.7%	63.1%	36.9%
Banks of deposit	100.0	96.5	3.5	97.7	2.3	63.1	36.9
Trust companies not regularly engaged in deposit banking	100.0		100.0		100.0		

¹ Includes stock savings banks.

² Classification relates to regular examination and periodic submission of reports of condition (assets and liabilities).

³ Includes all national banks and 7 nonnational banks in the District of Columbia; of the latter, 4 are members of the Federal Reserve System.

⁴ Includes all State banks that are members of the Federal Reserve System except 4 commercial banks in the District of Columbia and 1 noninsured trust company.

⁵ Includes all insured banks not members of the Federal Reserve System except 3 in the District of Columbia. Includes 1 unincorporated bank which is insured.

⁶ Includes 85 unincorporated banks located in seven States. Unincorporated banks in 3 of these States are not examined by the State authorities: these banks and industrial banks in one other State do not submit periodic condition reports to the State authorities. At the end of 1960 no State permitted the establishment of new unincorporated banks.

⁷ Subject to supervision by State authorities only except for 1 which is a member of the Federal Reserve System but not insured.

¹ United States Code, Title 12, section 378.

Banks subject only to Federal supervision include all national banks and all other banks located in the District of Columbia, and are under the jurisdiction of the Comptroller of the Currency. Of the banks subject to both Federal and State supervision, more than four-fifths are not members of the Federal Reserve System and are regularly examined by and submit reports of condition to the Federal Deposit Insurance Corporation. Less than one-fifth of the banks subject to both Federal and State supervision are members of the Federal Reserve System and are examined by and submit reports of condition to the Federal Reserve banks of the respective districts in which they are located. The banks and trust companies which are subject to State supervision only are those not insured by the Federal Deposit Insurance Corporation. However, some of the noninsured banks, mostly unincorporated banks in Georgia, Iowa, and Texas, do not submit reports of condition to and are not examined by the State bank supervisory authority. About three-tenths of all the noninsured banks and trust companies are not eligible for participation in deposit insurance, because they are trust companies not regularly engaged in deposit banking, or are unincorporated banks, or operate under laws which do not bring them within the definition of State banks in the Federal Deposit Insurance Act.

Table 31. ASSETS OF BANKS CLASSIFIED ACCORDING TO SUPERVISORY STATUS AND FEDERAL DEPOSIT INSURANCE PARTICIPATION, DECEMBER 31, 1960

Supervisory status ¹	All banks			Commercial banks and trust companies		Mutual savings banks	
	Total	Insured	Non-insured	Insured	Non-insured	Insured	Non-insured
Assets of banks and trust companies (in millions)—total	\$298,932	\$291,415	\$7,517	\$256,323	\$2,036	\$35,092	\$5,481
Banks of deposit	298,716	291,415	7,301	256,323	1,820	35,092	5,481
Examined by and reporting to:							
Comptroller of the Currency.....	139,996	139,996		139,996			
State authorities and Federal Reserve banks	76,761	76,761		76,740		21	
State authorities and Federal Deposit Insurance Corporation..	74,658	74,658		39,537		35,071	
State authorities only.....	7,301		7,301		1,820		5,481
Trust companies not regularly engaged in deposit banking	216		216		216		
Percentage in insured and noninsured banks:							
All banks and trust companies.....	100.0%	97.5%	2.5%	99.2%	0.8%	86.5%	13.5%
Banks of deposit.....	100.0	97.6	2.4	99.3	0.7	86.5	13.5
Trust companies not regularly engaged in deposit banking.....	100.0		100.0		100.0		

¹ See notes to Table 30.

Note: Due to rounding, components may not add to total.

Assets and deposits. The total assets of the banks in the various categories shown in the preceding table are given in Table 31 and their total deposits in Table 32. About 47 percent of the assets and deposits in all banks and trust companies are in those which are examined by and report to the Comptroller of the Currency; about 25 percent in banks subject to examination and supervision by the State authorities and by Federal Reserve banks; another 25 percent in banks subject to supervision and examination by State authorities and the Federal Deposit Insurance Corporation; and less than 3 percent in banks subject to control by State authorities only.

Table 32. DEPOSITS OF BANKS CLASSIFIED ACCORDING TO SUPERVISORY STATUS AND FEDERAL DEPOSIT INSURANCE PARTICIPATION, DECEMBER 31, 1960

Supervisory status ¹	All banks			Commercial banks and trust companies		Mutual savings banks	
	Total	Insured	Non-insured	Insured	Non-insured	Insured	Non-insured
Deposits of banks and trust companies (in millions)—total	\$266,885	\$260,496	\$6,389	\$228,994	\$1,538	\$31,502	\$4,851
Banks of deposit	266,814	260,496	6,318	228,994	1,467	31,502	4,851
Examined by and reporting to:							
Comptroller of the Currency.....	125,579	125,579	.....	125,579	.....	.....	.....
State authorities and Federal Reserve banks.....	67,612	67,612	.....	67,593	.....	19	.....
State authorities and Federal Deposit Insurance Corporation.....	67,305	67,305	.....	35,822	.....	31,483	.....
State authorities only.....	6,318	.....	6,318	.....	1,467	.....	4,851
Trust companies not regularly engaged in deposit banking	71	.....	71	.....	71	.....	.....
Percentage in insured and noninsured banks:							
All banks and trust companies.....	100.0%	97.6%	2.4%	99.3%	0.7%	86.7%	13.3%
Banks of deposit.....	100.0	97.6	2.4	99.4	0.6	86.7	13.3
Trust companies not regularly engaged in deposit banking.....	100.0	.....	100.0	.....	100.0	.....	.....

¹ See notes to Table 30.

Note: Due to rounding, components may not add to total.

Capital accounts and capital ratios. Banks have relatively small amounts of liabilities other than deposits. Most of the difference between their total assets and total deposits consists of their capital accounts. For all insured banks, the ratio of total capital accounts to total assets at the end of 1960 was 8.1 percent, a slight increase over the preceding year. In Table 33 ratios of total capital accounts to total assets are given for the banks examined by and reporting to the Federal and State supervisory agencies, with separate figures for mutual savings banks and for commercial banks and trust companies.

Table 33. CAPITAL ACCOUNT RATIOS OF BANKS OF DEPOSIT CLASSIFIED ACCORDING TO SUPERVISORY STATUS AND FEDERAL DEPOSIT INSURANCE PARTICIPATION, DECEMBER 31, 1960

Supervisory status ¹	All banks of deposit			Commercial banks and trust companies		Mutual savings banks	
	Total	Insured	Non-insured	Insured	Non-insured	Insured	Non-insured
All banks of deposit.....	8.2%	8.1%	11.2%	8.1%	14.6%	8.5%	10.1%
Examined by and reporting to:							
Comptroller of the Currency.....	8.0	8.0	.....	8.0	.....	.....	.....
State authorities and Federal Reserve banks	8.2	8.2	.....	8.2	.....	9.5	.....
State authorities and Federal Deposit Insurance Corporation..	8.4	8.4	.....	8.2	.....	8.5	.....
State authorities only...	11.2	.....	11.2	.....	14.6	.....	10.1

¹ See notes to Table 30.

BANKING DEVELOPMENTS DURING 1960

Number of banking offices. At the end of 1960 there were 25,105 banking offices in the United States, an increase of 863 during the year. All of the increase represented additional branches, since there was a reduction of five in the number of banks and an increase of 868 in the number of branches. More new banking offices were opened in 1960 than in any other year since the beginning of Federal deposit insurance. The great majority of the new offices were branches; only 14 percent were new banks. Of the new banks, 40 percent were in three States, Texas, Florida, and Illinois, in which branch banking is prohibited, and a large proportion of the remainder were in other States which also prohibit branch banking or were outside the areas in which branches are permitted.

Table 34 shows the character of the changes during 1960 among banks and branches, with separate figures for commercial banks and trust companies and for mutual savings banks. The 133 banks which began operations in 1960 practically offset the 138 banks which ceased operation. Six banks were placed in liquidation. The 132 banks ceasing business because of absorption were succeeded by 113 branches. In 1960 there were 815 other new branches beginning operations and 60 branches discontinuing operations.

From the end of 1950 to the end of 1960 the total number of banking offices in the United States increased by 26 percent, in comparison with an increase in population of less than 20 percent. At the end of 1960, the population per banking office, including both commercial and mutual savings banks, was approximately 7,200; and for commercial banks only, about 7,500 per office. The population per bank was, of course, much

larger; about 13,000 if both commercial and mutual savings are included, and 13,500 if only commercial banks are counted. Table 35 shows the number of banks and offices, and population data, for the entire United States, and also for the 50 States and the District of Columbia, and for the 48 States and the District of Columbia formerly referred to as "continental United States."

Table 34. ANALYSIS OF CHANGES IN NUMBER OF BANKS AND BRANCHES IN THE UNITED STATES (STATES AND OTHER AREAS) DURING 1960¹

Type of office and change	All banks	Commercial banks and trust companies	Mutual savings banks
ALL BANKING OFFICES			
Number, December 31, 1960.....	25,105	24,103	1,002
Number, December 31, 1959.....	24,242	23,276	966
Net change during year.....	+863	+827	+36
BANKS			
Number, December 31, 1960.....	13,999	18,484	515
Number, December 31, 1959.....	14,004	13,486	518
Net change during year.....	-5	-2	-3
Banks beginning operations:			
New banks opened ²	132	132	.....
Successor to suspended bank.....	1	1	.....
Banks ceasing operations:			
Absorbed.....	132	129	3
Suspended.....	2	2	.....
Other liquidations.....	4	4	.....
BRANCHES³			
Number, December 31, 1960.....	11,106	10,619	487
Number, December 31, 1959.....	10,233	9,790	448
Net change during year.....	+868	+829	+39
Branches beginning operations:			
Succeeded absorbed banks.....	113	111	2
Other new branches ⁴	815	776	89
Branches discontinued.....			
.....	60	60	.....
Branches transferred as result of absorption.....			
.....	.....	+2	-2

¹ Excludes changes not affecting number of banks or branches of commercial banks and trust companies or of mutual savings banks.

² Includes 7 banks opened prior to December 31, 1959, but not previously reported.

³ Includes facilities established in or near military or other Federal Government installations at request of the Treasury or Commanding Officer of the installation.

⁴ Includes 3 branches opened prior to December 31, 1959, but not previously reported.

Detailed data (including changes referred to in note 1): Table 102, pp. 126-127.

Back data for all banks: Table 18, p. 33.

Changes in bank assets and liabilities. The amounts of the major classes of bank assets, the chief types of bank loans, the major categories of deposits, and the total capital accounts of the banks at the end of 1960 are compared, in Table 36, with the corresponding amounts at the end of each of the preceding three years. Total assets increased 5.1 percent during 1960, more than double the rate of increase of 2.3 percent during the preceding year, but less than the 7.2 percent rate of increase in 1958.

There was considerable diversity in rate of growth among the various types of assets. For the major loan categories the rates of change in 1960 ranged from an increase of 13.1 percent for agricultural loans, other than those on real estate, to a decrease of 9.5 percent for loans to banks and other financial institutions. Commercial and industrial loans increased 7.3 percent, and real estate loans 4.9 percent: these two categories together make up approximately two-thirds of all the loans of the banks.

Table 35. BANKS AND BANKING OFFICES, AND POPULATION PER BANK AND PER BANKING OFFICE, UNITED STATES, DECEMBER 31, 1960

Item	Entire United States	50 States and D. C.	48 States and D. C.
NUMBER OF BANKING OFFICES			
All banks—total offices	25,105	24,954	24,810
Banks	13,999	13,985	13,960
Branches	11,106	10,969	10,850
Commercial banks and trust companies—total offices	24,103	23,954	23,810
Banks	13,484	13,471	13,446
Branches	10,619	10,483	10,364
Mutual savings banks—total offices	1,002	1,000	1,000
Banks	515	514	514
Branches	487	486	486
POPULATION PER OFFICE OR PER BANK			
Population per office:			
All banks	7,269	7,212	7,220
Commercial banks and trust companies	7,551	7,526	7,523
Population per bank:			
All banks	18,036	12,869	12,831
Commercial banks and trust companies	13,534	13,327	13,321
Estimated population—July 1, 1960 (in thousands) ¹ ..	182,492	179,977	179,118

¹ For 50 States and D. C., Bureau of the Census estimate (release January 26, 1961, Series P-25, No. 223); for entire United States, foregoing plus population April 1 of Puerto Rico (preliminary), American Samoa, Canal Zone, Guam, and Virgin Islands; for 48 States and D. C., July 1 figure for 50 States and D. C. minus population April 1 of Alaska and Hawaii.

Bank data, all banks: 1859-1934, States and D. C., Table 15 of this Report, p. 29; 1933-1959, entire United States, Table 16 of this Report, p. 30.

As in the preceding year, deposits increased during 1960 at a lower, and capital accounts at a higher, rate than total assets. Deposit growth was at the rate of 4.5 percent in 1960, which compares with 1.7 percent in 1959, and 7.3 percent in 1958. Among categories of deposits the highest rates of increase were in those of the United States Government and of States and subdivisions. Of the business and personal deposits, those classified as time and savings increased much more rapidly than demand deposits, the rates being 5.6 percent and 1.3 percent respectively, during 1960. Both of these rates were higher than the corresponding rates in 1959 but lower than in 1958. Capital accounts increased 7.1 percent in 1960, compared with 5.3 percent in 1959 and 6.3 percent in 1958.

Table 36. MAJOR CATEGORIES OF ASSETS AND LIABILITIES OF ALL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), 1957-1960, WITH ANNUAL PERCENTAGE CHANGES

Asset or liability item	Amount, December 31 (millions of dollars)				Percentage change during—		
	1960	1959	1958	1957	1960	1959	1958
Assets—total	\$298,933	\$284,358	\$277,880	\$259,188	5.1%	2.3%	7.2%
Cash and funds due from banks.....	53,105	50,362	50,147	49,539	5.4	.4	1.2
U. S. Government obligations.....	67,343	65,882	73,935	66,066	2.2	-10.9	11.9
Other securities.....	26,674	26,131	26,390	23,051	2.1	-1.0	14.5
Loans and discounts ¹	145,255	136,410	122,287	115,760	6.5	11.5	5.6
Other assets.....	6,556	5,574	5,121	4,771	17.6	8.8	7.3
Loans—gross total²	147,845	139,812	124,476	117,760	6.5	11.5	5.7
Commercial and industrial ³	43,463	40,490	40,771	40,825	7.3	(⁴)	-1
Agricultural (except real estate).....	5,689	5,030	4,993	4,087	13.1	.7	22.2
For carrying securities.....	5,127	4,877	4,698	4,250	5.1	3.8	10.5
Real estate loans.....	55,741	53,137	48,786	44,506	4.9	8.9	9.6
Other loans to individuals.....	26,781	24,509	21,034	20,512	9.3	16.5	2.5
To financial institutions ⁵	8,102	8,957	(⁶)	(⁶)	-9.5	(⁶)	(⁶)
All other ⁷	2,941	2,812	4,194	3,581	4.6	(⁷)	17.1
Deposits—total	266,885	255,497	251,332	234,178	4.5	1.7	7.3
Business and personal deposits:							
Demand ⁸	121,991	120,389	119,728	113,780	1.3	0.6	5.2
Time and savings.....	103,383	97,883	94,012	85,403	5.6	4.1	10.1
Government deposits:							
States and subdivisions.....	16,370	14,749	14,722	13,655	11.0	.2	7.8
United States.....	6,223	5,352	4,644	4,268	16.3	15.2	8.8
Interbank deposits ⁹	18,917	17,123	18,226	17,072	10.5	-6.1	6.8
Capital accounts—total	24,603	22,973	21,822	20,536	7.1	5.3	6.3

¹ Net of valuation reserves.

² Including valuation reserves.

³ Data for 1957 and 1958 are not comparable with those for 1959 and 1960. Prior to 1959, a large proportion of loans to financial institutions other than banks (see note 5) were included with commercial and industrial loans.

⁴ Estimated at about 14 percent, after allowance for change in classification.

⁵ Loans to banks and other financial institutions. Loans to other financial institutions were not separately reported prior to 1959.

⁶ Data for 1957 and 1958 are not comparable with those for 1959 and 1960. Figures for 1957 and 1958 include loans to banks and a small proportion of loans to other financial institutions.

⁷ Not computed because of change in classification.

⁸ Includes certified checks, letters of credit, etc.

⁹ Includes postal savings deposits.

Note: Due to rounding, components may not add to total.

Back data, percentage changes, 1948-1956: Annual Report for 1959, p. 91.

Assets and liabilities of the entire banking and currency system.

Bank deposits and the circulating notes and coins issued by Federal Reserve banks and the United States Treasury all serve the same basic role in the economic affairs of the nation, namely, as means of payment and cash reserves available for immediate or later use. The circulating notes are all direct obligations of the United States Treasury.

Table 37 shows for the end of 1960 and each of the preceding three years the aggregate assets and liabilities of the entire banking and currency system, which includes not only commercial and mutual savings banks, but also Federal Reserve banks, the postal savings system, the gold accounts and currency issues of the Treasury, and the exchange stabilization fund. The assets of the system are divided into two major groups. One group includes assets which are obligations of other components of

Table 37. ASSETS AND LIABILITIES OF THE ENTIRE BANKING AND CURRENCY SYSTEM, 1957-1960, WITH ANNUAL PERCENTAGE CHANGES

Item	Amount, December 31 (millions of dollars)				Percentage change during—		
	1960	1959	1958	1957	1960	1959	1958
Total assets¹	\$405,995	\$393,962	\$387,353	\$370,526	3.1%	1.7%	4.5%
Assets consisting of obligations of other parts of the banking and currency system ²	109,625	108,145	106,924	107,760	1.4	1.1	-.8
Net total assets	296,371	285,817	280,430	262,767	3.7	1.9	6.7
Gold and other monetary metals ³	22,704	24,309	25,294	27,467	-6.6	-3.9	-7.9
United States Government obligations ⁴	96,058	94,074	102,011	92,161	2.1	-7.8	10.7
Other securities ⁵	26,265	25,744	26,025	22,707	2.0	-1.1	14.6
Loans and discounts ⁶	144,283	135,585	121,564	115,029	6.4	11.5	5.7
Other assets ⁷	7,066	6,105	5,536	5,403	15.7	10.3	2.5
Total liabilities and capital accounts¹	405,995	393,962	387,353	370,526	3.1	1.7	4.5
Claims of (i.e., owed to) other parts of the banking and currency system ⁸	108,670	107,394	106,094	106,412	1.2	1.2	-.3
Capital account and miscellaneous liabilities ⁹	33,061	29,379	27,796	26,218	12.5	5.7	6.0
Net total deposits and circulating currency¹⁰	264,263	257,187	253,462	237,897	2.8	1.5	6.5
Foreign owned ¹¹	6,197	6,131	6,877	6,005	1.1	-10.3	14.5
United States Government ¹²	7,191	6,560	5,678	5,745	9.6	15.5	-1.2
Other holders ¹³	250,875	244,496	240,907	226,147	2.6	1.5	6.5

¹ Sum of total assets, or total liabilities and capital accounts, of commercial and savings banks, Federal Reserve banks, postal savings system, Exchange Stabilization Fund, and items in the Treasury *Circulation Statement of United States Money*.

² Includes "cash and due from banks," loans to banks, and Federal Reserve bank stock reported in the assets of commercial and savings banks; gold certificate reserves and other cash, Federal Reserve notes of other Federal Reserve banks, member bank discounts and advances and acceptances, and uncollected items reported in the assets of Federal Reserve banks; cash in depository banks and reserve fund in the Treasury, reported in assets of the postal savings system; deposits in Federal Reserve banks and gold account at the Treasury reported in assets of the Exchange Stabilization Fund; and obligations of Federal Reserve banks for Federal Reserve notes issued by the Treasury to such banks.

³ Gold stock, and silver and other metals in coins or held in Treasury against silver certificates at monetary value.

⁴ Held in all parts of the banking and monetary system.

⁵ Held by commercial and mutual savings banks.

⁶ Loans and discounts of commercial and savings banks, minus loans to banks.

⁷ Bank premises and equipment of commercial and mutual savings banks and of Federal Reserve banks, and miscellaneous assets of those banks and other parts of the banking and monetary system.

⁸ Includes domestic interbank deposits and deposits equal to cash items in process of collection, member bank reserve accounts and deferred availability items at Federal Reserve banks, Federal Reserve notes issued by the Treasury to Federal Reserve banks and gold certificates held for and by such banks, and various other items in the liabilities of the parts of the banking and currency system owed to other parts of the system.

⁹ Capital accounts and minor liabilities of commercial and mutual savings banks, Federal Reserve banks (except paid-in capital which is included in claims of other parts of the banking and currency system), and Exchange Stabilization Fund, and minor liabilities of the postal savings system.

¹⁰ Currency issued by the Treasury and Federal Reserve banks adjusted to exclude amounts held within the banking and currency system, deposits in commercial and savings banks and in Federal Reserve banks other than those classified as claims of the banking and currency system, and deposits in the postal savings system.

¹¹ Foreign deposits in Federal Reserve banks, foreign bank deposits in commercial and mutual savings banks, deposits due foreigners other than banks and official institutions reported in *Treasury Bulletin*, and United States currency held abroad as estimated in connection with balance of payments estimates of the Department of Commerce. Does not include foreign deposits with American agencies of foreign banks or other institutions not included in banking statistics, nor balances of foreign branches of American banks with their head offices.

¹² United States Government deposits in commercial and savings banks and in Federal Reserve banks (including amounts in process of collection at Federal Reserve banks and "all other" deposits of those banks except the account of the Exchange Stabilization Fund) and currency in the general fund of the Treasury.

¹³ Balance of net total deposits and circulating currency.

Note: Due to rounding, components may not add to total.

Back data, 1947-1957: Annual Report for 1959, pp. 98 and 99.

the banking and currency system itself. The other group, designated "net total assets" in the table, includes gold, other monetary metals, United States Government obligations, other securities, loans and discounts, and miscellaneous assets. The net total assets of the system increased by 3.7 percent during 1960, in comparison with 1.9 percent during 1959, and 6.7 percent during 1958.

The total liabilities and capital accounts of the entire banking and currency system are divided into three groups: claims of, or amounts owed to, other parts of the banking and currency system; capital accounts and miscellaneous liabilities; and the balance, designated in the table as net total deposits and circulating currency. The net total deposits and circulating currency, which represent the total circulating medium of the nation, increased 2.8 percent during 1960, in comparison with 1.5 percent during 1959, and 6.5 percent during 1958. Variations in the rate of growth of the circulating medium are intimately related, on the one hand, to policies of restraint and ease exercised by the nation's monetary authorities, and on the other, to business downswings and upswings.

The table also gives estimates of the portions of the total circulating medium that are foreign owned, owned by the United States Government, and owned by other holders, the last being what is sometimes referred to as the money supply available to business and individuals.

RELATIVE POSITION OF BANKS

Entire United States. Table 38 presents data regarding the deposits of the largest commercial banks in comparison with those of all commercial banks in the United States. Figures are for the end of 1960 and are shown for the entire United States, for the 50 States and the District of Columbia, and for the 48 States and the District of Columbia formerly designated "continental United States." There is very little difference among these areas in the percentages indicating the concentration of deposits in the largest bank and in groups of the largest banks.

The largest 100 banks at the end of 1960 held 46 percent of the deposits of all commercial banks, and constituted about three-fourths of 1 percent of the number of banks. The largest bank held 4.5 percent, and the largest ten held 20 percent, of the deposits of all commercial banks. These various percentages differ only slightly from the corresponding percentages for December 31, 1958.²

Relative position of banks by States. Table 39 shows for each State, as of the end of the year, the number of commercial banks and trust companies, the number of offices operated, the population per bank and per office, and the percentage of deposits of all commercial banks in the

² See Table 26 of this Report, page 51.

largest bank, the largest three banks, and the largest five banks. The States are placed in three groups: those in which Statewide branch banking is the prevalent type of bank organization; those in which limited area branch banking is prevalent; and those in which unit banking is prevalent although in some of these States some branching is permitted. Within the three groups the States are listed in the order of the percentage of the deposits in the largest bank.

Table 38. RELATIVE IMPORTANCE OF THE LARGEST COMMERCIAL BANKS IN THE UNITED STATES, DECEMBER 31, 1960

Bank group	Entire United States	50 States and D. C.	48 States and D. C. ¹
All commercial banks			
Number.....	13,484	13,471	13,446
Deposits (millions).....	\$230,532	\$229,824	\$228,888
Largest 100 banks			
Percent of number of all commercial banks.....	0.74%	0.74%	0.74%
Deposits (millions).....	\$105,838	\$105,838	\$105,837
Percent of deposits of all commercial banks.....	45.9%	46.1%	46.2%
Largest 10 banks			
Deposits (millions).....	\$46,436	\$46,436	\$46,436
Percent of deposits of all commercial banks.....	20.1%	20.2%	20.3%
Largest bank			
Deposits (millions).....	\$10,285	\$10,285	\$10,285
Percent of deposits of all commercial banks.....	4.5%	4.5%	4.5%
Largest 1 percent of the banks			
Number of banks.....	135	135	134
Deposits (millions).....	\$115,032	\$115,032	\$114,657
Percent of deposits of all commercial banks.....	49.9%	50.1%	50.1%
Largest ½ of 1 percent of the banks			
Number of banks.....	67	67	67
Deposits (millions).....	\$93,522	\$93,522	\$93,522
Percent of deposits of all commercial banks.....	40.6%	40.7%	40.9%
Largest 1/10 of 1 percent of the banks			
Number of banks.....	13	13	13
Deposits (millions).....	\$52,783	\$52,783	\$52,783
Percent of deposits of all commercial banks.....	22.9%	23.0%	23.1%

¹ Comparable with data for "Continental United States" in Table 26 of this report, p. 51.

In most of the States the percentage of the deposits of all commercial banks held by the largest bank, and the percentage held by the largest five banks, are similar to the corresponding percentages on December 31, 1958. In the majority of the States there was a slight decline in these percentages between the two dates. In fourteen States there was a slight increase in the percentage of deposits of all commercial banks held by the largest bank, and in twenty States by the largest five banks.

Relative position of banks in metropolitan areas. Table 40 pertains to the number of offices and percentages of deposits in the 65 most populous metropolitan areas. It shows the number of commercial banks operating in the principal counties in those areas, the number of offices operated, the population per office, and the percentage of all

commercial bank deposits held by the largest bank, the largest three banks, and the largest five banks. The metropolitan areas are placed in three groups, as in Table 39, according to the most prevalent type of banking organization, with the areas in each group listed in the order of the percentage of the deposits in the largest bank.

Table 39. COMMERCIAL BANKING OFFICES AND PERCENTAGE OF DEPOSITS IN THE LARGEST BANKS IN EACH STATE, DECEMBER 31, 1960

	Number of commercial banks and trust companies	Number of offices operated	Population per bank ¹	Population per office ¹	Percentage of deposits of all commercial banks in—		
					Largest bank	Largest three banks	Largest five banks
16 States with Statewide branch banking prevalent²							
Nevada	7	44	40,754	6,484	63.1%	86.4%	97.2%
Rhode Island	17	185	50,558	6,367	52.6	89.9	95.9
Arizona	10	189	130,216	6,890	47.2	86.1	96.9
Delaware	22	80	20,286	5,579	44.8	79.2	91.5
Oregon	52	247	34,013	7,161	43.7	86.3	88.4
Hawaii	12	98	52,731	6,457	43.0	87.9	95.7
California	117	1,793	134,335	8,766	42.3	65.7	77.7
Idaho	32	115	20,850	5,802	36.0	74.5	83.8
Washington	91	391	31,354	7,297	33.4	60.7	72.2
Utah	50	124	17,813	7,182	30.3	64.4	76.5
Alaska	13	46	17,397	4,917	29.4	62.2	79.1
South Carolina	145	292	16,432	8,160	24.7	42.2	51.3
North Carolina	183	691	24,897	6,594	23.3	46.2	56.1
Connecticut	141	396	17,980	6,402	18.0	42.1	55.6
Maryland	189	422	22,307	7,348	16.2	40.3	55.1
Vermont	62	96	6,288	4,061	9.4	25.6	35.2
16 States with limited area branch banking prevalent²							
Massachusetts	356	852	14,462	6,043	27.5	42.9	53.4
Michigan	380	958	20,587	8,166	21.5	40.7	50.1
Alabama	238	328	13,726	9,960	17.8	31.3	40.6
Georgia	421	527	9,366	7,482	17.2	40.0	48.2
New York	529	2,066	31,725	8,123	16.6	39.6	54.8
New Mexico	55	111	17,291	8,568	16.5	37.1	45.4
Louisiana	190	366	17,142	8,899	14.3	29.3	38.7
Maine	79	218	12,269	4,446	13.2	32.9	46.5
Pennsylvania	710	1,552	15,943	7,293	12.9	27.8	38.7
Ohio	587	1,228	16,536	7,904	11.8	23.4	30.9
Mississippi	193	329	11,286	6,620	11.7	24.7	28.7
Tennessee	297	513	12,010	6,953	11.5	28.6	40.8
Kentucky	355	501	8,558	6,064	11.2	27.0	33.5
Indiana	447	758	10,431	6,151	9.8	23.8	29.3
Virginia	305	589	13,006	6,735	7.7	20.2	27.7
New Jersey	274	731	22,142	8,299	6.3	16.8	23.5
18 States with unit banking prevalent²							
Illinois	966	970	10,436	10,393	15.9	35.4	42.1
Colorado	192	199	9,135	8,814	15.3	37.5	47.0
Wisconsin	563	721	7,019	5,481	15.4	24.9	28.6
Nebraska	426	438	3,313	3,222	14.8	27.9	37.6
North Dakota	156	185	4,054	3,419	14.0	21.2	27.4
Oklahoma	389	412	5,985	5,651	12.3	32.6	42.1
Minnesota	690	696	4,948	4,905	12.0	31.1	35.6
Wyoming	55	56	6,001	5,894	11.2	28.7	38.8
Missouri	626	651	6,901	6,636	9.5	26.5	35.7
South Dakota	174	233	3,911	2,921	8.8	22.4	31.2
Texas	1,011	1,039	9,475	9,220	8.2	21.0	27.8
Florida	309	323	16,024	15,330	7.0	15.0	20.3
Arkansas	237	283	7,537	6,312	6.8	17.2	23.3
Kansas	587	612	3,711	3,560	6.8	14.3	18.7
West Virginia	182	182	10,222	10,222	6.1	17.2	22.6
Montana	121	122	5,577	5,531	5.7	15.8	24.4
New Hampshire	107	113	5,672	5,371	5.7	16.3	25.5
Iowa	673	856	4,097	3,221	4.7	11.9	17.4

¹ Computed from population, April 1, 1960.

² Classification of States by prevalent type of bank organization as of December 31, 1958, described in Table 23 of this Report, p. 45.

Table 40. COMMERCIAL BANKING OFFICES AND PERCENTAGE OF DEPOSITS IN THE LARGEST BANKS IN THE PRINCIPAL COUNTY (OR COUNTIES) IN 65 METROPOLITAN AREAS, JUNE 15, 1960¹

Metropolitan area	Number of commercial banks and trust companies operating in county (or counties) ¹	Number of offices operated	Population per office ²	Percentage of deposits of all commercial banks in— ³		
				Largest bank	Largest three banks	Largest five banks
13 metropolitan areas in States with Statewide branch banking prevalent⁴						
Sacramento: Sacramento County, California.....	10	46	10,930	51.1%	91.8%	96.2%
Phoenix: Maricopa County, Arizona.....	6	82	8,092	50.8	96.9	99.2
Providence: Bristol, Kent and Providence Counties, Rhode Island.....	7	77	9,332	47.8	86.7	93.2
San Jose: Santa Clara County, California.....	8	71	9,047	44.7	79.6	96.3
Honolulu: Honolulu County, Hawaii.....	10	61	8,203	42.6	87.1	96.7
San Diego: San Diego County, California.....	7	97	10,650	42.0	87.3	98.5
Hartford: Hartford County, Connecticut.....	18	62	11,122	40.1	81.7	87.9
Portland: Clackamas and Multnomah Counties, Oregon.....	11	62	10,256	39.3	86.5	91.4
Los Angeles: Los Angeles County, California.....	47	566	10,669	38.4	77.9	90.3
Seattle: King County, Washington.....	15	99	9,445	31.9	67.9	88.0
San Bernardino: Riverside and San Bernardino Counties, California.....	13	90	8,998	29.1	67.7	88.7
San Francisco: Alameda and San Francisco Counties, California.....	18	224	7,359	28.1	59.6	76.4
Baltimore: Baltimore City and Baltimore County, Maryland.....	13	116	12,340	28.0	58.7	79.1
34 metropolitan areas in States with limited area branch banking prevalent⁴						
Birmingham: Jefferson County, Alabama.....	7	36	17,635	60.9	92.8	99.3
Toledo: Lucas County, Ohio.....	7	39	11,716	53.5	90.1	97.5
Dayton: Montgomery County, Ohio.....	12	33	15,972	52.4	82.2	92.5
Pittsburgh: Allegheny County, Pennsylvania.....	33	141	11,550	51.7	82.2	89.4
Boston: Suffolk County, Massachusetts.....	15	93	8,509	51.5	78.3	90.5
Knoxville: Knox County, Tennessee.....	6	21	11,930	49.1	88.2	100.0
Columbus: Franklin County, Ohio.....	16	49	13,938	47.6	87.6	91.5
Norfolk: Norfolk City, Portsmouth City and Norfolk County, Virginia.....	8	48	9,818	47.5	76.1	88.2
Akron: Summit County, Ohio.....	7	30	17,119	45.1	83.6	96.3
Memphis: Shelby County, Tennessee.....	9	51	12,294	43.9	92.6	97.0
Rochester: Monroe County, New York.....	6	52	11,276	43.7	87.5	99.5
Detroit: Wayne County, Michigan.....	24	240	11,110	42.6	78.1	89.2
New Orleans: Orleans County, Louisiana.....	6	39	16,090	41.8	84.8	99.3
Nashville: Davidson County, Tennessee.....	9	43	9,296	41.4	89.4	98.4
Indianapolis: Marion County, Indiana.....	6	82	8,507	41.1	96.8	99.6
Cleveland: Cuyahoga County, Ohio.....	8	148	11,134	38.1	78.1	97.9
Buffalo: Erie and Niagara Counties, New York.....	15	129	10,131	37.4	76.7	91.2
Gary: Lake County, Indiana.....	15	37	13,872	35.3	62.5	77.8
Washington: District of Columbia.....	12	77	9,922	34.9	74.4	87.0
Syracuse: Onondaga County, New York.....	8	47	9,001	34.8	77.0	97.2

Richmond: Richmond City and Henrico County, Virginia.....	10	43	7,844	34.7	79.5	95.3
Albany: Albany, Rensselaer and Schenectady Counties, New York.....	15	57	9,972	34.2	67.7	76.0
Cincinnati: Hamilton County, Ohio.....	11	95	9,096	33.4	81.7	95.2
Springfield: Hampden County, Massachusetts.....	9	45	9,541	32.3	71.6	88.1
Atlanta: Fulton and DeKalb Counties, Georgia.....	28	69	11,784	30.9	71.8	87.1
Louisville: Jefferson County, Kentucky.....	11	69	8,854	30.1	67.5	88.0
Jersey City: Hudson County, New Jersey.....	14	61	10,012	27.6	60.0	87.4
Philadelphia: Philadelphia County, Pennsylvania.....	21	143	14,004	26.1	63.7	83.6
Youngstown: Mahoning and Trumbull Counties, Ohio.....	15	47	10,830	23.0	58.5	82.1
Newark: Essex and Union Counties, New Jersey.....	33	137	10,422	21.8	56.0	85.0
New York: Bronx, Kings, New York, Queens and Richmond Counties, New York.....	51	630	12,352	20.3	49.0	67.5
Wilkesbarre: Luzerne County, Pennsylvania.....	32	52	6,672	19.1	40.6	51.6
Paterson: Bergen and Passaic Counties, New Jersey.....	42	119	9,974	17.9	37.1	43.1
Allentown: Lehigh and Northampton Counties, Pennsylvania.....	31	52	8,249	17.3	39.2	56.7
18 metropolitan areas in States with unit banking prevalent¹						
Omaha: Douglas County, Nebraska.....	15	18	19,083	45.7	82.0	89.2
Milwaukee: Milwaukee County, Wisconsin.....	32	46	22,523	42.2	68.4	74.4
Wheeling: Ohio County, West Virginia.....	7	7	9,777	41.4	70.4	90.7
Tulsa: Tulsa County, Oklahoma.....	19	20	17,302	38.8	81.4	87.3
Oklahoma City: Oklahoma County, Oklahoma.....	24	30	14,650	37.0	69.7	79.5
Fort Worth: Tarrant County, Texas.....	21	22	24,477	35.1	76.6	80.9
Dallas: Dallas County, Texas.....	38	38	25,040	35.0	79.8	84.8
Charleston: Kanawha County, West Virginia.....	12	12	21,077	32.3	70.4	84.6
Jacksonville: Duval County, Florida.....	16	19	23,969	30.8	79.4	86.6
Kansas City: Clay and Jackson Counties, Missouri.....	57	62	11,455	29.4	63.0	69.4
Denver: Denver County, Colorado.....	24	29	17,031	28.7	68.6	85.3
Houston: Harris County, Texas.....	62	63	19,733	28.2	60.1	72.6
Miami: Dade County, Florida.....	37	38	24,607	26.8	41.1	49.8
San Antonio: Bexar County, Texas.....	23	25	27,486	26.8	66.8	77.9
Minneapolis: Hennepin and Ramsey Counties, Minnesota.....	66	72	17,575	23.1	60.4	69.0
St. Louis: St. Louis City and St. Louis County, Missouri.....	64	70	20,765	22.6	51.5	58.8
Chicago: Cook County, Illinois.....	154	154	38,310	22.2	48.1	57.5
Tampa: Hillsboro and Pinellas Counties, Florida.....	32	33	28,408	14.8	38.0	53.4

RELATIVE POSITION OF BANKS

¹ Principal counties in standard metropolitan areas as defined by the Bureau of the Budget, with population of 400,000 or more on April 1, 1960, except that in Connecticut, Massachusetts, and Rhode Island (where standard metropolitan areas are defined in terms of cities and towns) they are counties with the majority of the population within standard metropolitan areas.

