

SEVENTH ANNUAL REPORT
of the
Federal Reserve Bank
of Dallas



For the Year Ended
December 31
1921

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**DIRECTORS AND OFFICERS
OF THE
FEDERAL RESERVE BANK OF DALLAS
1922**

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CHAS. C. HUFF, General Counsel
E. B. STROUD, JR., Office Counsel

B. A. MCKINNEY, Governor
R. G. EMERSON, Deputy Governor
R. R. GILBERT, Cashier
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R. L. BALL, San Antonio, Texas

LETTER OF TRANSMITTAL

Federal Reserve Bank,
Dallas, Texas, January 16, 1922

Sir:

I have the honor to submit the following report concerning the operations of the Federal Reserve Bank of Dallas and conditions in the Eleventh Federal Reserve District, for the year ended December 31, 1921.

Yours respectfully,

W. F. RAMSEY,
Chairman of the Board and
Federal Reserve Agent.

Honorable W. P. G. Harding,
Governor, Federal Reserve Board,
Washington, D. C.

SEVENTH ANNUAL REPORT
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FEDERAL RESERVE BANK OF DALLAS

INTRODUCTION

A history of the operations of the Federal Reserve Bank of Dallas covering the past twelve months, produces further proof of the test to which the facilities of the institution have been subjected.

During no period in the bank's activities have conditions been more unusual, or the business and credit situation more strained. Following the decline in commodity prices, which began the latter part of 1920, and the subsequent general demoralization of markets, a large percentage of member banks was unable to adequately reduce their lines in the fall, when liquidation normally occurs in this district. There was a tendency in some sections to hold commodities for higher prices, while in others there was either no market for the products or the yields were unsatisfactory on account of partial crop failures. This necessitated a larger carry-over of indebtedness into 1921 than at any time previously, and very early in the year the Federal Reserve Bank of Dallas was called upon to extend additional credit to finance spring crop preparations. Many member banks already in an over-extended condition and unable to reduce their loans on account of the depressed market for farm products, also faced the necessity of meeting a gradual withdrawal of deposits.

The situation was exceptional and called for the exercise of extreme patience and sound judgment. The management of the Federal Reserve Bank of Dallas, early recognizing the danger in conditions, immediately began effective measures to conserve credit and restrict advances to member banks to their indispensable requirements. In February a slight increase in discount rates was established in order to place the rates of the Dallas district in line with those in other parts of the country. At the same time the progressive, or graduated, rates which had been in effect since May, 1920, were

abolished. The advance in rates was deemed justified in view of the necessity of rediscounting many millions with other Federal reserve banks at a higher rate than charged member banks.

Throughout the year the bank has encouraged, in every legitimate way, the gradual and orderly marketing of livestock and agricultural commodities in order that loans might be retired. It has sought the co-operation of member banks in the reduction of borrowings; at the same time liquidation has not been insisted upon, or forced, where it meant disaster to the banks or undue losses to producers, either by the sale of commodities on a declining market or the sacrifice of live stock in an unfinished or unmarketable condition.

For the first five months of the year there was a gradual reduction in loans to member banks, resulting to a considerable extent from the sale of government securities, the practice of more rigid credit policies by member banks, more economical farming methods, and the general reduction in wages and price of commodities. In the four months following, loans to members increased slightly, while in October, the first month of the fall liquidating season, a material reduction was shown.

Further decreases in loans were effected during the months of November and December, when the demands for credit were lessened, and the relief afforded member banks through advances from the War Finance Corporation was reflected in the financial situation in the district. By reason of this improvement the bank's gold position was materially strengthened, and on December 15 rediscounting with other Federal reserve banks, necessary since January 1 on account of unusual credit demands, was discontinued.

While further headway in the readjustment period has been accomplished in the past twelve months, there is still much to be done in this direction, and the outlook for 1922 is not especially encouraging. Unsatisfactory crop returns in a large part of the rich agricultural belt of the district have made it necessary to carry over another large volume of indebtedness, and financial conditions are not unlike those which existed a year ago.

Notwithstanding the policy of helpfulness and co-opera-

tion which the bank has pursued in its relations with member banks, there have been some suspensions and failures during the year, attributable largely to the lack of proper supervision and an over-extended condition. Had it not been for the constructive measures and assistance rendered by the bank other suspensions would have resulted. By extending further credit, where the condition of the member bank justified, and suggesting changes in management and official reorganization, the bank has saved some very bad situations.

FINANCIAL RESULTS OF OPERATION

The decrease in amount of earning assets is reflected in the bank's gross earnings for 1921, which were \$4,243,648, or 13.5 per cent less than 1920.

Net earnings in 1921 were \$2,382,792 as compared with \$3,354,675 in 1920, a decrease of \$971,883 or 28.9 per cent. The ratio of net earnings to paid-in capital in 1921 averaged 56.7 per cent, as compared with 89.2 per cent in 1920. The average rate on bills discounted in 1921 was 6.25 per cent compared with 5.67 in 1920. The decreased volume of paper handled more than offset the increase in average rate.

While the volume of business handled was much smaller than in 1920, and the bank's earnings so reflect, the cost of operation was not reduced proportionately. It was not possible to make any appreciable reduction in the wage scale, although the clerical force was slightly cut during the latter half of the year.

At its meeting in July the directors authorized the absorption by the bank of the expense of fiscal agency operations for the year ending June 30, 1922. These expenses have approximated \$75,000 for the past year.

The expense of operations in 1921 was \$1,860,856 as compared with \$1,549,847 in 1920, an increase of 20.0 per cent.

On December 31, 1920, after appropriate entries in the profit and loss account had been made, the bank's capital was \$4,098,550, and surplus \$6,032,744.

On June 30 a dividend at the rate of 6 per cent per annum, covering the bank's operations for the first six months of the year, amounting to \$124,618.69 was paid. At the same time

\$1,079,933 was added to surplus. On December 31 another dividend at the rate of 6 per cent per annum, covering the operating period from July 1 to December 31, amounting to \$127,592.24 was paid.

The balance in profit and loss account of \$281,419 was added to surplus, making the surplus account on December 31, 1921, \$7,394,097, or 88 per cent of the bank's subscribed capital.

Schedule 1 shows comparative balance sheet as of December 31, 1919, 1920 and 1921.

The decrease in volume of banking business of the district is reflected in the decrease in the principal asset and liability items, such as productive assets, gold reserves, capital, surplus, reserve deposits of member banks and total resources.

Total earning assets on December 31, 1921, were \$55,291,598, as compared with \$83,222,000 on December 31, 1920, \$77,768,000 on December 31, 1919, and \$56,363,000 on December 31, 1918.

The capital of the bank on December 31, 1921, was \$4,203,200, as compared with \$4,098,000, on December 31, 1920, \$3,420,000 on December 31, 1919, and \$3,154,300, on December 31, 1918.

Total resources on December 31, 1921, were \$122,029,000, as compared with \$174,665,000 on December 31, 1920, \$200,492,000 on December 31, 1919, and \$119,830,000 on December 31 1918.

Schedule 2 shows comparative statement of earnings and expenses for the years 1918, 1919, 1920 and 1921.

Schedule 3 shows the disposition of income for 1921.

DISCOUNT OPERATIONS

The unusual demands for credit by member banks have continued in the past year, and the rediscount facility, the most important function exercised by the bank, has been sought by 82 per cent of the members. Of a total membership on December 31, 1921 of 861, 704 were accommodated in the year.

The volume of paper handled in 1921 was 40 per cent

less than in 1920, but the number of banks accommodated increased 3 per cent over 1920; and the number of applications increased 58 per cent.

Of the total paper rediscounted, the borrowings by states were as follows:

States	Number of Banks Served	Amount	Percentage of Total
Arizona	10	\$ 6,480,274	.8
Louisiana	17	23,157,745	3.0
New Mexico	39	21,505,538	2.8
Oklahoma	31	25,101,238	3.3
Texas	607	695,751,693	90.1

The largest amount of paper was handled in the month of January and the smallest in December.

The ratio of rediscounts of borrowing banks to their basic line, or amount contributed to the working assets of this bank on December 31st, was 142 per cent.