² Computed from population, April 1, 1960.

³ For some areas data are not strictly comparable with those shown for earlier years in Table 29, pp. 56-57.

⁴ Classification of States by prevalent type of bank organization as of December 31, 1958, described in Table 23 of this Report, p. 45.

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The deposit data in Table 40 are of a type not hitherto available, though for most of the areas in States with limited area branch banking or unit banking prevalent they are roughly comparable with those for earlier dates given on pages 56-57. Lack of strict comparability arises from the fact that the figures for the prior dates are computed from the total deposits of each bank with its head office located in the specified metropolitan area, including in some cases deposits in branches located outside the areas; while the deposits for June 15, 1960, pertain to those held by the banking offices located within the county, therefore excluding any deposits in branches of the same banks outside the specified counties. Though the data are not strictly comparable, they support the conclusion that in the majority of the leading metropolitan areas in 1960 there was slightly less concentration in the largest bank and in the largest five banks than in 1958. In only about one-third of the areas for which data are given for both dates was one or the other of these percentages higher in 1960 than in 1958.

There appears to be a relationship between the character of the banking system with respect to branching and the number of offices in the respective areas relative to population. In the 18 selected metropolitan areas in States in which unit banking is prevalent the range in population per office is from 9,800 to 33,300, compared with a range from 6,700 to 17,600 in 34 areas in States in which limited area branch banking is prevalent, and a range from 7,300 to 12,300 in areas in States in which statewide branch banking is prevalent.

INCOME OF INSURED BANKS

Income in 1960. Income of banks insured by the Corporation was higher in 1960 than in any previous year. Almost nine-tenths of the total was received by commercial banks; the remainder, by mutual savings banks.

Income of insured commercial banks. Income of insured commercial banks reached \$11,299 million in 1960. Income from loans, which accounted for three-fifths of the total, was responsible for most of the increase over 1959. Income from securities and miscellaneous sources each comprised one-fifth of the total. Sources and disposition of income of insured commercial banks in 1958, 1959, and 1960 are shown in Table 41.

Several of the more significant operating ratios of insured commercial banks, at 5-year intervals from 1940 to 1960, are presented in Table 42. The greater loan income in 1960 was due about equally to a larger volume and higher average rates of return. Loan income averaged 5.96 percent of loans, appreciably higher than in 1959, and almost twice the rate in 1945. Income on United States Government obligations averaged 3.10

percent in 1960; and on other securities, 2.88 percent. Income from service charges on demand deposits totaled \$590 million in 1960, representing a rate of 0.39 percent of demand deposits, approximately twice the rate received in 1950.

Table 41. SOURCES AND DISPOSITION OF TOTAL INCOME, INSURED COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), 1958-1960

Income	Amounts (in millions)			Percent of total		
	1960	1959	1958	1960	1959	1958
Total income	\$11,299	\$9,998	\$9,369	100.0%	100.0%	100.0%
Sources						
Loans.....	6,807	5,969	5,141	60.2	59.7	54.9
U. S. Government obligations.....	1,791	1,732	1,544	15.9	17.3	16.5
Other securities.....	579	546	502	5.1	5.5	5.3
Service charges on deposits.....	590	532	487	5.2	5.3	5.2
Other current income.....	957	890	827	8.5	8.9	8.8
Recoveries, etc. ¹	575	329	868	5.1	3.3	9.3
Disposition						
Salaries and wages.....	2,798	2,577	2,400	24.8	25.8	25.6
Interest on deposits.....	1,785	1,580	1,381	15.8	15.8	14.7
Other current expenses.....	2,350	2,107	1,832	20.8	21.1	19.6
Charge-offs, etc. ²	979	1,862	783	8.6	18.6	8.4
Income taxes.....	1,384	884	1,271	12.2	8.8	13.6
Dividends to stockholders ³	832	776	726	7.4	7.8	7.7
Additions to capital accounts.....	1,171	712	976	10.4	7.1	10.4

¹ Recoveries from assets previously charged off (except those credited to valuation reserve accounts), profits on assets sold, and transfers from valuation reserve accounts.

² Losses and other charge-offs (except those charged to valuation reserve accounts), and transfers to valuation reserve accounts.

³ Includes interest on capital notes and debentures.

Much of the increase in current operating earnings of insured commercial banks during the last several years has been absorbed by mounting operating expenses. In 1960 almost two-thirds of gross operating earnings were thus absorbed, about the same proportion as in 1959. The largest component, salaries and wages, increased 9 percent in 1960, due both to a greater average number of employees and higher rates of compensation. The average bank officer earned \$9,564 in 1960, and other employees averaged \$3,707. Interest paid on time and savings deposits advanced by 13 percent in 1960. The rate of interest on such deposits, which averaged 2.56 percent in 1960, was almost twice the rate recorded only five years earlier.

Operating earnings and expenses change at comparable rates, and with the greater earnings magnitudes, have led to increasing amounts of net current operating earnings. Only once during the last twenty years—in 1958—have net current operating earnings failed to surpass the preceding year. In 1960 they reached \$3,791 million, an increase of 11 percent over 1959. This represented a record rate of return on assets of 1.54 percent.

Income from current operations is reduced by losses and charge-offs on assets, which typically exceed recoveries on assets previously charged-

off and profits on the sale of assets. In 1960 net charge-offs amounted to \$404 million, a sharp reduction from the \$1,033 million recorded in 1959. The change principally reflected rising prices of securities throughout 1960.

Table 42. SELECTED OPERATING RATIOS OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), SELECTED YEARS, 1940-1960

Item	1960	1955	1950	1945	1940
Average rate of income on loans.....	5.96%	4.88%	4.34%	3.09%	4.41%
Average rate of income on U. S. Government obligations.....	3.10	2.09	1.59	1.37	2.16
Average rate of income on other securities.....	2.88	2.15	2.04	2.52	
Average service charges on demand deposits.....	.39	.25	.19	.10	¹
Average interest paid on time and savings deposits.....	2.56	1.38	.94	.87	1.30
Current operating expenses to current earnings.....	64.65	62.09	62.19	61.35	72.80
Income taxes to net profits before income taxes.....	40.87	40.70	31.35	24.80	1.40
Net current operating earnings to total assets.....	1.54	1.19	.93	.66	.67
Net profits after taxes to total capital accounts.....	10.03	7.90	8.51	10.87	6.08
Dividends to total capital accounts.....	4.16	3.87	3.55	3.29	3.59

¹ Not available.

The combination of record net current operating earnings and lower net charge-offs resulted in record net profits, both before and after income taxes. Net profits after taxes reached \$2 billion, and were over one-third greater than in 1959. They represented a return of 10.03 percent on total capital accounts, the highest rate since 1945.

The general banking practice of maintaining dividends at a fairly constant rate led in 1960 to exceptional additions to capital accounts from retained earnings. Such retentions in 1960 totaled \$1,171 million, almost two-thirds greater than in 1959; as the principal source of new banking capital, they were largely responsible for the increase during the year in the capital ratio.

The proportions of total net earnings and net profits received by insured commercial banks in 1960 in the different size groups, along with a distribution of the banks, bank employees, and bank assets by deposit size of bank, are given in Table 43. Except for the groups of smallest and largest banks, the proportions of total earnings and profits received by banks in the different groups corresponded generally with the proportions of assets held. The proportions of employees in the different groups showed wider variations; and the proportions of banks, still wider variations. Banks with deposits of \$10 million or less, constituting four-fifths of the insured commercial banks, received 13 percent of the net earnings and 16 percent of the net profits after taxes of all insured commercial banks. The 53 largest banks, each having deposits of \$500 million or more, received 44 percent of net earnings and 41 percent of net profits after taxes.

Table 43. DISTRIBUTION OF INSURED COMMERCIAL BANKS BY DEPOSIT SIZE OF BANK, AND PERCENTAGES OF SELECTED BANKING TOTALS IN EACH SIZE GROUP, 1960

Size of group	Number of banks (Dec. 31)	Number of employees (Dec. 31)	Assets (average)	Net current operating earnings	Net profits after taxes
All banks	100.0%	100.0%	100.0%	100.0%	100.0%
Banks with deposits of—					
Less than \$1,000,000.....	9.1	.8	.4	.4	.5
\$1,000,000 to \$2,000,000.....	19.1	2.4	1.6	1.5	1.9
\$2,000,000 to \$5,000,000.....	33.3	7.5	6.1	5.4	6.5
\$5,000,000 to \$10,000,000.....	18.5	8.3	7.2	6.2	7.2
\$10,000,000 to \$25,000,000.....	12.4	12.0	10.4	8.9	9.9
\$25,000,000 to \$50,000,000.....	3.8	8.3	7.4	6.4	6.9
\$50,000,000 to \$100,000,000.....	1.6	6.8	6.3	5.7	5.6
\$100,000,000 to \$500,000,000.....	1.8	22.3	21.7	21.3	20.6
\$500,000,000 or more.....	.4	31.6	38.9	44.2	40.9

Income of insured mutual savings banks. Income of insured mutual savings banks in 1960 totaled \$1,605 million. Almost one-half of the \$233 million increase over 1959 was received by mutual savings banks admitted to Federal deposit insurance during 1960. Income from loans, which comprised two-thirds of the total, amounted to \$1,089 million. Income from securities totaled \$352 million; and other income, \$164 million. The sources and disposition of income of insured mutual savings banks in 1958, 1959, and 1960 are presented in Table 44.

Table 44. SOURCES AND DISPOSITION OF TOTAL INCOME, INSURED MUTUAL SAVINGS BANKS IN THE UNITED STATES, 1958-1960

Income	Amounts (in millions)			Percent of total		
	1960	1959	1958	1960	1959	1958
Total income	\$1,605	\$1,372	\$1,216	100.0%	100.0%	100.0%
Sources						
Loans.....	1,089	934	821	67.9	68.1	67.5
U. S. Government obligations.....	153	146	142	9.5	10.6	11.7
Other securities.....	199	181	167	12.4	13.2	13.8
Other current income ¹	53	41	37	3.3	3.0	3.0
Recoveries, etc. ²	111	70	49	6.9	5.1	4.0
Disposition						
Salaries and wages.....	108	97	92	6.7	7.1	7.6
Dividends and interest on deposits.....	1,073	897	812	66.9	65.4	66.8
Other current expenses ³	134	116	110	8.3	8.4	9.0
Charge-offs, etc. ⁴	108	116	66	6.7	8.4	5.4
Income taxes ⁴	14	12	10	.9	.9	.8
Additions to surplus accounts.....	168	134	126	10.5	9.8	10.4

¹ Includes amounts classified as "nonrecurring" income or expenses.

² Recoveries from assets previously charged off (except those credited to valuation reserve accounts), profits on assets sold, and transfers from valuation reserve accounts.

³ Losses and other items charged off (except those charged to valuation reserve accounts), and transfers to valuation reserve accounts.

⁴ Includes franchise taxes computed on an income basis.

Mutual savings banks specialize in real estate mortgage loans. These provided 98 percent of the loan income of the insured mutuals in 1960, and afforded an average return of 4.73 percent. The return on holdings of United States Government obligations averaged 2.99 percent; and on other securities, 3.96 percent.

The specialized character of mutual savings banks accounts for their relatively small staffs. In 1960, for instance, only 7 percent of the income of insured mutual savings banks went for salaries and wages, as contrasted with 25 percent so required by insured commercial banks. Other current expenses of insured mutual savings banks absorbed 8 percent of income; franchise and income taxes, 1 percent; dividends and interest on deposits, 67 percent; charge-offs on assets, 7 percent; and additions to surplus accounts, 10 percent.

In 1960 depositors of insured mutual savings banks received dividends and interest totaling \$1,073 million. These dividends averaged 3.49 percent of savings and time deposits, compared with 3.19 percent in 1959. The \$168 million of income retained by insured mutual savings banks raised surplus accounts to 8.5 percent of assets at the end of 1960.

PART FIVE

STATISTICS OF BANKS AND DEPOSIT INSURANCE

BANK ABSORPTIONS APPROVED BY THE CORPORATION

- Table 101. Description of each merger, consolidation, acquisition of assets, or assumption of liabilities approved by the Corporation, May 13 to December 31, 1960

NUMBER, OFFICES, AND DEPOSITS OF BANKS

- Table 102. Changes in number and classification of banks and branches in the United States (States and other areas) during 1960
- Table 103. Number of banking offices in the United States (States and other areas), December 31, 1960
- Grouped according to insurance status and class of bank, and by State or area and type of office*
- Table 104. Number and deposits of all banks in the United States (States and other areas), December 31, 1960

Banks grouped according to insurance status and by district and State

Tabulations for all banks are prepared in accordance with an agreement among the Federal bank supervisory agencies. Provision of deposit facilities for the general public is the chief criterion for distinguishing between banks and other types of financial institutions.

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.

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; a savings and loan company operating under Superior Court charter 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; a savings institution, known as a "trust company," operating under special charter 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. DESCRIPTION OF EACH MERGER, CONSOLIDATION, ACQUISITION OF ASSETS OR ASSUMPTION OF LIABILITIES APPROVED BY THE CORPORATION, MAY 13 TO DECEMBER 31, 1960

Name of bank, and type of transaction ¹ (in chronological order of determination)	Resources (in thousands of dollars)	Banking offices	
		In operation	To be operated
No. 1—American Bank & Trust Company, Monroe, North Carolina <i>to merge with</i> Waxhaw Banking & Trust Co., Waxhaw	13,116 1,350	5 1	6

Summary report by Attorney General, June 17, 1960

The communities in which the banks are situated are twelve miles apart. Each bank, however, primarily serves the area within five miles of its own community. Approximately half the Monroe bank's loans were made to farmers. There do not appear to be any other banks in the area which are competitive with the Waxhaw bank. The addition of Waxhaw Bank's resources to those of the Monroe bank will not give the latter significant advantages over its competitors. Accordingly, competition will not be adversely affected to any appreciable extent as a result of the merger.

Basis for Corporation approval, June 22, 1960

Banking in this area of North Carolina is dominated by large local institutions and branch offices of the extensive branch bank systems operating throughout the State. The merged bank's resources will be only about 2 percent of the total resources available to this area. Despite this relatively small position, the merger will be of public benefit. This is particularly true at Waxhaw which sorely needs, and will obtain, improved physical facilities and increased banking services. Both areas involved need the increased lending limit which will be available through the merger.

No. 2—The Bank of War, War, West Virginia <i>to acquire the assets and assume the liabilities of</i> Berwind Bank, Berwind	2,187 1,170	1 1	1
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Summary report by Attorney General, June 17, 1960

It may be that the economic distress facing the Berwind Bank brings the acquisition in question within the permissible ambit of *International Shoe Co. v. The Federal Trade Commission*, 280 U.S. 291. But in any event, the acquisition does not appear to have any significant anticompetitive effect. Bank of War will still have to face the competition of McDowell County National Bank at the not too-distant county seat of Welch. With assets of \$18.1 million and deposits of \$16.3, the McDowell County National Bank is some five times larger than Bank of War, even when the latter will be augmented by the assets of Berwind Bank.

Basis for Corporation approval, June 30, 1960

Because of depressed economic conditions in the coal fields, the Berwind Bank determined to go into voluntary liquidation on June 30, 1960. This transaction afforded the customers of that bank the most convenient method for transferring their banking business to the nearest banking office, The Bank of War.

Table 101. DESCRIPTION OF EACH MERGER, CONSOLIDATION, ACQUISITION OF ASSETS OR ASSUMPTION OF LIABILITIES APPROVED BY THE CORPORATION, MAY 13 TO DECEMBER 31, 1960—Continued

Name of bank, and type of transaction ¹ (in chronological order of determination)	Resources (in thousands of dollars)	Banking offices	
		In operation	To be operated
No. 3—Berks County Trust Company, Reading, Pennsylvania <i>to merge with</i> Mt. Penn Trust Company, Mount Penn	130,600	8	9
	16,233	1	

Summary report by Attorney General, July 12, 1960

From the information supplied to us in the application papers, it would appear that any existing competition will be eliminated between Berks County Trust Company and Mt. Penn Trust Company by the proposed merger. This is significant in the case of deposits, and homeowner and consumer loans.

Of particular importance is the effect of the proposed merger on the already dominant position of Berks County Trust Company. This position would be increased by the merger to 51.7% of total assets, 56.1% of demand deposits, 48.1% of time deposits and 57.5% of loans, in the competitive area. Berks County Trust has achieved its present dominance in part by mergers and acquisitions. It already has branches in three surrounding towns as well as five offices in Reading.

Also relevant is that the third and fourth largest banks in Reading, Peoples Trust and City Bank have a merger application pending before the Federal Reserve Board. If both applications should be approved there will only be three banks remaining in Reading of any significant size.

Basis for Corporation approval, July 28, 1960

The competitive, operational and service region of the two banks involved is the whole of Berks County. The County, outside the city of Reading, has approximately \$135 million of banking resources. Berks County Trust Company in its operations caters strongly to loans to commercial and manufacturing enterprises, whereas the smaller institution tends toward residential and consumer loans. Their merger would add to the opportunities of the resulting bank to accomplish a more favorable overall banking program for serving the entire area of Berks County. The large Philadelphia banks are active in their solicitation of accounts from Reading and Berks County. Mt. Penn Trust Company cannot successfully compete against this invasion. Berks County Trust Company is more successful in this competitive field, and after the merger its ability to compete with these outside institutions will be enhanced. Competition for loans and deposits in the Berks County area otherwise is not limited to the remaining 16 local banking corporations with 36 banking offices. Some 20 finance and small loan companies hold about one-third of the entire consumer loan volume in the County. Five savings and loan associations operating on a county-wide basis have total accounts approximating \$25 million and aggregate mortgage loan holdings in excess of \$31,700,000. Furthermore, competition between the two merging banks is indicated to have been negligible in the past inasmuch as Berks County Trust Company has acted as the principal correspondent of the Mt. Penn Trust Company and has participated in numerous overloans of the smaller institution.

Table 101. DESCRIPTION OF EACH MERGER, CONSOLIDATION, ACQUISITION OF ASSETS OR ASSUMPTION OF LIABILITIES APPROVED BY THE CORPORATION, MAY 13 TO DECEMBER 31, 1960—Continued

Name of bank, and type of transaction ¹ (in chronological order of determination)	Resources (in thousands of dollars)	Banking offices	
		In operation	To be operated
No. 4—State Bank and Trust Company, Greenwood, South Carolina <i>to merge with</i> The Bank of Abbeville, Abbeville	42,791	14	16
	6,785	2	

Summary report by Attorney General, July 18, 1960

The merging banks are The Bank of Abbeville, with assets of \$6,727,000, deposits of \$6,237,000, and capital funds of \$400,000, and State Bank and Trust Company, with assets of \$46,478,000, deposits of \$40,603,000, and capital funds of \$3,546,000. Within the Abbeville competitive area, according to the application, there are eighteen other banks, among them South Carolina National Bank with total deposits of \$276,059,000 and First National Bank of South Carolina with total deposits of \$71,191,000.

South Carolina permits branch banking. There are in the State 25 national banks with 90 branches, 121 State banks, with 39 branches, five facilities, a total of 146 banks and 129 branches. State Bank holds about 4% of total assets of all banks in the State, and Abbeville Bank holds about one-half of 1%.

In view of the existing and potential competition in the State of South Carolina, it does not appear that this merger will have a substantially adverse effect on competition in the Abbeville area or in South Carolina.

Basis for Corporation approval, August 4, 1960

The principal benefit of this merger is the improved and expanded banking services which will become available to the Abbeville and Calhoun Falls communities.

No. 5—Suburban Trust Company, Hyattsville, Maryland <i>to merge with</i> Farmers and Merchants Bank, Upper Marlboro	144,982	15	17
	3,238	2	

Summary report by Attorney General, July 28, 1960

The merger of the Suburban Trust Company, Hyattsville, Maryland, and the Farmers and Merchants Bank, Upper Marlboro, Maryland, would have the following effects upon competition in the areas served by these banks:

1. Suburban Trust is already by far the largest bank in the area which it serves. The proposed merger would increase concentration of banking resources in the competitive area of the combined bank and would thereby increase the advantages of Suburban Trust over its much smaller competitors. The latter effect would be of particular importance to such banks as the First National Bank of Southern Maryland which now serve Upper Marlboro and other nearby communities;

2. Potential competition between Suburban Trust Company and Farmers and Merchants Bank would be foreclosed;

Table 101. DESCRIPTION OF EACH MERGER, CONSOLIDATION, ACQUISITION OF ASSETS OR ASSUMPTION OF LIABILITIES APPROVED BY THE CORPORATION, MAY 13 TO DECEMBER 31, 1960—Continued

Name of bank, and type of transaction ¹ (in chronological order of determination)	Resources (in thousands of dollars)	Banking offices	
		In operation	To be operated

3. The Farmers and Merchants Bank would be eliminated as a small, independent and locally operated bank, providing an alternative source of banking services.

Basis for Corporation approval, August 11, 1960

With one exception, all of Farmers and Merchants' competitors are substantially larger in resources and this situation has made it difficult for the bank to produce satisfactory earnings. This merger will provide the Upper Marlboro and Forestville areas, where Farmers and Merchants now operates, with greatly increased banking resources, with aggressive management in depth, and with improved and enlarged banking services, thus redounding to the overall benefit of both communities. These substantial public benefits result in a favorable determination on the banking factors.

No. 6—Peoples Bank and Trust Company, Madisonville, Kentucky <i>to acquire the assets and assume the liabilities of</i> Farmers and Merchants Bank, Slaughters	3,249	2	3
	613	1	

Summary report by Attorney General, July 21, 1960

Peoples Bank is located in Madisonville, in the center of Hopkins County, Kentucky. Merchants Bank is located in Slaughters, twelve miles north of Madisonville, on the boundary between Hopkins County and adjacent Webster County. It appears likely that some competition between these banks takes place in the area between them.

The principal competitors of Peoples Bank are two other banks in Madisonville both of which are larger than Peoples. There are no other banks in Slaughters, but Merchants Bank also competes with banks to the north and east to which it has apparently lost accounts. Merchants Bank lacks safe deposit box and installment loan facilities and pays only 1% interest on time deposits. Peoples Bank on the other hand offers the above services and pays 3% interest. It has expanded greatly in the last year. It states that it will provide the above services and interest rate in Slaughters after the merger.

It therefore appears that while the proposed merger may eliminate some competition between the merging banks in the area between Madisonville and Slaughters, competition in the area would not be adversely affected to any substantial degree. This is particularly so in view of the larger banks which would still be in the area after the merger.

Basis for Corporation approval, August 18, 1960

The merger will provide increased resources, modern physical facilities and aggressiveness, thus improving banking services in the Slaughters area and placing that office in a more advantageous competitive position relative to its neighboring institutions. It will also improve the standing of Peoples Bank in relation to its two substantially larger competitors in Madisonville.

Table 101. DESCRIPTION OF EACH MERGER, CONSOLIDATION, ACQUISITION OF ASSETS OR ASSUMPTION OF LIABILITIES APPROVED BY THE CORPORATION, MAY 13 TO DECEMBER 31, 1960—Continued

Name of bank, and type of transaction ¹ (in chronological order of determination)	Resources (in thousands of dollars)	Banking offices	
		In operation	To be operated
No. 7—The Somerville Bank & Trust Company, Somerville, Tennessee <i>to merge with</i> Rossville Savings Bank, Rossville	4,762	1	2
	841	1	

Summary report by Attorney General, July 22, 1960

Somerville and Rossville are located in Fayette County, in the southwestern corner of Tennessee. Fayette County is an appropriate area of competition for consideration of the effects of the proposed merger.

Somerville Bank is by far the largest of the four banks in Fayette County, having 60.5% of the banking assets in the county; Rossville Bank has 12.2% of Fayette County's bank assets. The remaining two banks are in Moscow and Oakland; Moscow has 16.1%, and Oakland has 11.2%.

Merger of Rossville and Somerville Banks will, therefore, reduce competition substantially by elimination of one of the four banks presently competing as a separate organization in the area. Moreover, the proposed merger would concentrate over 70% of the banking resources of the county in the Somerville Bank. The reduced number of competitors will offer fewer alternatives to prospective borrowers and depositors. The concentration of resources would be likely to reduce the competition from the much smaller remaining banks.

There is already a significant amount of joint stock holding by the holders of Somerville and Rossville stock which is reflected in the interlocking directorates of the two banks.

Officers and directors of Rossville and Somerville Banks are also, in some cases, officers and directors of Barrettville Bank, the largest of the two banks in adjacent Shelby County, outside of Memphis. Similar connections exist with the First State Bank of Henderson, in Chester County, 40 miles to the east of Somerville. Thus, the proposed merger would appear to increase concentration of banking resources not only in Fayette County but in southwestern Tennessee generally.

Basis for Corporation approval, August 18, 1960

Because of substantial common ownership, these two banks have not been considered to be truly competitive with each other. The increased banking resources now available to the Rossville area will be of substantial benefit to that community. Further, this merger amounts to the formalization of an existing relationship, and has no substantial effect on competition in the area.

No. 8—The Dime Bank, Akron, Ohio (change of title to The Akron-Dime Bank) <i>to merge with</i> The Bank of Akron Company, Akron	101,091	5	8
	22,262	3	

Table 101. DESCRIPTION OF EACH MERGER, CONSOLIDATION, ACQUISITION OF ASSETS OR ASSUMPTION OF LIABILITIES APPROVED BY THE CORPORATION, MAY 13 TO DECEMBER 31, 1960—Continued

Name of bank, and type of transaction ¹ (in chronological order of determination)	Resources (in thousands of dollars)	Banking offices	
		In operation	To be operated

Summary report by Attorney General, August 5, 1960

The merger of The Dime Bank and The Bank of Akron Company would combine two banks which are now substantial and independent factors in competition in banking in the City of Akron and Summit County, Ohio. It would eliminate an independent source of banking services and would increase concentration in banking in both the City of Akron and Summit County, giving the two largest of six banks in the County about 68% of total assets. The merger would also substantially lessen both existing and potential competition in banking in Akron and Summit County.

Basis for Corporation approval, September 29, 1960

During the past decade the population of this highly industrialized area increased by 32 percent and the outlook for the future is very bright. This dynamic economy needs large financial institutions, and this merger partially fills that need. The types of services presently offered by the two banks are largely complementary rather than competitive, and the same is true of their respective branch office locations. The relatively small loan limit of The Bank of Akron Company has restricted its ability to serve its larger customers, and some such customers have been lost for that reason. Also, The Bank of Akron Company is a specialist in personal and consumer installment lending; with the additional resources available for this purpose, as a result of the merger, thousands of workers in the area should benefit. The merged institution will be in position to effectively compete with the dominant banking institution which has 45 percent of the banking resources and half the number of bank offices in the service area.

No. 9—Johnstown Bank and Trust Company, Johnstown, Pennsylvania <i>to acquire the assets and assume the liabilities of</i> New Florence National Bank, New Florence	28,680	4	5
	2,525	1	

Summary report by Attorney General, August 23, 1960

The application sets forth fully and completely the inability of the New Florence management presently to adequately serve the community and the manner in which the acquisition will improve banking in the New Florence area. Johnstown Bank and Trust is in a position to offer more complete banking and trust services, has a greater lending ability, and can provide a modern array of consumer lending facilities without substantial detriment to competition in the area involved.

On balance, the proposed acquisition would not appear to substantially adversely affect competition or increase any trend toward monopoly in the field of commercial banking in the respective area(s) of operation of the two banks.

Basis for Corporation approval, September 29, 1960

This transaction solved a management succession problem, created by the impending retirement of the executive officer, at the New Florence Bank. Broader and better banking services will accrue to the New Florence area.

Table 101. DESCRIPTION OF EACH MERGER, CONSOLIDATION, ACQUISITION OF ASSETS OR ASSUMPTION OF LIABILITIES APPROVED BY THE CORPORATION, MAY 13 TO DECEMBER 31, 1960—Continued

Name of bank, and type of transaction ¹ (in chronological order of determination)	Resources (in thousands of dollars)	Banking offices	
		In operation	To be operated
No. 10—Peoples Bank of Trenton, Trenton, Michigan (change of title to Peoples Bank) <i>to consolidate with</i> The State Savings Bank of Flat Rock, Flat Rock,	16,456	5	6
	4,743	1	

Summary report by Attorney General, August 18, 1960

The Peoples Bank of Trenton, with offices at Trenton, Riverview, Rockwood and Gibraltar, Michigan, has assets of \$16,455,743 and deposits of \$15,012,665 and net current operating income in 1959 of \$159,573. The State Savings Bank of Flat Rock, with offices at Flat Rock, Michigan, has assets of \$4,743,364 and deposits of \$4,286,721 and had a net operating income in 1959 of \$49,622.

These banks are located within the same trade area and the area appears to have sufficiently available banking facilities so that the combining of the seventh largest and eighth largest, on the basis of deposits resulting in less than 9% of the banking resources in the area, with the consolidated bank being able to offer improved and expanded service to the public in this area would not appear to have a substantial adverse effect upon competition.

Basis for Corporation approval, October 6, 1960

In recent years industrial expansion and population growth have been very rapid in this general area south of Detroit, creating a need for enlarged and improved banking services. The consolidating banks are among the smallest in the service area and both have been hard pressed to provide adequate credit accommodations in this expanding economy. Although the resulting institution will still face the competition of the several considerably larger banks in the area its ability to serve the needs of the area will be materially enhanced.

No. 11—Titusville Trust Company, Titusville, Pennsylvania <i>to acquire the assets and assume the liabilities of</i> Citizens Bank of Pleasantville, Pleasantville	26,092	1	2
	2,721	1	

Summary report by Attorney General, August 29, 1960

It is estimated that subsequent to the acquisition, Titusville Trust will have \$28.6 million as combined banking resources, as compared with Second National's \$5.8 million, the only other banking institution in the trade area. Citizens will of course become a part of Titusville Trust. Titusville Trust accordingly will dominate the area to an important degree.

Without passing upon their propriety, historical relationships between the banks have indicated an absence of competition between them. The applicants have stated that for some time there has been a close relationship between Titusville Trust and Citizens, both from an investment and personnel standpoint, and "it has been the practice for many years for the active management of [Citizens] to confer with the management of [Titusville Trust] on all major policy matters."

Table 101. DESCRIPTION OF EACH MERGER, CONSOLIDATION, ACQUISITION OF ASSETS OR ASSUMPTION OF LIABILITIES APPROVED BY THE CORPORATION, MAY 13 TO DECEMBER 31, 1960—Continued

Name of bank, and type of transaction ¹ (in chronological order of determination)	Resources (in thousands of dollars)	Banking offices	
		In operation	To be operated

Based upon the facts as to existing competition in the field of commercial banking in the area served by these banks, it would appear that the fact of the proposed acquisition alone would not bring about a substantial lessening of competition in the area or serve to increase substantially the relative size of Titusville.

Basis for Corporation approval, October 6, 1960

These two banks are only six miles distant from each other. Through ownership and management they have been closely associated since 1920, and the general public has regarded them as a single institution. Actually, the purchase and assumption does little more than change the corporate aspects of the participants.

No. 12—Bank of Alma, Alma, Michigan <i>to consolidate with</i> Riverdale State Savings Bank, Riverdale	16,271	2	4
	1,977	2	

Summary report by Attorney General, August 9, 1960

The Bank of Alma with offices at Alma and Ashley, Michigan, has assets of \$16,271,278 and deposits of \$14,708,751 and trade net current operating income in 1959 of \$122,174. The Riverdale State Savings Bank with offices at Riverdale and Vestaburg, Michigan, has assets of \$1,977,466 and deposits of \$1,807,947 and had a net current operating income in 1959 of \$12,097.

These banks are located within the same trade area and the area appears to have sufficiently available banking facilities so that the combining of the sixteenth largest with the second largest, on the basis of deposits, when the bank to be acquired is in need of modernization, additional personnel, and larger capital would not appear to have a substantial adverse effect upon competition.

Basis for Corporation approval, October 31, 1960

Consummation of this transaction will bring to the communities of Riverdale and Vestaburg improved and enlarged lending facilities, more efficient operating services, and continuity of management.

No. 13—Suburban Trust Company, Hyattsville, Maryland <i>to merge with</i> The Maryland State Bank of Montgomery County, Gaithersburg	152,136	17	20
	8,302	3	

Summary report by Attorney General, October 26, 1960

The merger of the Suburban Trust Company, Hyattsville, Maryland, with the Maryland State Bank of Montgomery County, Gaithersburg, Maryland, would have the following effects upon competition:

Table 101. DESCRIPTION OF EACH MERGER, CONSOLIDATION, ACQUISITION OF ASSETS OR ASSUMPTION OF LIABILITIES APPROVED BY THE CORPORATION, MAY 13 TO DECEMBER 31, 1960—Continued

Name of bank, and type of transaction ¹ (in chronological order of determination)	Resources (in thousands of dollars)	Banking offices	
		In operation	To be operated

(1) Suburban Trust is already by far the largest bank in the Prince Georges—Montgomery County area. It presently accounts for over 36% of the banking resources in this area and is over three times as large as its largest competitor. The merger of Suburban Trust with the Maryland State Bank would contribute to a recent series of mergers which would substantially increase Suburban's size, thus increasing its already substantial advantages over its smaller competitors with a resulting tendency to monopoly.

(2) The Maryland State Bank would be eliminated as a successful, independent competitive factor in commercial banking in this area. Although the banks' merger application stresses the need for increased banking facilities in the Gaithersburg—Germantown area in which the Maryland State Bank operates the only existing banking offices, it would appear that this need could better be met by the opening of new banking offices which would insure that such increased facilities would be accompanied by effective competition. The proposed merger, on the contrary, would eliminate an effective existing competitor and the size of Suburban Trust may be expected to stifle rather than encourage future competition.

Basis for Corporation approval, November 22, 1960

Friction between two groups in the management at Maryland State Bank and lack of coordination in the supervision of its affairs have caused a deterioration in its condition. There is a definite public need for increased and improved banking services in the Gaithersburg-Germantown area, and Suburban Trust through its branch coverage of a two-county area and its sound management in depth is fully competent to supply these services.

No. 14—Pasadena State Bank, Pasadena, Texas (change of title to First Pasadena State Bank) <i>to merge with</i> First National Bank of Pasadena, Pasadena	17,871	1	1
	8,462	1	

Summary report by Attorney General, October 5, 1960

The proposed merger involves banks ranking second and third in deposits and loans within their immediate trading area. The merged bank would become the largest in its area, and there would remain one large and six smaller banks.

Both banks compete for the same types of business, and the proposed merger would eliminate this substantial competition. In view of the small size of some of the remaining banks in the area the merger may also have a tendency to monopoly.

Basis for Corporation approval, December 1, 1960

This merger eliminates one competitive bank; however, any decrease in competition is overshadowed by the positive benefits that will accrue to the public by having a larger locally owned bank. This area has experienced a rapid growth and the merged

Table 101. DESCRIPTION OF EACH MERGER, CONSOLIDATION, ACQUISITION OF ASSETS OR ASSUMPTION OF LIABILITIES APPROVED BY THE CORPORATION, MAY 13 TO DECEMBER 31, 1960—Continued

Name of bank, and type of transaction † (in chronological order of determination)	Resources (in thousands of dollars)	Banking offices	
		In operation	To be operated
No. 15—Suburban Trust Company, Hyattsville, Maryland <i>to merge with</i> Bank of Maryland, Seat Pleasant	163,430 26,416	20 9	29

Summary report by Attorney General, November 23, 1960

The merger of the Suburban Trust Company, Hyattsville, Maryland, with the Bank of Maryland, Seat Pleasant, Maryland, would have the following effects upon competition:

(1) The merger would eliminate substantial existing competition between the two banks.

(2) The merger would eliminate the Bank of Maryland as a substantial independent competitive factor offering an alternative source of banking services. The Bank of Maryland has in recent years been a vigorous competitor in commercial banking in the Prince Georges County—Montgomery County area, and as the area's fourth largest bank it clearly constitutes an important alternative source of banking services.

(3) The merger would continue to increase the competitive advantages of Suburban Trust over its smaller competitors. As a result of this merger and of the bank's proposed merger with the Maryland State Bank, Suburban Trust would be nearly four times as large as its largest competitor. The growth of this great disparity of size between Suburban Trust and the remaining banks in the area will clearly make it more difficult for these remaining banks to compete effectively.

(4) The merger constitutes a major step in a tendency toward monopolization by Suburban Trust of commercial banking in the Prince Georges County—Montgomery County area. The proposed merger is the third of a series by which Suburban Trust has in less than a year attempted to substantially increase its position in commercial banking in Prince Georges and Montgomery Counties. As a result of these mergers Suburban Trust's share of the area's total banking resources is now approaching 50% while its next largest competitor still accounts for less than 12%. Such growth by acquisition, combined with Suburban Trust's already dominant position, clearly constitutes a tendency toward monopoly.