The following table shows, by months, the liability ratio of borrowing banks to their basic lines in 1921, classified by states:

MONTH	Arizona (Per cent.)	Louisiana (Per cent.)	New Mexico (Per cent.)	Oklahoma (Per cent.)	Texas (Per cent.)
January	128	121	250	381	145
February	119	113	272	312	135
March	136	64	254	260	118
April	151	103	255	257	120
May	113	90	260	250	119
June	117	99	286	254	111
July	102	138	241	266	125
August	156	112	252	326	128
September	188	126	317	339	137
October	141	79	257	333	120
November	139	65	248	390	111
December	106	148	228	512	112

In other words, the borrowings of member banks exceeded, by the percentage shown, their contribution to the working assets of the Federal Reserve Bank of Dallas, or what is termed the "basic line", which is arrived at by deducting 35 per cent from the member's average reserve deposit, adding to this the amount contributed to the capital stock of the Federal reserve bank, and multiplying by two and one-half, which is the lending ability of the Federal reserve bank.

By reason of these excess borrowings, as commented upon in a preceding paragraph, the bank was obliged to re-

discount with other Federal reserve banks until December 15th. The maximum of \$27,275,000 was reached on January 13, 1921.

In 1920 the maximum of rediscounts with other Federal reserve banks was \$39,097,256 on September 10th, and minimum \$1,000,000 on May 12th.

Schedule 16 shows rediscount transactions with other Federal reserve banks in 1921.

Of the total paper discounted in 1921, \$454,684,000 or 58.8 per cent consisted of notes secured by Government obligations, as compared with \$999,943,000 or 78 per cent of the total in 1920.

The volume of this paper has shown a steady decrease throughout the year, on account of the reduced holdings of government securities by member banks. Early in the year the rate on government secured paper was slightly increased, and the loan value of Liberty bonds was fixed at 85 per cent and Victory notes at 95 per cent of their face value. Bonds in large blocks have been sold in the East and to investors in this district. As these sales were by the banks which had been under the necessity of borrowing on the securities, there was a corresponding decrease in the volume of paper discounted secured by government obligations. Holdings of treasury certificates by member banks were less than in 1920, and the largest subscriptions were from individuals, firms and corporations, or from banks to supply their customers, and not for their own account.

TRADE ACCEPTANCES

Schedule 10 shows the volume of this class of paper handled in 1921, classified by maturity.

It is not believed that the development of trade acceptances in 1921 has been any more extensive than in previous years. The progress being made in their use by the trade seems slow and unsatisfactory. Some of the largest mercantile houses have adopted the acceptance in settlement of purchases, and their experience has justified the change. On account of competition, and the willingness of dealers to carry open accounts, granting extensions, as necessary, in-

stead of handling in the form of acceptances, with a fixed date of settlement, the trade acceptance has not been generally adopted in this district. It is believed that as conditions in mercantile lines become normal, and stricter credit policies necessarily resorted to, the acceptance will find favor with a larger number of firms. This bank will continue to encourage the development in every possible way.

BANKERS' ACCEPTANCES

Purchases of bankers' acceptances during the year aggregated \$694,022, as compared with \$8,348,277 in 1920. All the purchases of this class of paper in 1921 were from the accepting banks in this district. Conditions in the district in 1921 were not favorable to the growth of acceptance credits, and the amount of new bills created has been rather limited. This is partially attributable to the depressed market for commodities, as well as the decreased and unsettled export trade. As the fall season opened and the necessity for financing cotton and other commodities began, there was a noticeable increase in the acceptances created in this district, and the volume outstanding during the closing months of the year was heavier than in earlier months. The demands on this bank for credit were so heavy, and its available funds so actively employed in taking care of the indispensable needs of member banks, that our purchase of acceptances has been very small; in fact, the bank has not entered the open market to purchase bills as it has previously done in seasons when it held surplus funds.

There have been some inquiries and demand for acceptances by banks, individuals and firms, with funds seeking investment, and it is believed there is an increasing appreciation of the desirability of such paper for temporary employment of idle funds.

During the year one bank was granted authority to accept up to 100 per cent of its capital and surplus, making a total of 28 which had received this permission on December 31, 1921, as per schedule 33.

Schedule 12 shows the volume of bankers' acceptances purchased, rates and maturities.

RESERVE POSITION

In order to maintain its required reserve position the bank found it necessary to rediscount with other Federal reserve banks continuously until December 15th. The amount of these rediscounts varied, according to the demand for accommodations from member banks. As will be observed from "exhibit A" showing the movement of deposits, Federal reserve note circulation and reserves, had this inter-district accommodation not been extended, the bank's "adjusted" reserve position would have reached the vanishing point on several occasions.

Beginning in January, rediscounts with other Federal reserve banks fluctuated between \$21,000,000 and \$27,000,000 and the bank's reserve to combined deposit and note liability ranged between 39.8 and 41.4 per cent.

In February, March and April rediscounts with other Federal reserve banks ranged from \$6,600,000 to \$17,500,000, and during this period the reserve ratio fluctuated between 37.6 and 40.9 per cent.

In May, June and July rediscounts with other Federal reserve banks ranged between \$2,500,000 and \$19,000,000, and the reserve ratio between 37.9 and 41 per cent.

In August, September and October rediscounts with other Federal reserve banks were between \$7,600,000 and \$24,600,000, and reserve ratio 38.3 to 41.4 per cent.

The bank's adjusted reserve improved materially in November, and by reason of such improvement its inter-district borrowings were almost retired, being reduced on at least one day in the month, to less than \$1,000,000. This position was not of long duration, however, and rediscounting in moderate amounts was continued until December 15th, when the bank retired its borrowings with other Federal reserve banks. During the remainder of the year the bank's gold holdings became stronger and its reserves improved until, on December 31st, its ratio was 43.1 per cent.

CLEARING OPERATIONS

The annual report for the year ending December 31, 1920, touched upon the plan adopted March 1, 1920, whereby the

aggregate of our daily transit items, sent to each bank, would be handled as a separate transaction, and charged to the reserve account of the member bank after receipt of the cash letter had been acknowledged. Effective March 10, 1921, this plan was discontinued, and our daily transit sendings to each bank, both member and non-member, are now forwarded for collection, and remittance of proceeds, in accordance with method outlined in our Circular No. 3, series of 1921.

Despite the continued heavy volume of checks cleared through our transit department, during the year just closed, the number of employees required for this work has been considerably reduced. Improved methods and increased efficiency, following the housing of the department in our new building, are the most important factors contributing to the decreased cost of clearing operations.

The reserve city clearing house continues to function satisfactorily, and has come to be regarded as almost indispensable for the settling of balances between the members thereof, but its benefits accrue not alone to the comparatively few banks comprising this association. Country banks in increasing numbers are availing themselves of the facilities offered by the reserve city clearing house, and recognize it as a convenient medium through which to convert their drafts into available funds, immediately upon receipt by this institution. Many banks, non-member and member, are settling for our transit sendings with exchange payable through the reserve city clearing house. This and other factors have contributed toward the reduction in the mail collection time schedule for this district.

Direct routing of checks is playing an important role in clearing operations. When it is desirable, in order to save time, member banks may arrange, by application to the Federal Reserve Bank of Dallas, for direct routing of their items to the head office or branch in the Eleventh Federal Reserve District, outside of their territory, or to other Federal reserve banks or branches, for credit at the head office or branch to which they are attached.

One hundred and fifteen member banks in the Eleventh District have been accorded the direct routing privilege, thereby effecting a saving of the time required for the items to reach the head office or branch to which they are attached.

Direct routing eliminates unnecessary handling, and provides the means for the quickest possible collection and credit of checks.

The privilege of direct sending is not restricted to member banks of this district, as many banks in other Federal reserve districts are also routing checks direct to the head office and branches of this institution, and the saving in time and expense is quite an item.

The annual report for the year 1920 describes "Station K" as a branch of the Dallas Post Office, and enumerates the many advantages expected to be derived therefrom. With the completion of our new building, "Station K" was located on the third floor with the transit and mailing departments. Mail to this bank is delivered from trains direct to "Station K", in pouches so labeled, and our out-going mail is dispatched in pouches direct to mail trains.

Our transit and mailing departments adjoin "Station K" and operate in complete unison. In the mailing department, the out-going envelopes are pulled from the tills in the racks according to colors which denote train time. Many vexatious delays and troublesome losses have in this manner been avoided. "Station K" is one of the most valuable extensions of service to our member banks.

As far as it is possible to do so the time collection schedule published by this institution has been perfected to a degree where it coincides almost entirely with the actual time required to collect the checks. Inconsistencies have been eliminated whenever found, and the schedule now in effect varies very little with actual transit time. The slight variance is attributable almost entirely to delayed trains, and certain other causes over which we cannot exercise control.