Basis for Corporation approval, December 8, 1960

The field of competition in which the merging banks have been engaged cannot realistically be limited to two counties in Maryland. The merging institutions have long been subject to intense competition from large District of Columbia banks which have numerous branch offices located near the line separating the District

Table 101. DESCRIPTION OF EACH MERGER, CONSOLIDATION, ACQUISITION OF ASSETS OR ASSUMPTION OF LIABILITIES APPROVED BY THE CORPORATION, MAY 13 TO DECEMBER 31, 1960—Continued

Name of bank; and type of transaction ¹ (in chronological order of determination)	Resources (in thousands of dollars)	Banking offices	
		In operation	To be operated

from Montgomery and Prince Georges Counties. That Suburban Trust is extremely active in the District of Columbia is shown by the fact that one-eighth of its personal loan and automobile loan customers (with loans aggregating in excess of \$1.5 million) reside in the District; almost one-fourth of its customers maintaining checking accounts with balances of \$25,000 or more reside in the District; and more than one-third of commercial loan customers with approved lines of more than \$10,000 each (aggregating almost \$8,000,000) have places of business in the District. Furthermore, nine of thirty directors have their main offices in the District, and 13 percent of the bank's shareholders reside in the District.

The result of this transaction is a suburban bank with the financial strength and widespread branch system justifying the confidence and serving the convenience of the area, capable of providing the required banking services for industrial and commercial expansion in the region, and capable of effectively competing for business with competitor banks of the District. The resulting bank will be a substantial aid to additional economic expansion in the regional area. Upon the injection of the required new capital funds, approximating \$2 million, (effected on April 17, 1961,) and the resulting ability to make commercial and industrial loans in excess of \$1 million each, this bank will be able to more adequately and capably service its area of effective competition. The substantial public benefits of increased lending power and capacity for more intense competition with other banks outweigh the elimination of one bank.

No. 16—Edgecombe Bank and Trust Company, Tarboro, North Carolina <i>to merge with</i> Bank of Fountain, Fountain	6,606	2	3
	1,130	1	

Summary report by Attorney General, September 30, 1960

The proposed merger of Bank of Fountain, Fountain, North Carolina, into Edgecombe Bank and Trust Company, Tarboro, North Carolina, will unite two small banks which compete with several large banks, including the two largest in the State. The acquiring bank, Edgecombe Bank and Trust, has increased its resources from \$1,226,000 at its organization in 1942, to \$6,606,000 presently, in what is primarily an agricultural area. The smaller bank has total resources of \$1,130,000.

The merger will apparently not result in any seriously adverse competitive effects.

Basis for Corporation approval, December 8, 1960

Both of these small banks serve areas which are primarily agricultural. The Edgecombe Bank's farm management service will become available to and benefit the farmers in the Fountain section who do not now have such service. Joined together the two banks can somewhat better compete with the State's two largest branch bank systems which are active in their service areas.

Table 101. DESCRIPTION OF EACH MERGER, CONSOLIDATION, ACQUISITION OF ASSETS OR ASSUMPTION OF LIABILITIES APPROVED BY THE CORPORATION, MAY 13 TO DECEMBER 31, 1960—Continued

Name of bank, and type of transaction ¹ (in chronological order of determination)	Resources (in thousands of dollars)	Banking offices	
		In operation	To be operated
No. 17—Dixon Savings Bank, Dixon, Iowa <i>to acquire the assets and assume the liabilities of</i> First Trust & Savings Bank, Wheatland	1,405 2,832	1 2	3

Summary report by Attorney General, November 17, 1960

The proposed acquisition of First Trust and Savings Bank, Wheatland, Iowa, by the Dixon Savings Bank, Dixon, Iowa, will unite two small banks now competing with about a dozen other small banks in the surrounding area. The acquiring bank, Dixon Savings Bank, has increased its net operating income from \$9,034.59 in 1955 to \$25,506.12 in 1959, and has total assets of \$1,405,000. The other bank has total assets of \$2,832,000.

The acquisition apparently will not have substantial adverse competitive effects.

Basis for Corporation approval, December 15, 1960

The broadened and improved banking services resulting from this transaction will benefit the communities of Dixon, Wheatland and Lost Nation.

No. 18—Security Bank of Oregon, Portland, Oregon <i>to merge with</i> Pioneer Bank of Milwaukie, Milwaukie	12,598 3,420	5 1	6
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Summary report by Attorney General, September 9, 1960

The Department of Justice has reported to the Federal Deposit Insurance Corporation that the proposed merger of the Security Bank of Oregon, Portland, Oregon, and the Pioneer Bank of Milwaukie, Milwaukie, Oregon, would not have substantial adverse effects on competition.

The Security Bank of Oregon, which operates four banking offices in the City of Portland and one in Troutdale, controls less than one percent of the area's commercial bank deposits. Merger of the Security Bank of Oregon with the Pioneer Bank of Milwaukie, the smallest commercial bank in the area, would increase the share of the area's commercial bank deposits held by the Security Bank of Oregon by less than three-tenths of one percent.

If the merger is effectuated, the Security Bank of Oregon will acquire a small bank, in a rapidly developing suburban area to the south of Portland where it is not presently represented, with which it presently competes, if at all, only to a limited extent. The merger will result in the elimination of a minor competitive factor in the area. Nevertheless, the increase in concentration will be small and the effects on concentration in Portland and the surrounding suburban communities will not be substantial.

Table 101. DESCRIPTION OF EACH MERGER, CONSOLIDATION, ACQUISITION OF ASSETS OR ASSUMPTION OF LIABILITIES APPROVED BY THE CORPORATION, MAY 13 TO DECEMBER 31, 1960—Continued

Name of bank, and type of transaction ¹ (in chronological order of determination)	Resources (in thousands of dollars)	Banking offices	
		In operation	To be operated

Basis for Corporation approval, December 21, 1960

Milwaukie is a rapidly growing suburb of Portland and has become a major distribution and warehousing center. The increased banking resources available to Milwaukie as a result of this merger will be an important element in the continued expansion of that area.

No. 19—Union Bank and Trust Company of Bethlehem, Bethlehem, Pa. <i>to merge with</i> Liberty Bank and Trust Company, Allentown	53,289	3	4
	8,444	1	

Summary report by Attorney General, November 25, 1960

The proposed merger would unite the fourth largest bank in the Bethlehem-Allentown area with the sixth in size among six banks in the area. The trend in banking in the area has been toward consolidation, each of the two banks in Bethlehem having acquired another bank in 1959 and the largest bank in Allentown, which is the largest bank in the area, has just acquired a \$20,000,000 bank.

The possibility should be noted that the cumulative effect of such consolidations in the pertinent area, including the one under consideration, may give rise to further consolidations among competing banks with substantial adverse competitive results.

Basis for Corporation approval, December 21, 1960

The relatively small Liberty Bank has not been an active competitor in its effective area of existing competition. This bank has not been able to keep pace with its competitors which have from five to almost fifteen times its resources. Its substitution by a branch of the resulting bank where management is aggressive will have the effect of increasing competition in all fields of banking, particularly installment lending and residential home mortgages. This will be of material benefit to the public.

No. 20—Industrial Trust Company, Philadelphia, Pennsylvania <i>to merge with</i> Perkiomen National Bank, East Greenville	44,186	8	9
	7,827	1	

Summary report by Attorney General, November 17, 1960

The proposed merger of Industrial Trust and Perkiomen National would not appear to present serious competitive problems. Industrial Trust is a Philadelphia metropolitan bank with a number of branch offices located in Philadelphia alone. Its distance from East Greenville leads to the conclusion that its competitive activity in that area is quite remote. On balance the proposed merger would not appear to adversely affect competition to any substantial degree in the competitive area involved.

Table 101. DESCRIPTION OF EACH MERGER, CONSOLIDATION, ACQUISITION OF ASSETS OR ASSUMPTION OF LIABILITIES APPROVED BY THE CORPORATION, MAY 13 TO DECEMBER 31, 1960—Continued

Name of bank, and type of transaction ¹ (in chronological order of determination)	Resources (in thousands of dollars)	Banking offices	
		In operation	To be operated

Basis for Corporation approval, December 21, 1960

The East Greenville area will materially benefit by the introduction to that community of complete banking services, including trust department services, and by the increased lending base now available.

No. 21—First Seneca Bank and Trust Company, Oil City, Pennsylvania	60,896	7	3
<i>to acquire the assets and assume the liabilities of</i> Farmers and Merchants Trust Company, Greenville	8,893	1	

Summary report by Attorney General, December 5, 1960

The proposed acquisition would have little, if any, adverse effect on competition between the two banks, inasmuch as they do not, for practical purposes, compete with each other at the present time. However, First Seneca Bank and Trust Company is the largest bank in the service areas in which it does business, and the acquisition would further increase the disparity in size between it and its competitors. The same situation would exist in the service areas in which the resulting bank would do business. Further, in Greenville, the service area of Farmers and Merchants Trust Company, the resulting bank would be much larger than First National Bank of Mercer County, which is now Farmers and Merchants only competitor.

These changes in size effected by the proposed merger would tend toward creating a monopoly in the resulting bank in each of its service areas and probably would promote efforts by smaller commercial banks toward merger or acquisition, thus perhaps increasing the tendency toward concentration of commercial banking facilities in those areas.

Basis for Corporation approval, December 29, 1960

The merging banks do not presently compete with each other. The modest increase in resources of First Seneca, as a result of this merger, will have inconsequential effects on the Oil City area where the resulting bank will still face keen competition from a strong national bank, six savings and loan associations, twenty-one sales finance and personal loan companies, and four credit unions, which collectively offer intense competition. Such competition will continue. The principal effect of this transaction will be to furnish Greenville with larger and more diversified banking resources and to intensify competition for the banking business in a trade area of some 25,000 population which is now served only by the Farmers and Merchants and its commercial bank competitor which is three times larger. The larger lending facilities, broader services, and more aggressive management resulting from the merger will be of substantial benefit to the Greenville area.

¹ Unless otherwise indicated, the first named bank is the resulting insured nonmember bank.

**Table 102. CHANGES IN NUMBER AND CLASSIFICATION OF BANKS AND BRANCHES
IN THE UNITED STATES (STATES AND OTHER AREAS) DURING 1960**

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 ²	Non- insured
					Total	Members F. R. System		Not members F. R. System	Banks of de- posit	Non- depos- it trust com- panies ¹			
						National	State						
BANKS													
Number of banks, December 31, 1960.....	13,999	13,451	548	13,484	13,126	4,530	1,641	6,955	304	54	515	325	199
Number of banks, December 31, 1959.....	14,004	13,382	622	13,486	13,114	4,542	1,687	6,885	317	55	518	268	250
Net change during year.....	-5	+69	-74	-2	+12	-12	-46	+70	-13	-1	-3	+57	-60
Banks beginning operations.....	132	111	21	132	111	32	4	75	21				
New banks.....	125	111	14	125	111	32	4	75	14				
Banks added to count ³	7		7	7					7				
Banks ceasing operations.....	137	128	9	134	126	49	24	53	8		3	2	1
Suspended bank not reopened or succeeded.....	1		1	1					1				
Absorptions, consolidations, and mergers.....	132	128	4	129	126	49	24	53	3		3	2	1
Other liquidations.....	4		4	4					4				
Noninsured banks becoming insured.....		+86	-86		+27			+27	-27			+59	-59
Successors to noninsured banks.....		+3	-3		+3			+3	-3				
Admission to insurance, operating banks.....		+83	-83		+24			+24	-24			+59	-59
Other changes in classification.....													
National banks succeeding State banks.....						+5	-26	+21	+1	-1			
State banks succeeding national banks.....						+15	-9	-6					
Admissions to F. R. System.....						-10	+1	+9					
Withdrawals from F. R. System.....							+7	-7					
Nondeposit trust company becoming commercial bank.....							-25	+25					
Nondeposit trust company becoming mutual savings bank.....									+1	-1			
Changes not involving number in any class.....													
Bank succeeding suspended bank.....	1	1		1	1			1					
Successions.....	3	1	2	3	1	1			2				
Absorptions of noninsured nondeposit financial institu- tion (not accompanied by establishment of additional banking offices).....	4	4		4	4	1	2	1					
Changes in title, location, or name of location.....	121	119	2	119	117	44	17	56	1	1	2	2	
Change in general character of business.....	1	1		1	1			1					
Change in corporate powers ⁴	43	43		43	43			43					

BRANCHES													
Number of branches, December 31, 1960	11,106	10,940	166	10,619	10,559	5,508	2,624	2,427	46	14	487	381	106
Number of branches, December 31, 1959	10,238	10,053	185	9,790	9,735	4,974	2,519	2,242	45	10	448	318	130
Net change during year	+868	+887	-19	+829	+824	+534	+105	+185	+1	+4	+39	+63	-24
Branches opened for business	928	912	16	887	881	507	166	208	2	4	41	31	10
Facilities provided as agents of the government ¹	12	12		12	12	12							
Absorbed banks converted into branches	113	112	1	111	111	70	20	21			2	1	1
Branches replacing head offices relocated or placed in liquidation	9	9		9	9	2	2	5					
Other branches opened	791	777	14	752	747	422	144	181	2	3	39	30	9
Branches added to count ²	3	2	1	3	2	1		1		1			
Branches discontinued	60	60		60	60	31	19	10					
Facilities	8	8		8	8	5	2	1					
Branches	52	52		52	52	26	17	9					
Other changes in classification among branches		+35	-35	+2	+3	+58	-42	-13	-1		-2	+32	-34
Branches of national banks succeeding branches of State banks						+16	-15	-1					
Branches of noninsured banks admitted to insurance		+35	-35		+1			+1	-1			+34	-34
Branches of insured banks admitted to F. R. System							+5	-5					
Branches of insured banks withdrawing from F. R. System							-25	+25					
Branches transferred as result of absorption or succession				+2	+2	+42	-7	-33			-2	-2	
Changes not involving number in any class													
Branches transferred as result of absorption or succession	53	53		53	53	16	20	17					
Changes in title, location, or name of location	415	415		410	410	226	132	52			5	5	
ALL BANKING OFFICES													
Number of offices, December 31, 1960	25,105	24,391	714	24,103	23,685	10,038	4,265	9,382	350	68	1,002	706	296
Number of offices, December 31, 1959	24,242	23,435	807	23,276	22,849	9,516	4,206	9,127	362	65	966	586	330
Net change during year	+863	+956	-93	+827	+836	+522	+59	+255	-12	+3	+36	+120	-84
Offices opened	1,060	1,023	37	1,019	992	539	170	283	23	4	41	31	10
Banks	132	111	21	132	111	32	4	75	21				
Branches	928	912	16	887	881	507	166	208	2	4	41	31	10
Offices closed	197	188	9	194	186	80	43	63	8		3	2	1
Banks	137	128	9	134	126	49	24	53	8		3	2	1
Branches	60	60		60	60	31	19	10					
Changes in classification		+121	-121	+2	+30	+63	-68	+35	-27	-1	-2	+91	-93
Among banks		+86	-86		+27	+5	-26	+48	-26	-1		+59	-59
Among branches		+35	-35	+2	+3	+58	-42	-13	-1		-2	+32	-34

¹ Includes 1 trust company member Federal Reserve System, December 31, 1960, and December 31, 1959.

² Includes 2 mutual savings banks members of the Federal Reserve System, December 31, 1960, and 3 on December 31, 1959.

³ Banks opened prior to 1960 but not included in count as of December 31, 1959.

⁴ Information available only for insured banks not members of the Federal Reserve System.

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

⁶ Branches opened prior to 1960 but not included in count as of December 31, 1959.

NUMBER, OFFICES, AND DEPOSITS OF BANKS

Table 103. NUMBER OF BANKING OFFICES IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER 31, 1960
 GROUPED ACCORDING TO INSURANCE STATUS AND CLASS OF BANK, AND BY STATE OR AREA 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			Percentage insured ¹		
	Total	In-sured	Non-insured	Total	Insured			Noninsured		Total	In-sured ²	Non-insured	All banks of deposit	Com-mercial banks of deposit	Mutual savings banks	
					Member F. R. System	Not members F.R.S.	Banks of deposit	Non-deposit trust companies ²								
					National	State	F.R.S.									
United States—all offices	25,105	24,391	714	24,103	23,685	10,038	4,265	9,382	350	68	1,002	706	296	97.4	98.5	70.5
Banks.....	18,999	18,451	548	18,484	18,126	4,580	1,641	6,955	304	54	515	325	190	96.5	97.7	63.1
Unit banks.....	11,895	10,984	461	11,075	10,740	3,562	1,235	5,943	285	50	390	194	126	96.4	97.4	60.6
Banks operating branches.....	2,604	2,517	87	2,409	2,386	968	406	1,012	19	4	195	131	64	96.8	99.2	67.2
Branches.....	11,106	10,940	166	10,619	10,559	5,508	2,624	2,427	46	14	487	381	106	98.6	99.6	78.8
48 States and D. C.—all offices⁴	24,810	24,127	683	23,810	23,421	9,967	4,265	9,189	328	61	1,000	706	294	97.5	98.6	70.6
Banks.....	18,960	18,427	538	18,446	18,102	4,520	1,641	6,941	296	48	514	325	189	96.5	97.8	63.2
Unit banks.....	11,830	10,929	451	11,060	10,735	3,560	1,235	5,940	280	45	390	194	126	96.4	97.5	60.6
Banks operating branches.....	2,530	2,498	82	2,336	2,367	960	406	1,001	16	3	194	131	63	96.9	99.3	67.5
Branches.....	10,850	10,700	150	10,364	10,319	5,447	2,624	2,248	32	13	486	381	105	98.7	99.7	78.4
50 States and D. C.—all offices	24,954	24,260	694	23,954	23,554	10,036	4,265	9,253	333	67	1,000	706	294	97.5	98.6	70.6
Banks.....	18,985	18,448	542	18,471	18,118	4,529	1,641	6,948	300	53	514	325	189	96.5	97.8	63.2
Unit banks.....	11,891	10,933	458	11,071	10,739	3,562	1,235	5,942	283	49	390	194	126	96.4	97.4	60.6
Banks operating branches.....	2,594	2,510	84	2,400	2,379	967	406	1,006	17	4	194	131	63	96.9	99.3	67.5
Branches.....	10,969	10,817	152	10,483	10,436	5,507	2,624	2,305	33	14	486	381	105	98.7	99.7	78.4
Other areas—all offices	151	131	20	149	131	2	.....	129	17	1	2	2	2	87.3	88.5	.....
Banks.....	14	8	6	13	8	1	.....	7	4	1	1	1	1	61.5	66.7	.....
Unit banks.....	4	1	3	4	1	.....	.....	1	2	1	.....	.....	.....	33.3	33.3	.....
Banks operating branches.....	10	7	3	9	7	.....	.....	6	2	.....	1	.....	1	70.0	77.8	.....
Branches.....	137	123	14	136	123	1	.....	122	13	1	1	1	1	89.8	90.4	.....
State																
Alabama—all offices	328	328	.....	328	328	146	30	152	.....	.....	.....	.....	.....	100.0	100.0	.....
Banks.....	238	238	.....	238	238	69	24	145	.....	.....	.....	.....	.....	100.0	100.0	.....
Unit banks.....	214	214	.....	214	214	61	20	143	.....	.....	.....	.....	.....	100.0	100.0	.....
Banks operating branches.....	24	24	.....	24	24	18	4	2	.....	.....	.....	.....	.....	100.0	100.0	.....
Branches.....	90	90	.....	90	90	77	6	7	.....	.....	.....	.....	.....	100.0	100.0	.....
Alaska—all offices	46	41	5	46	41	38	.....	3	5	.....	.....	.....	.....	89.1	89.1	.....
Banks.....	19	9	4	13	9	7	.....	2	4	.....	.....	.....	.....	69.2	69.2	.....
Unit banks.....	5	2	3	5	2	1	.....	1	3	.....	.....	.....	.....	40.0	40.0	.....
Banks operating branches.....	8	7	1	8	7	6	.....	1	1	.....	.....	.....	.....	87.5	87.5	.....
Branches.....	33	32	1	33	32	31	.....	1	1	.....	.....	.....	.....	97.0	97.0	.....
Arizona—all offices	189	180	9	189	180	133	10	37	.....	9	.....	.....	.....	100.0	100.0	.....
Banks.....	10	9	1	10	9	8	1	5	.....	1	.....	.....	.....	100.0	100.0	.....
Unit banks.....	3	3	.....	3	3	.....	.....	3	.....	.....	.....	.....	.....	100.0	100.0	.....
Banks operating branches.....	7	6	1	7	6	3	1	2	.....	1	.....	.....	.....	100.0	100.0	.....
Branches.....	179	171	8	179	171	130	9	32	.....	8	.....	.....	.....	100.0	100.0	.....

Arkansas—all offices	283	278	5	283	278	72	26	180	4	1					98.6	98.6	
Banks.....	237	232	5	237	232	55	21	156	4	1					98.3	98.3	
Unit banks.....	201	196	5	201	196	44	17	135	4	1					98.0	98.0	
Banks operating branches.....	36	36		36	36	11	4	21							100.0	100.0	
Branches.....	46	46		46	46	17	5	24							100.0	100.0	
California—all offices	1,793	1,783	10	1,793	1,783	1,314	248	221		10					100.0	100.0	
Banks.....	117	112	5	117	112	40	21	51		5					100.0	100.0	
Unit banks.....	55	52	3	55	52	20	6	26		3					100.0	100.0	
Banks operating branches.....	62	60	2	62	60	20	15	25		2					100.0	100.0	
Branches.....	1,676	1,671	5	1,676	1,671	1,274	227	170		5					100.0	100.0	
Colorado—all offices	199	169	30	199	169	83	19	67	30						84.9	84.9	
Banks.....	192	162	30	192	162	78	18	66	30						84.4	84.4	
Unit banks.....	186	156	30	186	156	74	17	65	30						83.9	83.9	
Banks operating branches.....	6	6		6	6	4	1	1							100.0	100.0	
Branches.....	7	7		7	7	5	1	1							100.0	100.0	
Connecticut—all offices	396	387	9	268	259	122	65	72	8	1	128	128			98.0	97.0	100.0
Banks.....	141	132	9	70	61	23	9	29	8	1	71	71			94.3	88.4	100.0
Unit banks.....	85	76	9	37	28	10	2	16	8	1	48	48			90.5	77.3	100.0
Banks operating branches.....	56	56		33	33	13	7	13			23	23			100.0	100.0	100.0
Branches.....	255	255		198	198	99	56	43			57	57			100.0	100.0	100.0
Delaware—all offices	80	77	3	74	71	3	26	42	3		6	6			96.3	95.9	100.0
Banks.....	22	21	1	20	19	3	2	14	1		2	2			95.5	95.0	100.0
Unit banks.....	13	13		13	13	3		10							100.0	100.0	
Banks operating branches.....	9	8	1	7	6		2	4			2	2			88.9	85.7	100.0
Branches.....	58	56	2	54	52		24	28	2		4	4			96.6	96.3	100.0
District of Columbia—all offices	77	77		77	77	39	29	9							100.0	100.0	
Banks.....	12	12		12	12	5	4	3							100.0	100.0	
Unit banks.....	1	1		1	1			1							100.0	100.0	
Banks operating branches.....	11	11		11	11	5	4	2							100.0	100.0	
Branches.....	65	65		65	65	34	25	6							100.0	100.0	
Florida—all offices	323	318	5	323	318	130	10	178	2	3					99.4	99.4	
Banks.....	309	304	5	309	304	119	10	175	2	3					99.3	99.3	
Unit banks.....	296	291	5	296	291	109	10	172	2	3					99.3	99.3	
Banks operating branches.....	13	13		13	13	10		3							100.0	100.0	
Branches.....	14	14		14	14	11		3							100.0	100.0	
Georgia—all offices	527	469	58	527	469	115	41	313	58						89.0	89.0	
Banks.....	421	363	58	421	363	58	14	296	58						86.2	86.2	
Unit banks.....	394	336	58	394	336	40	8	288	58						85.3	85.3	
Banks operating branches.....	27	27		27	27	18	6	8							100.0	100.0	
Branches.....	106	106		106	106	62	27	17							100.0	100.0	
Hawaii—all offices	98	92	6	98	92	31		61		6					100.0	100.0	
Banks.....	12	7	5	12	7	2		5		5					100.0	100.0	
Unit banks.....	6	2	4	6	2	1		1		4					100.0	100.0	
Banks operating branches.....	6	5	1	6	5	1		4		1					100.0	100.0	
Branches.....	86	85	1	86	85	29		56		1					100.0	100.0	

Table 103. NUMBER OF BANKING OFFICES IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER 31, 1960—Continued
 GROUPED ACCORDING TO INSURANCE STATUS AND CLASS OF BANK, AND BY STATE OR AREA 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			Percentage insured ¹						
	Total	In-sured	Non-insured	Total	Insured			Noninsured			Total	In-sured ²	Non-insured	All banks of deposit	Com-mercial banks of deposit	Mutual savings banks			
					Total	Member F. R. System		Not members F. R. S.	Banks of deposit	Non-deposit trust companies ²									
						National	State												
Idaho—all offices	115	115		115	115	78	16	21									100.0	100.0	
Banks.....	32	32		32	32	10	8	14									100.0	100.0	
Unit banks.....	24	24		24	24	6	6	12									100.0	100.0	
Banks operating branches.....	8	8		8	8	4	2	2									100.0	100.0	
Branches.....	83	83		83	83	68	8	7									100.0	100.0	
Illinois—all offices	970	964	6	970	964	400	127	437	3	3							99.7	99.7	
Banks.....	966	960	6	966	960	396	127	437	3	3							99.7	99.7	
Unit banks.....	962	956	6	962	956	392	127	437	3	3							99.7	99.7	
Banks operating branches.....	4	4		4	4	4											100.0	100.0	
Branches.....	4	4		4	4	4											100.0	100.0	
Indiana—all offices	758	752	6	754	748	303	134	311	5	1							99.3	99.3	100.0
Banks.....	447	441	6	443	437	125	99	213	5	1	4	4					98.9	98.9	100.0
Unit banks.....	321	315	6	317	311	80	78	153	5	1	4	4					98.4	98.4	100.0
Banks operating branches.....	126	126		126	126	45	21	60									100.0	100.0	
Branches.....	311	311		311	311	178	35	98									100.0	100.0	
Iowa—all offices	856	816	40	856	816	104	75	637	39	1							95.4	95.4	
Banks.....	673	635	38	673	635	96	68	471	37	1							94.5	94.5	
Unit banks.....	533	497	36	533	497	88	63	346	35	1							93.4	93.4	
Banks operating branches.....	140	138	2	140	138	8	5	125	2								98.6	98.6	
Branches.....	183	181	2	183	181	8	7	166	2								98.9	98.9	
Kansas—all offices	612	608	4	612	608	183	48	377	4								99.3	99.3	
Banks.....	587	583	4	587	583	167	46	370	4								99.3	99.3	
Unit banks.....	563	559	4	563	559	152	44	363	4								99.3	99.3	
Banks operating branches.....	24	24		24	24	15	2	7									100.0	100.0	
Branches.....	25	25		25	25	16	2	7									100.0	100.0	
Kentucky—all offices	591	491	10	591	491	163	40	288	10								98.0	98.0	
Banks.....	355	345	10	355	345	87	16	242	10								97.2	97.2	
Unit banks.....	235	275	10	235	275	62	8	205	10								96.5	96.5	
Banks operating branches.....	70	70		70	70	25	8	37									100.0	100.0	
Branches.....	146	146		146	146	76	24	46									100.0	100.0	

Louisiana—all offices	366	365	1	366	365	136	35	194	1					99.7	99.7	
Banks	190	189	1	190	189	42	11	136	1					99.5	99.5	
Unit banks	126	125	1	126	125	19	4	102	1					99.2	99.2	
Banks operating branches	64	64		64	64	23	7	34						100.0	100.0	
Branches	176	176		176	176	94	24	58						100.0	100.0	
Maine—all offices	218	192	26	180	165	72	49	44	15		38	27	11	88.1	91.7	71.1
Banks	79	64	15	47	42	23	6	13	5		32	22	10	81.0	89.4	68.8
Unit banks	44	35	9	16	16	10	2	4			28	19	9	79.5	100.0	67.9
Banks operating branches	35	29	6	31	26	13	4	9	5		4	3	1	82.9	83.9	75.0
Branches	139	128	11	133	123	49	43	31	10		6	5	1	92.1	92.5	83.3
Maryland—all offices	422	415	7	384	378	137	44	197	6		38	37	1	98.3	98.4	97.4
Banks	139	137	2	133	132	50	3	74	1		6	5	1	98.6	99.2	83.3
Unit banks	80	79	1	78	78	29	2	47			2	1	1	98.3	100.0	50.0
Banks operating branches	59	58	1	55	54	21	6	27	1		4	4		98.3	98.2	100.0
Branches	283	278	5	251	246	87	36	123	5		32	32		98.2	98.0	100.0
Massachusetts—all offices	852	565	287	545	539	312	122	105	6		307	26	281	66.3	98.9	8.5
Banks	356	174	182	171	166	103	21	42	5		185	8	177	48.9	97.1	4.3
Unit banks	198	78	120	80	75	65	1	19	5		118	3	115	39.4	93.8	3.5
Banks operating branches	153	96	62	91	91	48	20	23			67	5	62	60.8	100.0	7.5
Branches	496	391	105	374	373	209	101	63	1		122	18	104	78.8	99.7	14.3
Michigan—all offices	958	954	4	958	954	286	399	269	3	1				99.7	99.7	
Banks	380	378	2	380	378	76	140	182	1	1				99.7	99.7	
Unit banks	246	245	1	246	245	45	95	105		1				100.0	100.0	
Banks operating branches	134	133	1	134	133	31	45	57						99.3	99.3	
Branches	578	576	2	578	576	210	259	107	2					99.7	99.7	
Minnesota—all offices	696	686	10	695	685	185	29	471	10		1	1		98.6	98.6	100.0
Banks	690	680	10	689	679	179	29	471	10		1	1		98.6	98.5	100.0
Unit banks	688	678	10	687	677	177	29	471	10		1	1		98.5	98.5	100.0
Banks operating branches	2	2		2	2	2								100.0	100.0	
Branches	6	6		6	6	6								100.0	100.0	
Mississippi—all offices	329	327	2	329	327	54	23	250	2					99.4	99.4	
Banks	193	191	2	193	191	27	8	156	2					99.0	99.0	
Unit banks	124	122	2	124	122	11	4	107	2					98.4	98.4	
Banks operating branches	69	69		69	69	16	4	49						100.0	100.0	
Branches	136	136		136	136	27	15	94						100.0	100.0	
Missouri—all offices	651	635	16	651	635	85	104	446	12	4				98.1	98.1	
Banks	626	610	16	626	610	77	94	439	12	4				98.1	98.1	
Unit banks	601	585	16	601	585	69	84	432	12	4				98.0	98.0	
Banks operating branches	25	25		25	25	8	10	7						100.0	100.0	
Branches	25	25		25	25	8	10	7						100.0	100.0	
Montana—all offices	122	120	2	122	120	43	44	33	1	1				99.2	99.2	
Banks	121	119	2	121	119	42	44	33	1	1				99.2	99.2	
Unit banks	120	118	2	120	118	41	44	33	1	1				99.2	99.2	
Banks operating branches	1	1		1	1	1								100.0	100.0	
Branches	1	1		1	1	1								100.0	100.0	

NUMBER, OFFICES, AND DEPOSITS OF BANKS

Table 103. NUMBER OF BANKING OFFICES IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER 31, 1960—Continued
 GROUPED ACCORDING TO INSURANCE STATUS AND CLASS OF BANK, AND BY STATE OR AREA 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			Percentage insured ¹			
	Total	In-sured	Non-insured	Total	Insured			Not members F.R.S.	Noninsured		Total	In-sured ²	Non-insured	All banks of deposit	Com-mercial banks of deposit	Mutual savings banks
					Total	National	Member F. R. System State		Banks of deposit	Non-deposit trust companies ²						
Nebraska—all offices	438	404	34	438	404	131	19	254	28	6			93.5	93.5		
Banks.....	426	392	34	426	392	121	18	283	28	6			93.3	93.3		
Unit banks.....	415	381	34	415	381	112	17	252	28	6			93.2	93.2		
Banks operating branches.....	11	11		11	11	9	1	1					100.0	100.0		
Branches.....	12	12		12	12	10	1	1					100.0	100.0		
Nevada—all offices	44	44		44	44	25	12	7					100.0	100.0		
Banks.....	7	7		7	7	3	2	2					100.0	100.0		
Unit banks.....	2	2		2	2	1		1					100.0	100.0		
Banks operating branches.....	5	5		5	5	2	2	1					100.0	100.0		
Branches.....	37	37		37	37	22	10	5					100.0	100.0		
New Hampshire—all offices	113	109	4	78	74	54	1	19	4		35	35	96.5	94.9	100.0	
Banks.....	107	103	4	74	70	51	1	18	4		33	33	96.3	94.6	100.0	
Unit banks.....	101	97	4	70	66	48	1	17	4		31	31	96.0	94.3	100.0	
Banks operating branches.....	6	6		4	4	3		1			2	2	100.0	100.0	100.0	
Branches.....	6	6		4	4	3		1			2	2	100.0	100.0	100.0	
New Jersey—all offices	731	728	3	689	686	417	192	77		3	42	42	100.0	100.0	100.0	
Banks.....	274	271	3	253	250	160	55	35		3	21	21	100.0	100.0	100.0	
Unit banks.....	131	128	3	119	116	80	19	17		3	12	12	100.0	100.0	100.0	
Banks operating branches.....	148	143	5	134	134	80	36	18			9	9	100.0	100.0	100.0	
Branches.....	457	457		436	436	257	137	42			21	21	100.0	100.0	100.0	
New Mexico—all offices	111	111		111	111	59	10	42					100.0	100.0		
Banks.....	55	55		55	55	29	8	18					100.0	100.0		
Unit banks.....	30	30		30	30	16	7	7					100.0	100.0		
Banks operating branches.....	25	25		25	25	13	1	11					100.0	100.0		
Branches.....	56	56		56	56	30	2	24					100.0	100.0		
New York—all offices	2,066	2,050	16	1,786	1,770	713	943	114	11	5	280	280	99.5	99.4	100.0	
Banks.....	529	517	12	402	390	239	109	42	7	5	127	127	98.7	98.2	100.0	
Unit banks.....	306	291	15	242	233	156	52	25	4	5	58	58	98.6	98.3	100.0	
Banks operating branches.....	222	226	4	160	157	83	57	17	3		69	69	98.7	98.1	100.0	
Branches.....	1,537	1,533	4	1,384	1,380	474	834	72	4		153	153	99.7	99.7	100.0	

North Carolina—all offices	691	687	4	691	687	167	77	443	4									99.4	99.4	
Banks.....	182	182		182	182	36	3	143										99.5	99.5	
Unit banks.....	94	94	1	94	94	13		81	1									100.0	100.0	
Banks operating branches.....	89	89		89	88	23	3	62										98.9	98.9	
Branches.....	508	505	3	508	505	131	74	300	3									99.4	99.4	
North Dakota—all offices	185	182	3	185	182	40	3	139	3									98.4	98.4	
Banks.....	156	153	3	156	153	38	2	118	3									98.1	98.1	
Unit banks.....	134	131	3	134	131	36	1	94	3									97.8	97.8	
Banks operating branches.....	22	22		22	22	2	1	19										100.0	100.0	
Branches.....	29	29		29	29	2	1	26										100.0	100.0	
Ohio—all offices	1,228	1,227	1	1,223	1,222	529	395	298	1		5	5						99.9	99.9	100.0
Banks.....	587	586	1	585	584	223	149	212	1		2	2						99.8	99.8	100.0
Unit banks.....	400	399	1	399	398	137	103	158	1		1	1						99.3	99.7	100.0
Banks operating branches.....	187	187		186	186	86	46	54			1	1						100.0	100.0	100.0
Branches.....	641	641		638	638	306	246	86			3	3						100.0	100.0	100.0
Oklahoma—all offices	412	409	3	412	409	219	30	160	2	1								99.5	99.5	
Banks.....	389	386	3	389	386	200	26	160	2	1								99.5	99.5	
Unit banks.....	369	366	3	369	366	183	23	160	2	1								99.5	99.5	
Banks operating branches.....	20	20		20	20	17	3											100.0	100.0	
Branches.....	23	23		23	23	19	4											100.0	100.0	
Oregon—all offices	247	245	2	246	244	171	12	61	1	1	1	1	1					99.6	99.6	100.0
Banks.....	52	50	2	51	49	10	4	35	1	1	1	1	1					98.0	98.0	100.0
Unit banks.....	32	30	2	31	29	7	2	20	1	1	1	1	1					96.8	96.7	100.0
Banks operating branches.....	20	20		20	20	3	2	15										100.0	100.0	
Branches.....	195	195		195	195	161	8	26										100.0	100.0	
Pennsylvania—all offices	1,552	1,538	14	1,496	1,482	928	279	275	11	3	56	56						99.3	99.3	100.0
Banks.....	710	698	12	708	691	462	71	158	9	3	7	7						98.7	98.7	100.0
Unit banks.....	502	491	11	499	488	334	40	114	8	3	3	3						98.4	98.4	100.0
Banks operating branches.....	208	207	1	204	203	128	31	44	1		4	4						99.5	99.5	100.0
Branches.....	842	840	2	793	791	466	208	117	2		49	49						99.8	99.7	100.0
Rhode Island—all offices	135	133	2	100	98	54	20	24	2		35	35						98.5	98.0	100.0
Banks.....	17	16	1	9	8	4	1	3	1		8	8						94.1	88.9	100.0
Unit banks.....	2	2									2	2						100.0		100.0
Banks operating branches.....	15	14	1	9	8	4	1	3	1		6	6						98.3	88.9	100.0
Branches.....	118	117	1	91	90	50	19	21	1		27	27						99.2	98.9	100.0
South Carolina—all offices	292	286	6	292	286	126	10	150	6									97.9	97.9	
Banks.....	145	139	6	145	139	25	6	108	6									95.9	95.9	
Unit banks.....	104	98	6	104	98	8	4	86	6									94.2	94.2	
Banks operating branches.....	41	41		41	41	17	2	22										100.0	100.0	
Branches.....	147	147		147	147	101	4	42										100.0	100.0	
South Dakota—all offices	233	233		233	233	61	26	146										100.0	100.0	
Banks.....	174	174		174	174	33	26	115										100.0	100.0	
Unit banks.....	144	144		144	144	23	26	90										100.0	100.0	
Banks operating branches.....	30	30		30	30	5		25										100.0	100.0	
Branches.....	59	59		59	59	28		31										100.0	100.0	