During the early part of the year 1921, a conference was held in Washington of representatives of all Federal reserve banks, and an official inter-district schedule was adopted which corrected inconsistencies in the old schedule, and brought the published collection schedule to within actual transit time. The new schedule, as now operating, proves satisfactory, and shows to have been calculated upon an equitable basis.

Our Circular No. 48, 1921, contains the collection time of checks drawn on points in this district, as well as those drawn on various cities and states of other Federal reserve districts.

Prior to 1921, comparatively few banks availed themselves of the facilities for quick collection of so called non-cash items, extended through our collection department. The year just closed witnessed a large increase in the number of items of this class handled. In October, 1920, we made 1,825 collections, while in October, 1921, we collected 5,748 items, or an increase of 3,923 collections; this represents an increase in volume of more than 200 per cent.

In several instances during the past year certain checks which we received for collection became involved in the failure of drawee banks. Although our liability as collection agent terminates when we charge the amount of the uncollected checks to the accounts of our endorsers, we have deemed it advisable, in the interest of our endorsers, to file claims in their behalf with the proper governmental authority, where we are furnished with the necessary authorization. Several such claims have been filed, established, and allowed as preferred creditor's claims, and we have been enabled to collect the full amount of the checks involved, for our endorsers. In other instances, the claims have been allowed as general creditor's claims, and we have accounted to our endorsers for such dividends as have been collected. This service is rendered without cost to our member banks. Otherwise, considering the time involved and the necessary legal assistance, it would be quite an item of expense to them.

MOVEMENT OF MEMBERSHIP

On January 1, 1921, the total number of national banks in this district was 663, with combined capital and surplus of \$116,168,000. During the year 16 national banks were granted characters, as shown by schedule 19.

Through liquidation, merger, and other causes, as indicated by schedule 20, 24 were dropped from membership, making a net decrease of 8, or total on December 31, 1921, of 655.

On January 1, 1921, our total state bank membership was 187, with combined capital and surplus of \$21,175,500. During the year 26 state banks were admitted, 7 liquidated, consolidated with other institutions or were converted into national banks, making a net increase during the year of 19, or a total on December 31, 1921, of 206.

Schedule 23 shows, by states, the number of state bank members on December 31, 1921, together with capital, surplus, and total resources, as compiled from the latest figures available.

Schedule 24 shows total membership, national and state, by states, on December 31, 1921.

FEDERAL RESERVE NOTES

The decreased volume of business transacted in this district in 1921 is reflected in the movement of Federal reserve notes, shown in the appended chart.

The reduction in notes in circulation has been gradual, but heavy, and on December 31, 1921, the amount outstanding was \$45,215,775 less than on the same date a year ago. In past years the peak of issues has taken place in the fall months, when the demands for currency for crop moving purposes were greatest. This has not been the case in 1921, and except in the month of September, when deliveries to the bank were very heavy, there was a steady contraction in note circulation, instead of an increase. September was the only month in the year in which the amount outstanding at the end of the month was greater than the month preceding.

Aside from the reduced volume of business and consequent lessened demand for currency, an important factor which contributed to the reduction was the decrease in shipment of notes to banks on the Mexican border for circulation in Mexico. In 1920 notes in large amounts were used for this purpose, while in 1921 shipments of currency to border banks for Mexican circulation have been negligible.

The Federal Reserve Agent issued notes to the bank during the year aggregating \$25,762,000, as compared with \$69,245,000 in 1920. The bank returned to the Agent notes fit for use aggregating \$13,217,000, as compared with \$13,825,000 in 1920. Notes aggregating \$57,760,775 were returned to the

Comptroller for destruction, as compared with \$49,310,520 in 1920.

It will be noted that the amount of notes returned by the bank to the Agent, were less than in 1920, and notes redeemed, or sent to the Comptroller for destruction, have made up a large part of the decrease in circulation.

Schedule 26 shows the number of notes, by denominations, received, issued, and returned to the Comptroller for redemption during 1921. Schedule 27 is a consolidated statement of notes received, issued to and received from the Bank, and returned to the Comptroller since organization, and on hand December 31, 1921.

Schedule 28 shows the inter-district movement of notes during 1921.

FEDERAL RESERVE BANK NOTES

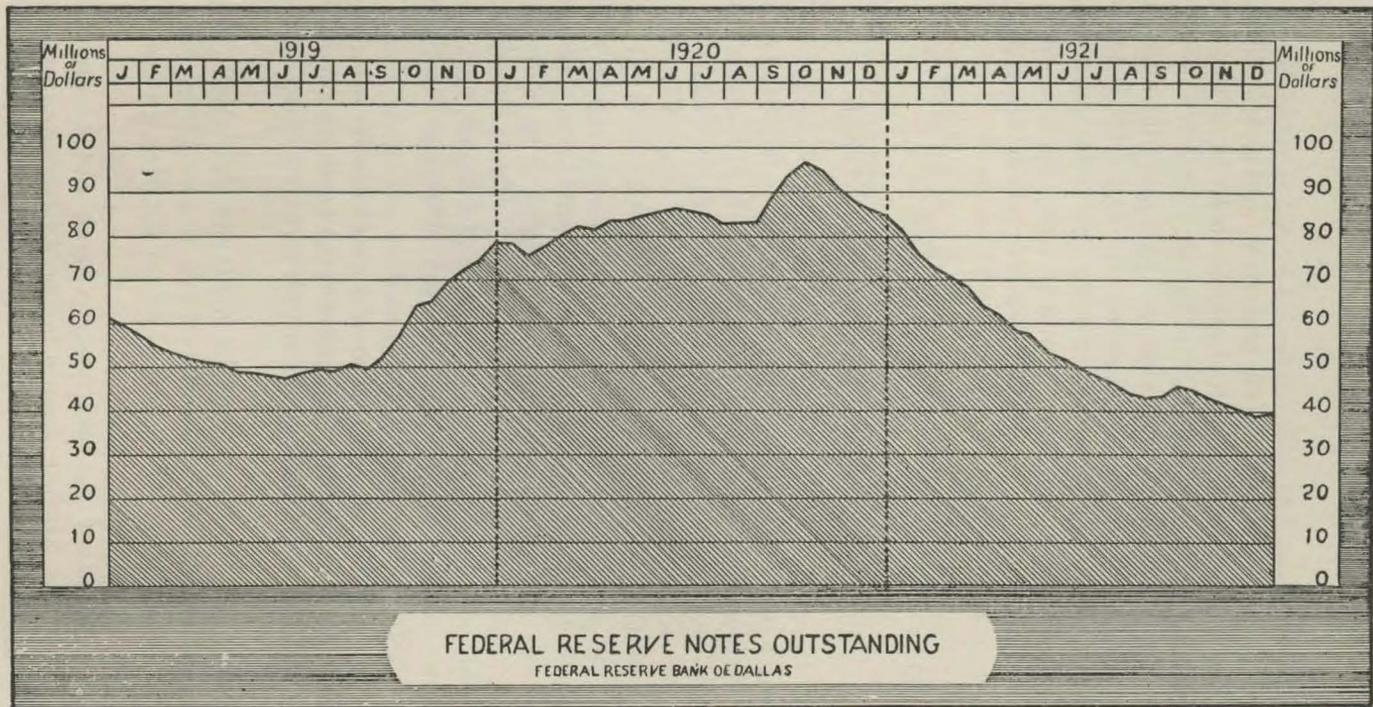
On December 31, 1920, the bank had Federal reserve bank notes in actual circulation amounting to \$7,101,000. New notes aggregating \$1,980,000 were issued in 1921, notes totaling \$7,775,000 were sent to Washington for redemption, and \$2,949,800 were outstanding on December 31, 1921. Of this amount \$2,726,441 were in actual circulation.

On the same date Federal reserve bank notes of \$4,668,000 were held by the Comptroller as reserve stock, and securities amounting to \$3,295,900 were lodged with the United States Treasurer as cover for the notes. These consisted of 2 per cent. consols of 1930, aggregating \$1,395,900, and special 2 per cent. certificates of indebtedness (Pittman Act) aggregating \$1,900,000.

In April Pittman Act one year special certificates, aggregating \$3,900,000, purchased originally as security for Federal reserve bank notes, but against which no circulation was outstanding, were retired.

The demand for currency in small denominations is met, to a large extent, by Federal reserve bank notes, and they have gradually taken the place of silver certificates and silver dollars.

The amount of Federal reserve bank notes outstanding on December 31, 1920, amounts issued to replace unfit notes, and redemptions in 1921, is shown by schedule 30.