NUMBER, OFFICES, AND DEPOSITS OF BANKS

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Table 103. NUMBER OF BANKING OFFICES IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER 31, 1960—Continued
 GROUPED ACCORDING TO INSURANCE STATUS AND CLASS OF BANK, AND BY STATE OR AREA 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			Percentage insured ¹			
	Total	In-sured	Non-insured	Total	Insured			Noninsured				Total	In-sured ²	Non-insured	All banks of deposit	Com-mercial banks of deposit	Mutual savings banks
					Total	Member F. R. System		Not members F.R.S.	Banks of deposit	Non-deposit trust companies ²							
						National	State										
Tennessee—all offices	513	507	6	513	507	205	25	277	3	3				99.4	99.4		
Banks.....	297	291	6	297	291	75	8	208	3	3				99.0	99.0		
Unit banks.....	222	216	6	222	216	44	5	167	3	3				98.6	98.6		
Banks operating branches.....	75	75		75	75	31	3	41						100.0	100.0		
Branches.....	216	216		216	216	130	17	69						100.0	100.0		
Texas—all offices	1,039	1,018	21	1,039	1,018	488	114	416	21					98.0	98.0		
Banks.....	1,011	990	21	1,011	990	468	106	416	21					97.9	97.9		
Unit banks.....	982	961	21	982	961	447	98	416	21					97.9	97.9		
Banks operating branches.....	29	29		29	29	21	8							100.0	100.0		
Branches.....	28	28		28	28	20	8							100.0	100.0		
Utah—all offices	124	120	4	124	120	52	31	37	4					96.8	96.8		
Banks.....	50	46	4	50	46	7	13	26	4					92.0	92.0		
Unit banks.....	37	33	4	37	33	5	7	21	4					89.2	89.2		
Banks operating branches.....	13	13		13	13	2	6	5						100.0	100.0		
Branches.....	74	74		74	74	45	18	11						100.0	100.0		
Vermont—all offices	96	95	1	89	88	48		40		1	7	7		100.0	100.0	100.0	
Banks.....	62	61	1	56	55	31		24		1	6	6		100.0	100.0	100.0	
Unit banks.....	47	46	1	42	41	25		16		1	5	5		100.0	100.0	100.0	
Banks operating branches.....	15	15		14	14	6		8		1	1	1		100.0	100.0	100.0	
Branches.....	34	34		33	33	17		16		1	1	1		100.0	100.0	100.0	
Virginia—all offices	589	589		589	589	273	130	186						100.0	100.0		
Banks.....	305	305		305	305	129	69	107						100.0	100.0		
Unit banks.....	201	201		201	201	86	51	64						100.0	100.0		
Banks operating branches.....	104	104		104	104	43	18	43						100.0	100.0		
Branches.....	284	284		284	284	144	61	79						100.0	100.0		
Washington—all offices	391	389	2	378	376	287	28	61	2		13	13		99.5	99.5	100.0	
Banks.....	91	89	2	87	85	26	9	50	2		4	4		97.8	97.8	100.0	
Unit banks.....	64	62	2	62	60	13	6	41	2		2	2		96.9	96.8	100.0	
Banks operating branches.....	27	27		25	25	13	3	9			2	2		100.0	100.0	100.0	
Branches.....	300	300		291	291	261	19	11			9	9		100.0	100.0	100.0	

West Virginia—all offices	182	181	1	182	181	77	34	70	1					99.5	99.5	
Banks	182	181	1	182	181	77	34	70	1					99.5	99.5	
<i>Unit banks</i>	182	181	1	182	181	77	34	70	1					99.5	99.5	
<i>Banks operating branches</i>																
Branches																
Wisconsin—all offices	721	715	6	717	712	118	67	527	2	3	4	3	1	99.6	99.7	75.0
Banks	563	557	6	559	554	99	58	397	2	3	4	3	1	99.5	99.6	75.0
<i>Unit banks</i>	468	462	6	464	459	92	54	313	2	3	4	3	1	99.4	99.6	75.0
<i>Banks operating branches</i>	95	95		95	95	7	4	84						100.0	100.0	
Branches	158	158		158	158	19	9	130						100.0	100.0	
Wyoming—all offices	56	56		56	56	27	14	15						100.0	100.0	
Banks	55	55		55	55	26	14	15						100.0	100.0	
<i>Unit banks</i>	54	54		54	54	25	14	15						100.0	100.0	
<i>Banks operating branches</i>	1	1		1	1	1								100.0	100.0	
Branches	1	1		1	1	1								100.0	100.0	
Other area																
Pacific Islands—all offices⁸	7	3	4	7	3			3	4					42.9	42.9	
Banks	1	1	1	1	1				1							
<i>Unit banks⁹</i>	1	1	1	1	1				1							
<i>Banks operating branches</i>																
Branches ⁹	6	3	3	6	3			3	3					50.0	50.0	
Panama Canal Zone—all offices	4		4	4					4							
Banks																
<i>Unit banks</i>																
<i>Banks operating branches</i>																
Branches ⁹	4		4	4					4							
Puerto Rico—all offices	131	122	9	131	122			122	9					93.1	93.1	
Banks	10	7	3	10	7			7	3					70.0	70.0	
<i>Unit banks</i>	2	1	1	2	1			1	1					50.0	50.0	
<i>Banks operating branches</i>	3	6	2	3	6			6	2					75.0	75.0	
Branches ¹⁰	121	115	6	121	115			115	6					95.0	95.0	
Virgin Islands—all offices	9	6	3	7	6	2		4		1	2		2	75.0	100.0	
Banks	3	1	2	2	1	1				1	1		1	50.0	100.0	
<i>Unit banks</i>	1	1	1	1	1					1						
<i>Banks operating branches</i>	2	1	1	1	1	1					1		1	50.0	100.0	
Branches ¹¹	6	5	1	5	5	1		4			1		1	83.3	100.0	

NUMBER, OFFICES, AND DEPOSITS OF BANKS

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¹ Nondeposit trust companies are excluded in computing these percentages.

² Includes 1 trust company in Missouri member of the Federal Reserve System.

³ Includes 2 banks in Wisconsin members of the Federal Reserve System.

⁴ Formerly designated as "Continental United States." Alaska was admitted to Statehood January 3, 1959; Hawaii, August 21, 1959.

⁵ Includes branches operated by banks located in other states or in Puerto Rico 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 noninsured branch in Pennsylvania operated by a New York bank; and 2 insured branches in Washington operated by a California bank.

⁶ In United States possessions (American Samoa, Guam, and Midway Islands) and Trust Territories (Kwajalein and Saipan).

⁷ In American Samoa.

⁸ Consists of 4 branches in Mariana Islands (3 insured on Guam and 1 noninsured on Saipan) operated by a California bank; and 2 noninsured branches (1 on Midway and 1 in Marshall Islands on Kwajalein) operated by a Hawaiian bank.

⁹ Consists of 4 noninsured branches operated by 2 New York banks.

¹⁰ Includes 13 insured branches operated by 2 New York banks.

¹¹ Includes 4 insured branches operated by a New York bank.

Back figures: See the Annual Report of 1959, pp. 112-119, and earlier reports.

Table 104. NUMBER AND DEPOSITS OF ALL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER 31, 1960

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	Nonin-sured		Total	Insured	Nonin-sured	Total	Insured	Nonin-sured
				Banks of deposit ¹	Non-deposit trust companies										
Total United States.....	13,999	13,484	13,126	304	54	515	325	190	266,884,548	230,531,864	228,993,232	1,538,632	36,352,684	31,502,252	4,850,432
48 States and D. C.².....	13,960	13,446	13,102	296	48	514	325	189	265,240,473	228,887,968	227,474,826	1,413,142	36,352,505	31,502,252	4,850,253
50 States and D. C.³.....	13,985	13,471	13,118	300	53	514	325	189	266,176,522	229,824,017	228,381,233	1,442,784	36,352,505	31,502,252	4,850,253
Other areas.....	14	13	8	4	1	1	1	1	708,026	707,847	611,999	95,848	179	179	179
FDIC District															
District 1.....	762	427	402	23	2	335	148	187	20,156,323	10,255,385	10,061,072	194,313	9,900,938	5,057,226	4,843,712
District 2 ⁴	838	687	667	11	9	151	150	1	76,637,498	53,693,737	53,088,095	605,638	22,943,701	22,943,522	179
District 3.....	1,297	1,288	1,275	10	3	9	9		27,694,828	25,576,364	25,539,144	37,220	2,118,464	2,118,464	
District 4.....	966	960	951	9		6	5	1	13,074,642	12,513,523	12,325,082	188,441	561,119	555,304	5,815
District 5.....	1,161	1,161	1,096	62	3				11,304,262	11,304,262	11,255,742	38,520			
District 6.....	1,515	1,515	1,478	29	8				13,083,553	13,083,553	13,044,311	39,242			
District 7.....	1,390	1,382	1,369	8	5	8	7	1	13,330,557	13,248,053	13,218,385	30,172	82,504	81,778	726
District 8.....	1,639	1,639	1,595	40	4				20,634,134	20,634,134	20,533,599	100,535			
District 9.....	1,141	1,140	1,125	14	1	1	1		6,347,113	6,525,815	6,406,078	119,737	321,298	321,298	
District 10.....	1,649	1,649	1,578	64	7				9,243,848	9,243,848	9,136,329	107,519			
District 11.....	1,266	1,266	1,243	22	1				17,275,872	17,275,872	17,225,848	49,824			
District 12 ⁴	375	370	347	12	11	5	5		32,602,178	32,177,518	32,037,943	89,575	424,660	424,660	
State															
Alabama.....	238	238	238						2,120,719	2,120,719	2,120,719				
Alaska.....	13	13	9	4					209,858	209,858	191,233	18,625			
Arizona.....	10	10			1				1,272,548	1,272,548	1,264,913	7,635			
Arkansas.....	237	237	232	4	1				1,291,573	1,291,573	1,289,215	2,358			
California.....	117	117	112		5				24,338,228	24,338,228	24,338,228				
Colorado.....	192	192	162	30					2,022,640	2,022,640	2,005,382	17,258			
Connecticut.....	141	70	61	8	1	71	71		4,906,381	2,384,461	2,349,823	34,638	2,521,920	2,521,920	
Delaware.....	22	20	19	1		2	2		866,964	707,225	701,497	5,728	159,739	159,739	
District of Columbia.....	12	12	12						1,532,054	1,532,054	1,532,054				
Florida.....	309	309	304	2	3				4,882,276	4,882,276	4,866,695	15,581			
Georgia.....	421	421	363	58					2,939,997	2,939,997	2,927,017	12,980			
Hawaii.....	12	12	7		5				726,191	726,191	715,174	11,017			
Idaho.....	32	32	32						649,226	649,226	649,226				
Illinois.....	966	966	960	3	3				17,501,955	17,501,955	17,467,743	34,212			
Indiana.....	447	443	437	5	1	4	4		4,811,329	4,754,270	4,748,235	6,035	57,059	57,059	

Iowa	673	678	635	87	1				3,132,179	3,132,179	3,065,856	66,323								
Kansas	587	587	583	4					2,411,720	2,411,720	2,409,676	2,044								
Kentucky	355	355	345	10					2,300,977	2,300,977	2,291,277	9,700								
Louisiana	190	190	189	1					2,964,852	2,964,852	2,964,164	688								
Maine	79	47	42	5			32	22	1,077,867	662,810	629,009	33,801	415,057	309,244	105,813					
Maryland	139	133	132	1		6			3,051,101	2,489,932	2,350,876	139,106	561,119	555,304	5,815					
Massachusetts	356	171	166	5		185	5	177	11,286,045	5,492,946	5,404,847	88,099	5,793,099	1,055,200	4,737,899					
Michigan	380	380	378	1					8,855,913	8,855,913	8,837,864	18,049								
Minnesota	690	689	679	10		1		1	4,509,246	4,187,948	4,176,930	10,968	321,298	321,298						
Mississippi	193	193	191	2					1,361,270	1,361,270	1,351,311	9,959								
Missouri	626	626	610	12		4			6,168,610	6,168,610	6,150,277	18,333								
Montana	121	121	119	1		1			829,061	829,061	829,004	57								
Nebraska	426	426	392	28		6			1,678,448	1,678,448	1,652,371	26,077								
Nevada	7	7	7						440,902	440,902	440,902									
New Hampshire	107	74	70	4			33	33	956,349	413,049	403,302	9,747	543,300	543,300						
New Jersey	274	253	250			3	21	21	8,578,398	7,231,174	7,231,143	81	1,347,224	1,347,224						
New Mexico	55	55	55						713,173	713,173	713,173									
New York	529	402	390			5	127	127	66,537,749	45,101,190	44,568,939	532,251	21,436,559	21,436,559						
North Carolina	183	183	182	1					2,927,365	2,927,365	2,889,161	38,204								
North Dakota	156	156	163	3					758,803	753,803	650,091	108,712								
Ohio	587	585	584	1		2		2	11,308,979	11,280,687	11,278,837	1,850	28,292	28,292						
Oklahoma	389	389	386	2		1			2,709,931	2,709,931	2,708,291	1,640								
Oregon	52	51	49	1		1		1	2,056,390	2,013,527	2,005,018	8,509	42,863	42,863						
Pennsylvania	710	708	691	9		3	7	7	16,385,849	14,295,677	14,260,307	35,370	2,090,172	2,090,172						
Rhode Island	17	9	8	1			8	8	1,407,145	899,392	871,364	28,028	507,753	507,753						
South Carolina	145	145	139	6					1,026,544	1,026,544	1,022,677	3,867								
South Dakota	174	174	174						750,003	750,003	750,003									
Tennessee	297	297	291	3		3			3,322,393	3,322,393	3,314,142	8,251								
Texas	1,011	1,011	990	21					12,325,099	12,325,099	12,283,598	41,501								
Utah	50	50	46	4					1,005,254	1,005,254	1,000,895	4,359								
Vermont	62	56	55			1	6	6	522,536	402,727	402,727		119,809	119,809						
Virginia	305	305	305						3,264,111	3,264,111	3,264,111									
Washington	91	87	85	2			4	4	3,122,430	2,740,633	2,721,783	18,845	381,797	381,797						
West Virginia	182	182	181	1					1,278,467	1,278,467	1,266,203	7,264								
Wisconsin	563	559	554	2		3	4	3	4,633,316	4,637,870	4,632,786	5,084	25,445	24,719	726					
Wyoming	55	55	55						421,109	421,109	421,109									
Other area																				
Pacific Islands ¹	1	1		1					32,267	32,267	25,479	6,788								
Panama Canal Zone ²									21,432	21,432		21,432								
Puerto Rico ³	10	10	7	3					618,504	618,504	550,876	67,628								
Virgin Islands ⁴	3	2	1			1	1	1	35,823	35,644	35,644		179		179					

NUMBER, OFFICES, AND DEPOSITS OF BANKS

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¹ Includes 28 noninsured banks of deposit (3 in Colorado, 19 in Georgia, 2 in Iowa, and 4 in Texas) for which asset, liability, and capital account data are not available.

² Formerly designated as "Continental United States". Alaska was admitted to Statehood January 3, 1959, and Hawaii, August 21, 1959.

³ Includes Puerto Rico and the Virgin Islands.

⁴ Includes Alaska, Hawaii, Pacific Islands, and the Panama Canal Zone.

⁵ In United States possessions (American Samoa, Guam, and Midway Islands) and Trust Territories (Kwajalein and Saipan). Consists of deposit data for 1 noninsured bank in American Samoa and for the following branches: 4 branches in the Mariana Islands (3 insured on Guam and 1 noninsured on Saipan) operated by an insured bank in California; and 2 noninsured branches (1 on Midway Island and 1 on Kwajalein Island in Marshall Islands) operated by an insured bank in Hawaii.

⁶ Consists of asset and liability data for 4 noninsured branches operated by 2 insured banks in New York.

⁷ Includes asset and liability data for 13 insured branches operated by 2 insured banks in New York.

⁸ Includes asset and liability data for 4 insured branches operated by an insured bank in New York.

Note: Data for the above branches are not included in the figures for the States in which the parent banks are located.

Back figures: See the Annual Report for 1959, pp. 126-127, and earlier reports.

ASSETS AND LIABILITIES OF BANKS

Table 105. Assets and liabilities of all banks in the United States (States and other areas), June 15, 1960

Banks grouped according to insurance status and type of bank

Table 106. Assets and liabilities of all banks in the United States (States and other areas), December 31, 1960

Banks grouped according to insurance status and type of bank

Table 107. Assets and liabilities of all banks in the United States (States and other areas), December 31, 1960

Banks grouped by district and State

Table 108. Assets and liabilities of insured banks in the United States (States and other areas), December 31, 1960, June 15, 1960, and December 31, 1959

Table 109. Distribution of insured commercial banks in the United States (States and other areas), December 31, 1960

Banks grouped according to amount of deposits and by ratios of selected items to assets

The data in these tables relate to banks operating in the United States (States and other areas). Data from the same tabulations for all 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 15, 1960

Report No. 53, pp. 6-7.

For December 31, 1960

Report No. 54, pp. 6-7.

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.

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 are 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; and reports from individual banks.

Table 105. ASSETS AND LIABILITIES OF ALL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), JUNE 15, 1960¹
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 ²			
Total assets	282,871,696	273,540,203	9,331,493	243,273,551	241,329,397	1,737,161	206,993	39,598,145	32,210,806	7,387,339
Cash, balances with other banks, and cash collection items—total	47,955,923	47,504,996	450,927	47,191,560	46,881,303	274,535	35,722	764,363	623,693	140,670
Currency and coin.....	3,392,423	3,336,866	55,562	3,277,109	3,252,596	23,230	1,283	115,319	84,270	31,049
Reserve with F. R. banks (member banks).....	17,918,423	17,918,423	.....	17,917,456	17,917,456	.....	.....	967	967	.....
Demand balances with banks in U. S.	11,472,834	11,110,019	362,865	10,965,405	10,702,249	234,749	28,407	507,479	407,770	99,709
Other balances with banks in U. S.	170,421	167,663	2,758	59,127	56,468	409	2,250	111,294	111,195	99
Balances with banks in foreign countries.....	97,206	96,059	1,147	97,206	96,059	1,126	21	.....	.....	.....
Cash items in process of collection.....	14,904,561	14,875,966	28,595	14,875,257	14,856,475	15,021	3,761	29,304	19,491	9,813
Securities—total	87,191,273	83,406,696	3,784,577	74,960,946	73,995,605	852,732	112,609	12,230,327	9,411,091	2,819,236
U. S. Gov't. obligations (incl. guaranteed).....	61,614,235	59,150,305	2,463,930	54,986,539	54,407,790	530,855	47,894	6,627,696	4,742,515	1,885,181
Obligations of States and subdivisions.....	17,524,131	17,193,716	330,415	16,827,248	16,581,317	212,835	33,096	696,833	612,399	84,434
Other bonds, notes, and debentures.....	6,654,946	6,024,633	630,263	2,542,195	2,450,881	88,349	2,965	4,112,751	3,573,802	538,949
Corporate stocks.....	1,397,961	1,037,992	359,969	604,964	555,617	20,693	28,654	792,997	482,375	310,622
Loans and discounts, net—total	141,836,281	136,907,882	4,928,399	115,766,862	115,186,386	548,257	32,219	26,069,419	21,721,496	4,347,923
Valuation reserves.....	2,452,599	2,433,168	19,431	2,226,076	2,222,381	3,693	57	226,523	210,787	15,736
Loans and discounts, gross—total	144,288,880	139,341,050	4,947,930	117,992,938	117,408,767	551,895	32,276	26,295,942	21,932,283	4,363,659
Real estate loans—total.....	54,221,345	49,849,800	4,371,545	23,438,706	23,323,439	100,554	14,713	25,782,639	21,626,361	4,256,278
Secured by farm land.....	1,694,293	1,666,441	27,855	1,641,216	1,624,840	15,235	1,141	53,082	41,601	11,481
Secured by residential properties:										
Insured by FHA.....	12,585,717	11,928,332	607,365	5,988,977	5,978,962	6,386	3,629	6,516,770	5,949,420	597,350
Insured or guaranteed by VA.....	11,839,607	10,803,264	1,036,343	3,041,776	3,033,093	7,605	1,073	8,857,331	7,720,166	1,087,665
Not insured or guaranteed by FHA or VA.....	19,127,959	16,926,081	2,201,878	11,302,114	11,244,899	50,962	6,253	7,825,815	5,681,132	2,144,683
Secured by other properties.....	8,963,732	8,525,632	438,100	6,464,623	6,441,640	20,568	2,617	2,439,111	2,083,992	415,119
Loans to commercial and foreign banks ³	2,373,287	2,366,667	6,620	2,373,287	2,366,667	6,620	.....	(⁴)	(⁴)	(⁴)
Loans to other financial institutions ³	7,089,137	7,069,795	19,342	7,089,137	7,069,795	19,342	.....	(⁴)	(⁴)	(⁴)
Loans to brokers and dealers in securities.....	2,604,307	2,586,204	18,103	2,604,307	2,586,204	18,103	5,420	.....	.....	.....
Other loans for carrying securities.....	1,755,168	1,731,839	23,279	1,740,069	1,719,748	15,965	4,356	16,099	12,141	2,958
Loans to farmers directly guaranteed by the Commodity Credit Corporation.....	130,561	125,973	4,588	130,561	125,973	4,588	.....	.....	.....	.....
Other loans to farmers (excl. real estate).....	5,243,915	5,204,008	39,910	5,242,238	5,202,352	39,700	186	1,680	1,656	24
Commercial and industrial loans.....	42,150,087	41,945,213	204,874	41,933,947	41,788,952	198,062	4,333	163,740	161,261	2,479
Other loans to individuals.....	25,935,914	25,703,380	232,534	25,632,440	25,495,947	135,323	1,365	303,274	207,433	95,841
All other loans (including overdrafts).....	2,785,156	2,758,121	27,035	2,755,646	2,734,690	19,053	1,903	29,510	23,431	6,079
Miscellaneous assets—total	5,888,219	5,720,629	167,590	5,354,183	5,266,103	61,637	26,443	534,036	454,526	79,510
Bank premises owned, furniture and fixtures.....	3,033,995	2,973,741	60,254	2,784,142	2,767,773	9,582	6,787	249,853	205,968	43,885
Other real estate—direct and indirect.....	341,825	323,537	18,288	327,767	315,801	3,634	8,332	14,058	9,736	4,322
All other miscellaneous assets.....	2,512,399	2,421,351	91,048	2,242,274	2,182,529	48,421	11,324	270,125	238,822	31,303

Total liabilities and capital accounts	282,871,696	273,540,203	9,331,493	243,273,551	241,329,397	1,737,161	206,993	39,598,145	32,210,806	7,387,339
Business and personal deposits—total	213,172,166	205,709,267	7,462,899	177,856,117	176,902,408	884,427	69,282	35,316,049	28,806,859	6,509,190
Deposits of individuals, partnerships, and corporations—demand	110,652,175	109,987,978	664,197	110,630,839	109,966,680	604,428	59,731	21,336	21,298	38
Deposits of individuals, partnerships, and corporations—time	98,802,633	92,051,782	6,750,851	63,513,299	63,271,183	232,597	9,519	35,289,334	28,780,599	6,508,735
Certified and officers' checks, and letters of credit and travelers' checks sold for cash	3,717,358	3,669,507	47,851	3,711,979	3,664,545	47,402	32	5,379	4,962	417
Government deposits—total	21,190,401	20,969,107	221,294	21,173,549	20,954,434	219,115		16,852	14,673	2,179
United States Government—demand	6,432,880	6,407,673	25,207	6,429,930	6,405,223	24,707		2,950	2,450	500
United States Government—time	254,020	250,608	3,412	253,986	250,578	3,408		34	30	4
States and subdivisions—demand	10,837,182	10,720,704	116,478	10,835,431	10,718,953	116,478		1,751	1,751	
States and subdivisions—time	3,666,319	3,590,122	76,197	3,654,202	3,579,680	74,522		12,117	10,442	1,675
Interbank and postal savings deposits—total	15,397,932	15,110,435	287,497	15,395,782	15,108,373	286,921	488	2,150	2,062	88
Banks in the United States—demand	12,498,940	12,364,558	129,382	12,498,597	12,364,215	128,896	486	343	343	
Banks in the United States—time	227,459	116,463	110,996	225,652	114,744	110,908		1,807	1,719	88
Banks in foreign countries—demand	1,436,364	1,400,509	35,855	1,436,364	1,400,509	35,853	2			
Banks in foreign countries—time	1,221,209	1,209,959	11,250	1,221,209	1,209,959	11,250				
Postal savings	18,960	18,946	14	18,960	18,946	14				
Total deposits	249,760,499	241,788,809	7,971,690	214,425,448	212,965,215	1,390,463	69,770	35,335,051	28,823,594	6,511,457
<i>Demand</i>	<i>145,569,899</i>	<i>144,550,929</i>	<i>1,018,970</i>	<i>145,588,140</i>	<i>144,520,125</i>	<i>957,764</i>	<i>60,251</i>	<i>31,759</i>	<i>30,304</i>	<i>955</i>
<i>Time</i>	<i>104,190,600</i>	<i>97,237,880</i>	<i>6,952,720</i>	<i>68,837,308</i>	<i>68,445,090</i>	<i>432,699</i>	<i>9,519</i>	<i>35,303,292</i>	<i>28,792,790</i>	<i>6,510,502</i>
Miscellaneous liabilities—total	9,254,149	9,010,879	243,276	8,456,167	8,358,514	83,535	14,118	797,982	652,365	145,617
Rediscounts and other borrowed money	2,616,850	2,588,760	33,090	2,612,547	2,580,185	31,006	1,356	4,303	3,575	728
All other miscellaneous liabilities	6,637,299	6,422,119	210,180	5,843,620	5,778,329	52,529	12,762	793,679	648,790	144,889
Total liabilities (excluding capital accounts)	259,014,648	250,799,688	8,214,960	222,881,615	221,323,729	1,473,998	83,888	36,133,033	29,475,959	6,657,074
Capital accounts—total	23,857,048	22,740,515	1,116,533	20,391,936	20,005,668	263,163	123,105	3,465,112	2,734,847	730,265
Preferred capital	70,183	40,183	30,000	70,033	40,033	30,000		150	150	
Common stock	6,165,213	6,051,579	113,634	6,165,213	6,051,579	74,557	39,077			
Surplus	11,983,441	11,458,784	524,657	9,588,308	9,468,906	86,065	38,337	2,395,133	1,994,878	400,255
Undivided profits and reserves	5,638,211	5,189,969	448,242	4,568,382	4,450,150	72,541	45,691	1,069,829	739,819	330,010
Number of banks ⁴	14,019	13,415	604	13,508	13,147	301	55	516	268	248

¹ Data are as of June 30, 1960, for some noninsured banks.

² Amounts shown as deposits are special accounts and uninvested trust funds with the latter classified as demand deposits of individuals, partnerships, and corporations.

³ Not reported separately for mutual savings banks.

⁴ Includes 23 noninsured banks of deposit for which asset and liability data are not available.

Back figures: See the Annual Report for 1959, pp. 130-131, and earlier reports.

Table 106. ASSETS AND LIABILITIES OF ALL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER 31, 1960
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	298,932,893	291,415,291	7,517,602	258,358,952	256,322,819	1,820,577	215,556	40,573,941	35,092,472	5,481,469
Cash, balances with other banks, and cash collection items—total	53,105,191	52,667,818	437,373	52,232,712	51,901,992	297,771	32,949	872,479	765,826	106,653
Currency and coin.....	3,512,975	3,468,517	44,458	3,370,676	3,347,489	21,890	1,297	142,299	121,028	21,271
Reserve with F. R. banks (member banks).....	16,720,423	16,720,423	.....	16,719,644	16,719,644	.....	.....	779	779	.....
Demand balances with banks in U. S.	14,201,172	13,849,277	351,895	13,643,775	13,369,072	248,897	25,806	557,397	480,205	77,192
Other balances with banks in U. S.	192,786	190,486	2,300	174,517	165,237	389	1,891	125,269	125,249	20
Balances with banks in foreign countries.....	144,129	139,553	4,576	144,129	139,553	.....	.....	.....	.....	.....
Cash items in process of collection.....	18,333,706	18,299,562	34,144	18,286,971	18,260,997	22,030	3,944	46,735	38,565	8,170
Securities—total	94,017,014	90,962,106	3,054,908	82,025,350	81,020,238	883,426	121,686	11,991,664	9,941,868	2,049,796
U. S. Gov't. obligations (incl. guaranteed).....	67,343,341	65,208,493	2,034,848	61,104,156	60,521,956	534,589	47,611	6,239,185	4,786,537	1,452,648
Obligations of States and subdivisions.....	18,280,540	17,954,009	326,531	17,608,566	17,336,667	237,043	34,856	617,974	617,342	64,632
Other bonds, notes, and debentures.....	6,936,857	6,517,679	419,178	2,685,649	2,590,562	91,381	3,706	4,251,208	3,927,117	324,091
Corporate stocks.....	1,456,276	1,181,925	274,351	626,979	571,053	20,413	35,513	829,297	610,872	218,425
Loans and discounts, net—total	145,254,712	141,373,751	3,880,961	118,132,495	117,521,611	576,493	34,391	27,122,217	23,852,140	3,270,077
Valuation reserves.....	2,590,558	2,573,216	17,337	2,360,839	2,356,217	4,565	57	229,714	216,999	12,715
Loans and discounts, gross—total	147,845,265	143,946,967	3,898,298	120,493,334	119,877,828	581,058	34,448	27,351,931	24,069,139	3,282,792
Real estate loans—total.....	55,741,451	52,425,085	3,316,366	28,806,310	28,694,419	96,634	15,257	26,935,141	23,730,666	3,204,475
Secured by farm land.....	1,700,719	1,677,974	22,745	1,647,547	1,631,073	15,321	1,153	253,172	46,901	26,271
Secured by residential properties:										
Insured by FHA.....	12,924,179	12,509,962	414,217	5,850,521	5,841,001	5,833	3,682	7,073,658	6,668,961	404,697
Insured or guaranteed by VA.....	11,845,647	10,984,400	861,247	2,859,346	2,851,097	7,303	946	8,936,301	8,133,303	802,998
Not insured or guaranteed by FHA or VA.....	19,893,549	18,269,047	1,624,502	11,652,479	11,596,256	49,484	6,739	38,246,070	36,672,791	1,573,279
Secured by other properties.....	39,872,857	3,983,702	3,888,655	6,796,117	6,774,992	13,688	2,737	22,575,940	2,208,710	367,230
Loans to commercial and foreign banks ²	971,278	970,914	364	971,278	970,914	364	.....	(³)	(³)	(³)
Loans to other financial institutions ³	7,180,811	7,114,961	15,850	7,130,811	7,114,961	15,850	.....	(³)	(³)	(³)
Loans to brokers and dealers in securities.....	3,284,120	3,247,309	36,811	3,284,120	3,247,309	30,170	6,641	.....	.....	.....
Other loans for carrying securities.....	1,842,750	1,813,642	23,108	1,833,199	1,811,120	17,623	4,456	9,551	8,522	1,029
Loans to farmers directly guaranteed by the Commodity Credit Corporation.....	686,458	677,001	9,457	686,458	677,001	9,457	.....	.....	.....	.....
Other loans to farmers (excl. real estate).....	5,002,992	4,964,534	38,458	5,001,992	4,962,634	38,283	175	1,900	1,900	.....
Commercial and industrial loans.....	43,463,105	43,236,257	226,848	43,358,596	43,132,100	221,904	4,692	104,509	104,157	352
Other loans to individuals.....	26,780,907	26,574,705	206,202	26,512,302	26,376,970	133,917	1,415	268,605	197,735	70,870
All other loans (including overdrafts).....	2,941,393	2,916,559	24,834	2,909,168	2,890,400	16,856	1,912	32,225	26,159	6,066
Miscellaneous assets—total	6,555,976	6,411,616	144,360	5,968,395	5,878,978	62,887	26,530	587,581	532,638	54,943
Bank premises owned, furniture and fixtures.....	3,107,655	3,056,687	50,968	2,846,313	2,829,328	10,197	6,788	261,342	227,359	33,983
Other real estate—direct and indirect.....	403,990	388,757	15,233	387,703	375,212	3,880	8,611	16,287	13,545	2,742
All other miscellaneous assets.....	3,044,331	2,966,172	78,159	2,734,379	2,674,438	48,510	11,131	309,952	291,784	18,218

Total liabilities and capital accounts	298,932,893	291,415,291	7,517,602	258,358,952	256,322,819	1,820,577	215,556	40,573,941	35,092,472	5,481,469
Business and personal deposits—total	225,373,996	219,497,827	5,876,169	189,043,122	188,016,114	955,728	71,280	36,330,874	31,481,713	4,849,161
Deposits of individuals, partnerships, and corporations—demand.....	117,370,273	116,627,730	742,543	117,348,348	116,605,805	682,059	60,484	21,925	21,925	.....
Deposits of individuals, partnerships, and corporations—time.....	103,383,477	98,288,936	5,094,541	67,079,483	66,834,103	234,641	10,739	36,303,994	31,454,833	4,849,161
Certified and officers' checks, and letters of credit and travelers' checks sold for cash..	4,620,246	4,581,161	39,085	4,615,291	4,576,206	39,028	57	4,955	4,955	.....
Government deposits—total	22,593,551	22,373,193	220,358	22,573,529	22,354,442	219,087	.....	20,022	18,751	1,271
United States Government—demand.....	5,965,582	5,943,322	22,260	5,961,518	5,939,686	21,832	.....	4,064	3,636	428
United States Government—time.....	257,658	254,281	3,377	257,474	254,101	3,373	.....	184	180	4
States and subdivisions—demand.....	11,768,729	11,652,355	116,374	11,766,747	11,650,373	116,374	.....	1,982	1,982	.....
States and subdivisions—time.....	4,601,582	4,523,235	78,347	4,587,790	4,510,282	77,508	.....	13,792	12,953	839
Interbank and postal savings deposits—total	18,917,001	18,624,464	292,537	18,915,213	18,622,676	292,397	140	1,788	1,788	.....
Banks in the United States—demand.....	15,470,903	15,355,826	115,577	15,470,578	15,355,001	115,437	140	325	325	.....
Banks in the United States—time.....	316,941	200,192	116,749	315,478	198,729	116,749	.....	1,463	1,463	.....
Banks in foreign countries—demand.....	1,627,020	1,582,246	44,774	1,627,020	1,582,246	44,774	.....	.....	.....	.....
Banks in foreign countries—time.....	1,484,177	1,468,754	15,423	1,484,177	1,468,754	15,423	.....	.....	.....	.....
Postal savings.....	17,960	17,946	14	17,960	17,946	14	.....	.....	.....	.....
Total deposits	266,884,548	260,495,484	6,389,064	230,531,864	228,993,232	1,467,212	71,420	36,352,684	31,502,252	4,850,432
Demand.....	156,822,753	155,712,110	1,080,613	156,789,502	155,709,317	1,019,504	60,681	33,251	32,823	428
Time.....	110,061,795	104,783,374	5,308,451	73,742,362	73,283,915	447,708	10,739	36,319,433	31,469,429	4,850,004
Miscellaneous liabilities—total	7,445,646	7,263,444	182,202	6,777,064	6,671,245	88,307	17,512	668,582	592,199	76,383
Rediscounts and other borrowed money.....	184,371	154,979	29,392	180,817	151,900	26,678	2,239	3,554	3,079	475
All other miscellaneous liabilities.....	7,261,275	7,108,465	152,810	6,596,247	6,519,345	61,629	15,273	665,028	589,120	75,908
Total liabilities (excluding capital accounts)	274,330,194	267,758,928	6,571,266	237,308,928	235,664,477	1,555,519	88,932	37,021,266	32,094,451	4,926,815
Capital accounts—total	24,602,699	23,656,363	946,336	21,050,024	20,658,342	265,058	126,624	3,552,675	2,998,021	554,654
Preferred capital.....	68,019	38,019	30,000	67,869	37,869	30,000	.....	150	150	.....
Common stock.....	6,283,597	6,169,795	113,802	6,283,597	6,169,795	74,593	39,209	.....	.....	.....
Surplus.....	12,510,308	12,076,683	433,625	10,041,491	9,916,178	85,585	89,728	2,468,817	2,160,505	308,312
Undivided profits and reserves.....	5,740,775	5,371,866	368,909	4,657,067	4,534,500	74,880	47,687	1,083,708	837,366	246,342
Number of banks ⁴	13,999	13,451	548	13,484	13,126	304	54	515	325	190

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 Revised.

³ Not reported separately for mutual savings banks.

⁴ Includes 28 noninsured banks of deposit for which asset and liability data are not available.

Back figures, 1934-1959: See the preceding table and the Annual Report for 1959, pp. 132-133, and earlier reports.

Table 107. ASSETS AND LIABILITIES OF ALL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), DECEMBER 31, 1960

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...	13,999	53,105,191	67,343,341	26,673,673	145,254,712	6,555,976	298,932,893	225,373,996	22,593,551	18,917,001	7,445,646	24,602,699
48 States and D. C. ⁵	13,960	52,859,038	66,960,680	26,547,524	144,253,355	6,450,552	297,071,149	224,190,206	22,168,308	18,881,959	7,376,480	24,454,196
50 States and D. C. ⁶	13,935	53,018,572	67,236,284	26,613,883	144,755,957	6,480,171	298,104,867	224,860,602	22,418,167	18,897,753	7,390,697	24,537,648
Other areas...	14	86,619	107,057	59,790	498,755	75,805	828,026	513,394	175,384	19,248	54,949	65,051
FDIC District												
District 1	762	2,471,927	5,121,448	2,244,362	12,669,551	358,686	22,865,974	18,591,789	957,325	607,209	561,647	2,148,004
District 2 ⁶	838	14,160,791	15,259,765	8,130,542	47,444,766	2,586,497	87,582,301	65,494,975	4,082,112	7,060,351	3,518,758	7,431,105
District 3	1,297	5,118,619	7,424,658	3,373,866	14,665,290	506,848	31,088,781	24,496,014	1,972,235	1,226,579	594,854	2,799,099
District 4	966	2,841,512	3,733,915	1,237,606	6,473,355	308,056	14,639,944	10,922,665	1,321,676	830,301	343,319	1,221,983
District 5	1,161	2,834,423	3,226,373	1,091,257	5,084,174	257,827	12,504,054	8,791,130	1,577,547	935,585	192,822	1,006,970
District 6	1,515	3,330,833	3,622,433	1,116,292	6,207,497	190,928	14,467,983	10,191,075	1,298,053	1,589,425	187,001	1,197,429
District 7	1,390	3,456,632	5,958,253	1,707,437	8,698,275	330,371	20,150,973	15,827,795	1,861,106	641,656	320,254	1,500,162
District 8	1,639	4,323,420	6,402,396	2,089,602	9,746,472	289,606	22,856,996	17,148,566	1,713,506	1,772,062	338,012	1,884,850
District 9	1,141	1,336,795	1,976,103	719,883	3,394,589	123,736	7,551,116	5,646,729	731,367	468,517	98,110	605,893
District 10	1,649	2,335,431	2,610,805	820,658	4,314,573	139,924	10,221,391	7,299,509	1,244,513	699,826	109,191	868,352
District 11	1,266	4,843,944	4,219,542	1,440,843	8,028,370	472,438	18,999,137	13,178,828	2,134,299	1,962,545	227,156	1,496,309
District 12 ⁷	375	6,045,924	7,733,140	2,701,820	18,527,300	996,059	36,004,243	27,779,921	3,699,312	1,122,945	959,522	2,442,543
State												
Alabama	238	483,760	590,509	252,586	985,067	38,350	2,350,272	1,704,923	313,108	102,688	33,420	196,133
Alaska	13	37,222	73,506	16,371	92,845	5,162	225,106	148,911	1,616	1,616	1,247	14,001
Arizona	10	269,755	242,035	96,316	759,816	49,671	1,417,593	1,078,082	165,151	29,315	37,402	107,643
Arkansas	237	340,890	329,798	168,402	560,364	19,463	1,418,917	1,069,049	128,283	94,241	8,135	119,209
California	117	4,499,704	5,572,033	1,968,861	14,079,198	773,334	26,893,130	20,857,146	2,561,005	920,077	802,022	1,752,880
Colorado	192	492,025	549,429	103,427	1,045,105	38,023	2,228,009	1,686,019	190,840	145,781	33,519	171,850
Connecticut	141	583,229	1,009,140	735,584	3,112,506	75,196	5,515,655	4,654,748	196,810	54,823	126,266	483,008
Delaware	22	155,189	276,374	136,204	320,609	18,403	1,006,779	785,256	70,834	10,874	99,976	99,939
District of Columbia	12	349,727	465,554	56,103	772,944	34,741	1,679,069	1,410,805	48,163	73,086	26,097	120,913
Florida	309	1,243,388	1,584,703	405,390	2,013,955	127,470	5,374,906	3,824,459	641,253	416,564	78,104	414,526
Georgia	421	783,379	719,890	209,759	1,517,986	65,481	3,296,495	2,243,546	385,803	310,648	68,099	288,399
Hawaii	12	122,312	202,098	49,988	409,757	24,457	808,612	521,485	190,528	14,178	12,970	69,451
Idaho	32	110,183	201,696	48,451	334,803	12,696	707,834	549,234	93,464	6,523	8,126	50,482
Illinois	966	8,672,454	5,517,876	1,775,522	8,174,153	257,432	19,397,487	14,477,617	1,430,044	1,594,294	322,587	1,572,945
Indiana	447	1,024,644	1,745,779	333,595	2,145,396	74,311	5,323,725	4,017,633	629,079	164,567	97,779	414,617
Iowa	673	655,966	885,020	314,080	1,572,319	32,124	3,459,509	2,670,949	283,462	177,768	15,425	311,905
Kansas	587	527,700	716,123	314,225	1,075,912	27,447	2,661,407	1,786,446	505,401	119,873	18,961	230,726
Kentucky	355	577,910	723,979	141,602	1,083,741	28,923	2,556,155	1,857,459	224,260	219,258	27,212	227,966
Louisiana	190	801,987	845,737	239,835	1,263,249	54,136	3,254,944	2,193,717	461,133	810,002	34,373	255,719
Maine	79	123,457	291,117	157,379	628,004	20,405	1,220,362	1,015,067	49,431	13,369	22,734	119,761

Maryland	139	531,868	993,427	316,235	1,505,283	90,755	3,377,568	2,658,500	266,554	126,047	50,154	276,313
Massachusetts	356	1,466,280	3,171,024	995,572	7,025,355	214,043	12,872,274	10,201,634	574,605	509,806	338,378	1,247,851
Michigan	380	1,593,349	2,707,953	984,703	4,348,920	164,321	9,739,246	7,690,642	904,477	260,794	162,431	720,852
Minnesota	690	937,406	1,170,726	448,226	2,342,584	84,028	4,982,970	3,710,433	393,933	404,880	66,634	407,090
Mississippi	193	329,896	341,271	223,522	567,166	26,526	1,482,381	1,018,202	237,383	105,685	13,199	107,912
Missouri	626	1,583,816	1,769,210	516,785	2,874,536	79,137	6,823,484	4,736,989	591,649	839,972	81,468	573,406
Montana	121	160,159	272,536	80,607	377,345	16,190	906,837	692,818	101,300	34,943	14,722	63,054
Nebraska	426	407,772	482,916	122,359	835,324	20,536	1,868,907	1,331,172	170,127	177,149	22,768	167,701
Nevada	7	55,640	124,633	37,385	251,899	12,041	481,598	365,521	73,930	1,451	10,254	30,442
New Hampshire	107	92,159	244,924	100,761	639,070	17,209	1,094,123	896,781	47,520	12,048	23,666	114,108
New Jersey	274	1,242,097	2,203,404	1,331,991	4,530,196	159,488	9,467,176	7,832,184	658,802	87,412	199,685	689,093
New Mexico	55	168,142	227,319	45,648	321,442	18,925	776,476	540,397	154,833	17,943	8,973	54,330
New York	529	12,684,673	12,675,111	6,602,557	42,008,715	2,364,092	76,335,148	56,391,836	3,202,905	6,943,008	3,219,978	6,577,421
North Carolina	183	775,713	682,778	338,738	1,473,679	70,419	3,341,327	2,239,498	366,155	321,712	142,793	271,169
North Dakota	156	107,116	277,741	127,317	315,398	11,569	839,141	607,732	138,004	18,067	8,280	72,058
Ohio	587	2,203,770	3,450,905	993,699	5,716,142	193,629	12,558,145	9,856,971	1,042,720	409,288	225,027	1,024,139
Oklahoma	389	806,967	715,446	252,117	1,180,355	46,010	3,000,895	2,160,768	310,364	238,799	29,189	261,775
Oregon	52	393,397	525,524	245,002	1,065,410	51,171	2,281,504	1,755,984	264,555	35,851	46,326	178,783
Pennsylvania	710	2,914,849	3,973,753	2,379,667	8,949,148	313,219	18,530,636	14,639,043	929,515	817,291	369,827	1,774,960
Rhode Island	17	150,677	292,314	214,584	902,093	21,840	1,581,508	1,330,901	61,263	14,981	41,457	132,906
South Carolina	145	236,916	308,007	128,647	459,996	18,801	1,152,367	816,426	169,212	40,906	28,774	97,049
South Dakota	174	132,114	255,105	63,738	359,262	11,949	822,168	635,746	98,630	15,627	8,474	63,691
Tennessee	297	828,217	799,446	289,503	1,688,856	63,405	3,669,427	2,532,578	353,861	435,954	70,186	276,348
Texas	1,011	3,604,060	2,898,451	1,009,044	5,683,863	394,706	13,550,124	9,366,632	1,353,182	1,605,285	146,408	1,073,617
Utah	50	221,536	248,657	68,609	545,134	17,826	1,101,762	786,690	163,801	54,763	19,432	77,076
Vermont	62	56,125	112,929	40,482	362,523	9,993	582,052	492,658	27,696	2,182	9,146	50,370
Virginia	305	671,514	901,657	298,247	1,706,204	65,220	3,642,842	2,715,488	337,567	211,056	70,588	308,143
Washington	91	593,083	782,812	266,153	1,734,740	68,081	3,449,869	2,767,255	266,885	88,290	58,315	269,124
West Virginia	182	275,774	492,492	99,636	555,749	23,120	1,446,771	1,081,948	134,025	57,494	24,913	148,391
Wisconsin	563	893,639	1,504,526	389,139	2,203,959	91,739	5,088,002	4,119,470	327,550	216,295	59,994	364,693
Wyoming	55	100,967	146,891	28,530	177,877	7,908	462,173	335,104	67,781	18,224	4,764	36,300
Other area												
Pacific Islands ¹	1	4,898	2,181		11,599	14,662	33,340	18,317	13,867	83	774	299
Panama Canal Zone ²		2,949			1,910	16,629	21,488	9,373	11,946	108	56	
Puerto Rico ³	10	73,779	99,004	56,645	467,903	37,920	735,251	465,674	133,892	18,938	53,660	63,087
Virgin Islands ⁴	8	4,993	5,872	3,145	17,343	6,594	37,947	20,025	15,679	119	459	1,665

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¹ Includes 28 noninsured banks of deposit (3 in Colorado, 19 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 Formerly designated as "Continental United States". Alaska was admitted to Statehood January 3, 1959 and Hawaii, August 21, 1959.

⁶ Includes Puerto Rico and the Virgin Islands.

⁷ Includes Alaska, Hawaii, Pacific Islands, and the Panama Canal Zone.

⁸ In United States possessions (American Samoa, Guam, and Midway Islands) and Trust Territories (Kwajalein and Saipan). Consists of asset and liability data for 1 noninsured bank in American Samoa and for the following branches: 4 branches in the Mariana Islands (3 insured on Guam and 1 noninsured on Saipan) operated by an insured bank in California; and 2 noninsured branches (1 on Midway Island and 1 on Kwajalein Island in Marshall Islands) operated by an insured bank in Hawaii.

⁹ Consists of asset and liability data for 4 noninsured branches operated by 2 insured banks in New York.

¹⁰ Includes asset and liability data for 13 insured branches operated by 2 insured banks in New York.

¹¹ Includes asset and liability data for 4 insured branches operated by an insured bank in New York.

Note: Data for the above branches are not included in the figures for the States in which the parent banks are located.

Back figures, 1945-1959: See the Annual Report for 1959, pp. 134-135, and earlier reports.

**Table 108. ASSETS AND LIABILITIES OF INSURED BANKS IN THE UNITED STATES (STATES AND OTHER AREAS),
DECEMBER 31, 1960, JUNE 15, 1960, AND DECEMBER 31, 1959**
(Amounts in thousands of dollars)

Assets	All insured banks			Insured commercial banks ¹			Insured mutual savings banks		
	Dec. 31, 1960	June 15, 1960	Dec. 31, 1959	Dec. 31, 1960	June 15, 1960	Dec. 31, 1959	Dec. 31, 1960	June 15, 1960	Dec. 31, 1959
Total assets	291,415,291	273,540,203	275,165,376	256,322,819	241,329,397	243,422,660	35,092,472	32,210,806	31,742,716
Cash, balances with other banks, and cash collection items—total	52,667,818	47,504,996	49,897,540	51,901,992	46,881,303	49,211,482	765,826	623,693	686,058
Currency and coin	3,468,517	3,336,866	3,114,381	3,347,489	3,252,596	3,010,391	121,028	84,270	103,990
Reserve with Federal Reserve banks (member banks)	16,720,423	17,918,423	17,932,211	16,719,644	17,917,456	17,930,867	779	967	1,344
Demand balances with banks in the United States (except private banks and American branches of foreign banks)	13,849,277	11,110,019	12,393,949	13,369,072	10,702,249	11,928,087	480,205	407,770	465,862
Other balances with banks in the United States	190,486	167,663	137,634	65,237	56,468	55,771	125,249	111,195	81,863
Balances with banks in foreign countries	139,553	96,059	110,539	139,553	96,059	110,539	.....	.....	.....
Cash items in process of collection	18,299,562	14,875,966	16,208,826	18,260,997	14,856,475	16,175,827	38,565	19,491	32,999
Obligations of the U. S. Government, direct and guaranteed—total	65,308,493	59,150,305	63,406,560	60,521,956	54,407,790	58,390,541	4,786,537	4,742,515	5,016,019
Direct:									
Treasury bills	8,110,441	3,686,299	6,335,854	7,998,543	3,531,518	6,191,754	111,898	154,781	144,100
Treasury certificates of indebtedness	2,965,060	2,276,615	2,492,967	2,887,207	2,186,020	2,405,804	77,853	90,595	87,163
Treasury notes	19,628,561	15,739,899	15,229,161	18,876,659	15,096,743	14,735,040	751,902	643,156	494,121
United States non-marketable bonds	796,533	971,072	1,347,518	586,994	705,251	784,386	209,539	265,821	563,132
Other bonds maturing in 5 years or less	22,082,834	24,999,941	22,535,155	21,647,553	24,517,777	22,046,880	435,281	482,164	488,275
Other bonds maturing in 5 to 10 years	7,528,832	8,173,070	11,260,410	6,086,334	6,111,663	9,547,804	1,442,498	2,061,407	1,712,606
Other bonds maturing in 10 to 20 years	2,540,359	2,380,916	3,271,790	1,815,058	1,724,900	2,182,690	725,301	656,016	1,089,100
Other bonds maturing after 20 years	1,527,198	814,329	867,055	523,879	460,624	454,285	1,003,319	353,705	412,770
Guaranteed obligations	128,675	108,164	66,650	99,729	73,294	41,898	28,946	34,870	24,752
Other securities—total	25,653,613	24,256,391	24,813,385	20,498,282	19,587,815	20,191,801	5,155,331	4,668,576	4,621,584
Obligations of States and subdivisions	17,954,009	17,193,716	17,390,826	17,386,667	16,581,317	16,753,880	617,342	612,399	686,946
Other bonds, notes, and debentures	6,517,679	6,024,683	6,384,676	2,590,562	2,450,881	2,898,781	3,927,117	3,573,802	3,485,895
Federal Reserve bank stock	408,754	398,491	387,358	408,698	398,486	387,275	56	55	83
Other corporate stocks	773,171	639,501	650,525	162,355	157,181	151,865	610,816	482,320	498,660
Total securities	90,962,106	83,406,696	88,219,945	81,020,238	73,995,605	78,582,342	9,941,868	9,411,091	9,637,603

Loans and discounts, net—total	141,373,751	136,907,882	131,636,872	117,521,611	115,186,386	110,694,852	23,852,140	21,721,496	20,942,020
Valuation reserves	2,573,216	2,433,168	2,377,750	2,356,217	2,222,381	2,171,789	216,999	210,787	205,961
Loans and discounts, gross—total	143,946,967	139,341,050	134,014,622	119,877,828	117,408,767	112,866,641	24,069,139	21,932,283	21,147,981
Real estate loans—total	52,425,085	49,849,800	48,915,438	28,694,419	28,323,439	28,031,357	23,730,666	21,526,361	20,884,081
Secured by farm land	1,677,974	1,666,441	1,612,664	1,631,073	1,624,840	1,570,790	46,901	41,601	41,374
Secured by residential properties:									
Insured by FHA	12,509,962	11,923,382	11,829,192	5,841,001	5,973,962	6,112,434	6,668,961	5,949,420	5,716,708
Insured or guaranteed by VA	10,984,400	10,303,264	10,677,984	2,861,097	3,033,098	3,152,759	3,133,303	7,770,166	7,525,225
Not insured or guaranteed by FHA or VA	18,269,047	16,926,081	16,535,555	11,596,256	11,244,399	10,981,476	6,672,791	5,681,132	5,554,079
Secured by other properties	8,933,702	8,525,632	8,260,043	6,774,992	6,441,640	6,213,848	2,203,710	2,083,992	2,046,195
Loans to domestic commercial and foreign banks ¹	970,914	2,366,667	819,148	970,914	2,366,667	819,148	(2)	(2)	(2)
Loans to other financial institutions ²	7,114,961	7,069,795	7,118,825	7,114,961	7,069,795	7,118,825	(2)	(2)	(2)
Loans to brokers and dealers in securities	3,247,309	2,586,204	2,981,904	3,247,309	2,586,204	2,981,904			
Other loans for carrying securities	1,819,642	1,731,889	1,832,509	1,811,120	1,719,748	1,828,239	8,522	12,141	4,270
Loans to farmers directly guaranteed by the Com-									
modity Credit Corporation	677,001	125,973	196,071	677,001	125,973	196,071			
Other loans to farmers (excl. real estate)	4,964,534	5,204,008	4,789,080	4,962,634	5,202,352	4,787,399	1,900	1,656	1,681
Commercial and industrial loans (including open									
market paper)	43,236,257	41,945,213	40,287,616	43,132,100	41,783,952	40,195,317	104,157	161,261	92,299
Other loans to individuals for personal expenditures	26,574,705	25,703,380	24,287,265	26,376,970	25,495,947	24,133,935	197,735	207,433	153,330
All other loans (including overdrafts)	2,916,559	2,758,121	2,786,766	2,890,400	2,734,690	2,774,446	26,159	23,431	12,320
Total loans and securities	232,335,857	220,314,578	219,856,817	198,541,849	189,181,991	189,277,194	33,794,008	31,132,587	30,579,623
Bank premises, furniture and fixtures, and other									
real estate—total	3,445,444	3,299,278	3,108,764	3,204,540	3,083,574	2,900,556	240,904	215,704	208,208
Bank premises	2,389,061	2,339,399	2,235,914	2,182,837	2,147,196	2,053,061	206,174	186,703	182,853
Furniture and fixtures	667,626	639,842	588,720	646,441	620,577	571,433	21,185	19,265	17,287
Real estate owned other than bank premises	90,024	91,929	72,893	76,479	82,193	64,825	13,545	9,736	8,068
Investments and other assets indirectly representing									
bank premises or other real estate	298,733	233,608	211,237	298,733	233,608	211,237			
Miscellaneous assets—total	2,966,172	2,421,351	2,302,255	2,674,438	2,182,529	2,033,428	291,734	238,822	268,827
Customers' liability on acceptances outstanding	1,409,041	982,163	759,720	1,409,041	982,163	759,720			
Other assets	1,557,131	1,439,188	1,542,535	1,265,397	1,200,366	1,273,708	291,734	238,822	268,827
PERCENTAGES									
To total assets:									
Cash and balances with other banks	18.1%	17.4%	18.1%	20.2%	19.4%	20.2%	2.2%	2.0%	2.2%
U. S. Government obligations, direct and guaranteed	22.4	21.6	23.1	23.6	22.6	24.0	13.6	14.7	15.8
Other securities	8.8	8.9	9.0	8.0	8.1	8.3	14.7	14.5	14.5
Loans and discounts	48.5	50.0	47.8	45.9	47.7	45.5	68.0	67.4	66.0
Other assets	2.2	2.1	2.0	2.3	2.2	2.0	1.5	1.4	1.5
Total capital accounts	8.1	8.3	8.0	8.1	8.3	7.9	8.5	8.5	8.4
To total assets other than cash and U. S. Govern-									
ment obligations:									
Total capital accounts	13.7	13.6	13.5	14.4	14.3	14.2	10.1	10.2	10.2

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**Table 108. ASSETS AND LIABILITIES OF INSURED BANKS IN THE UNITED STATES (STATES AND OTHER AREAS),
DECEMBER 31, 1960, JUNE 15, 1960, AND DECEMBER 31, 1959—CONTINUED**
(Amounts in thousands of dollars)

Liabilities and capital	All insured banks			Insured commercial banks ¹			Insured mutual savings banks		
	Dec. 31, 1960	June 15, 1960	Dec. 31, 1959	Dec. 31, 1960	June 15, 1960	Dec. 31, 1959	Dec. 31, 1960	June 15, 1960	Dec. 31, 1959
Total liabilities and capital accounts	291,415,291	273,540,203	275,165,376	256,322,819	241,329,397	243,422,660	35,692,472	32,210,806	31,742,716
Business and personal deposits—total	219,497,827	205,709,267	210,806,402	188,016,114	176,902,408	182,247,441	31,481,713	28,896,859	28,558,961
Deposits of individuals, partnerships, and corporations—demand	116,627,730	109,987,978	115,694,170	116,605,805	109,966,680	115,672,124	21,925	21,298	22,046
Deposits of individuals, partnerships, and corporations—time ²	98,288,936	92,051,782	91,229,464	66,834,103	63,271,183	62,697,268	31,454,833	28,780,599	28,532,196
Certified and officers' checks, and letters of credit and travelers' checks sold for cash	4,581,161	3,669,507	3,882,768	4,576,206	3,664,545	3,878,049	4,955	4,962	4,719
Government deposits—total	22,373,193	20,969,107	19,893,473	22,354,442	20,954,434	19,877,259	18,751	14,673	16,214
United States Government—demand	5,943,322	6,407,673	5,051,388	5,939,686	6,405,223	5,048,477	3,686	2,450	2,911
United States Government—time	254,281	250,698	275,889	254,101	250,578	275,544	180	30	345
States and subdivisions—demand	11,652,355	10,720,704	11,434,085	11,650,373	10,718,953	11,432,447	1,982	1,751	1,638
States and subdivisions—time	4,523,235	3,590,122	3,132,111	4,510,282	3,579,680	3,120,791	12,953	10,442	11,320
Interbank and postal savings deposits—total	18,624,464	15,110,435	16,888,877	18,622,676	15,108,373	16,886,865	1,788	2,062	2,072
Banks in the United States—demand	15,355,326	12,364,558	13,832,298	15,355,001	12,364,215	13,831,980	325	343	318
Banks in the United States—time	200,192	116,463	101,823	198,729	114,744	100,069	1,463	1,719	1,754
Banks in foreign countries—demand	1,582,246	1,400,509	1,675,163	1,582,246	1,400,509	1,675,163	.....	.....	.....
Banks in foreign countries—time	1,468,754	1,209,959	1,259,695	1,468,754	1,209,959	1,259,695	.....	.....	.....
Postal savings	17,946	18,946	19,898	17,946	18,946	19,898	.....	.....	.....
Total deposits	260,495,484	241,788,809	247,588,752	228,993,232	212,965,215	219,011,505	31,502,252	28,823,594	28,577,247
Demand	155,742,140	144,550,929	151,569,872	155,709,317	144,520,125	151,538,240	32,823	30,804	31,632
Time	104,753,344	97,237,880	96,018,880	73,283,915	68,445,090	67,473,265	31,469,429	28,792,790	28,545,615
Miscellaneous liabilities—total	7,263,444	9,010,879	5,691,502	6,671,245	8,358,514	5,179,650	592,199	652,365	511,852
Bills payable, rediscounts, and other liabilities for borrowed money	154,979	2,583,760	617,647	151,900	2,580,185	608,805	3,079	3,575	8,842
Acceptances outstanding	1,451,324	1,022,861	808,920	1,451,324	1,022,861	808,920	.....	.....	.....
Other liabilities	5,657,141	5,404,258	4,264,935	5,068,021	4,755,468	3,761,925	589,120	648,790	503,010
Total liabilities (excluding capital accounts)	267,758,928	250,799,688	253,280,254	235,664,477	221,323,729	224,191,155	32,094,451	29,475,959	29,089,099

Capital accounts—total	23,656,363	22,740,515	21,885,122	20,658,342	20,005,668	19,231,505	2,998,021	2,734,847	2,653,617
Capital stock, notes, and debentures.....	6,207,814	6,091,762	5,861,297	6,207,664	6,091,612	5,861,147	150	150	150
Surplus.....	12,076,683	11,458,784	11,243,009	9,916,178	9,463,906	9,276,052	2,160,505	1,994,873	1,966,957
Undivided profits.....	4,586,490	4,543,449	4,113,496	4,020,879	4,010,528	3,632,356	565,611	532,921	481,140
Reserves.....	785,376	646,520	667,320	513,621	439,622	461,950	271,755	206,898	205,370
MEMORANDA									
Pledged assets and securities loaned	28,512,668	28,137,557	27,026,126	28,512,668	28,137,557	27,026,126			
Capital stock, notes, and debentures:									
Par or face value—total	6,208,114	6,092,062	5,861,597	6,207,964	6,091,912	5,861,447	150	150	150
Common stock.....	6,170,095	6,051,879	5,818,413	6,170,095	6,051,879	5,818,413			
Capital notes and debentures.....	23,369	25,427	26,364	23,219	25,277	26,214	150	150	150
Preferred stock.....	14,650	14,756	16,820	14,650	14,756	16,820			
Retirable value of preferred stock.....	16,287	16,415	19,167	16,287	16,415	19,167			
Number of banks	13,451	13,415	13,382	13,126	13,147	13,114	325	268	268

¹ Includes stock savings banks.

² Not reported separately for mutual savings banks.

³ As of June 15, 1960, the segregation of "Time deposits of individuals, partnerships, and corporations" of insured commercial banks was obtained by a supplementary schedule and is as follows:

Savings deposits.....	54,823,011
Deposits accumulated for payment of personal loans.....	708,810
Christmas savings and similar accounts.....	677,021
Certificates of deposit.....	4,559,453
Open accounts of banks' own trust departments.....	1,424,260
Other open accounts.....	1,078,628

Back figures, 1934-1959: See the Annual Report for 1959, pp. 136-139, and earlier reports.

**Table 109. DISTRIBUTION OF INSURED COMMERCIAL BANKS IN THE UNITED STATES
(STATES AND OTHER AREAS), DECEMBER 31, 1960**

BANKS GROUPED ACCORDING TO AMOUNT OF DEPOSITS AND BY RATIOS OF SELECTED ITEMS TO ASSETS

Ratios	All banks	Number of banks with deposits of—								
		Less than \$1,000,000	\$1,000,000 to \$2,000,000	\$2,000,000 to \$5,000,000	\$5,000,000 to \$10,000,000	\$10,000,000 to \$25,000,000	\$25,000,000 to \$50,000,000	\$50,000,000 to \$100,000,000	\$100,000,000 to \$500,000,000	\$500,000,000 or more
Ratios of obligations of States and subdivisions to total assets of—										
Zero.....	1,166	347	402	300	61	40	11	1	4	
More than zero but less than 1 percent.....	924	136	338	286	67	57	21	11	6	2
1 to 5 percent.....	3,537	391	826	1,173	510	340	139	53	81	24
5 to 10 percent.....	3,976	196	540	1,344	892	615	183	80	107	19
10 to 15 percent.....	2,180	85	244	754	555	359	98	44	33	8
15 to 20 percent.....	876	43	100	310	231	185	80	21	6	
20 percent or more.....	467	25	80	188	99	62	9	3	1	
Ratios of U. S. Government obligations to total assets of—										
Less than 10 percent.....	334	61	82	113	52	18	3	4	1	
10 to 20 percent.....	2,073	205	341	640	395	256	83	33	89	31
20 to 30 percent.....	4,498	318	710	1,420	908	669	226	109	116	22
30 to 40 percent.....	3,832	324	743	1,351	737	474	129	48	26	
40 to 50 percent.....	1,704	200	434	614	252	146	36	17	5	
50 to 60 percent.....	546	81	186	174	49	41	13	2		
60 percent or more.....	139	34	34	43	22	4	1		1	
Ratios of loans to total assets of—										
Less than 10 percent.....	39	14	6	8	7	2	1		1	
10 to 20 percent.....	361	57	93	136	47	23	2	2	1	
20 to 30 percent.....	1,629	170	363	600	297	141	38	15	5	
30 to 40 percent.....	3,559	310	669	1,289	656	448	100	44	40	3
40 to 50 percent.....	4,591	342	782	1,467	894	641	215	106	112	32
50 to 60 percent.....	2,414	251	472	690	439	314	117	40	73	18
60 percent or more.....	533	79	145	165	75	39	18	6	6	

Ratios of cash and due from banks to total assets of—											
Less than 10 percent.....	1,097	88	241	354	183	112	34	13	11	1	
10 to 15 percent.....	4,143	335	755	1,355	844	568	181	64	40	1	
15 to 20 percent.....	3,784	273	716	1,226	748	539	142	61	61	18	
20 to 25 percent.....	2,234	213	409	731	389	250	90	39	55	14	
25 to 30 percent.....	1,114	134	223	397	154	89	35	23	43	11	
30 to 35 percent.....	501	98	112	152	62	32	8	11	21	5	
35 percent or more.....	313	82	75	90	35	18	1	2	7	3	
Ratios of total capital accounts to total assets other than cash and due from banks and U. S. Government obligations of—											
Less than 10 percent.....	431	2	16	81	107	123	54	19	24	5	
10 to 15 percent.....	4,317	113	382	1,234	1,099	888	297	135	140	29	
15 to 20 percent.....	4,103	249	744	1,591	829	460	109	44	62	15	
20 to 25 percent.....	2,043	276	585	797	247	98	23	5	8	4	
25 to 30 percent.....	997	192	352	346	74	19	5	6	3		
30 to 35 percent.....	506	140	178	144	28	12	1	3			
35 to 40 percent.....	259	72	98	78	7	2	1	1			
40 percent or more.....	470	179	175	84	24	6	1	1	1		
Ratios of total capital accounts to total assets other than cash and due from banks, U. S. Government obligations, C. C. C. loans and F. H. A. and V. A. real estate loans—											
Less than 10 percent.....	293	2	10	61	73	85	40	13	8	1	
10 to 15 percent.....	3,544	72	278	962	915	776	260	119	137	25	
15 to 20 percent.....	4,221	190	670	1,567	944	540	148	62	77	23	
20 to 25 percent.....	2,258	251	567	922	309	152	33	9	11	4	
25 to 30 percent.....	1,175	206	410	419	96	29	7	4	4		
30 to 35 percent.....	646	157	231	202	39	11	1	5			
35 to 40 percent.....	357	107	131	101	11	5	1	1			
40 percent or more.....	632	238	233	121	28	10	1		1		
Ratios of total capital accounts to total assets to—											
Less than 4 percent.....	18			2	3	4	6	1	2		
4 to 6 percent.....	747	4	24	142	195	229	81	44	24	4	
6 to 8 percent.....	3,795	68	348	1,152	964	766	241	96	134	26	
8 to 10 percent.....	4,255	244	788	1,660	844	447	136	52	66	18	
10 to 12 percent.....	2,423	326	692	939	298	123	20	16	6	3	
12 to 15 percent.....	1,352	378	472	366	90	32	5	3	4	2	
15 percent or more.....	536	203	206	94	21	7	2	1	2		
Number of banks.....	13,126	1,223	2,530	4,355	2,415	1,608	491	213	238	53	

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Back figures: See the following Annual Reports: 1958, pp. 192-193; and 1959, pp. 140-141.

EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED BANKS

- Table 110. Earnings, expenses, and dividends of insured commercial banks in the United States (States and other areas), 1952-1960
- Table 111. Ratios of earnings, expenses, and dividends of insured commercial banks in the United States (States and other areas), 1952-1960
- Table 112. Earnings, expenses, and dividends of insured commercial banks in the United States (States and other areas), 1960
By class of bank
- Table 113. Ratios of earnings, expenses, and dividends of insured commercial banks in the United States (States and other areas), 1960
By class of bank
- Table 114. Earnings, expenses, and dividends of insured commercial banks operating throughout 1960 in the United States (States and other areas)
Banks grouped according to amount of deposits
- Table 115. Ratios of earnings, expenses, and dividends of insured commercial banks operating throughout 1960 in the United States (States and other areas)
Banks grouped according to amount of deposits
- Table 116. Earnings, expenses, and dividends of insured commercial banks in the United States (States and other areas), by State, 1960
- Table 117. Income, expenses, and dividends of insured mutual savings banks, 1952-1960
- Table 118. Ratios of income, expenses, and dividends of insured mutual savings banks, 1952-1960

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 3 insured branches in Guam of an insured bank in California, for 13 insured branches in Puerto Rico and for 4 insured branches in the Virgin Islands of insured banks in New York are not available.

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 110-113 and 116 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 Guam of an insured bank in California as well as insured branches in Puerto Rico and the Virgin Islands of insured 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 114, and utilized for computation of ratios shown in Table 115, are for the identical banks to which the earnings data pertain. The assets and liabilities are as of December 31, 1960.

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 1952-1960 are given in Tables 117 and 118.

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 110. EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), 1952-1960
(Amounts in thousands of dollars)

Earnings or expense item	1952	1953	1954	1955	1956	1957	1958	1959	1960
Current operating earnings—total	4,931,688	5,483,954	5,773,787	6,377,705	7,231,921	8,050,416	8,500,949	9,669,352	10,723,545
Interest on U. S. Government obligations.....	1,099,059	1,206,965	1,272,731	1,333,690	1,342,842	1,442,379	1,544,023	1,732,174	1,790,341
Interest and dividends on other securities.....	276,993	297,739	324,823	351,041	370,045	412,497	501,978	546,253	578,783
Interest and discount on loans.....	2,742,100	3,107,885	3,205,894	3,625,528	4,339,866	4,879,676	5,046,782	5,856,688	6,698,655
Service charges and fees on bank's loans.....	42,295	47,850	57,550	71,048	73,562	83,815	94,674	111,991	108,655
Service charges on deposit accounts.....	244,696	271,444	311,806	339,975	385,927	440,892	486,507	531,916	589,954
Other service charges, commissions, fees, and collection and exchange charges.....	121,868	182,978	144,140	155,004	168,497	186,815	191,408	205,935	218,566
Trust department.....	204,967	217,996	246,223	281,841	322,117	354,520	379,395	426,016	460,251
Other current operating earnings.....	199,713	201,101	210,621	219,579	229,068	249,828	256,183	258,381	278,340
Current operating expenses—total	3,028,575	3,375,552	3,638,087	3,960,173	4,457,198	5,119,182	5,612,723	6,264,207	6,932,820
Salaries—officers.....	530,035	582,405	622,862	666,152	720,866	773,769	827,142	892,657	966,643
Salaries and wages—employees.....	965,197	1,069,890	1,139,013	1,229,756	1,372,262	1,493,778	1,573,330	1,684,159	1,831,323
Fees paid to directors and members of executive, discount, and other committees.....	30,871	34,591	37,197	39,563	42,614	45,396	48,271	51,866	56,292
Interest on time and savings deposits.....	458,059	534,493	618,341	678,237	805,857	1,141,715	1,380,575	1,580,250	1,785,086
Interest and discount on borrowed money.....	20,921	24,171	8,556	23,093	45,392	49,538	24,161	78,350	87,385
Taxes other than on net income.....	139,290	148,783	166,452	176,840	187,526	205,903	221,571	252,763	285,801
Recurring depreciation on banking house, furniture and fixtures.....	74,953	84,085	94,720	108,306	128,085	146,262	168,371	191,424	212,493
Other current operating expenses.....	809,252	897,137	950,945	1,038,228	1,154,600	1,262,823	1,369,305	1,532,739	1,707,797
Net current operating earnings	1,903,112	2,108,398	2,135,700	2,417,533	2,774,724	2,931,235	2,888,223	3,405,145	3,790,725
Recoveries, transfers from reserve accounts, and profits—total	144,146	152,373	631,496	239,598	250,171	198,413	868,115	328,889	574,826
On securities:									
Recoveries.....	11,191	11,454	14,912	20,586	14,090	9,295	9,646	27,946	12,927
Transfers from reserve accounts.....	20,492	27,545	60,555	39,930	41,001	20,751	57,145	111,447	55,563
Profits on securities sold or redeemed.....	33,806	38,865	416,520	57,085	31,151	64,368	681,554	47,277	329,322
On loans:									
Recoveries.....	22,004	28,423	34,014	27,379	20,762	21,183	22,439	20,551	25,684
Transfers from reserve accounts.....	27,330	18,292	57,965	50,899	77,606	39,757	42,158	57,607	70,211
All other.....	29,324	27,794	47,530	43,722	65,563	43,063	55,176	64,062	81,114
Losses, charge-offs, and transfers to reserve accounts—total	362,444	448,323	552,606	707,155	993,534	757,432	783,213	1,361,515	978,422
On securities:									
Losses and charge-offs.....	97,512	155,969	66,670	221,232	317,381	237,480	93,657	745,081	219,767
Transfers to reserve accounts.....	29,531	54,160	126,173	67,276	101,830	84,996	268,159	168,003	156,232
On loans:									
Losses and charge-offs.....	23,637	31,774	29,269	28,159	32,018	25,636	25,053	25,459	35,760
Transfers to reserve accounts.....	154,510	132,127	222,998	303,600	452,940	321,870	282,227	318,965	451,667
All other.....	57,253	74,291	107,497	86,886	89,369	87,452	114,117	104,006	114,996

Net profits before income taxes	1,684,813	1,812,451	2,214,591	1,949,976	2,031,360	2,372,217	2,973,128	2,372,519	3,387,129
Taxes on net income—total	694,883	786,490	907,560	793,737	814,636	998,397	1,271,459	884,458	1,384,397
Federal	662,277	750,796	862,065	753,883	769,843	947,998	1,198,890	832,797	1,300,940
State	32,606	35,693	45,495	39,855	44,793	50,401	72,570	51,661	83,457
Net profits after income taxes	989,931	1,025,963	1,307,032	1,156,240	1,216,725	1,373,821	1,701,667	1,488,061	2,002,732
Dividends and interest on capital—total	441,971	473,866	516,977	566,124	616,890	678,101	725,866	776,386	831,546
Dividends declared on preferred stock and interest on capital notes and debentures	3,675	2,979	2,912	2,581	2,389	2,234	2,366	2,219	2,024
Cash dividends declared on common stock	438,298	470,888	514,066	563,543	614,501	675,867	723,500	774,167	829,522
Net additions to capital from profits	547,961	552,097	790,055	590,118	599,835	695,720	975,802	711,675	1,171,186
Memoranda									
Recoveries credited to reserve accounts (not included in recoveries above):									
On securities	4,355	2,232	3,154	3,146	3,332	2,646	10,410	5,585	18,294
On loans	31,508	33,612	40,384	39,794	42,717	50,824	69,073	73,790	63,232
Losses charged to reserve accounts (not included in losses above):									
On securities	25,598	38,480	15,841	68,140	95,505	74,529	19,741	207,061	47,716
On loans	64,607	89,186	89,495	88,417	123,529	117,937	127,515	122,315	264,405
Average assets and liabilities¹									
Assets—total	179,803,463	185,685,283	193,339,614	202,331,676	209,712,780	214,790,440	228,359,687	237,577,389	246,776,722
Cash and due from banks	42,952,808	43,192,523	42,976,798	43,510,745	45,728,691	45,474,318	46,766,041	46,881,654	49,317,003
United States Government obligations	61,065,059	60,868,295	64,372,065	63,808,049	58,257,149	57,238,574	62,355,819	61,878,548	57,773,429
Other securities	18,562,462	14,082,070	15,209,165	16,294,075	16,179,498	16,725,206	19,237,561	20,284,525	20,092,632
Loans and discounts	59,999,743	65,213,144	68,148,089	75,800,688	86,291,628	91,493,989	95,666,835	103,872,351	114,275,450
All other assets	2,223,391	2,329,251	2,633,547	2,918,119	3,255,814	3,858,353	4,333,431	4,660,311	5,318,203
Liabilities and capital—total	179,803,463	185,685,283	193,339,614	202,331,676	209,712,780	214,790,440	228,359,687	237,577,389	246,776,722
Total deposits	165,031,495	170,075,888	176,865,497	184,734,232	190,786,522	193,993,484	206,196,015	213,428,979	220,099,028
Demand deposits	125,213,342	127,028,332	130,023,191	135,122,891	139,690,432	139,028,597	143,813,475	146,599,745	150,451,481
Time and savings deposits	39,817,653	43,047,556	46,842,306	49,611,341	51,096,090	54,969,887	62,382,540	66,828,234	69,647,547
Borrowings and other liabilities	2,501,055	2,667,917	2,712,778	2,965,764	3,372,796	4,242,293	4,440,097	5,410,250	6,712,522
Total capital accounts	12,270,913	12,941,478	13,761,339	14,631,680	15,553,298	16,554,663	17,723,575	18,738,160	19,965,172
Number of active officers, December 31	76,754	79,574	82,167	84,931	88,462	91,597	95,308	98,934	103,211
Number of other employees, December 31	358,325	376,750	386,625	408,791	433,563	452,218	457,023	481,666	506,596
Number of banks, December 31	13,439	13,432	13,323	13,237	13,218	13,165	13,124	13,114	13,126

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

Note: Due to rounding differences, data for 1952-1959 may not add to total.