RELATIONS WITH MEMBER BANKS—NATIONAL AND STATE

In another section of this report, covering the operations of the Member Bank Relations Department in 1921, reference is made to the bank's activities in promoting closer relationship with members. The best evidence of accomplishment along this line is the larger number of banks which have used the facilities offered. Better service, and the more efficient and intelligent handling of member bank transactions have been the first consideration of the bank's officers. While the Member Bank Relations Department is concerned principally with disseminating information and educational propoganda about the Federal Reserve System, the operating officers of the bank, who are in close touch daily with transactions of members, are able to render invaluable assistance. The unusual conditions and peculiar problems which obtained in 1921 have emphasized the close relationship between the Federal Reserve Bank and its "customers", the member banks. With a large membership, over a territory of vast areas, there have unquestionably been instances where the service rendered has fallen short of the member banks' expectations. Errors of omission and commission have crept in regardless of the best efforts to prevent them, but it is believed they were inconsequential when compared with the number of transactions satisfactorily and expeditiously concluded.

FIDUCIARY POWERS TO NATIONAL BANKS

Only two banks were granted fiduciary powers in 1921, making a total of 61 banks which had received such permission on December 31, 1921, as shown in schedule 32.

Some of the larger banks have featured their trust departments and are obtaining a profitable line of business. The majority of the banks authorized to exercise these special functions, however, have not used them, as disclosed by replies received to the questionnaire recently sent out by the Federal Reserve Board. Various reasons are advanced for this, but it seems principally attributable to unfamiliarity with the handling of trust business by the officers of commercial banks.

MEMBER BANK RELATIONS DEPARTMENT

The field representatives and the Assistant Federal Reserve Agent, in charge of the Member Bank Relations Department, made 1163 visits to member and non-member banks in the district during 1921. Visits were made to 687 member banks in following out the established policy of a personal visit to each member from time to time for the purpose of fostering better relations, the establishment of more perfect contact between the Federal Reserve Bank of Dallas and its branches with its members, and the encouragement of the more frequent use of this bank's facilities. Each visit is covered by a complete report with respect to the bank visited, which report is always supplemented by a resume of the general conditions, prospects for liquidation, etc. Digests from all such reports are prepared and sent to each member of the Executive Committee for his information.

Visits were made to 362 non-member banks located in the same town, or cities, with member banks.

In addition to the visits above mentioned, representatives of the Member Bank Relations Department made 114 special calls on member and non-member banks to secure specific credit information, or for the purpose of personally handling matters incident to our check collection system, as it affected some of our non-member banks.

A representative of the Member Bank Relations Department, or the Assistant Federal Reserve Agent, has attended all group meetings and bankers' conventions held in the district, and several addresses regarding the purposes of the Federal Reserve System and functions of the Federal reserve banks have been delivered by the Assistant Federal Reserve Agents on such occasions.

Officers or representatives of member banks visit the Federal Reserve Bank of Dallas almost daily, in order to secure first hand information about the operation of the different departments of the bank with which they frequently come in contact. These visits have resulted in much good, and it is believed are very interesting and instructive to the visitor.

Our traveling representatives make it a point to extend the bankers called upon a cordial invitation to visit the head office and its branches.

STATE BANK MEMBERSHIPS

While no active campaign for state bank members was conducted in 1921, 56 applications were received, of which 26 were favorably acted upon, and the memberships of the banks concluded. Action on the remainder was deferred on account of the condition of the banks. A number of inquiries were received from banks which had membership under consideration, and the matter has also been discussed personally by officers of state banks with the Federal Reserve Agent's Department throughout the year. In such instances, of course, all necessary information was furnished. The extended condition of many state banks precluded favorable recommendation upon their applications by our Executive Committee, and the banks were frankly advised of the Committee's attitude, and the suggestion was made that they set about to improve their condition. This was done in several instances, and upon reconsideration of the application by the committee favorable action was had.

It is expected that as financial conditions become improved there will be increased interest in membership on the part of the state banks, and it is hoped to add to our membership as the condition of the applicants admit. There is a growing appreciation on the part of state banks of the advantages of the connection, and as normal conditions are restored there is no reason why the splendid success already accomplished in this district, in state bank members, cannot be continued.

BANK EXAMINATIONS

On December 31, 1921, there were 206 state bank members of the Federal Reserve System in this district, as compared with 187 at the beginning of the year. The number of joint examinations conducted in 1921 by the Examination Department was 175, as against 58 in 1920. Thus while there was a growth in state bank membership of only ten per cent

there was an increase of more than 200 per cent in the number of joint examinations made during the year. There was also an increase of more than 150 per cent in the aggregate number of examinations of all kinds, including joint, special, independent and those made in connection with applications for membership.

The following comparative summary shows the number of examinations of various kinds conducted during 1920 and 1921:

	1921	1920
State Banks:		
Applicants for membership	53	82
Joint with state examiners.....	175	58
Special or independent.....	30	10
	<hr/>	<hr/>
Total number of state bank examinations.....	258	150
National Banks:		
Joint examinations	1	
Special examinations	7	
Regular examinations made or participated in by our examiners while loaned to the Comptroller of Currency	113	121
	<hr/>	<hr/>
Total number of examinations made during the year	379	150

The results accomplished during the year just closed were made possible by increasing our force of examiners and establishing closer relations with state supervisory officials.

Wholehearted cooperation and unstinted assistance in the matter of bank supervision have been exchanged with state and national authorities during the year. The various State Banking Commissioners and their examiners, almost without exception, have rendered invaluable aid in planning and executing joint examinations and otherwise making the present system of dual supervision more satisfactory and effective. Close relations have also been maintained with the Chief National Bank Examiner of the Eleventh District. By an arrangement made through the Federal Reserve Board

two of our examiners were loaned to the Comptroller of Currency early in 1921 and served as national bank examiners during the greater part of the year.

During the course of the year the department made 6,800 abstracts of examination and condition reports, 1,050 credit status reports, and 350 special analyses of examination reports.

BANKING QUARTERS

On March 12th, with the transfer of the Cash and Trust departments to the new building, all divisions of the bank had been moved, and while there was necessarily some confusion incident to the transfer and operation of the bank in the new location, this was rapidly overcome, and normal activities were resumed without undue delay. Adequate space is now provided for all departments, and working conditions are ideal. The present building meets every requirement necessary for the safe and expeditious handling of the bank's business, and every modern feature for the comfort and welfare of the staff has been arranged for. As might be expected, when all the departments were moved to the new building, it was necessary to make some slight revisions in the space originally allotted the different departments to conform to their actual working requirements. More room was needed for some divisions than the plans provided for, while in practice other departments found it possible to make a slight reduction in their space. These re-arrangements, however, did not materially affect the original plans. The judgment of the building committee, in making suitable provision for the future growth of the bank, has been fully justified.

The reports of the branches, made a part hereof, describe the quarters occupied at El Paso and Houston.

INTERNAL ORGANIZATION AND PERSONNEL

On January 1, 1921, the personnel of the Board of Directors was J. T. Scott, Ed. Hall, B. A. McKinney, Class A; Marion Sansom, Frank Kell, J. J. Culbertson, Class B; W. F. Ramsey, W. B. Newsome, H. O. Wooten, Class C.

Mr. Hall, having been appointed as Commissioner of Insurance and Banking of Texas, and his service in that capacity being deemed incompatible with a directorship in this bank,

his resignation was presented and accepted at the March meeting. A special election for the purpose of choosing a successor to Mr. Hall was held, with the result that Howell E. Smith, Cashier of the First National Bank, McKinney, Texas, was elected.

The Board of Directors has held eleven meetings in 1921, regular sessions being held in each month except September, when many of the Directors were out of the State on vacation.

At its meeting in January the Board elected the following officers to serve in 1921:

R. L. Van Zandt, Governor
Lynn P. Talley, Deputy Governor
Sam R. Lawder, Cashier
R. B. Coleman, Assistant Cashier
Fred Harris, Assistant Cashier
Dwight P. Reordan, Assistant Cashier
W. O. Ford, Assistant Cashier
J. L. Lumpkin, Assistant Cashier
Reece T. Freeman, Assistant Cashier
Carl B. Teagarden, General Auditor
C. C. Huff, General Counsel
E. B. Stroud, Jr., Office Counsel

At the same meeting R. L. Ball, of San Antonio, was re-elected to serve on the Federal Advisory Council in 1921.