Back figures, 1934-1951: See the following Annual Reports: 1951, pp. 162-163; 1950, pp. 250-251; and 1941, pp. 158-159.

Table 111. RATIOS OF EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), 1952-1960

Earnings or expense item	1952	1953	1954	1955	1956	1957	1958	1959	1960
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	22.29	22.01	22.04	20.91	18.57	17.92	18.16	17.91	16.69
Interest and dividends on other securities	5.62	5.43	5.63	5.51	5.12	5.12	5.91	5.65	5.40
Income on loans	56.46	57.55	56.52	57.96	61.03	61.65	60.48	61.73	63.48
Service charges on deposit accounts	4.96	4.95	5.40	5.33	5.33	5.48	5.72	5.50	5.50
Other service charges, commissions, fees, and collection and exchange charges	2.47	2.42	2.50	2.43	2.33	2.32	2.25	2.13	2.04
Other current operating earnings	8.20	7.64	7.91	7.86	7.62	7.51	7.48	7.08	6.89
Current operating expenses—total	61.41	61.55	63.01	62.09	61.63	63.59	66.02	64.78	64.65
Salaries, wages, and fees	30.95	30.76	31.16	30.35	29.53	28.73	28.80	27.19	26.62
Interest on time and savings deposits	9.29	9.75	10.71	10.63	11.14	14.18	16.24	16.34	16.65
Taxes other than on net income	2.82	2.71	2.88	2.77	2.60	2.56	2.61	2.61	2.66
Recurring depreciation on banking house, furniture and fixtures	1.52	1.53	1.64	1.70	1.77	1.82	1.98	1.98	1.98
Other current operating expenses	16.83	16.80	16.62	16.64	16.59	16.30	16.39	16.66	16.74
Net current operating earnings	38.59	38.45	36.99	37.91	38.37	36.41	33.98	35.22	35.35
Amounts per \$100 of total assets¹									
Current operating earnings—total	2.74	2.96	2.98	3.15	3.45	3.74	3.72	4.07	4.35
Current operating expenses—total	1.68	1.82	1.88	1.96	2.13	2.38	2.46	2.64	2.81
Net current operating earnings	1.06	1.14	1.10	1.19	1.32	1.36	1.26	1.43	1.54
Recoveries, transfers from reserve accounts, and profits—total	.08	.08	.33	.12	.12	.09	.38	.14	.23
Losses, charge-offs, and transfers to reserve accounts—total	.20	.24	.28	.35	.47	.35	.34	.57	.40
Net profits before income taxes	.94	.98	1.15	.96	.97	1.10	1.30	1.00	1.37
Net profits after income taxes	.55	.55	.68	.57	.58	.64	.75	.63	.81
Amounts per \$100 of total capital accounts¹									
Net current operating earnings	15.51	16.29	15.52	16.52	17.84	17.71	16.30	18.17	18.99
Recoveries, transfers from reserve accounts, and profits—total	1.17	1.18	4.59	1.64	1.61	1.20	4.89	1.76	2.88
Losses, charge-offs, and transfers to reserve accounts—total	2.95	3.46	4.02	4.83	6.39	4.58	4.42	7.27	4.90
Net profits before income taxes	13.73	14.01	16.09	13.33	13.06	14.33	16.77	12.66	16.97
Taxes on net income	5.66	6.08	6.59	5.43	5.24	6.03	7.17	4.72	6.94
Net profits after income taxes	8.07	7.93	9.50	7.90	7.82	8.30	9.60	7.94	10.03
Cash dividends declared	3.60	3.66	3.76	3.87	3.96	4.10	4.09	4.14	4.16
Net additions to capital from profits	4.47	4.27	5.74	4.03	3.86	4.20	5.51	3.80	5.87

Special ratios¹									
Income on loans per \$100 of loans	4.64	4.84	4.79	4.88	5.11	5.42	5.37	5.75	5.96
Income on U. S. Government obligations per \$100 of U. S. Government obligations	1.80	1.98	1.98	2.09	2.31	2.52	2.48	2.80	3.10
Income on other securities per \$100 of other securities	2.04	2.11	2.14	2.15	2.29	2.47	2.61	2.69	2.83
Service charges per \$100 of demand deposits	.20	.21	.24	.25	.28	.32	.34	.36	.39
Interest paid per \$100 of time and savings deposits	1.15	1.24	1.32	1.38	1.58	2.08	2.21	2.36	2.56
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	23.89	23.26	22.23	21.51	21.81	21.17	20.48	19.73	19.98
United States Government obligations	33.96	32.78	33.29	31.54	27.78	26.65	27.31	26.05	23.41
Other securities	7.54	7.58	7.87	8.05	7.71	7.79	8.42	8.54	8.14
Loans and discounts	33.37	35.12	35.25	37.46	41.15	42.60	41.89	43.72	46.31
All other assets	1.24	1.26	1.36	1.44	1.55	1.79	1.90	1.96	2.16
Liabilities and capital—total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Total deposits	91.78	91.59	91.48	91.30	90.97	90.32	90.30	89.83	89.19
<i>Demand deposits</i>	<i>69.64</i>	<i>68.41</i>	<i>67.25</i>	<i>66.93</i>	<i>66.61</i>	<i>64.73</i>	<i>62.98</i>	<i>61.70</i>	<i>60.97</i>
<i>Time and savings deposits</i>	<i>22.14</i>	<i>23.18</i>	<i>24.23</i>	<i>24.37</i>	<i>24.36</i>	<i>25.59</i>	<i>27.32</i>	<i>28.13</i>	<i>28.22</i>
Borrowings and other liabilities	1.39	1.44	1.40	1.47	1.61	1.97	1.94	2.28	2.72
Total capital accounts	6.83	6.97	7.12	7.23	7.42	7.71	7.76	7.89	8.09
Number of banks, December 31	13,439	13,432	13,323	13,237	13,218	13,165	13,124	13,114	13,126

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

Back figures, 1934-1951: See the following Annual Reports: 1951, pp. 164-165; 1950, pp. 252-253; and 1941, pp. 160-161.

Table 112. EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), 1960

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	10,723,545	5,755,580	3,171,412	1,796,553	10,649,717	73,828
Interest on U. S. Government obligations.....	1,790,341	941,697	472,439	376,205	1,778,586	11,755
Interest and dividends on other securities.....	578,783	307,682	159,600	111,501	575,457	3,326
Interest and discount on loans.....	6,698,655	3,662,497	1,977,442	1,058,716	6,658,505	40,150
Service charges and fees on bank's loans.....	108,655	57,090	32,371	19,194	107,851	804
Service charges on deposit accounts.....	589,954	327,719	135,947	126,288	585,401	4,553
Other service charges, commissions, fees, and collection and exchange charges.....	218,566	97,501	64,627	56,438	217,055	1,511
Trust department.....	460,251	200,599	241,429	18,223	449,852	10,399
Other current operating earnings.....	278,340	160,795	87,557	29,988	277,010	1,330
Current operating expenses—total	6,932,820	3,709,258	1,944,638	1,278,924	6,879,774	53,046
Salaries—officers.....	966,643	487,502	243,907	235,234	957,969	8,674
Salaries and wages—employees.....	1,831,323	983,101	574,034	274,188	1,817,324	13,999
Fees paid to directors and members of executive, discount, and other committees.....	56,292	25,797	11,083	19,412	55,861	431
Interest on time and savings deposits.....	1,785,086	978,705	455,035	351,346	1,775,456	9,630
Interest and discount on borrowed money.....	87,385	49,904	34,316	3,165	87,017	368
Taxes other than on net income.....	285,801	163,688	74,825	47,288	283,985	1,816
Recurring depreciation on banking house, furniture and fixtures.....	212,493	116,270	51,511	44,712	211,085	1,408
Other current operating expenses.....	1,707,797	904,291	499,927	303,579	1,691,077	16,720
Net current operating earnings	3,790,725	2,046,322	1,226,774	517,629	3,769,943	20,782
Recoveries, transfers from reserve accounts, and profits—total	574,826	309,650	194,057	71,119	570,885	3,941
On securities:						
Recoveries.....	12,927	7,530	2,807	2,590	12,719	208
Transfers from reserve accounts.....	55,568	33,258	18,029	4,281	55,478	90
Profits on securities sold or redeemed.....	329,322	171,798	112,190	45,334	326,665	2,657
On loans:						
Recoveries.....	25,634	8,558	11,324	5,802	25,454	230
Transfers from reserve accounts.....	70,211	37,976	28,569	3,666	70,202	9
All other.....	81,114	50,530	21,138	9,446	80,367	747
Losses, charge-offs, and transfers to reserve accounts—total	978,422	568,316	279,135	130,971	971,447	6,975
On securities:						
Losses and charge-offs.....	219,767	122,139	73,374	24,254	217,435	2,332
Transfers to reserve accounts.....	156,232	101,994	40,441	13,797	155,946	286
On loans:						
Losses and charge-offs.....	35,760	16,299	6,514	12,947	33,204	2,556
Transfers to reserve accounts.....	451,667	264,921	124,935	61,811	451,117	550
All other.....	114,996	62,963	33,871	18,162	113,745	1,251

Net profits before income taxes.....	3,387,129	1,787,656	1,141,696	457,777	3,369,381	17,748
Taxes on net income—total.....	1,384,397	741,237	499,423	143,737	1,376,697	7,700
Federal.....	1,300,940	704,756	460,776	135,408	1,293,811	7,129
State.....	83,457	36,481	38,647	8,329	82,886	571
Net profits after income taxes.....	2,002,732	1,046,419	642,273	314,040	1,992,684	10,048
Dividends and interest on capital—total.....	831,546	450,929	283,881	96,736	827,221	4,325
Dividends declared on preferred stock and interest on capital notes and debentures.....	2,024	99	1,074	851	1,866	153
Cash dividends declared on common stock.....	829,522	450,830	282,807	95,885	825,355	4,167
Net additions to capital from profits.....	1,171,186	595,490	358,392	217,304	1,165,463	5,723
Memoranda						
Recoveries credited to reserve accounts (not included in recoveries above):						
On securities.....	18,294	13,668	2,808	1,818	18,294	.....
On loans.....	68,232	42,948	15,104	10,180	68,210	22
Losses charged to reserve accounts (not included in losses above):						
On securities.....	47,716	32,233	11,419	4,064	47,712	4
On loans.....	264,405	165,384	68,398	30,623	264,355	50
Average assets and liabilities²						
Assets—total.....	246,776,722	134,443,385	74,355,677	37,977,660		
Cash and due from banks.....	49,317,003	27,506,140	16,205,053	5,605,810		
United States Government obligations.....	57,773,429	31,256,790	15,216,551	11,300,088		
Other securities.....	20,092,632	10,882,104	5,333,382	3,877,146		
Loans and discounts.....	114,275,450	62,017,797	35,656,312	16,601,341		
All other assets.....	5,318,208	2,780,554	1,944,379	593,275		
Liabilities and capital—total.....	246,776,722	134,443,385	74,355,677	37,977,660		
Total deposits.....	220,099,028	120,242,246	65,487,430	34,369,352		
Demand deposits.....	150,451,481	82,086,067	47,692,674	20,672,740		
Time and savings deposits.....	69,647,547	38,156,179	17,794,756	13,696,612		
Borrowings and other liabilities.....	6,712,522	3,505,599	2,735,824	471,099		
Total capital accounts.....	19,965,172	10,695,540	6,132,423	3,137,209		
Number of active officers, December 31.....	103,211	50,131	21,553	31,527	102,607	604
Number of other employees, December 31.....	506,596	273,477	144,843	88,276	504,214	2,382
Number of banks, December 31.....	13,126	4,530	1,641	6,955	12,989	137

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

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

Back figures, 1934-1959: See Table 110, pp. 154-155, the Annual Report for 1959, pp. 148-149, and earlier reports.

Table 113. RATIOS OF EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), 1960
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 U. S. Government obligations.....	16.69	16.36	14.90	20.94
Interest and dividends on other securities.....	5.40	5.35	5.03	6.21
Income on loans.....	63.48	64.63	63.37	60.00
Service charges on deposit accounts.....	5.50	5.69	4.29	7.03
Other service charges, commissions, fees, and collection and exchange charges.....	2.04	1.69	2.04	3.14
Other current operating earnings.....	6.89	6.28	10.37	2.68
Current operating expenses—total	64.65	64.45	61.32	71.19
Salaries, wages, and fees.....	26.62	26.00	26.14	29.44
Interest on time and savings deposits.....	16.65	17.01	14.35	19.56
Taxes other than on net income.....	2.66	2.84	2.36	2.63
Recurring depreciation on banking house, furniture and fixtures.....	1.98	2.02	1.62	2.49
Other current operating expenses.....	16.74	16.58	16.85	17.07
Net current operating earnings	35.35	35.55	38.68	28.81
Amounts per \$100 of total assets¹				
Current operating earnings—total.....	4.35	4.28	4.27	4.73
Current operating expenses—total.....	2.81	2.76	2.62	3.37
Net current operating earnings.....	1.54	1.52	1.65	1.36
Recoveries, transfers from reserve accounts, and profits—total.....	.23	.23	.26	.19
Losses, charge-offs, and transfers to reserve accounts—total.....	.40	.42	.37	.34
Net profits before income taxes.....	1.37	1.33	1.54	1.21
Net profits after income taxes.....	.81	.78	.86	.83
Memoranda				
Recoveries credited to reserve accounts (not included in recoveries above):				
On securities.....	.01	.01	(²)	(²)
On loans.....	.03	.03	.02	.03
Losses charged to reserve accounts (not included in losses above):				
On securities.....	.02	.02	.02	.01
On loans.....	.11	.12	.09	.08

Amounts per \$100 of total capital accounts¹				
Net current operating earnings	18.99	19.18	20.00	16.50
Recoveries, transfers from reserve accounts, and profits—total	2.88	2.89	3.16	2.27
Losses, charge-offs, and transfers to reserve accounts—total	4.90	5.81	4.55	4.18
Net profits before income taxes	16.97	16.71	18.61	14.59
Taxes on net income	6.94	6.93	8.14	4.58
Net profits after income taxes	10.03	9.78	10.47	10.01
Cash dividends declared	4.16	4.21	4.63	3.08
Net additions to capital from profits	5.87	5.57	5.84	6.93
Memoranda				
Recoveries credited to reserve accounts (not included in recoveries above):				
On securities	.09	.13	.05	.06
On loans	.34	.40	.25	.32
Losses charged to reserve accounts (not included in losses above):				
On securities	.24	.30	.19	.13
On loans	1.32	1.55	1.12	.98
Special ratios¹				
Income on loans per \$100 of loans	5.96	6.00	5.64	6.49
Income on U. S. Government obligations per \$100 of U. S. Government obligations	3.10	3.01	3.10	3.33
Income on other securities per \$100 of other securities	2.88	2.83	2.99	2.88
Service charges per \$100 of demand deposits	.39	.40	.29	.61
Interest paid per \$100 of time and savings deposits	2.56	2.56	2.56	2.57
Assets and liabilities per \$100 of total assets¹				
Assets—total	100.00	100.00	100.00	100.00
Cash and due from banks	19.93	20.46	21.79	14.76
United States Government obligations	23.41	23.25	20.47	29.76
Other securities	8.14	8.09	7.17	10.21
Loans and discounts	46.31	46.13	47.95	43.71
All other assets	2.16	2.07	2.62	1.56
Liabilities and capital—total	100.00	100.00	100.00	100.00
Total deposits	89.19	89.44	88.07	90.50
Demand deposits	60.97	61.06	64.14	54.43
Time deposits	28.22	28.38	23.93	36.07
Borrowings and other liabilities	2.72	2.61	3.68	1.24
Total capital accounts	8.09	7.95	8.25	8.26
Number of banks, December 31	13,126	4,530	1,641	6,955

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

² Less than .005.

Back figures, 1934-1959: See Table 111, pp. 156-157, the Annual Report for 1959, pp. 150-151, and earlier reports.

**Table 114. EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS OPERATING THROUGHOUT 1960
IN THE UNITED STATES (STATES AND OTHER AREAS)
BANKS GROUPED ACCORDING TO AMOUNT OF DEPOSITS**

Earnings or expense item	All banks ¹	Banks with deposits of— ²								
		Less than \$1,000,000	\$1,000,000 to \$2,000,000	\$2,000,000 to \$5,000,000	\$5,000,000 to \$10,000,000	\$10,000,000 to \$25,000,000	\$25,000,000 to \$50,000,000	\$50,000,000 to \$100,000,000	\$100,000,000 to \$500,000,000	\$500,000,000 or more
Current operating earnings—total	10,649,717	44,115	182,887	673,328	797,416	1,157,436	820,017	680,395	2,301,063	3,993,060
Interest on U. S. Government obligations.....	1,778,586	11,158	47,110	162,053	175,106	235,181	155,478	126,479	353,462	512,559
Interest and dividends on other securities.....	575,457	1,986	9,767	44,188	55,966	75,728	46,728	40,187	118,076	187,831
Interest and discount on loans.....	6,658,505	26,078	106,233	393,730	469,449	681,514	491,952	411,825	1,440,159	2,637,565
Service charges and fees on bank's loans.....	107,851	169	857	3,079	5,601	10,379	9,580	7,166	24,415	46,605
Service charges on deposit accounts.....	585,401	1,989	8,601	38,821	56,420	93,039	60,779	41,864	118,512	165,376
Other service charges, commissions, fees, and collection and exchange charges.....	217,055	2,161	7,860	21,263	19,583	23,850	16,338	11,118	37,523	77,359
Trust department.....	449,852	88	244	789	3,306	16,196	17,480	24,306	141,528	245,965
Other current operating earnings.....	277,010	536	2,215	9,405	11,985	21,549	21,682	17,450	72,388	119,300
Current operating expenses—total	6,879,774	30,662	126,504	470,227	563,911	821,780	578,349	465,979	1,497,965	2,324,397
Salaries—officers.....	957,969	11,711	39,318	103,761	108,761	126,657	79,348	61,132	179,092	244,744
Salaries and wages—employees.....	1,817,324	3,519	17,330	79,647	118,191	188,883	142,789	119,176	431,968	720,821
Fees paid to directors and members of execu- tive, discount, and other committees.....	55,861	908	3,584	11,678	10,232	10,478	4,878	3,195	6,865	4,043
Interest on time and savings deposits.....	1,775,456	5,773	30,824	129,781	165,809	232,749	161,578	126,404	341,222	581,316
Interest and discount on borrowed money.....	87,017	63	267	966	1,048	2,192	2,654	3,334	18,459	58,034
Taxes other than on net income.....	283,985	1,272	5,138	18,663	22,579	31,956	22,692	19,724	66,210	95,751
Recurring depreciation on banking house, furniture and fixtures.....	211,085	674	3,429	16,623	21,510	32,155	22,138	16,007	45,140	58,409
Other current operating expenses.....	1,691,077	6,742	26,614	100,663	125,781	196,710	142,272	117,007	409,009	566,279
Net current operating earnings	3,769,943	13,453	56,383	203,101	233,505	335,656	241,668	214,416	803,098	1,668,663
Recoveries, transfers from reserve ac- counts, and profits—total	570,885	1,165	4,785	19,084	25,596	47,843	43,143	34,136	143,884	251,249
On securities:										
Recoveries.....	12,719	68	217	851	812	2,413	937	345	1,543	5,533
Transfers from reserve accounts.....	55,478	7	129	511	1,527	4,064	4,055	3,169	12,990	29,026
Profits on securities sold or redeemed.....	326,665	256	1,419	9,186	15,127	32,198	30,262	23,938	97,181	117,098
On loans:										
Recoveries.....	25,454	704	1,986	4,791	2,631	2,040	910	410	2,618	9,364
Transfers from reserve accounts.....	70,202	13	235	1,084	1,764	2,245	1,641	2,544	10,798	49,928
All other.....	80,367	117	799	2,711	3,735	4,883	5,338	3,730	18,754	40,300
Losses, charge-offs, and transfers to re- serve accounts—total	971,447	2,477	10,989	47,201	57,719	87,002	68,578	63,156	209,286	425,039
On securities:										
Losses and charge-offs.....	217,435	319	1,400	8,733	12,417	18,620	16,641	14,889	36,463	107,953
Transfers to reserve accounts.....	155,946	59	319	1,480	2,811	8,905	8,607	9,235	61,542	62,988
On loans:										
Losses and charge-offs.....	33,204	1,269	3,885	9,457	5,484	3,828	1,355	849	2,346	4,731
Transfers to reserve accounts.....	451,117	461	3,231	19,245	26,834	42,645	33,332	29,662	86,205	209,502
All other.....	113,745	369	2,154	8,286	10,173	13,004	8,643	8,521	22,730	39,865

Net profits before income taxes.....	3,369,381	12,141	50,179	174,984	201,382	296,497	216,233	185,396	737,696	1,494,873
Taxes on net income—total.....	1,376,697	2,997	12,604	45,881	57,031	98,845	79,572	72,978	327,622	679,167
Federal.....	1,293,811	2,864	11,935	43,669	54,601	95,000	76,610	70,314	313,158	625,660
State.....	82,886	133	669	2,212	2,430	3,845	2,962	2,664	14,464	53,507
Net profits after income taxes.....	1,992,684	9,144	37,575	129,103	144,351	197,652	136,661	112,418	410,074	815,706
Dividends and interest on capital—total.....	827,221	2,835	11,525	41,032	45,832	64,015	45,861	44,578	192,034	379,509
Dividends declared on preferred stock and interest on capital notes and debentures..	1,866	1	11	41	93	232	215	234	1,039	.....
Cash dividends declared on common stock..	825,355	2,834	11,514	40,991	45,739	63,783	45,646	44,344	190,995	379,509
Net additions to capital from profits.....	1,165,463	6,309	26,050	88,071	98,519	133,637	90,800	67,840	218,040	436,197
Memoranda										
Recoveries credited to reserve accounts (not included in recoveries above):										
On securities.....	18,294	.....	26	148	320	646	870	752	3,422	12,110
On loans.....	68,210	177	1,020	4,707	6,917	8,275	5,214	5,297	11,019	25,584
Losses charged to reserve accounts (not included in losses above):										
On securities.....	47,712	1	72	227	597	1,922	1,515	2,394	12,988	27,996
On loans.....	264,355	330	2,001	11,755	17,047	24,518	16,634	14,367	38,814	138,889
Assets and liabilities²										
Assets—total.....	255,350,211	982,918	4,135,430	15,639,096	18,467,477	26,572,388	18,742,906	16,169,142	55,355,654	99,285,200
Cash and due from banks.....	51,745,389	192,419	743,062	2,787,588	3,135,191	4,481,005	3,156,999	2,949,342	12,019,254	22,230,529
United States Government obligations.....	60,317,049	308,429	1,325,021	4,739,780	5,320,222	7,607,562	5,234,574	4,360,666	12,589,559	18,831,236
Other securities.....	20,451,934	64,487	314,985	1,544,322	2,024,212	2,719,515	1,662,922	1,482,196	4,049,620	6,589,675
Loans and discounts.....	117,019,734	410,908	1,713,771	6,377,228	7,718,037	11,311,086	8,316,797	7,087,721	25,615,468	48,468,723
All other assets.....	5,816,105	6,680	38,591	190,178	269,815	453,220	371,614	289,217	1,081,753	3,115,037
Liabilities and capital—total.....	255,350,211	982,918	4,135,430	15,639,096	18,467,477	26,572,388	18,742,906	16,169,142	55,355,654	99,285,200
Total deposits.....	228,149,644	863,147	3,678,662	14,110,186	16,758,096	24,119,082	16,993,868	14,650,853	49,897,249	87,078,501
Demand deposits.....	158,148,484	628,253	2,414,339	8,798,088	9,922,794	14,435,381	10,361,577	9,374,363	35,656,967	63,556,672
Time and savings deposits.....	73,001,160	234,894	1,264,273	5,312,098	6,835,302	9,683,701	6,632,291	5,276,490	14,240,282	23,521,829
Borrowings and other liabilities.....	6,639,649	2,968	96,489	174,961	174,961	400,657	355,380	307,311	1,233,062	4,050,815
Total capital accounts.....	20,560,918	116,803	439,262	1,432,421	1,534,420	2,052,649	1,393,658	1,210,478	4,225,343	8,155,884
Number of active officers, December 31.....	102,607	2,778	7,081	16,624	13,020	13,805	7,756	5,696	15,611	20,236
Number of other employees, December 31.....	504,214	1,854	7,345	28,941	37,233	59,188	42,710	35,669	119,767	171,507
Number of banks, December 31.....	12,989	1,182	2,485	4,324	2,402	1,603	491	212	237	53

¹ This group of banks is the same as the group shown in Table 112 under the heading "Operating throughout the year."

² Asset and liability items are as of December 31, 1960.

Back figures, 1941-1959: See the Annual Report for 1959, pp. 152-153, and earlier reports.

**Table 115. RATIOS OF EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS OPERATING THROUGHOUT 1960
IN THE UNITED STATES (STATES AND OTHER AREAS)
BANKS GROUPED ACCORDING TO AMOUNT OF DEPOSITS**

Earnings or expense item	All banks ¹	Banks with deposits of— ²								
		Less than \$1,000,000	\$1,000,000 to \$2,000,000	\$2,000,000 to \$5,000,000	\$5,000,000 to \$10,000,000	\$10,000,000 to \$25,000,000	\$25,000,000 to \$50,000,000	\$50,000,000 to \$100,000,000	\$100,000,000 to \$500,000,000	\$500,000,000 or more
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.....	16.70	25.29	25.76	24.07	21.96	20.32	18.96	18.59	15.36	12.84
Interest and dividends on other securities.....	5.40	4.50	5.34	6.56	7.02	6.54	5.70	5.91	4.91	4.70
Income on loans.....	63.54	59.50	58.56	58.98	59.57	59.78	61.16	61.58	63.65	67.22
Service charges on deposit accounts.....	5.50	4.51	4.70	5.77	7.07	8.04	7.41	6.15	5.15	4.14
Other service charges, commissions, fees, and collection and exchange charges.....	2.04	4.90	4.30	3.16	2.46	2.06	1.99	1.63	1.63	1.94
Other current operating earnings.....	6.82	1.30	1.34	1.51	1.92	3.26	4.78	6.14	9.30	9.16
Current operating expenses—total	64.60	69.50	69.17	69.84	70.72	71.00	70.53	68.49	65.10	58.21
Salaries, wages, and fees.....	26.58	36.58	32.93	30.23	28.49	28.17	27.63	26.97	26.85	24.28
Interest on time and savings deposits.....	16.67	13.09	16.85	19.28	20.79	20.11	19.71	18.58	14.83	14.56
Taxes other than on net income.....	2.67	2.88	2.81	2.77	2.83	2.76	2.77	2.90	2.88	2.40
Recurring depreciation on banking house, furniture and fixtures.....	1.98	1.53	1.88	2.47	2.70	2.78	2.70	2.35	1.96	1.84
Other current operating expenses.....	16.70	15.42	14.70	15.09	15.91	17.13	17.67	17.69	18.58	15.63
Net current operating earnings	35.40	30.50	30.83	30.16	29.28	29.00	29.47	31.51	34.90	41.79
Amounts per \$100 of total assets:										
Current operating earnings—total.....	4.17	4.49	4.42	4.31	4.32	4.36	4.38	4.21	4.16	4.02
Current operating expenses—total.....	2.69	3.12	3.06	3.01	3.06	3.09	3.09	2.88	2.71	2.34
Net current operating earnings.....	1.48	1.37	1.36	1.30	1.26	1.27	1.29	1.33	1.45	1.68
Recoveries, transfers from reserve accounts, and profits—total.....	.22	.12	.12	.12	.14	.18	.23	.21	.26	.25
Losses, charge-offs, and transfers to reserve accounts—total.....	.38	.25	.27	.30	.31	.33	.37	.39	.38	.42
Net profits before income taxes.....	1.32	1.24	1.21	1.12	1.09	1.12	1.15	1.15	1.33	1.51
Net profits after income taxes.....	.78	.93	.91	.83	.78	.74	.73	.70	.74	.82
Memoranda										
Recoveries credited to reserve accounts (not included in recoveries above):										
On securities.....	.01		(³)	(³)	(³)	(³)	(³)	(³)	.01	.01
On loans.....	.03	.02	.02	.03	.04	.03	.03	.03	.02	.03
Losses charged to reserve accounts (not included in losses above):										
On securities.....	.02	(³)	(³)	(³)	(³)	.01	.01	.01	.02	.03
On loans.....	.10	.03	.05	.08	.09	.09	.09	.09	.07	.14

Amounts per \$100 of total capital accounts²										
Net current operating earnings.....	18.34	11.52	12.84	14.18	15.22	16.35	17.34	17.71	19.01	20.46
Recoveries, transfers from reserve accounts, and profits—total.....	2.78	.99	1.08	1.33	1.66	2.33	3.10	2.82	3.40	3.08
Losses, charge-offs, and transfers to reserve accounts—total.....	4.73	2.12	2.50	3.29	3.76	4.24	4.92	5.21	4.95	5.21
Net profits before income taxes.....	16.39	10.39	11.42	12.22	13.12	14.44	15.52	15.32	17.46	18.33
Taxes on net income.....	6.70	2.56	2.87	3.21	3.71	4.81	5.71	6.03	7.75	8.33
Net profits after income taxes.....	9.69	7.83	8.55	9.01	9.41	9.63	9.81	9.29	9.71	10.00
Cash dividends declared.....	4.02	2.43	2.62	2.86	2.99	3.12	3.29	3.68	4.55	4.65
Net additions to capital from profits.....	5.67	5.40	5.93	6.15	6.42	6.51	6.52	5.61	5.16	5.35
Memoranda										
Recoveries credited to reserve accounts (not included in recoveries above):										
On securities.....	.09		.01	.01	.02	.03	.06	.06	.08	.15
On loans.....	.33	.15	.23	.33	.45	.40	.37	.44	.26	.31
Losses charged to reserve accounts (not included in losses above):										
On securities.....	.23	(*)	.02	.02	.04	.09	.11	.20	.31	.34
On loans.....	1.29	.28	.46	.82	1.11	1.19	1.19	1.19	.92	1.70
Special ratios²										
Income on loans per \$100 of loans.....	5.78	6.39	6.25	6.22	6.16	6.12	6.03	5.91	5.72	5.54
Income on U. S. Government obligations per \$100 of U. S. Government obligations.....	2.95	3.62	3.56	3.42	3.29	3.09	2.97	2.90	2.81	2.72
Income on other securities per \$100 of other securities.....	2.81	3.08	3.10	2.86	2.76	2.78	2.81	2.71	2.79	2.85
Service charges per \$100 of demand deposits.....	.38	.32	.36	.44	.57	.64	.59	.45	.33	.26
Interest paid per \$100 of time and savings deposits.....	2.43	2.46	2.44	2.44	2.43	2.40	2.44	2.40	2.40	2.47
Assets and liabilities per \$100 of total assets²										
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.....	20.26	19.58	17.97	17.82	16.98	16.86	16.85	18.24	21.71	22.44
United States Government obligations.....	23.62	31.38	32.04	30.31	28.81	28.63	27.98	26.97	22.74	18.96
Other securities.....	8.01	6.56	7.62	9.87	10.96	10.23	8.87	9.17	7.32	6.64
Loans and discounts.....	45.83	41.80	41.44	40.78	41.79	42.57	44.37	43.83	46.28	48.82
All other assets.....	2.28	.68	.93	1.22	1.46	1.71	1.98	1.79	1.95	3.14
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.....	89.35	87.82	88.95	90.22	90.74	90.77	90.67	90.61	90.14	87.71
Demand deposits.....	60.76	63.92	58.38	56.26	53.73	54.33	55.23	57.98	64.41	64.02
Time deposits.....	28.59	23.90	30.57	33.96	37.01	36.44	35.39	32.63	25.73	23.69
Borrowings and other liabilities.....	2.60	.30	.43	.62	.95	1.51	1.90	1.90	2.23	4.08
Total capital accounts.....	8.05	11.88	10.62	9.16	8.31	7.72	7.43	7.49	7.63	8.21
Number of banks, December 31.....	12,989	1,182	2,485	4,324	2,402	1,603	491	212	237	53

¹ This group of banks is the same as the group shown in Table 112 under the heading "Operating throughout the year." These ratios differ slightly from the ratios for all insured commercial banks shown in Tables 111 and 113.

² Asset and liability items are as of December 31, 1960.

³ Less than .005.

Back figures, 1941-1959: See the Annual Report for 1959, pp. 154-155, and earlier reports.

Table 116. EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), BY STATE, 1960
(Amounts in thousands of dollars)

Earnings or expense item	Total United States	Other areas		48 States and D. C. ¹	50 States and D. C.	Alabama	Alaska	Arizona	Arkansas	California	Colorado
		Puerto Rico	Virgin Islands								
Current operating earnings—total	10,723,545	21,461	730	10,655,985	10,701,354	101,533	10,782	72,050	55,864	1,252,373	98,967
Interest on U. S. Government obligations..	1,790,341	1,446	161	1,782,005	1,788,734	18,186	1,475	6,707	10,900	146,925	16,232
Interest and dividends on other securities..	578,783	1,403	73	575,440	577,307	6,786	401	2,476	4,910	51,231	2,975
Interest and discount on loans.....	6,698,655	14,617	396	6,653,410	6,683,642	62,607	6,535	50,324	32,385	858,788	62,942
Service charges and fees on bank's loans...	108,655	1,122	18	105,904	107,515	588	578	1,990	160	21,447	1,133
Service charges on deposits accounts.....	589,954	633	11	586,469	589,310	6,692	982	5,817	3,400	92,998	8,871
Other service charges, commissions, fees, and collection and exchange charges....	218,566	1,912	68	215,100	216,586	2,698	636	1,871	2,626	21,109	1,831
Trust department.....	460,251	11	.....	460,205	460,240	2,072	35	1,301	463	36,724	3,334
Other current operating earnings.....	278,340	317	3	277,452	278,020	1,904	140	1,564	1,020	23,151	1,649
Current operating expenses—total	6,932,820	16,785	553	6,883,758	6,915,482	65,019	7,997	50,620	37,661	851,221	65,425
Salaries—officers.....	966,643	2,123	50	960,949	964,470	11,387	1,353	6,749	8,122	90,900	10,799
Salaries and wages—employees.....	1,831,323	4,382	145	1,818,083	1,826,796	15,939	2,423	14,935	7,784	240,459	17,289
Fees paid to directors and members of executive, discount, and other committees..	56,292	154	5	55,952	56,133	701	37	117	836	1,204	777
Interest on time and savings deposits.....	1,785,086	4,334	230	1,771,514	1,780,522	16,232	1,338	10,502	8,036	288,626	14,519
Interest and discount on borrowed money..	87,385	333	.....	86,893	87,052	232	83	142	136	8,133	501
Taxes other than on net income.....	285,801	931	5	284,117	284,865	1,209	231	1,041	1,373	33,167	1,185
Recurring depreciation on banking house, furniture and fixtures.....	212,493	481	15	210,805	211,997	2,214	383	2,003	1,455	20,189	1,997
Other current operating expenses.....	1,707,797	4,047	103	1,695,445	1,703,647	17,105	2,149	15,131	9,919	168,543	18,358
Net current operating earnings	3,790,725	4,676	177	3,772,227	3,785,872	36,514	2,785	21,430	18,203	401,152	33,542
Recoveries, transfers from reserve accounts, and profits—total	574,826	1,195	.....	572,184	573,631	5,176	654	6,447	2,225	50,681	5,507
On securities:											
Recoveries.....	12,927	.....	.....	12,886	12,927	76	41	.....	86	1,220	47
Transfers from reserve accounts.....	55,568	753	.....	54,767	54,815	116	48	.....	143	7,621	21
Profits on securities sold or redeemed.....	329,322	221	.....	328,106	329,101	3,800	393	5,403	1,406	15,298	4,402
On loans:											
Recoveries.....	25,684	23	.....	25,548	25,661	318	98	943	357	6,517	342
Transfers from reserve accounts.....	70,211	139	.....	70,025	70,072	109	43	.....	67	13,300	166
All other.....	81,114	59	.....	80,852	81,055	757	31	101	166	6,725	529
Losses, charge-offs, and transfers to reserve accounts—total	978,422	1,263	13	975,001	977,146	8,610	1,021	5,665	4,683	103,096	7,656
On securities:											
Losses and charge-offs.....	219,767	40	.....	219,670	219,727	1,367	27	.....	713	18,045	811
Transfers to reserve accounts.....	156,232	156	.....	156,076	156,076	617	.....	1,026	320	19,497	1,433
On loans:											
Losses and charge-offs.....	35,760	256	.....	35,105	35,504	772	174	1,470	725	1,990	598
Transfers to reserve accounts.....	451,667	735	10	449,598	450,922	4,829	734	2,651	1,857	49,917	3,096
All other.....	114,996	76	3	114,552	114,917	1,025	86	489	1,068	13,647	1,718
Net profits before income taxes	3,387,129	4,608	164	3,369,410	3,382,357	33,080	2,418	22,212	15,745	348,737	31,393

Taxes on net income—total	1,384,397	770	28	1,378,021	1,383,599	11,734	925	10,394	4,220	155,027	13,313
Federal	1,800,940	461	28	1,295,114	1,800,451	10,558	918	9,746	4,220	137,082	11,587
State	83,457	309		82,907	83,148	1,176	7	648		17,945	1,726
Net profits after income taxes	2,002,732	3,838	136	1,991,389	1,998,758	21,346	1,493	11,818	11,525	193,710	18,080
Dividends and interest on capital—total	831,546	1,220	13	827,759	830,313	5,903	427	5,018	4,226	96,879	6,301
Dividends declared on preferred stock and interest on capital notes and debentures	2,024			2,024	2,024					49	
Cash dividends declared on common stock	829,522	1,220	13	825,735	828,289	5,903	427	5,018	4,226	96,830	6,301
Net additions to capital from profits	1,171,186	2,618	123	1,163,630	1,168,445	15,443	1,066	6,800	7,299	96,831	11,779
Memoranda											
Recoveries credited to reserve accounts (not included in recoveries above):											
On securities	18,294			18,278	18,294	33			5	284	5
On loans	68,232	123	2	67,793	68,107	890	152	586	287	10,809	1,076
Losses charged to reserve accounts (not included in losses above):											
On securities	47,716			47,704	47,716	17			59	12,205	10
On loans	264,405	340	6	262,926	264,059	2,146	592	2,133	1,326	27,235	2,605
Average assets and liabilities²											
Assets—total	246,776,722	368,262	19,052	245,479,342	246,389,408	2,259,547	187,665	1,332,087	1,351,476	26,158,878	2,112,903
Cash and due from banks	49,317,008	44,246	3,947	49,128,869	49,268,810	466,002	29,889	230,940	318,700	4,447,724	459,503
United States Government obligations	57,773,429	46,197	5,949	57,494,889	57,721,283	552,246	57,875	219,853	325,970	5,209,001	519,268
Other securities	20,092,632	48,114	2,065	19,980,474	20,042,453	247,621	13,455	86,826	166,768	1,914,003	99,137
Loans and discounts	114,275,450	216,975	6,845	113,591,749	114,051,630	956,965	82,200	751,721	521,670	13,904,080	998,977
All other assets	5,318,208	12,730	246	5,283,361	5,305,232	36,713	4,246	42,747	18,368	684,070	36,018
Liabilities and capital—total	246,776,722	368,262	19,052	245,479,342	246,389,408	2,259,547	187,665	1,332,087	1,351,476	26,158,878	2,112,903
Total deposits	220,099,028	326,829	17,793	218,922,762	219,754,406	2,041,583	173,750	1,206,589	1,227,907	23,655,868	1,926,623
Demand deposits	150,451,481	155,862	7,385	149,833,191	150,288,234	1,452,325	102,114	808,480	932,369	12,725,952	1,362,508
Time and savings deposits	69,647,547	170,967	10,408	69,089,571	69,466,172	589,258	71,636	398,109	295,538	10,929,916	564,115
Borrowings and other liabilities	6,712,522	13,357	238	6,685,108	6,698,927	29,708	2,749	31,631	8,333	822,779	29,372
Total capital accounts	19,965,172	28,076	1,021	19,871,472	19,936,075	188,256	11,166	93,867	115,236	1,680,231	156,908
Number of active officers, December 31	103,211	319	5	102,577	102,887	1,356	109	729	1,138	9,436	1,144
Number of other employees, December 31	506,596	1,628	42	502,634	504,926	5,102	550	4,329	2,722	57,998	5,018
Number of banks, December 31	13,126	7	1	13,102	13,118	238	9	9	232	112	162

¹ Formerly designated as "Continental United States." Alaska was admitted to Statehood January 3, 1959, and Hawaii, August 21, 1959.

² Asset and liability items are averages of figures reported at beginning, middle, and end of year, adjusted to exclude data for 3 insured branches in Guam of an insured bank in California, 13 insured branches in Puerto Rico of insured banks in New York, and 4 insured branches in the Virgin Islands of an insured bank in New York; earnings data of these branches are not available.

Back figures, 1946-1959: See the Annual Report for 1959, pp. 156-165, and earlier reports.

Table 116. EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), BY STATE, 1960—Continued
(Amounts in thousands of dollars)

Earnings or expense item	Connecticut	Delaware	District of Columbia	Florida	Georgia	Hawaii	Idaho	Illinois	Indiana	Iowa	Kansas
Current operating earnings—total	125,249	36,154	67,791	230,537	157,552	34,587	33,644	752,475	212,597	141,696	105,146
Interest on U. S. Government obligations.....	16,840	6,638	13,194	49,066	23,329	5,254	6,332	168,678	51,772	27,470	25,515
Interest and dividends on other securities.....	6,358	1,037	1,615	11,438	6,250	1,466	1,348	48,973	8,679	8,438	8,377
Interest and discount on loans.....	76,692	21,189	41,187	129,177	98,871	23,697	21,060	430,235	126,228	89,533	57,958
Service charges and fees on bank's loans.....	907	638	656	4,108	2,397	1,033	441	6,330	1,199	410	406
Service charges on deposit accounts.....	9,078	879	4,801	20,137	11,487	1,859	2,824	29,106	10,316	8,551	7,675
Other service charges, commissions, fees, and collection and exchange charges.....	1,836	285	1,209	4,790	6,779	850	831	12,927	3,881	3,278	1,689
Trust department.....	10,999	4,963	3,843	5,304	4,570	.....	173	41,173	5,278	1,626	856
Other current operating earnings.....	2,539	570	1,286	6,457	3,809	428	635	15,053	5,244	2,390	2,670
Current operating expenses—total	86,477	19,924	43,903	159,540	107,625	23,727	21,777	469,635	147,304	94,754	67,210
Salaries—officers.....	13,111	3,425	6,202	23,027	17,504	2,168	3,758	63,952	23,121	22,181	16,556
Salaries and wages—employees.....	26,488	6,360	13,445	42,594	26,725	6,290	5,164	116,307	36,012	18,469	13,793
Fees paid to directors and members of executive, discount, and other committees.....	619	292	423	1,728	1,358	144	138	3,844	1,827	984	1,095
Interest on time and savings deposits.....	15,270	2,863	8,486	34,963	19,902	7,670	6,373	134,587	37,214	23,794	13,554
Interest and discount on borrowed money.....	916	134	426	1,329	1,106	76	213	9,379	482	526	258
Taxes other than on net income.....	3,033	601	2,577	5,191	6,169	517	506	16,313	8,062	3,308	2,681
Recurring depreciation on banking house, furniture and fixtures.....	2,717	763	1,441	7,901	4,286	809	812	10,208	4,941	2,710	2,117
Other current operating expenses.....	24,323	5,486	10,903	42,807	30,575	6,053	4,808	115,045	35,645	22,782	17,156
Net current operating earnings	38,772	16,230	23,888	70,997	49,927	10,860	11,867	282,840	65,293	46,942	37,936
Recoveries, transfers from reserve accounts, and profits—total	2,477	2,534	794	8,944	12,370	793	2,595	48,417	15,200	4,684	3,525
On securities:											
Recoveries.....	99	26	10	411	177	.....	3	2,287	676	456	16
Transfers from reserve accounts.....	262	.....	332	150	64	.....	.....	12,410	1,853	236	57
Profits on securities sold or redeemed.....	1,645	2,208	224	5,927	10,201	602	2,498	27,420	10,318	2,849	1,572
On loans:											
Recoveries.....	80	12	83	316	481	15	41	609	351	307	932
Transfers from reserve accounts.....	34	270	42	224	172	4	.....	3,476	672	293	206
All other.....	357	18	103	1,916	1,275	172	53	2,215	830	543	742
Losses, charge-offs, and transfers to reserve accounts—total	9,672	2,036	2,753	21,281	11,449	1,124	1,683	84,208	19,905	9,695	7,538
On securities:											
Losses and charge-offs.....	2,780	268	672	4,293	988	30	405	23,087	4,285	3,156	1,568
Transfers to reserve accounts.....	946	288	174	1,202	3,070	.....	.....	14,464	4,964	244	348
On loans:											
Losses and charge-offs.....	106	31	189	944	757	225	194	1,282	588	696	1,672
Transfers to reserve accounts.....	3,491	910	1,171	12,590	4,562	590	905	33,057	7,278	3,567	2,046
All other.....	2,349	539	547	2,252	2,072	279	179	7,318	2,790	2,032	1,904
Net profits before income taxes	31,577	16,728	21,929	58,660	50,848	10,529	12,779	247,049	60,588	41,931	33,923

Taxes on net income—total	12,530	8,168	10,662	21,663	19,783	4,653	4,342	94,727	24,155	12,118	10,223
Federal.....	10,942	7,791	10,662	21,663	19,788	4,419	3,887	94,727	24,155	12,118	10,223
State.....	1,588	377				234	455				
Net profits after income taxes	19,047	8,560	11,267	36,997	31,065	5,876	8,437	152,322	36,433	29,813	23,700
Dividends and interest on capital—total	8,273	4,730	5,579	11,278	11,320	2,127	2,331	47,482	11,831	9,174	6,648
Dividends declared on preferred stock and interest on capital notes and debentures.....				35				45	10	18	
Cash dividends declared on common stock.....	8,273	4,730	5,579	11,243	11,320	2,127	2,331	47,437	11,821	9,156	6,648
Net additions to capital from profits	10,774	3,830	5,688	25,719	19,745	3,749	6,106	104,840	24,602	20,639	17,052
Memoranda											
Recoveries credited to reserve accounts (not included in recoveries above):											
On securities.....	1			4	115	16		161	121	10	80
On loans.....	589	108	95	2,219	1,229	162	59	4,848	1,458	699	1,105
Losses charged to reserve accounts (not included in losses above):											
On securities.....	607	76		289	104	12		3,188	182	5	69
On loans.....	1,853	456	410	8,542	3,192	541	454	16,028	4,753	1,627	2,021
Average assets and liabilities¹											
Assets—total	2,579,035	776,531	1,636,204	5,220,379	3,180,466	722,401	694,532	18,768,382	5,104,475	3,295,549	2,525,097
Cash and due from banks.....	480,199	142,551	334,824	1,138,989	723,345	110,052	107,538	3,601,370	979,142	601,163	486,201
United States Government obligations.....	555,770	218,656	466,278	1,568,242	697,865	168,519	196,473	5,398,347	1,697,341	849,552	728,588
Other securities.....	250,914	34,424	55,951	402,636	205,123	48,524	47,685	1,712,206	319,899	311,859	307,959
Loans and discounts.....	1,240,686	365,214	744,824	1,989,924	1,492,149	377,681	330,508	7,844,176	2,038,100	1,501,620	975,673
All other assets.....	51,466	15,686	34,327	120,588	61,984	17,625	12,328	212,283	69,993	31,355	26,676
Liabilities and capital—total	2,579,035	776,531	1,636,204	5,220,379	3,180,466	722,401	694,532	18,768,382	5,104,475	3,295,549	2,525,097
Total deposits.....	2,284,043	671,502	1,490,301	4,743,928	2,838,312	657,894	637,552	16,934,385	4,628,264	2,977,781	2,284,503
Demand deposits.....	1,693,828	522,513	1,125,374	3,420,667	2,107,146	352,929	405,254	11,619,904	3,121,113	2,062,471	1,744,553
Time and savings deposits.....	590,215	148,989	364,927	1,323,261	731,166	304,965	232,298	5,314,481	1,507,151	925,310	539,950
Borrowings and other liabilities.....	84,378	28,156	30,289	86,978	70,813	11,070	9,517	385,247	84,098	24,038	19,005
Total capital accounts.....	210,614	76,873	116,614	389,478	271,341	53,437	47,463	1,448,750	392,113	293,730	221,589
Number of active officers, December 31.....	1,178	329	506	2,569	2,083	201	402	6,096	2,642	2,742	2,238
Number of other employees, December 31.....	7,319	1,847	3,435	13,303	8,241	1,742	1,607	30,655	10,829	6,250	4,628
Number of banks, December 31.....	61	19	12	304	363	7	32	960	437	635	583

¹ Asset and liability items are averages of figures reported at beginning, middle, and end of year. Back figures, 1946-1959: See the Annual Report for 1959, pp. 156-165, and earlier reports.

Table 116. EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), BY STATE, 1960—Continued
(Amounts in thousands of dollars)

Earnings or expense item	Kentucky	Louisiana	Maine	Maryland	Massachusetts	Michigan	Minnesota	Mississippi	Missouri	Montana	Nebraska	Nevada
Current operating earnings—total	101,178	129,275	34,021	104,748	286,102	414,892	209,596	63,459	254,536	41,265	74,071	23,854
Interest on U. S. Government obligations.....	23,138	26,757	5,597	21,529	41,259	80,901	36,338	12,424	50,042	8,333	15,417	3,578
Interest and dividends on other securities.....	4,379	8,394	1,223	5,789	9,806	27,191	11,353	6,550	14,267	2,302	3,324	1,060
Interest and discount on loans.....	61,623	75,964	22,817	60,916	172,385	255,177	126,002	33,985	161,252	24,405	46,426	15,335
Service charges and fees on bank's loans.....	868	614	254	1,247	2,297	3,788	1,614	108	1,605	572	239	851
Service charges on deposit accounts.....	4,083	8,172	2,063	7,973	18,643	21,646	13,233	4,163	11,484	3,158	4,458	1,193
Other service charges, commissions, fees, and collection and exchange charges.....	1,221	4,765	487	2,295	8,702	6,643	10,827	3,600	3,528	1,199	1,355	680
Trust department.....	3,610	1,034	1,088	2,516	24,246	13,115	6,055	431	7,000	238	1,110	690
Other current operating earnings.....	2,256	3,575	492	2,483	8,764	6,431	4,174	2,198	5,358	1,058	1,742	467
Current operating expenses—total	62,502	86,418	24,461	71,370	166,799	290,876	143,749	43,467	155,766	28,652	46,438	14,928
Salaries—officers.....	12,774	13,727	3,206	8,543	30,698	26,261	8,413	26,420	5,183	12,604	2,178	2,178
Salaries and wages—employees.....	14,490	21,466	5,989	19,717	57,027	75,549	31,824	9,475	40,017	6,010	10,555	3,997
Fees paid to directors and members of executive, discount, and other committees.....	1,071	1,144	262	801	1,291	1,874	1,715	750	1,927	241	799	41
Interest on time and savings deposits.....	11,345	17,503	7,279	18,054	17,395	94,919	38,573	8,633	33,255	6,924	5,315	4,434
Interest and discount on borrowed money.....	481	994	82	471	1,359	2,141	2,766	274	2,372	129	513	108
Taxes other than on net income.....	3,434	7,549	996	3,776	6,794	14,441	3,058	1,976	5,821	2,095	1,742	628
Recurring depreciation on banking house, furniture and fixtures.....	1,789	2,814	962	1,937	6,066	7,709	3,452	1,338	4,881	862	1,407	497
Other current operating expenses.....	17,118	21,221	5,685	18,071	51,949	63,545	36,100	12,608	41,073	7,208	13,503	3,045
Net current operating earnings	38,676	42,857	9,560	33,378	119,303	124,016	65,847	19,992	98,770	12,613	27,633	8,926
Recoveries, transfers from reserve accounts, and profits—total	11,427	5,022	1,840	5,724	29,702	15,038	4,438	2,506	18,437	5,409	3,551	409
On securities:												
Recoveries.....	75	38	16	474	183	168	271	211	98	329	46	.....
Transfers from reserve accounts.....	1,004	131	7	63	610	1,001	78	272	360	3,721	185	33
Profits on securities sold or redeemed.....	5,966	3,104	1,843	4,401	21,221	8,211	2,434	1,133	15,149	502	2,416	362
On loans:												
Recoveries.....	257	246	101	120	353	229	669	378	535	488	232	.....
Transfers from reserve accounts.....	1,952	382	152	51	286	2,386	86	100	1,425	122	345	.....
All other.....	2,173	1,121	221	615	7,049	3,043	900	412	870	247	327	34
Losses, charge-offs, and transfers to reserve accounts—total	9,974	11,948	3,557	9,771	37,569	32,313	9,539	8,092	21,717	4,248	6,646	1,253
On securities:												
Losses and charge-offs.....	1,039	922	702	2,367	13,492	8,470	2,758	1,870	2,246	1,647	1,169	363
Transfers to reserve accounts.....	2,187	2,234	545	1,063	4,708	6,745	154	1,108	10,421	731	1,213	200
On loans:												
Losses and charge-offs.....	654	714	254	348	2,187	1,222	854	689	1,010	670	367	28
Transfers to reserve accounts.....	4,582	6,278	1,634	4,511	7,685	11,709	3,585	3,589	5,562	866	2,329	566
All other.....	1,512	1,800	422	1,492	9,497	4,167	2,188	1,336	2,478	334	1,568	96
Net profits before income taxes	40,129	35,931	7,843	29,331	111,436	106,741	60,746	14,406	95,490	13,774	24,538	8,082

Taxes on net income—total	14,881	13,083	3,105	12,135	54,776	36,269	25,333	4,322	41,743	4,495	8,526	3,455
Federal.....	14,881	13,083	3,105	12,135	45,740	36,269	20,933	4,322	40,252	4,198	8,526	3,455
State.....					9,036		4,400		1,491	297		
Net profits after income taxes	25,248	22,848	4,738	17,196	56,660	70,472	35,413	10,084	53,747	9,279	16,012	4,627
Dividends and interest on capital—total	7,244	6,607	2,269	7,326	26,686	26,737	13,506	4,040	19,351	2,922	5,524	2,203
Dividends declared on preferred stock and interest on capital notes and debentures.....	3	2	5	2	10	140	43	5	28			
Cash dividends declared on common stock.....	7,241	6,605	2,264	7,324	26,676	26,597	13,463	4,035	19,323	2,922	5,524	2,203
Net additions to capital from profits	18,004	16,241	2,469	9,870	29,974	43,735	21,907	6,044	34,396	6,357	10,488	2,424
Memoranda												
Recoveries credited to reserve accounts (not included in recoveries above):												
On securities.....	687	5	42	107	9,099	1,033		55	22		33	14
On loans.....	1,063	884	341	395	3,372	2,649	830	716	1,677		253	592
Losses charged to reserve accounts (not included in losses above):												
On securities.....	78	314	18	11	625	4,851	7	47	2,287		59	17
On loans.....	2,450	5,599	620	1,218	4,274	6,491	2,341	1,954	2,523		618	1,363
Average assets and liabilities¹												
Assets—total	2,473,766	3,168,103	695,761	2,486,788	5,975,206	9,430,437	4,520,389	1,427,395	6,528,368	873,883	1,753,492	462,201
Cash and due from banks.....	540,946	731,902	103,395	478,669	1,260,007	1,494,129	873,827	297,496	1,480,698	154,041	378,871	58,395
United States Government obligations.....	724,975	853,866	180,394	698,762	1,297,382	2,641,194	1,118,180	348,388	1,691,409	256,273	473,736	121,264
Other securities.....	136,616	291,297	46,642	206,742	357,257	961,617	373,602	216,085	508,183	78,469	121,575	41,412
Loans and discounts.....	1,044,648	1,238,681	350,663	1,059,384	2,929,556	4,178,462	2,078,865	539,760	2,773,099	369,990	760,616	229,819
All other assets.....	26,581	52,357	14,667	43,231	131,004	155,035	75,915	25,666	74,979	15,110	18,694	11,311
Liabilities and capital—total	2,473,766	3,168,103	695,761	2,486,788	5,975,206	9,430,437	4,520,389	1,427,395	6,528,368	873,883	1,753,492	462,201
Total deposits.....	2,230,536	2,878,717	618,457	2,263,952	5,185,183	8,578,909	4,060,526	1,311,068	5,902,260	799,887	1,572,652	423,576
<i>Demand deposits</i>	1,727,582	2,197,785	340,368	1,563,081	4,395,678	4,641,551	2,595,580	987,706	4,538,865	542,175	1,356,115	242,301
<i>Time and savings deposits</i>	502,954	680,932	278,089	700,871	789,505	3,937,358	1,464,946	323,362	1,363,395	257,712	216,537	181,275
Borrowings and other liabilities.....	25,177	42,176	16,007	33,465	226,794	158,728	92,965	10,884	92,073	14,870	24,691	10,634
Total capital accounts.....	218,053	247,210	61,297	189,371	563,229	692,800	366,898	105,443	534,035	59,126	156,149	27,991
Number of active officers, December 31.....	1,824	1,436	403	1,074	2,393	2,975	3,150	1,055	3,256	592	1,557	255
Number of other employees, December 31....	4,979	6,459	2,098	6,340	16,598	20,132	9,784	3,105	12,684	1,909	3,617	1,149
Number of banks, December 31.....	345	189	42	132	166	378	679	191	610	119	392	7

¹ Asset and liability items are averages of figures reported at beginning, middle, and end of year. Back figures, 1946-1959: See the Annual Report for 1959, pp. 156-165, and earlier reports.

EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED BANKS

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Table 116. EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), BY STATE, 1960—Continued
(Amounts in thousands of dollars)

Earnings or expense item	New Hampshire	New Jersey	New Mexico	New York	North Carolina	North Dakota	Ohio	Oklahoma	Oregon	Pennsylvania	Rhode Island
Current operating earnings—total	20,986	330,863	35,103	2,029,303	140,197	33,723	518,154	120,001	99,761	694,521	48,349
Interest on U. S. Government obligations . . .	3,302	54,243	7,549	267,231	19,974	8,702	104,982	23,787	13,882	109,418	6,474
Interest and dividends on other securities . .	1,143	29,725	1,110	103,931	8,399	2,575	28,891	6,552	5,204	44,004	2,195
Interest and discount on loans	13,492	201,611	21,191	1,287,182	86,781	17,052	313,381	72,736	64,706	442,255	30,711
Service charges and fees on bank's loans . . .	123	2,932	468	20,492	2,205	206	3,794	579	789	4,704	169
Service charges on deposit accounts	1,829	21,702	2,796	68,396	8,527	1,788	27,059	8,791	9,083	26,432	2,597
Other service charges, commissions, fees, and collection and exchange charges	348	3,737	923	39,001	7,521	2,629	6,936	1,636	2,005	8,339	766
Trust department	426	10,348	927	161,731	4,332	133	19,423	1,357	2,375	44,244	3,680
Other current operating earnings	323	6,565	739	81,352	2,508	588	13,633	4,563	1,717	15,125	1,757
Current operating expenses—total	15,122	243,849	23,820	1,158,055	93,609	21,892	339,979	75,277	69,352	456,551	31,443
Salaries—officers	2,304	28,300	4,118	126,290	16,692	4,743	39,097	16,623	10,562	56,715	3,256
Salaries and wages—employees	3,070	61,828	6,326	362,565	24,845	3,956	83,710	17,041	18,091	117,099	7,792
Fees paid to directors and members of executive, discount, and other committees	241	2,437	202	4,643	733	252	2,656	829	241	5,043	213
Interest on time and savings deposits	4,334	76,173	4,727	248,870	18,056	6,351	105,856	13,289	22,306	128,302	10,115
Interest and discount on borrowed money . . .	69	1,106	54	30,538	836	64	2,650	1,357	673	3,836	411
Taxes other than on net income	428	10,913	1,210	32,603	2,265	534	23,376	1,544	2,041	23,773	1,662
Recurring depreciation on banking house, furniture and fixtures	542	9,114	1,073	28,248	5,012	701	10,192	3,115	2,195	15,108	829
Other current operating expenses	4,134	53,978	6,110	324,248	25,170	5,291	72,442	21,479	13,243	106,675	7,165
Net current operating earnings	5,864	87,014	11,283	871,248	46,588	11,831	178,175	44,724	30,409	237,970	16,906
Recoveries, transfers from reserve accounts, and profits—total	1,651	14,726	1,932	147,146	5,331	1,090	38,227	3,006	3,645	25,347	578
On securities:											
Recoveries	260	146	38	277	22	31	284	238	2	2,786	45
Transfers from reserve accounts	188	1,605	3	11,106	92	5	6,423	233	3	745	.....
Profits on securities sold or redeemed	962	10,229	1,331	69,835	4,011	809	26,901	1,214	3,200	9,324	254
On loans:											
Recoveries	43	464	145	3,691	118	68	525	732	44	592	25
Transfers from reserve accounts	26	352	316	29,708	224	22	2,329	164	2	9,009	210
All other	172	1,930	99	32,479	864	155	1,765	425	394	2,891	44
Losses, charge-offs, and transfers to reserve accounts—total	2,105	31,971	3,094	231,149	10,658	2,399	49,882	7,275	4,608	68,977	5,331
On securities:											
Losses and charge-offs	703	8,638	255	53,572	2,042	276	7,722	1,502	490	18,199	2,994
Transfers to reserve accounts	299	5,125	169	28,532	1,538	10	20,287	365	2,061	6,569	120
On loans:											
Losses and charge-offs	42	420	236	1,318	825	127	810	1,659	55	960	49
Transfers to reserve accounts	573	14,254	1,925	136,425	4,932	1,372	16,805	2,381	1,390	35,683	1,340
All other	488	3,534	509	11,302	1,321	614	4,258	1,368	612	7,566	828
Net profits before income taxes	5,410	69,769	10,121	787,245	41,261	10,522	166,520	40,455	29,446	194,340	12,153

Taxes on net income—total	1,422	19,736	4,007	353,816	17,116	3,426	69,793	15,819	14,161	71,880	5,777
Federal.....	1,422	19,736	4,007	318,894	15,711	8,296	69,793	14,827	11,013	71,880	4,992
State.....				34,922	1,405	130		992	3,148		785
Net profits after income taxes	3,988	50,033	6,114	433,429	24,145	7,096	96,727	24,636	15,285	122,460	6,376
Dividends and interest on capital—total	1,158	21,141	1,970	211,786	9,137	2,599	32,718	8,168	6,479	64,754	4,379
Dividends declared on preferred stock and interest on capital notes and debentures.....	4	593		781	1		10			6	
Cash dividends declared on common stock.....	1,154	20,548	1,970	211,005	9,136	2,599	32,708	8,168	6,479	64,748	4,379
Net additions to capital from profits	2,830	28,892	4,144	221,643	15,008	4,497	64,009	16,468	8,806	57,706	1,997
Memoranda											
Recoveries credited to reserve accounts (not included in recoveries above):											
On securities.....	68	22	12	2,729	600		308			1,876	
On loans.....	152	1,811	639	10,049	281	128	2,259	1,241	511	3,469	183
Losses charged to reserve accounts (not included in losses above):											
On securities.....	18	1,307	1	6,398	1,078		3,885	27	9	9,847	
On loans.....	428	3,612	1,852	88,855	1,485	453	5,849	2,312	1,406	23,536	667
Average assets and liabilities¹											
Assets—total	448,257	7,709,435	749,138	48,971,695	3,098,170	702,419	12,279,262	2,867,449	2,184,813	15,755,784	962,023
Cash and due from banks.....	74,531	1,145,716	156,182	11,163,086	685,335	94,204	2,241,973	723,980	379,157	2,842,169	127,973
United States Government obligations.....	104,956	1,921,589	228,015	8,418,065	609,784	235,093	3,288,561	726,030	523,482	3,532,509	208,095
Other securities.....	33,324	1,053,614	42,672	3,365,656	329,407	85,623	961,110	247,513	212,389	1,496,699	77,565
Loans and discounts.....	227,979	3,456,895	309,095	24,319,530	1,408,447	276,291	5,600,737	1,124,016	1,022,922	7,613,406	530,988
All other assets.....	7,467	131,621	13,174	1,705,358	65,197	11,208	186,876	45,910	46,863	271,001	17,402
Liabilities and capital—total	448,257	7,709,435	749,138	48,971,695	3,098,170	702,419	12,279,262	2,867,449	2,184,813	15,755,784	962,023
Total deposits.....	390,487	6,983,144	691,100	41,994,469	2,730,212	639,064	11,056,799	2,572,152	1,960,754	13,887,818	844,461
Demand deposits.....	247,401	3,905,637	505,891	32,638,331	2,009,825	407,120	6,791,031	2,072,902	1,132,891	8,947,711	468,274
Time and savings deposits.....	143,086	3,077,517	185,206	9,356,138	720,386	231,944	4,322,768	499,250	827,863	4,940,107	376,187
Borrowings and other liabilities.....	13,882	175,559	9,221	2,641,789	108,329	9,116	233,404	42,663	53,641	322,296	35,725
Total capital accounts.....	44,888	550,702	48,817	4,335,437	259,629	54,239	989,059	252,634	170,418	1,545,670	31,837
Number of active officers, December 31.....	314	2,831	450	9,700	1,984	632	4,012	2,031	1,269	6,053	333
Number of other employees, December 31.....	1,080	17,432	1,954	85,309	8,070	1,405	22,943	5,401	4,861	32,993	2,512
Number of banks, December 31.....	70	250	55	390	182	153	584	386	49	691	8

¹ Asset and liability items are averages of figures reported at beginning, middle, and end of year. Back figures, 1946-1959: See the Annual Report for 1959, pp. 156-165, and earlier reports.

Table 116. EARNINGS, EXPENSES, AND DIVIDENDS OF INSURED COMMERCIAL BANKS IN THE UNITED STATES (STATES AND OTHER AREAS), BY STATE, 1960—Continued

(Amounts in thousands of dollars)

Earnings or expense item	South Carolina	South Dakota	Tennessee	Texas	Utah	Vermont	Virginia	Washington	West Virginia	Wisconsin	Wyoming
Current operating earnings—total	51,053	38,049	148,571	516,781	49,645	21,259	161,746	143,136	59,121	195,439	19,599
Interest on U. S. Government obligations.....	9,725	9,123	24,119	86,526	6,826	2,918	25,821	18,818	14,850	46,153	4,425
Interest and dividends on other securities.....	3,389	1,979	8,225	29,183	2,241	1,064	8,562	6,413	2,772	10,483	861
Interest and discount on loans.....	29,335	21,435	100,366	326,933	32,612	14,797	105,007	92,336	34,923	117,570	11,605
Service charges and fees on bank's loans.....	164	364	889	3,738	1,476	227	1,700	1,820	498	1,400	293
Service charges on deposit accounts.....	4,183	2,232	5,826	30,153	3,737	1,286	9,883	13,820	2,329	9,844	1,275
Other service charges, commissions, fees, and collection and exchange charges.....	2,773	2,153	3,202	7,698	1,299	261	3,102	3,560	1,004	2,683	582
Trust department.....	851	242	2,635	9,287	1,039	305	5,032	3,755	1,388	3,310	113
Other current operating earnings.....	633	521	3,309	23,313	415	401	2,639	2,614	1,357	3,996	445
Current operating expenses—total	32,890	25,131	97,847	334,521	31,959	16,602	109,778	95,831	37,190	137,035	12,504
Salaries—officers.....	6,750	6,030	14,731	59,993	4,419	2,123	16,392	14,003	6,498	23,163	2,428
Salaries and wages—employees.....	9,085	4,490	21,602	76,226	7,380	2,956	25,915	27,987	8,427	26,956	2,857
Fees paid to directors and members of ex- ecutive, discount, and other committees.....	442	397	848	3,837	286	284	1,352	366	649	1,953	189
Interest on time and savings deposits.....	4,383	6,702	29,170	60,879	10,277	7,024	31,900	24,612	9,383	46,919	3,331
Interest and discount on borrowed money.....	162	127	738	6,197	272	58	653	327	155	846	111
Taxes other than on net income.....	785	564	5,179	25,285	589	324	4,552	2,764	1,557	2,967	476
Recurring depreciation on banking house, furniture and fixtures.....	1,383	745	3,072	14,609	828	572	4,142	3,798	1,454	4,113	492
Other current operating expenses.....	9,900	6,076	22,507	87,495	7,908	3,261	24,872	21,974	9,067	30,118	2,620
Net current operating earnings	18,163	12,918	50,724	182,260	17,686	4,657	51,968	47,305	21,931	58,404	7,095
Recoveries, transfers from reserve ac- counts, and profits—total	1,175	910	10,283	12,538	3,189	618	8,850	5,255	2,365	8,576	667
On securities:											
Recoveries.....	2	12	43	485	18	34	37	336	5	283	3
Transfers from reserve accounts.....			2,146	1,034			93	68	129	184	
Profits on securities sold or redeemed.....	788	608	7,144	4,962	3,044	435	7,705	4,097	1,617	7,284	389
On loans:											
Recoveries.....	40	102	277	2,590	32	24	213	44	137	103	242
Transfers from reserve accounts.....	30	13	55	532	1	86	327	35	212	103	1
All other.....	315	175	618	2,935	94	89	475	675	265	619	32
Losses, charge-offs, and transfers to re- serve accounts—total	3,092	2,247	14,090	37,592	2,015	1,073	12,909	8,401	4,209	13,909	1,458
On securities:											
Losses and charge-offs.....	656	511	1,678	4,029	398	334	2,660	2,514	1,206	5,186	93
Transfers to reserve accounts.....	96	30	4,213	1,303	23	18	4,364	721	57	277	7
On loans:											
Losses and charge-offs.....	106	165	489	5,443	113	21	487	100	320	120	229
Transfers to reserve accounts.....	1,953	1,163	5,287	20,321	1,240	568	4,419	4,024	1,302	6,660	758
All other.....	281	378	2,423	6,496	241	132	979	1,042	1,324	1,666	371
Net profits before income taxes	16,246	11,581	46,917	157,206	18,860	4,202	47,909	44,159	20,087	53,071	6,304

Taxes on net income—total	6,108	4,137	19,187	61,411	7,764	1,223	19,343	20,081	8,042	16,259	2,331
Federal.....	5,788	3,794	18,929	61,411	7,444	1,097	19,343	20,081	8,042	15,240	2,331
State.....	320	343	258	.....	320	126	.....	.....	.....	1,019	.....
Net profits after income taxes	10,138	7,444	27,730	95,795	11,096	2,979	28,566	24,078	12,045	36,812	3,973
Dividends and interest on capital—total	3,647	2,375	9,419	42,650	4,207	1,149	11,321	9,368	4,114	12,554	1,278
Dividends declared on preferred stock and interest on capital notes and debentures.....	2	.....	.....	8	1	67	46	.....	.....	106	4
Cash dividends declared on common stock.....	3,645	2,375	9,419	42,642	4,206	1,082	11,275	9,368	4,114	12,448	1,274
Net additions to capital from profits	6,491	5,069	18,311	53,145	6,889	1,830	17,245	14,710	7,931	24,258	2,695
Memoranda											
Recoveries credited to reserve accounts (not included in recoveries above):											
On securities.....	105	.....	37	524	.....	298	.....	222	.....	4	57
On loans.....	150	185	613	4,808	234	68	955	493	236	742	196
Losses charged to reserve accounts (not included in losses above):											
On securities.....	.....	.....	47	140	3	21	302	36	1	6	3
On loans.....	755	567	1,892	16,258	419	321	2,604	1,912	618	2,144	441
Average assets and Liabilities¹											
Assets—total	1,105,826	794,517	3,503,700	12,806,270	1,047,927	440,303	3,537,536	2,978,652	1,410,661	4,893,264	440,911
Cash and due from banks.....	231,226	119,089	779,478	3,274,555	204,407	51,176	652,733	598,896	267,203	856,488	88,740
United States Government obligations.....	289,727	264,148	778,976	2,785,797	230,930	95,383	863,913	653,419	486,209	1,498,450	142,485
Other securities.....	120,696	64,186	285,354	977,305	70,751	37,376	284,492	224,970	100,468	378,230	28,566
Loans and discounts.....	445,958	335,812	1,606,712	5,427,876	524,505	248,251	1,673,881	1,438,664	534,702	2,081,306	173,946
All other assets.....	18,219	11,282	53,180	340,737	17,334	8,117	62,517	62,703	22,079	78,790	7,174
Liabilities and capital—total	1,105,826	794,517	3,503,700	12,806,270	1,047,927	440,303	3,537,536	2,978,652	1,410,661	4,893,264	440,911
Total deposits.....	989,795	723,267	3,178,707	11,542,984	955,987	393,416	3,179,851	2,703,668	1,247,720	4,480,683	401,360
Demand deposits.....	790,608	478,702	2,140,280	8,993,081	563,473	143,585	1,920,085	1,791,605	826,412	2,569,570	272,583
Time and savings deposits.....	199,187	244,565	1,038,427	2,549,903	392,514	249,831	1,259,816	912,063	421,308	1,911,113	128,777
Borrowings and other liabilities.....	22,623	10,117	59,808	223,991	18,987	7,994	61,685	50,378	19,466	66,828	5,275
Total capital accounts.....	93,408	61,133	265,185	1,039,295	72,953	38,893	296,000	224,606	143,475	345,753	34,276
Number of active officers, December 31.....	841	811	1,947	6,671	523	291	2,086	1,498	812	2,648	277
Number of other employees, December 31....	3,019	1,592	7,284	23,063	2,395	967	8,426	7,528	2,623	8,329	861
Number of banks, December 31.....	139	174	291	990	46	55	305	85	181	554	55

¹ Asset and liability items are averages of figures reported at beginning, middle, and end of year. Back figures, 1946-1959: See the Annual Report for 1959, pp. 156-165, and earlier reports.