Messrs. McKinney, Newsome and Sansom were also re-appointed members of the Executive Committee, to serve for three months. These gentlemen were re-designated as members of the committee, from time to time, during the year, and have served continuously. The Committee held ten formal meetings in 1921. Informal sessions, or conferences, on important administrative matters, have been held almost daily.

At the July meeting our directors reluctantly accepted the resignations of Deputy Governor Talley and Cashier Lawder, on account of their election to senior official positions in a large commercial bank in Dallas.

To fill the official vacancies thus created, the services of R. G. Emerson, Assistant to Governor of the Federal Reserve Board, were loaned the bank, and R. R. Gilbert, formerly Assistant Federal Reserve Agent, was elected Cashier to succeed Mr. Lawder.

Dwight P. Reordan, formerly Assistant Cashier, was appointed Assistant Federal Reserve Agent, in charge of Member Bank Relations, to succeed Mr. Gilbert.

By the re-arrangement of official duties, in which the departments formerly under the supervision of Mr. Reordan were assigned other Assistant Cashiers, the number of Assistant Cashiers was reduced from six to five. Mr. Reordan had supervision of the Service and Bookkeeping Departments. The former was transferred to Assistant Cashier Ford, and the latter to Assistant Cashier Lumpkin. At the same time the Securities, or Trust Department, which had been under Mr. Ford's supervision, was transferred to Mr. Harris.

In August Mr. Emerson was elected Acting Deputy Governor, and served in that capacity the balance of the year.

In November the resignation of Carl B. Teagarden, General Auditor, was accepted, and D. S. Lawhon, formerly Assistant General Auditor, was designated Acting General Auditor.

The terms of Messrs. John T. Scott, Class A Director, and Frank Kell, Class B Director, expired on December 31, 1921. These gentlemen represented banks in groups 1 and 2, respectively. Between November 17th and December 1st an election was held to choose their successors, which resulted in the re-election of Messrs. Scott and Kell, to serve for the three year term beginning January 1, 1922.

In December the Federal Reserve Board re-designated W. F. Ramsey Chairman of the Board, and Federal Reserve Agent, for one year beginning January 1, 1922, and re-appointed W. B. Newsome as Class C Director, for the three year term beginning January 1, 1922, re-designating Mr. Newsome Deputy Chairman of the Board for 1922.

The total number of officers and employes at the head office and branches on December 31, 1921, was 637, as compared with 613 on December 31, 1920. The reduction of 25 employes in the Transit Department and 29 employes in the Fiscal Agency Department, was more than offset by increases in the Cash, Credit, Loan and Discount and Service Departments. The addition of 36 employes to the latter department was due to the necessity for increased protection and janitor

service in the maintenance of the new building and operation of the Cuisine division, or cafe. The heavier volume of work in the Credit and Loan and Discount departments necessitated increases in their personnel.

The entire staff of the bank has demonstrated a very commendable spirit of loyalty, and the smoothness with which the business of each department is at present transacted is adequate proof of the cooperation existing throughout the organization.

The number of employes at the head office and branches on December 31, 1921, is shown in schedule 34.

FISCAL AGENCY OPERATIONS

The functions performed by this department, as well as the volume handled, was much the same as last year with the exception of the handling of War Finance Corporation matters.

The most important changes effected during the year were the curtailment of activities of the war savings publicity organization done at the direction of the Treasury Department, which permitted a reduction in the clerical force of thirteen employes, and the acquisition of responsibility and added duties in connection with War Finance Corporation transactions.

The department, as a whole, has handled more volume this year than during the preceding one, and notwithstanding this fact, the clerical force has been reduced 37 per cent from 76 to 49 employes. However, it would be unfair not to add that 13 of the 27 employes released from the department during the year were attaches of the war savings publicity organization, and, by eliminating all employes of that organization, both last year and this year, for the purpose of comparison, a real reduction of employes in all operating divisions of 25 per cent is enjoyed.

It might be of interest to mention the fact that both the former supervising officer and the manager of the department left it within thirty days prior to the beginning of this year and their successors were promoted from the ranks of the department itself.

This department moved into the new building in February, 1921, on schedule and without mishap. Fifty-eight registered mail pouches with rotary locks were required to accommodate the securities, the aggregate of which was nearly one hundred million dollars.

The various exchanges of Liberty bonds shows an increase of 16 per cent over last year, especially with reference to temporary-permanent exchanges incident to handling those of the Fourth Loan, none of which were exchanged prior to January 1, 1921.

The number of separate shipments of securities handled increased 50 per cent.

There were practically the same number of separate issues of certificates of indebtedness this year as last, the issues of this year including two series of three-year notes.

The total amount of subscriptions allotted, as well as the number of subscriptions, was about ten per cent less than last year; however, the aggregate amount of subscriptions received were in excess of the aggregate of quotas assigned to this district.

The issues offered during the last half of the year, although bearing lower interest rates than those of the first half, were largely over-subscribed.

Approximately one-third of the total amount of certificates and notes allotted in this district were resold almost immediately in the eastern market.

Resales of government securities transactions assumed considerable proportions, increasing during the year; approximately 500 separate transactions being handled.

Quick sale of treasury certificates was made possible through special arrangement by the Treasury Department, such plan eliminating the necessity of shipping certificates, deliveries being effected from regular stock of Federal reserve banks and accounting cleared through the Treasury Department.

Liberty bonds and Victory notes sales also increased considerably, there still being a general exodus of bonds from this district.

The aggregate amount of resales of both certificates and bonds was \$28,500,000, practically all being sold in the New York market. These transactions represent practically ten times as much volume and four times as much money as compared with last year.

The aggregate net sales of war savings securities were about 33 per cent less than last year. Renewed interest and increased sales were noticed during the last two weeks of the year, incident to offerings of new issues of Treasury savings certificates.

Redemptions of war savings stamps from postmasters were about the same. This is the principal item as far as volume is concerned in connection with war savings transactions.

The number of interest coupons handled was about 20 per cent less than last year, while government warrants show an increase of about 10 per cent.

The activities of the War Finance Corporation in connection with making loans on cotton and livestock in this district began in earnest early in the fall and this bank, acting as fiscal agent, has attended to disbursement of all such advances, and retains custody of papers and collaterals and collection of interest, principal, substitution of collateral, renewals, etc. The handling of these transactions has entailed considerable work and required constant close supervision and was carried on without acquiring additional help. Advances on cotton amounted to \$1,337,933.50, and on livestock \$5,232,498.34.

Commencing July 1st, the Treasury Department discontinued the practice of reimbursing this bank for expenses incurred in handling fiscal agency transactions, except in connection with certificates of indebtedness and war savings publicity matters, necessitating this bank absorbing expense, not heretofore borne, at the rate of about \$65,000 per annum.

OPERATIONS OF THE EL PASO BRANCH

On January 1, 1921, the directorate of the branch was composed of W. C. Weiss, W. W. Turner, U. S. Stewart, A. P. Coles, and A. F. Kerr. No changes in the Board have occurred during the year.

The officers elected by the directors of the head office to serve in 1921 were W. C. Weiss, Manager; M. Crump, Cashier; Allen Sayles, Assistant Cashier, and W. P. Clarke, Assistant Federal Reserve Agent and Auditor.

The personnel of the branch remains practically unchanged from the close of 1920, and on December 31, 1921, was as follows:

Transit 15, Cash 7, Loan and Discount 5, Credit 4, Auditing 4, Bookkeeping 4, Mailing 2, Sundry 23.

At the close of the year 1921 the branch membership consisted of 59 national and 12 state banks, with capital and surplus of \$8,551,050 for national and \$1,545,000 for state banks. During the year 3 member banks—2 national and 1 state—suspended operations; both national banks re-opening after a short period of suspension. Membership decreased 2, occasioned by the suspension of the state bank member and consolidation of 2 national banks. No increase in membership is anticipated until normal conditions have been restored and banks have further opportunity to place their houses in order.

Practically the entire membership of the district exercised the rediscount privilege during the year, 68 of the 71 member banks having been accommodated. Continued heavy discount operations evidence the service of the branch in meeting the demand for credit in the district. Average discounts and rediscounts of the branch have been approximately double the prorata participation of its membership. During the year discounts and rediscounts amounted to \$97,866,448.99, divided by months as follows:

January	\$ 8,471,874.83
February	8,031,542.93
March	10,103,466.11
April	8,288,984.06
May	10,046,439.00
June	12,864,176.87
July	6,609,736.25
August	8,573,827.21
September	8,319,616.62
October	5,916,623.86
November	4,889,951.58
December	5,750,209.67

Federal Reserve Bank of Dallas

At the close of the year total paper held aggregated \$9,102,199.51, classified as follows:

Rediscounts	\$ 8,042,874.31
M. B. Collateral Notes	
U. S. Secured	844,740.00
Otherwise Secured	204,500.00
B/L Drafts	10,085.20

Credit activities considerably expanded during the year, 2,228 rediscount offerings, consisting of 11,650 notes, and 883 additional collateral offerings, consisting of 5,233 notes, having been received and analyzed. Additional collateral to secure rediscounts was required of 25 banks at the beginning of the year which number steadily increased to 32 at its close. Collateral to secure transit sendings has been required of 4 banks, and director's guaranties to secure rediscounts required of 7.

Member banks made free use of the privileges afforded by the branch in connection with currency and coin transactions. There were received during the year 3,385,726 bills amounting to \$28,188,100, and 11,055,201 coins amounting to \$6,532,558.50. There were shipped and delivered 4,223,367 bills amounting to \$33,818,788 and 5,284,701 coins amounting to \$3,641,658.50. Total number of incoming and outgoing shipments were 7,162 and 3,143 respectively, a monthly average of 597 and 262 respectively, amounting to \$2,893,388.21 and \$3,121,703.88 respectively.

This department effected 11,026 transfers of funds, involving \$145,635,394.83, the larger part of which were made by telegraph, the expense in connection being absorbed by the Federal Reserve Bank.

The check collection operations are reflected by months, comparative with 1920, in the following:

	1920		1921	
	No.	Amount	No.	Amount
January	239,033	\$ 49,972,808.44	206,299	\$ 34,836,757.53
February	205,944	46,611,844.44	188,914	30,285,361.73
March	264,332	51,404,887.35	222,816	35,444,944.34
April	258,597	47,625,720.14	200,913	27,816,820.21
May	261,463	47,871,752.10	192,555	24,705,334.37
June	217,478	45,980,179.85	198,362	24,824,071.39
July	206,335	39,873,947.87	188,092	25,048,653.48
August	199,193	39,197,536.43	191,173	21,823,857.16
September	198,719	41,362,548.18	187,846	22,440,310.72
October	204,396	40,940,236.42	206,641	25,126,169.25
November	203,116	38,786,783.08	196,773	24,684,120.54
December	218,689	39,948,652.93	233,393	26,968,203.43
	2,677,295	529,576,897.23	2,413,777	324,004,604.15

The city banks fully appreciate the advantage of the direct routing privilege, which promotes the economical handling of check collections. The branch receives for collection at par, checks drawn upon all banks in the branch district, as well as checks drawn upon banking institutions in other districts on the Federal Reserve Board par list.

The branch received from its member banks during 1921, for safekeeping or as collateral to secure advances, and deposited in its securities department, securities aggregating \$5,911,387.42. Securities withdrawn during the year amounted to \$6,962,967.26.

Permanent quarters were occupied in August, 1920, and have adequately met demands. Working conditions in the old quarters were deplorable, and relief from those conditions has considerably strengthened the morale of the organization, and greatly facilitated the handling of business in all departments.

The building now consists of two floors, mezzanine and full basement. Provision has been made for four additional stories should increased operations make it necessary.

There follows a comparative statement of earnings and expenses for the years 1920 and 1921:

	1920		1921	
	Total	Mo. Average	Total	Mo. Average
Gross Earnings	\$457,104.29	\$38,092.02	\$731,754.21	\$60,979.51
Expense	173,659.54	14,471.62	195,916.84	16,326.40
Net Earnings	283,444.75	23,620.39	535,837.37	44,653.11

OPERATIONS OF THE HOUSTON BRANCH

On January 1, 1921, the directorate of the branch was composed of Frank Andrews, Guy M. Bryan, J. J. Davis, R. M. Farrar and E. F. Gossett. No changes in the Board have occurred during the year.

The officers elected by the Directors of the head office to serve in 1921 were E. F. Gossett, Manager; Floyd Ikard, Cashier; L. E. Dignan, Assistant Cashier and R. L. King, Assistant Federal Reserve Agent and Auditor. In April M. D. Jenkins was elected Assistant Cashier. In July Mr. Gossett resigned to accept an official position with a local commercial bank, being succeeded by Mr. Ikard, who was, in turn, succeeded by Mr. Dignan. Mr. Gossett continued as a director.

At the close of 1921 the branch had 73 employes, as compared with 76 at the beginning of the year. A traveling representative and special examiner was added on January 1st.

The net increase in membership for the year was 4, making a total of 135 members. The additions were 3 national and 4 state banks. Two consolidations were effected and 1 member bank failed, which is the only member bank failure since the Branch opened in 1919. On January 1st there were 275 non-member banks in this territory, and of this number 11 have failed. In each instance the Federal Reserve Bank successfully protected its interests as well as those of its endorsers and no losses were incurred. All non-member banks are remitting at par.

The Loan and Discount Department handled this year a total of 2,190 offerings, aggregating \$37,987,072.10. Member bank collateral notes aggregating 1595, totaling \$91,445,475.07 were discounted. Immediate credit was given on 138 bill of lading drafts, amounting to \$992,274.81. These drafts represented the exportation of cotton to Europe and the domestic shipment of rice. The total number of notes and drafts handled during the year was 16,462 and the total amount, \$129,432,547.17. The largest note handled was \$1,000,000, and the smallest \$10.00. Since its opening the Branch has loaned \$485,821,861.16.

93 banks rediscounted their paper this year, and of this number 35 were required to furnish additional collateral.

To date the branch has sustained no losses in its loans. The indebtedness of the defunct member bank previously mentioned has since been reduced approximately 65 per cent and it is believed that little losses will be incurred.

Each year more success it attained in requesting financial statements, yet there is still considerable misunderstanding in this territory regarding the purpose and necessity of procuring statements.

This department examined 16,804 notes, of which 1,937 were rejected.

The Cash Department received 4,943 shipments of coin and currency, aggregating \$46,604,363.32. Outgoing shipments aggregating 3,524 of a dollar value of \$54,123,069.82 were made. The ban placed on foreign moneys by the Mexican Government swelled the receipts considerably and the currency received was badly mutilated. Wire transfers received totaled \$270,191,845.16 and those sent, \$172,131,680.35.

The activities of the Collection Department have increased steadily throughout the year. Items aggregating 19,415, totaling \$27,629,014.98 were received, and of same 16,587 aggregating \$25,705,206.64 were collected.

The Transit Department handled 5,040,492 items, the dollar value of which was \$1,265,756,781.29, as compared to 5,235,955 checks amounting to \$2,138,087,919.62 during 1920.

From the above figures it will be observed that there was not a great difference in the number of items handled in 1921 as compared to 1920. However, the dollar value was almost twice as large in the latter year, which indicates, in a measure, the further downward trend of prices. The largest number of checks handled in one day was 30,125 and the smallest 10,795.

An average of 22 employes handled the affairs of this department.

At the close of business December 31, 1920, trust custodies totaled \$7,741,531, represented by 431 trust receipts, but by the same date in 1921 had increased to \$10,733,590.46, against which 546 receipts were outstanding. In connection with member bank liquidation it is interesting to note that of the

figure first given securities aggregating, in round figures, \$5,000,000 were pledged as collateral and \$2,000,000 were held for safe-keeping, while one year later, or at the close of business in 1921, securities pledged as collateral totaled only \$4,000,000, and those held for safe-keeping had increased to \$6,600,000.

In April work was begun on the new building, which will be ready for occupancy by February 1, 1922. It will consist of two floors, mezzanine and basement and its cost, including fixtures and vault, will be approximately \$350,000.

The building is designed along simple architectural lines and the plans contemplate a structure of modest, yet comfortable, appointments. Provision has been made for present requirements and future expansion of the branch's operations as far as the latter can be foreseen.

Total earnings for 1921 were \$618,931.90 and expenses were \$219,986.55. The principal source of revenue was bills discounted, \$575,131.62 of the gross earnings being derived from these transactions.

REVIEW OF BUSINESS CONDITIONS IN 1921

The year 1921 will doubtless be recorded in the Eleventh Federal Reserve District as being the period in which occurred the most precipitous part of the descent of business activity from post-war peaks to normal or peace-time levels. While prices of both raw and manufactured products generally registered a greater decline in 1920 than during 1921, the latter year witnessed a much more pronounced slowing up of activity in all channels of production and distribution than was evident during 1920.

The district's leading industry, cotton, set the pace in scaling production, the acreage in that community for 1921 being reduced approximately 25 per cent as compared with 1920.