Table 117. INCOME, EXPENSES, AND DIVIDENDS OF INSURED MUTUAL SAVINGS BANKS, 1952-1960

(Amounts in thousands of dollars)

Sources and disposition of income	1952	1953	1954	1955	1956	1957	1958	1959	1960
Current operating income—total	568,498	647,067	721,323	801,682	898,440	1,026,327	1,149,643	1,280,347	1,461,763
Interest on U. S. Government obligations.....	163,879	164,630	155,869	150,657	146,624	147,157	141,950	146,353	152,458
Interest and dividends on other securities.....	62,958	82,008	96,205	99,190	102,590	127,212	167,489	180,535	199,258
Interest and discount on real estate mortgage loans—net.....	326,785	381,895	447,022	528,426	623,586	720,215	808,975	921,315	1,070,173
<i>Interest and discount on real estate mortgage loans—gross</i>	<i>340,497</i>	<i>396,264</i>	<i>461,769</i>	<i>545,841</i>	<i>645,592</i>	<i>744,303</i>	<i>836,615</i>	<i>951,952</i>	<i>1,104,100</i>
<i>Less: Mortgage servicing fees</i>	<i>7,666</i>	<i>9,483</i>	<i>11,922</i>	<i>15,623</i>	<i>20,475</i>	<i>23,138</i>	<i>25,985</i>	<i>29,154</i>	<i>32,343</i>
<i>Premium amortization</i>	<i>6,046</i>	<i>4,886</i>	<i>2,825</i>	<i>1,792</i>	<i>1,531</i>	<i>950</i>	<i>1,555</i>	<i>1,483</i>	<i>1,534</i>
Interest and discount on other loans and discounts—net.....	4,068	5,184	6,642	7,322	8,439	10,848	11,749	12,669	18,407
Income on real estate other than bank building—net.....	102	77	86	-17	6	31	2	-1	27
<i>Income on real estate other than bank building—gross</i>	<i>533</i>	<i>338</i>	<i>292</i>	<i>247</i>	<i>103</i>	<i>140</i>	<i>139</i>	<i>216</i>	<i>397</i>
<i>Less: Operating expense</i>	<i>431</i>	<i>261</i>	<i>206</i>	<i>264</i>	<i>97</i>	<i>109</i>	<i>137</i>	<i>217</i>	<i>370</i>
Income on other assets.....	5,833	7,171	7,746	8,171	8,328	7,898	8,384	7,486	7,474
Income from service operations.....	4,873	6,107	7,753	7,933	8,867	12,966	11,094	11,990	13,966
Current operating expense—total	116,763	127,336	139,931	147,678	158,317	174,758	187,758	201,402	224,789
Salaries—officers.....	19,249	21,142	22,870	24,200	25,861	28,590	30,099	32,082	36,608
Salaries and wages—employees.....	40,996	44,351	48,074	50,879	53,962	58,310	61,797	64,396	71,295
Pension, hospitalization and group insurance payments, and other employee benefits.....	10,648	11,566	12,623	13,544	14,643	16,478	18,314	20,006	22,656
Fees paid to trustees and committee members.....	2,123	2,303	2,526	2,697	2,809	3,007	3,203	3,366	3,731
Occupancy, maintenance, etc. of bank premises (including taxes and recurring depreciation)—net.....	12,162	13,521	15,019	15,094	17,492	19,326	20,925	22,695	25,255
<i>Occupancy, maintenance, etc. of bank premises (including taxes and recurring depreciation)—gross</i>	<i>19,104</i>	<i>20,926</i>	<i>22,495</i>	<i>22,793</i>	<i>25,380</i>	<i>27,846</i>	<i>30,252</i>	<i>32,268</i>	<i>35,120</i>
<i>Less: Income from bank building</i>	<i>6,942</i>	<i>7,405</i>	<i>7,476</i>	<i>7,699</i>	<i>7,838</i>	<i>8,520</i>	<i>9,327</i>	<i>9,573</i>	<i>9,865</i>
Deposit insurance assessments.....	6,203	6,837	7,562	7,979	8,437	9,407	10,183	11,316	11,707
Furniture and fixtures (including recurring depreciation).....	2,387	2,445	2,755	2,790	3,058	3,251	3,501	4,445	4,740
All other current operating expense.....	22,995	25,171	28,502	30,495	32,055	36,389	39,736	43,096	48,797
Net current operating income	451,735	519,731	581,392	654,004	740,123	851,569	961,885	1,078,945	1,236,974
Franchise and income taxes—total	9,189	8,569	10,643	9,047	8,955	9,060	10,342	11,649	13,637
State franchise and income taxes.....	6,962	6,459	7,231	7,818	8,321	8,972	9,831	11,172	13,190
Federal income taxes.....	2,227	2,110	3,412	1,229	634	88	511	477	447
Net current operating income after taxes	442,546	511,162	570,749	644,957	731,168	842,509	951,543	1,067,296	1,223,337
Dividends and interest on deposits	365,481	414,951	466,119	536,256	609,335	716,383	812,254	897,469	1,073,542
Net current operating income after taxes and dividends	77,065	96,211	104,630	108,701	121,833	126,126	139,289	169,827	149,795
Non-recurring income, realized profits and recoveries credited to profit and loss, and transfers from valuation adjustment provisions—total	57,917	36,962	59,228	44,430	48,192	48,148	66,160	91,205	142,009
Non-recurring income.....	14,893	12,372	12,334	11,586	10,537	18,434	17,295	21,147	31,133
Realized profits and recoveries on:									
Securities sold or matured.....	5,243	5,287	23,914	18,070	17,355	16,022	30,974	39,498	34,860
Real estate mortgage loans.....	155	783	389	481	456	259	138	192	233
Other real estate.....	216	804	219	3,179	413	437	367	646	585
All other assets.....	240	1,489	943	977	1,435	431	624	2,498	6,576
Transfers from valuation adjustment provisions on:									
Securities.....	12,223	6,132	10,858	1,878	4,463	5,939	8,345	14,270	57,588
Real estate mortgage loans.....	24,692	9,965	8,450	7,710	12,501	10,850	8,068	12,021	10,480
Other real estate.....	111	275	126	157	29	65	28	17	86
All other assets.....	144	355	1,995	892	1,003	711	321	916	468

Non-recurring expense, realized losses charged to profit and loss, and transfers to valuation adjustment provisions—total	84,023	70,597	65,050	66,385	71,580	83,870	79,852	126,876	123,664
Non-recurring expense	23,804	12,156	14,279	10,087	10,645	12,958	13,699	11,385	16,981
Realized losses on:									
Securities sold	25,875	28,333	12,773	21,673	26,991	35,526	25,056	66,875	63,846
Real estate mortgage loans	176	152	112	636	542	1,036	603	330	508
Other real estate	110	39	49	101	171	179	191	260	210
All other assets	62	106	551	823	149	191	684	440	315
Transfers to valuation adjustment provisions¹ on:									
Securities	14,359	10,639	12,403	10,630	16,689	18,062	21,946	30,347	23,352
Real estate mortgage loans	15,474	17,005	20,380	19,219	16,194	15,236	16,733	16,151	17,679
Other real estate	63	11	7	42	46	16	45	40	19
All other assets	4,100	2,066	4,496	3,174	153	666	895	1,048	754
Net additions to total surplus accounts from operations	50,959	62,666	98,808	86,746	98,445	90,404	125,597	134,156	168,140
Memoranda									
Recoveries credited to valuation adjustment provisions¹ (not included in recoveries above) on:									
Securities	135	15	220	23	1,151	972	571	173	471
Real estate mortgage loans	69	83	41	50	268	365	14	99	136
Other real estate	1	10				39		2	
All other assets	218	1	2	24	9	5	5	37	585
Realized losses charged to valuation adjustment provisions¹ (not included in realized losses above) on:									
Securities	14,581	12,523	7,527	4,250	4,055	8,741	6,267	9,339	8,110
Real estate mortgage loans	882	469	166	326	318	342	217	197	1,131
Other real estate	206	683	234	130		127	3	26	13
All other assets	616	89	45	326	51	67	300	385	165
Average assets and liabilities²									
Assets—total	17,905,674	19,625,429	21,872,622	22,740,783	24,533,839	26,904,256	29,160,570	31,248,671	34,339,564
Cash and due from banks	728,979	744,369	874,215	809,152	757,496	723,830	742,225	689,698	721,308
United States Government obligations	6,755,471	6,620,535	6,755,391	5,993,243	5,730,449	5,592,025	5,338,796	5,236,825	5,092,512
Other securities	2,064,761	2,591,176	3,015,662	3,008,656	3,034,920	3,559,430	4,378,447	4,677,222	5,036,291
Real estate mortgage loans	8,012,488	9,288,364	10,802,477	12,467,355	14,494,241	16,445,982	18,045,621	19,937,652	22,628,058
Other loans and discounts	85,996	102,768	120,350	130,165	155,376	185,174	227,027	244,010	355,327
Other real estate	2,675	2,432	2,957	2,019	2,197	3,586	4,361	7,002	11,555
All other assets	255,304	275,785	301,570	330,193	359,160	394,229	424,093	456,262	494,513
Liabilities and surplus accounts—total	17,905,674	19,625,429	21,872,622	22,740,783	24,533,839	26,904,256	29,160,570	31,248,671	34,339,564
Total deposits	16,102,806	17,718,957	19,738,300	20,577,403	22,202,156	24,322,261	26,304,610	28,136,330	30,822,839
<i>Savings and time deposits</i>	<i>16,080,015</i>	<i>17,688,777</i>	<i>19,694,981</i>	<i>20,525,629</i>	<i>22,167,537</i>	<i>24,295,761</i>	<i>26,274,758</i>	<i>28,106,039</i>	<i>30,790,699</i>
<i>Demand deposits</i>	<i>22,791</i>	<i>30,180</i>	<i>43,319</i>	<i>51,774</i>	<i>34,619</i>	<i>26,500</i>	<i>29,352</i>	<i>30,301</i>	<i>32,240</i>
Other liabilities	93,253	119,359	159,912	199,228	249,779	318,445	431,019	512,192	598,011
Total surplus accounts	1,709,615	1,787,113	1,974,410	1,964,152	2,081,904	2,268,550	2,424,941	2,600,089	2,918,714
Number of active officers, December 31	1,810	1,908	1,999	2,042	2,130	2,239	2,356	2,504	2,885
Number of other employees, December 31	11,932	12,525	13,227	13,618	13,860	14,590	14,925	15,110	16,753
Number of banks, December 31	206	219	218	220	223	239	241	268	325

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

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

Back figures, 1931-1951: Data for 1934-1950, which however are not comparable with figures for 1951-1960, may be found in the following Annual Reports: 1950, pp. 272-273, and 1941, p. 173. For 1951 see the Annual Report for 1951, p. 184.

Table 118. RATIOS OF INCOME, EXPENSES, AND DIVIDENDS OF INSURED MUTUAL SAVINGS BANKS, 1952-1960

Sources and disposition of income	1952	1953	1954	1955	1956	1957	1958	1959	1960
Amounts per \$100 of current operating income									
Current operating income—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.....	28.83	25.44	21.61	18.79	16.82	14.34	12.35	11.43	10.43
Interest and dividends on other securities.....	11.07	12.67	13.34	12.37	11.42	12.40	14.57	14.10	13.63
Interest and discount on real estate mortgage loans—net.....	57.48	59.02	61.97	65.92	69.41	70.17	70.37	71.96	73.21
Interest and discount on other loans and discounts—net.....	.72	.80	.92	.91	.94	1.06	1.02	.99	1.26
Income on other assets.....	1.04	1.12	1.09	1.02	.92	.77	.73	.58	.51
Income from service operations.....	.86	.95	1.07	.99	.99	1.26	.96	.94	.96
Current operating expense—total	20.54	19.68	19.40	18.42	17.62	17.03	16.33	15.73	15.38
Salaries—officers.....	3.39	3.27	3.17	3.02	2.88	2.79	2.62	2.51	2.50
Salaries and wages—employees.....	7.21	6.85	6.67	6.35	6.00	5.68	5.37	5.03	4.88
Pension, hospitalization and group insurance payments, and other employee benefits.....	1.87	1.79	1.75	1.69	1.63	1.60	1.59	1.56	1.55
Fees paid to trustees and committee members.....	.37	.35	.35	.34	.31	.29	.28	.26	.26
Occupancy, maintenance, etc. of bank premises (including taxes and recurring depreciation)—net.....	2.14	2.09	2.08	1.88	1.95	1.88	1.82	1.77	1.73
Deposit insurance assessments.....	1.09	1.06	1.05	.99	.94	.92	.89	.88	.80
Furniture and fixtures (including recurring depreciation).....	.42	.38	.38	.35	.34	.32	.30	.35	.32
All other current operating expense.....	4.05	3.89	3.95	3.80	3.57	3.55	3.46	3.37	3.34
Net current operating income	79.46	80.32	80.60	81.58	82.38	82.97	83.67	84.27	84.62
Franchise and income taxes—total	1.62	1.32	1.47	1.13	1.00	.88	.90	.91	.93
State franchise and income taxes.....	1.23	1.00	1.00	.98	.93	.87	.86	.87	.90
Federal income taxes.....	.39	.32	.47	.15	.07	.01	.04	.04	.03
Net current operating income after taxes	77.84	79.00	79.13	80.45	81.38	82.09	82.77	83.36	83.69
Dividends and interest on deposits	64.29	64.13	64.62	66.89	67.82	69.80	70.65	70.10	73.44
Net current operating income after taxes and dividends	13.55	14.87	14.51	13.56	13.56	12.29	12.12	13.26	10.25

Amounts per \$100 of total assets ¹									
Current operating income—total	3.17	3.30	3.30	3.53	3.66	3.81	3.94	4.10	4.26
Current operating expense—total	.65	.65	.64	.65	.64	.65	.64	.65	.66
Net current operating income	2.52	2.65	2.66	2.88	3.02	3.16	3.30	3.45	3.60
State franchise and income taxes	.05	.05	.05	.04	.04	.03	.04	.03	.04
Net current operating income after taxes	2.47	2.60	2.61	2.84	2.98	3.13	3.26	3.42	3.56
Dividends and interest on deposits	2.04	2.11	2.13	2.36	2.48	2.66	2.78	2.87	3.12
Net current operating income after taxes and dividends	.43	.49	.48	.48	.50	.47	.48	.55	.44
Non-recurring income, realized profits and recoveries credited to profit and loss, and transfers from valuation adjustment provisions ² —total	.32	.19	.27	.19	.19	.18	.22	.29	.41
Non-recurring expense, realized losses charged to profit and loss, and transfers to valuation adjustment provisions ² —total	.47	.36	.30	.29	.29	.31	.27	.41	.36
Net additions to total surplus accounts from operations	.28	.32	.45	.38	.40	.34	.43	.43	.49
Special ratios¹									
Interest on U. S. Government obligations per \$100 of U. S. Government obligations	2.43	2.49	2.31	2.51	2.56	2.63	2.66	2.79	2.99
Interest and dividends on other securities per \$100 of other securities	3.05	3.16	3.19	3.30	3.38	3.57	3.83	3.86	3.96
Interest and discount on real estate mortgage loans per \$100 of real estate mortgage loans	4.08	4.11	4.14	4.24	4.30	4.38	4.48	4.62	4.73
Interest and discount on other loans and discounts per \$100 of other loans and discounts	4.73	5.04	5.52	5.63	5.43	5.86	5.18	5.19	5.18
Dividends and interest on deposits per \$100 of savings and time deposits	2.27	2.35	2.37	2.61	2.75	2.95	3.09	3.19	3.49
Net additions to total surplus accounts from operations per \$100 of total surplus accounts	2.98	3.51	5.00	4.42	4.73	3.99	5.18	5.16	5.76
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	4.07	3.79	4.00	3.56	3.09	2.69	2.55	2.21	2.10
United States Government obligations	37.73	33.74	30.88	26.36	23.36	20.78	18.31	16.76	14.83
Other securities	11.53	13.20	13.79	13.23	12.37	13.23	15.01	14.97	14.67
Real estate mortgage loans	44.75	47.33	49.89	54.82	59.08	61.13	61.88	63.80	65.90
Other loans and discounts	.48	.52	.55	.57	.63	.69	.78	.78	1.03
Other real estate	.01	.01	.01	.01	.01	.01	.02	.02	.03
All other assets	1.43	1.41	1.38	1.45	1.46	1.47	1.45	1.46	1.44
Liabilities and surplus accounts—total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Total deposits	89.93	90.28	90.24	90.49	90.50	90.40	90.20	90.04	89.76
Savings and time deposits	89.80	90.13	90.04	90.26	90.36	90.30	90.10	89.94	89.67
Demand deposits	.13	.15	.20	.23	.14	.10	.10	.10	.09
Other liabilities	.52	.61	.73	.87	1.02	1.19	1.48	1.64	1.74
Total surplus accounts	9.55	9.11	9.03	8.64	8.48	8.41	8.32	8.32	8.50
Number of banks, December 31	206	219	218	220	223	239	241	268	325

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, 1934, 1941-1950, and 1951: Data for 1934 and 1941-1950, which however are not comparable with figures for 1951-1960, may be found in the following Annual Reports: 1950, pp. 274-275, and 1947, pp. 156-157. For 1951 see the Annual Report for 1951, p. 185.

DEPOSIT INSURANCE DISBURSEMENTS

- Table 119. Depositors, deposits, and disbursements in insured banks requiring disbursements by the Federal Deposit Insurance Corporation, 1934-1960
Banks grouped by class of bank, year of deposit payoff or deposit assumption, amount of deposits, and State
- Table 120. Insured bank requiring disbursement by the Federal Deposit Insurance Corporation during 1960
- Table 121. Recoveries and losses by the Federal Deposit Insurance Corporation on principal disbursements for protection of depositors, 1934-1960

Disbursements by the Federal Deposit Insurance Corporation to protect depositors are made when the insured deposits of banks in financial difficulties are paid off, or when the deposits of a failing bank are assumed by another insured bank with the financial aid of the Corporation. In deposit payoff cases the disbursement is the amount paid by the Corporation on insured deposits. In deposit assumption cases the principal disbursement is the amount loaned to failing banks, or the price paid for assets purchased from them; additional disbursements are made in those cases as advances for protection of assets in process of liquidation and for liquidation expenses.

Noninsured bank failures

One noninsured bank failed in 1960. This was Boulder Industrial

Bank, Boulder, Colorado, which suspended October 10, 1960, having deposits of \$1,035,000.

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; 1952, p. 139; 1953, p. 131; 1954, p. 165; 1955, p. 161; 1956, p. 143; 1957, p. 145; and 1958, p. 223.

Sources of data

Insured banks: books of bank at date of closing; and books of FDIC, December 31, 1958.

Table 119. DEPOSITORS, DEPOSITS, AND DISBURSEMENTS IN INSURED BANKS REQUIRING DISBURSEMENTS BY THE FEDERAL DEPOSIT INSURANCE CORPORATION, 1934-1960

BANKS GROUPED BY CLASS OF BANK, YEAR OF DEPOSIT PAYOFF OR DEPOSIT ASSUMPTION, AMOUNT OF DEPOSITS, AND STATE

Classification	Number of banks			Number of depositors ¹			Deposits ¹ (in thousands of dollars)			Disbursements by FDIC (in thousands of dollars)			Advances and expenses ²	
	Total	Deposit payoff cases	Deposit assumption cases	Total	Deposit payoff cases	Deposit assumption cases ³	Total	Deposit payoff cases	Deposit assumption cases	Principal disbursements			Deposit payoff cases ⁴	Deposit assumption cases ⁵
										Total	Deposit payoff cases ⁴	Deposit assumption cases ⁵		
All banks	440	258	182	1,451,960	417,227	1,034,733	602,191	135,664	466,527	302,822	104,748	198,074	1,151	47,474
Class of bank														
National banks.....	77	24	53	306,941	62,265	244,676	125,164	25,451	99,712	57,352	18,739	38,614	202	6,196
State banks members F. R. S.	23	7	16	370,762	85,156	285,606	188,820	27,701	161,119	102,235	21,965	80,271	109	19,270
Banks not members F. R. S.	340	227	113	774,257	269,806	504,451	288,208	82,512	205,696	143,234	64,044	79,190	840	22,008
Year⁶														
1934.....	9	9	.....	15,767	15,767	.....	1,968	1,968	.....	941	941	.....	43	.....
1935.....	25	24	1	44,655	32,331	12,324	13,319	9,091	4,229	8,890	6,026	2,865	108	272
1936.....	69	42	27	89,018	43,225	45,793	27,508	11,241	16,267	14,781	8,056	6,725	67	934
1937.....	75	50	25	130,387	74,148	56,239	33,349	14,960	18,389	19,160	12,045	7,116	103	905
1938.....	74	50	24	209,961	44,288	159,673	59,684	10,296	49,388	30,480	9,092	21,387	93	4,902
1939.....	60	32	28	392,718	90,169	302,549	157,772	32,738	125,034	67,770	26,196	41,574	162	17,603
1940.....	43	19	24	256,361	20,667	235,694	142,429	5,657	136,773	74,134	4,895	69,239	89	17,234
1941.....	15	8	7	73,005	38,594	34,411	29,718	14,730	14,987	23,880	12,278	11,602	50	1,479
1942.....	20	6	14	60,688	5,717	54,971	19,186	1,816	17,369	10,825	1,612	9,213	38	1,076
1943.....	5	4	1	27,371	16,917	10,454	12,525	6,637	5,888	7,172	5,500	1,672	53	72
1944.....	2	1	1	5,487	.....	4,588	1,915	456	1,459	1,508	404	1,099	9	37
1945.....	1	.....	1	12,483	.....	12,483	5,695	.....	5,695	1,768	.....	1,768	.....	96
1946.....	1	.....	1	1,383	.....	1,383	847	.....	847	265	.....	265	.....	11
1947.....	5	.....	5	10,637	.....	10,637	7,040	.....	7,040	1,724	.....	1,724	.....	335
1948.....	3	.....	3	18,540	.....	18,540	10,674	.....	10,674	2,990	.....	2,990	.....	200
1949.....	4	.....	4	5,671	.....	5,671	5,475	.....	5,475	2,552	.....	2,552	.....	166
1950.....	4	.....	4	6,366	.....	6,366	5,513	.....	5,513	3,986	.....	3,986	.....	522
1951.....	2	.....	2	5,276	.....	5,276	3,408	.....	3,408	1,885	.....	1,885	.....	127
1952.....	3	.....	3	6,752	.....	6,752	3,170	.....	3,170	1,369	.....	1,369	.....	195
1953.....	2	.....	2	24,469	.....	24,469	18,262	.....	18,262	5,017	.....	5,017	.....	428
1954.....	2	.....	2	1,811	.....	1,811	998	.....	998	913	.....	913	.....	140
1955.....	5	4	1	17,790	8,080	9,710	11,953	6,503	5,450	6,784	4,438	2,346	106	664
1956.....	2	1	1	15,197	5,465	9,732	11,329	4,702	6,628	3,333	2,795	538	84	51
1957.....	1	1	.....	2,338	2,338	.....	1,163	1,163	.....	1,031	1,031	.....	20	.....
1958.....	4	3	1	9,570	4,363	5,207	8,240	4,156	4,084	3,027	2,797	230	37	24
1959.....	3	3	.....	3,074	3,074	.....	2,595	2,595	.....	1,844	1,844	.....	48	.....
1960.....	1	1	.....	11,185	11,185	.....	6,955	6,955	.....	4,799	4,799	.....	40	.....
Banks with deposits of—														
\$100,000 or less.....	107	83	24	38,347	29,695	8,652	6,418	4,947	1,471	4,999	4,309	691	88	154
\$100,000 to \$250,000.....	109	86	23	83,370	65,512	17,858	17,759	13,920	3,839	12,906	11,554	1,352	209	173
\$250,000 to \$500,000.....	59	36	23	89,949	56,777	33,172	20,975	12,462	8,513	14,588	10,223	4,365	147	583
\$500,000 to \$1,000,000.....	65	30	35	155,284	69,688	85,646	49,182	22,394	26,788	32,525	17,668	14,857	261	2,115
\$1,000,000 to \$2,000,000.....	45	12	33	198,704	59,497	139,207	64,252	15,435	48,817	33,996	11,817	22,179	118	3,316
\$2,000,000 to \$5,000,000.....	33	8	25	242,391	63,752	178,639	103,044	26,907	76,138	53,234	18,702	34,622	204	5,518
\$5,000,000 to \$10,000,000.....	18	1	12	201,468	11,185	190,283	84,429	6,955	77,474	31,083	4,799	26,284	40	5,490
\$10,000,000 to \$25,000,000.....	5	2	3	170,119	61,171	108,948	96,713	32,644	64,068	46,747	25,676	20,070	84	5,404
\$25,000,000 to \$50,000,000.....	4	.....	4	272,328	.....	272,328	159,418	.....	159,418	73,653	.....	73,653	.....	24,720

State	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975
Alabama	3	1	2	7,905	794	7,111	2,285	100	2,185	1,089	94	995	1	91		
Arkansas	6	5	1	4,434	3,529	905	1,764	1,168	596	984	841	144	8	48		
California	2	1	1	7,516	4,347	3,169	4,792	3,714	1,078	2,981	2,120	861	34	138		
Colorado	1	1		10	10		8	8		8	8		(*)	8		
Connecticut	2	2		5,379	5,379		1,526	1,526		1,242	1,242					
Florida	2	1	1	1,642	448	1,194	491	217	274	300	203	97	3	13		
Georgia	9	7	2	8,386	7,773	613	1,087	998	89	915	846	69	15	33		
Idaho	2	2		2,451	2,451		1,894	1,894		1,493	1,493		29			
Illinois	18	6	12	43,291	5,372	37,919	27,321	1,637	25,684	9,224	1,242	7,982	30	791		
Indiana	20	15	5	30,006	12,549	17,457	13,593	3,932	9,662	6,197	3,096	3,101	39	384		
Iowa	6	3	3	13,665	1,676	11,989	5,517	498	5,018	1,456	385	1,071	6	113		
Kansas	3	5	4	5,145	2,254	2,891	1,234	539	694	974	482	492	5	72		
Kentucky	23	18	5	36,139	18,490	17,649	8,888	3,953	4,934	5,455	3,329	2,126	44	197		
Louisiana	3	3		6,087	6,087		1,652	1,652		668	668		10			
Maine	1		1	9,710		9,710	5,450		5,450	2,346		2,346		664		
Maryland	5	2	3	22,567	6,643	15,924	4,566	828	3,738	3,109	735	2,374	9	371		
Massachusetts	2	2	2	9,046		9,046	3,019		3,019	1,564		1,564		1,030		
Michigan	8	3	6	31,663	928	30,735	13,532	159	13,372	6,290	139	6,150	2	759		
Minnesota	5	5		2,650	2,650		818	818		640	640		17			
Mississippi	3	3		1,651	1,651		334	334		257	257		5			
Missouri	47	35	12	35,961	27,792	8,169	8,086	6,053	2,033	5,658	5,012	646	85	77		
Montana	5	3	2	1,500	849	651	1,095	215	880	640	186	453	6	21		
Nebraska	5	5		2,661	2,661		1,041	1,041		796	796		20			
New Hampshire	1		1	1,780		1,780	296		296	117		117		8		
New Jersey	39	12	27	522,564	103,798	418,766	194,630	33,123	161,502	82,126	26,468	55,657	161	20,154		
New York	26	3	23	269,621	28,440	241,181	145,439	13,286	132,153	67,372	10,836	57,037	32	10,847		
North Carolina	7	2	5	10,408	3,677	6,731	3,266	1,421	1,845	2,387	1,156	1,231	23	179		
North Dakota	29	18	11	14,103	6,760	7,343	3,330	1,552	2,278	2,657	1,397	1,259	24	203		
Ohio	4	2	2	13,751	7,585	6,166	7,223	2,345	4,877	2,097	1,610	488	7	38		
Oklahoma	9	6	3	21,980	17,059	4,921	11,326	8,614	2,712	7,243	5,932	1,311	84	104		
Oregon	2	1	1	3,439	1,230	2,209	2,670	1,368	1,302	1,948	986	962	11	81		
Pennsylvania	29	8	21	166,894	43,328	123,066	75,756	14,340	61,416	51,291	10,133	41,159	75	9,521		
South Carolina	2	1	1	1,843	403	1,445	849	136	714	274	136	138	(*)	10		
South Dakota	23	22	1	12,515	11,412	1,103	2,987	2,862	126	2,412	2,388	23	26	9		
Tennessee	12	8	4	12,353	9,993	2,365	1,942	1,620	322	1,278	1,164	114	28	28		
Texas	23	21	2	31,501	29,973	1,528	12,415	11,729	686	8,697	8,404	293	211	44		
Vermont	3	2	1	11,057	8,887	2,370	3,725	3,375	350	3,445	3,259	186	21	22		
Virginia	8	3	5	26,041	2,964	23,077	10,756	629	10,127	4,908	511	4,396	8	505		
Washington	1		1	4,179		4,179	1,538		1,538	935		935		512		
West Virginia	3	3		8,346	8,346		2,006	2,006		1,458	1,458		11			
Wisconsin	31	20	11	26,898	18,739	8,159	9,512	5,966	3,545	7,188	5,096	2,092	54	391		
Wyoming	1		1	3,212		3,212	2,033		2,033	202		202		19		

DEPOSIT INSURANCE DISBURSEMENTS

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Note: Due to rounding differences, components may not add to total.

¹ Adjusted to December 31, 1960.

² Excludes \$101 thousand of non-recoverable insurance expenses in cases which were resolved without payment of claims or a disbursement to facilitate assumption of deposits by another insured bank.

³ Number of deposit accounts.

⁴ Includes estimated additional disbursements in active cases.

⁵ Excludes excess collections turned over to banks as additional purchase price at termination of liquidation.

⁶ These disbursements are not recoverable by the Corporation; they consist almost wholly of field payoff expenses.

⁷ Includes advances to protect assets and liquidation expenses of \$47,262 thousand, all of which have been fully recovered by the Corporation, and \$212 thousand of non-recoverable expenses.

⁸ Disbursement totals for each year related to cases occurring during that year and may thus contain some amounts disbursed in subsequent years.

⁹ Less than \$500.

Table 120. INSURED BANK REQUIRING DISBURSEMENT BY THE FEDERAL DEPOSIT INSURANCE CORPORATION DURING 1960

Case number	Name and location	Class of bank	Number of depositors ¹	Date of closing	First payment to depositors	Disbursement ²	Receiver
Deposit payoff 260	The Capitol Hill State Bank Oklahoma City, Oklahoma	NM	11,201	July 29, 1960	August 8, 1960	\$4,798,815	Federal Deposit Insurance Corporation

Case number	Assets ¹							Total	Liabilities and capital accounts ³			
	Cash and due from banks	U. S. Government obligations	Other securities	Loans, discounts, and overdrafts	Banking house, furniture & fixtures	Other real estate	Other assets ⁴		Deposits	Other liabilities	Capital stock	Other capital accounts
Deposit payoff 260	\$1,169,089	\$732,183	\$573,860	\$3,327,590	\$85,809	.....	\$1,617,121	\$7,505,602	\$6,955,025	\$2,996	\$200,000	\$347,581

¹ At date of closing.

² To December 31, 1960, plus estimated additional disbursements.

³ As determined by FDIC agents after adjustment of books of bank for liabilities or overdrafts discovered subsequent to closing.

⁴ Includes shortage account of \$1,541,625 in cash and securities due to irregularities attributed to officers.

Back figures, 1984-1959: Annual Report for 1954, Table 119, p. 168; Annual Report for 1953, Table 122, p. 226; Annual Report for 1959, Table 122, p. 174.

**Table 121. RECOVERIES AND LOSSES BY THE FEDERAL DEPOSIT INSURANCE CORPORATION ON
PRINCIPAL DISBURSEMENTS FOR PROTECTION OF DEPOSITORS, 1934-1960**
(Amounts in thousands of dollars)

Liquidation status and year of deposit payoff or deposit assumption	All cases					Deposit payoff cases					Deposit assumption cases				
	Number of banks	Principal disbursements	Recoveries to Dec. 31, 1960 ¹	Estimated additional recoveries	Losses ²	Number of banks	Principal disbursements ³	Recoveries to Dec. 31, 1960	Estimated additional recoveries	Losses ²	Number of banks	Principal disbursements ⁴	Recoveries to Dec. 31, 1960 ¹	Estimated additional recoveries	Losses ²
Total	440	302,822	268,473	6,231	28,118	258	104,748	84,228	5,504	15,016	182	198,074	184,245	727	13,102
Status															
Active	30	100,950	87,820	6,231	6,898	11	15,893	9,612	5,504	777	19	85,057	78,208	727	6,122
Terminated	410	201,872	180,652		21,220	247	88,855	74,616		14,239	163	113,017	106,037		6,980
Year															
1934	9	941	734		207	9	941	734		207					
1935	25	8,890	6,161	22	2,707	24	6,026	4,274		1,751		2,865	1,887	22	956
1936	69	14,781	12,326		2,455	42	8,056	6,595		1,460	27	6,725	5,730		995
1937	75	19,160	15,611		3,550	50	12,045	9,520		2,524	25	7,116	6,090		1,025
1938	74	30,480	28,055		2,425	50	9,092	7,908		1,184	24	21,387	20,147		1,241
1939	60	67,770	60,607	8	7,155	32	26,196	20,399		5,798	28	41,574	40,209	8	1,357
1940	43	74,134	70,179	157	3,798	19	4,895	4,313		582	24	69,239	65,866	157	3,216
1941	15	23,880	23,288		592	8	12,278	12,065		213	7	11,602	11,223		379
1942	20	10,825	10,137		688	6	1,612	1,320		292	14	9,213	8,816		396
1943	5	7,172	7,048		123	4	5,500	5,376		123	1	1,672	1,672		
1944	2	1,503	1,462		40	1	404	363		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	1,573	67	84						5	1,724	1,573	67	84
1948	3	2,990	2,349		641						3	2,990	2,349		641
1949	4	2,552	2,183		369						4	2,552	2,183		369
1950	4	3,986	2,598	10	1,383						4	3,986	2,598	9	1,383
1951	2	1,885	1,792	89	5						2	1,885	1,792	89	5
1952	3	1,369	574	2	793						3	1,369	574	2	793
1953	2	5,017	5,017								2	5,017	5,017		
1954	2	913	647	4	263						2	913	647	4	263
1955	5	6,784	6,441	103	240	4	4,438	4,095	103	240	1	2,346	2,346		
1956	2	3,333	2,622	392	319	1	2,795	2,259	217	319	1	538	363	175	
1957	1	1,031	1,031			1	1,031	1,031							
1958	4	3,027	2,652	298	77	3	2,797	2,617	104	77	1	230	35	195	
1959	3	1,844	1,358	281	205	3	1,844	1,358		205					
1960	1	4,799		4,799		1	4,799		4,799						

Note: Due to rounding differences, components may not add to total.

¹ Excludes in deposit assumption cases recovery of all advances for asset protection, totaling \$32,849 thousand, and of all liquidation expenses totaling \$14,413 thousand.

² Includes estimated losses in active cases. Not adjusted for interest or allowable return, which was collected in some cases in which the disbursement was fully recovered.

³ Includes estimated additional disbursements in active cases.

⁴ Excludes excess collections turned over to banks as additional purchase price at termination of liquidation.

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