Oil, which ranks second in importance among the district's basic products, was the last commodity to yield to the economic forces which were inexorably bringing about a general lowering of price levels. At the beginning of the year crude oil was still selling at the peak price of \$3.50 per barrel,

but violent breaks occurring in the market within the course of two months carried the price down to \$1.75, greatly depressing the activities of this industry and causing many of the larger producing companies to suspend drilling operations.

Livestock growers, confronted by a persistent and unprecedented shrinkage in the domestic and export demand for meat, continued to market their animals upon a steadily declining market until financial losses and the depletion of breeding herds brought about a situation which made it imperatively necessary to seek new means of financial relief. Under these conditions sales of calves at the principal slaughter markets of this district increased enormously, and at one time during the year reached a volume of such magnitude as to seriously endanger the future productivity of the livestock industry in the Southwest.

In all lines of trade the depressing effects of the reduced buying power of agricultural communities made itself felt early in 1921 among wholesalers, jobbers and retailers alike. The farm implement trade, which constitutes one of the largest and most important lines of business in the Eleventh District, suffered more severely than any other branch, being more directly dependent upon the fortunes of the farmers themselves.

The month of August marked the turning point of the year in the tide of business activity. A slight but appreciable improvement in the financial condition of the district was noticeable about the time the returns from the wheat crop were received, and throughout the fall season the improvement steadily increased as new money flowed into the district from the fall crop movement.

The price of cotton, which had fallen as low as ten cents per pound early in the year, rose suddenly in August to the twenty cent level as a result of a bullish crop condition report. Most of this gain was maintained throughout the remaining months of the year. This development completely transformed, almost immediately, the entire aspect of the district's business situation. Wholesale trade was first to feel the effects of the changed conditions. Wholesalers and jobbers immediately encountered an enlarged and more confident buying demand, which was well sustained throughout the re-

mainder of the year, despite a slight set-back in the price of cotton which occurred late in the month of November. Retail distribution also showed a corresponding improvement.

The situation in the livestock industry took a more favorable turn early in the fall when financial assistance in the form of loans from the War Finance Corporation became available. At the end of December livestock loans aggregating approximately \$16,000,000 had been distributed from this source among the banks and cattle loan companies in this district, making it possible for them to extend new credits for the purpose of further assisting the breeders through the present crisis.

A sharp increase in building activities, reported by all of the large cities of the district, was one of the most important developments of the latter part of 1921, resulting in a marked stimulus to the lumber industry and other interests devoted to the production and distribution of building materials, as well as affording appreciable relief to the distressing problem of unemployment.

Among other important evidences of a change for the better in the business situation which appeared in the latter part of the year was the steady increase in the demand for oil, the price of which had, on December 31, advanced to \$2.25 per barrel; a continuous growth in the domestic and foreign consumption of cotton; a more encouraging prospect for an early resumption of the copper mines and smelters of Arizona and New Mexico; a more stable tendency in livestock prices; and a greatly improved capacity on the part of the banking institutions of the district for meeting the credit requirements of business and industry. Lower discount rates, reduced loans, and increased cash reserves reflect the stronger position of the banks of the district at the end of 1921, a situation quite in contrast to conditions at the close of 1920. The improvement in the banking situation is illustrated by the fact that on December 31, 1920, our outstanding loans to member banks amounted to \$97,000,000, of which \$26,694,600 was rediscounted with other Federal Reserve Banks, whereas at the close of 1921, loans to member banks aggregated only \$50,000,000, and our indebtedness to other Federal Reserve Banks had been retired.

These facts seem to indicate clearly that the "corner has been turned" and that the affairs of the district as a whole are now beginning to make definite headway in the direction of improvement. The situation is, however, unusually "spotted". The distribution of the funds received from the 1921 crops has been extremely uneven, due to geographical variations in crop and weather conditions, and while banks throughout most of West Texas reaped the benefit of abundant and profitable harvests, in other parts of the district the banks are in many instances still struggling with a most serious situation.

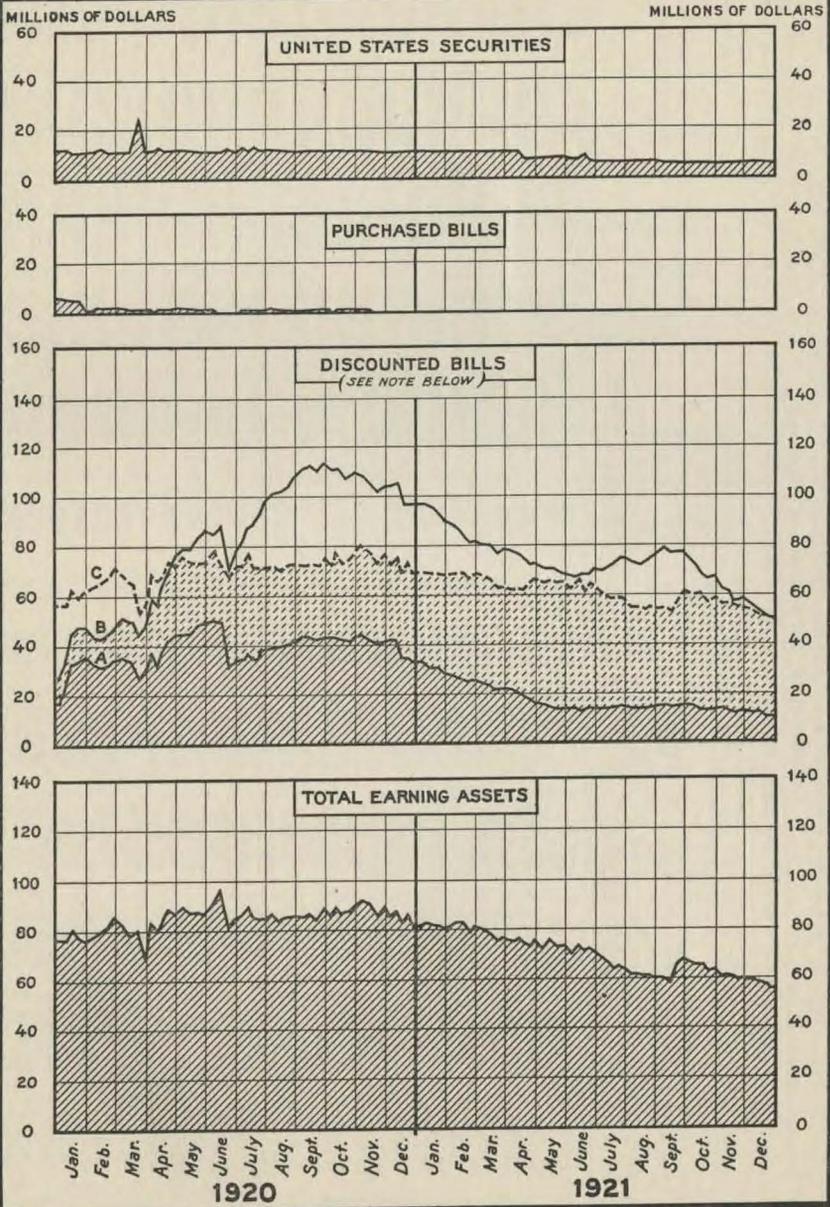
Although the aggregate of our loans to member banks at the close of the year had receded to a sum that might perhaps be regarded as a "normal" amount, the banking situation has by no means attained normalcy as yet, the carry-over of "frozen loans" being still abnormally large, while the aggregate of liquid and desirable loans employed in financing the healthy activity of industry and trade, is still abnormally small. On the whole, however, the banks of the district appear to be steadily improving their position and are awaiting with increasing confidence the demands that will be made upon them in 1922.

The comparative statistics tabulated below and appended charts furnish a summary of the principal indices of business and industrial conditions in the district during the year 1921.

TEXAS CROP AND MINERAL PRODUCTION.

	Production		Increase or Decrease Per Cent	Valuation		Increase or Decrease Per Cent
	1921	1920		1921	1920	
Bales of cotton.....	2,200,000	4,345,000	— 49.4	\$177,100,000	\$286,789,000	— 38.2
Bushels of wheat.....	20,810,000	20,579,000	+ 1.1	20,810,000	35,396,000	— 41.2
Bushels of oats.....	33,570,000	32,780,000	+ 2.4	13,092,000	21,635,000	— 39.5
Bushels of corn.....	156,920,000	142,662,000	+ 10.0	84,737,000	119,836,000	— 29.3
Bushels of grain sorghum	56,550,000	60,992,000	— 7.3	23,186,000	73,800,000	— 68.6
Barrels of petroleum.....	109,652,586	103,460,160	+ 6.0			

FEDERAL RESERVE BANK OF DALLAS MOVEMENT OF EARNING ASSETS DURING 1920 AND 1921



A - Paper secured by U. S. Government obligations discounted for banks in district.
 B - Total paper discounted for banks in district.
 C - Total discounted paper held.
 Space between lines B and C represents - where above line B - paper discounted for,
 and - where below line B - paper rediscounted with, other Federal Reserve Banks.

EXHIBIT A
MOVEMENT OF PRINCIPAL ASSET AND LIABILITY ITEMS DURING 1921
 (Amounts in Thousands of Dollars)

Date	Total Earning Assets (2+7+8)	DISCOUNTED BILLS					Bills Bought in Open Market (1)	U. S. Securities	Total Cash Reserves	Total Deposits	F. R. Notes in Circulation	Reserve Percentages (2)	
		Total Held (4+3)	Rediscounted with other F. R. Banks	Discounted for Member Banks in this District								Actual	Adjusted (3)
				Total (2+3)	Secured by U. S. Govt. Obligations	Per Cent (5÷4)							
1	2	3	4	5	6	7	8	9	10	11	12	13	
Jan. 7	83,131	70,705	27,189	97,894	33,628	34.4	147	12,279	45,669	48,443	78,280	40.2	16.3
Jan. 14	82,155	69,729	26,567	96,296	31,154	32.4	147	12,279	46,033	49,582	75,263	40.6	17.2
Jan. 21	82,430	70,029	23,194	93,223	30,844	33.1	122	12,279	44,407	50,607	74,397	39.8	19.0
Jan. 28	81,320	68,944	21,485	90,429	28,763	31.8	97	12,279	46,849	52,187	72,363	41.4	22.4
Feb. 4	82,584	70,208	17,540	87,748	27,705	31.6	97	12,279	45,093	52,520	71,369	40.0	24.4
Feb. 11	83,027	70,676	13,812	84,488	25,560	30.3	72	12,279	43,741	53,653	69,029	39.0	26.7
Feb. 18	79,325	66,991	14,500	81,491	24,279	29.8	55	12,279	44,874	53,689	67,152	40.9	27.7
Feb. 25	80,983	68,665	13,615	82,280	25,241	30.7	39	12,279	45,136	52,164	66,020	40.4	28.2
Mar. 4	80,378	68,099	12,399	80,498	24,184	30.0		12,279	42,565	50,865	66,763	39.1	27.7
Mar. 11	78,334	66,055	13,455	79,510	23,106	29.1		12,279	42,268	53,874	64,119	39.6	27.0
Mar. 18	75,153	62,874	13,437	76,311	21,095	27.6		12,279	44,388	56,123	61,848	37.6	26.2
Mar. 25	75,685	63,406	14,663	78,069	21,851	28.0		12,279	45,028	56,436	59,947	38.7	26.1
Apr. 1	74,540	62,140	14,764	76,904	21,565	28.0		12,279	42,674	51,613	59,215	38.5	25.2
Apr. 8	75,552	63,252	12,405	75,657	20,270	26.8	21	12,279	41,885	49,872	58,607	38.6	27.2
Apr. 15	74,084	61,780	12,169	73,949	17,937	24.3	25	12,279	39,606	46,901	57,461	38.0	26.3
Apr. 22	73,236	64,832	7,437	72,269	16,632	23.0	25	8,379	42,458	47,760	56,844	40.6	33.5
Apr. 27	74,564	66,160	6,600	72,760	16,291	22.4	25	8,379	39,694	48,870	55,095	38.2	31.8
May 4	72,487	64,083	6,882	70,965	14,867	20.9	25	8,379	39,973	44,950	54,615	40.1	33.2
May 11	74,754	66,350	4,950	71,300	14,280	20.0	25	8,379	38,655	45,891	54,127	38.6	33.7
May 18	72,798	64,248	6,131	70,379	14,369	20.4	171	8,379	40,447	46,835	51,734	41.0	34.8
May 25	73,254	64,704	4,617	69,321	13,592	19.6	171	8,379	36,910	46,974	50,144	38.0	33.3
June 1	70,345	62,795	5,500	68,295	14,334	21.0	171	7,379	38,160	45,450	50,044	40.0	34.2
June 8	74,276	66,726	2,500	69,226	13,444	19.4	171	7,379	35,991	45,768	49,191	37.9	35.3
June 15	70,880	61,830	7,408	69,238	14,134	20.4	171	8,879	36,253	45,858	48,213	38.5	30.7
June 22	72,134	65,086	4,125	69,211	13,777	19.9	169	6,879	36,123	45,924	46,642	39.0	34.6
June 29	70,103	63,574	8,425	71,999	14,286	19.8	150	6,379	34,181	44,563	45,557	37.9	28.6

Federal Reserve Bank of Dallas

July 6	66,633	60,144	10,450	70,594	14,470	20.5	110	6,379	35,200	44,557	45,398	39.1	27.5
July 13	64,360	57,845	16,445	74,290	13,684	18.4	136	6,379	35,340	44,032	43,331	40.5	21.6
July 20	65,013	58,524	18,287	76,811	14,501	18.9	110	6,379	35,529	44,492	43,470	40.4	19.6
July 27	64,099	57,620	19,136	76,756	14,466	18.8	100	6,379	34,416	42,925	42,323	40.4	17.9
Aug. 3	61,867	55,388	19,220	74,608	14,406	19.3	100	6,379	33,761	41,284	41,769	40.6	17.5
Aug. 10	61,723	55,244	17,735	72,979	13,586	18.6	100	6,379	34,274	42,615	40,827	41.1	19.8
Aug. 17	60,701	54,252	19,753	74,005	13,536	18.3	70	6,379	33,467	42,708	39,946	40.5	16.6
Aug. 24	61,420	54,971	21,726	76,697	14,035	18.3	70	6,379	31,950	42,763	39,059	39.0	12.5
Aug. 31	59,912	53,713	24,610	78,323	14,781	18.9	70	6,129	31,921	40,515	39,106	40.1	9.2
Sept. 7	59,998	54,527	24,059	78,586	14,639	18.6	42	5,429	32,809	41,348	39,409	40.6	10.8
Sept. 14	57,869	52,495	24,295	76,790	13,950	18.2	20	5,354	34,865	42,983	39,415	42.3	12.8
Sept. 21	64,044	59,124	18,266	77,390	14,770	19.1	20	4,900	34,092	46,264	39,814	39.6	18.4
Sept. 28	66,523	61,680	14,851	76,531	14,993	19.6	70	4,773	35,141	48,388	40,224	39.7	22.9
Oct. 5	65,096	60,483	12,108	72,591	14,865	20.5	70	4,543	36,618	46,356	42,074	41.4	27.7
Oct. 11	64,749	60,036	7,649	67,685	12,812	18.9	170	4,543	34,016	47,406	41,433	38.3	29.7
Oct. 19	62,245	57,497	8,225	65,722	13,266	20.2	205	4,543	35,052	47,796	40,246	39.8	30.5
Oct. 26	62,885	58,137	8,465	66,602	13,487	20.3	205	4,543	33,966	46,465	39,752	39.4	29.6
Nov. 2	60,425	55,677	7,251	62,928	13,664	21.7	205	4,543	33,682	43,882	39,630	40.3	31.6
Nov. 9	61,015	56,217	5,495	61,712	11,909	19.3	255	4,543	33,152	44,321	38,488	40.0	33.4
Nov. 16	60,447	55,814	970	56,784	10,668	18.8	90	4,543	33,597	45,450	37,888	40.3	39.2
Nov. 23	59,372	54,639	2,487	57,126	12,052	21.1	190	4,543	31,600	43,196	37,000	39.4	36.3
Nov. 30	59,608	54,875	3,000	57,875	11,938	20.6	190	4,543	32,424	45,815	36,638	39.3	35.7
Dec. 7	58,537	53,804	1,877	55,681	10,387	18.7	190	4,543	34,479	45,298	36,302	42.3	40.0
Dec. 14	57,931	53,223	1,000	54,223	10,093	18.6	165	4,543	33,726	45,428	35,255	41.8	40.6
Dec. 21	57,131	52,436		52,436	9,834	18.8	165	4,530	40,467	47,310	36,327	48.4	
Dec. 28	56,086	51,391		51,391	9,512	18.5	165	4,530	38,493	49,042	36,292	45.1	

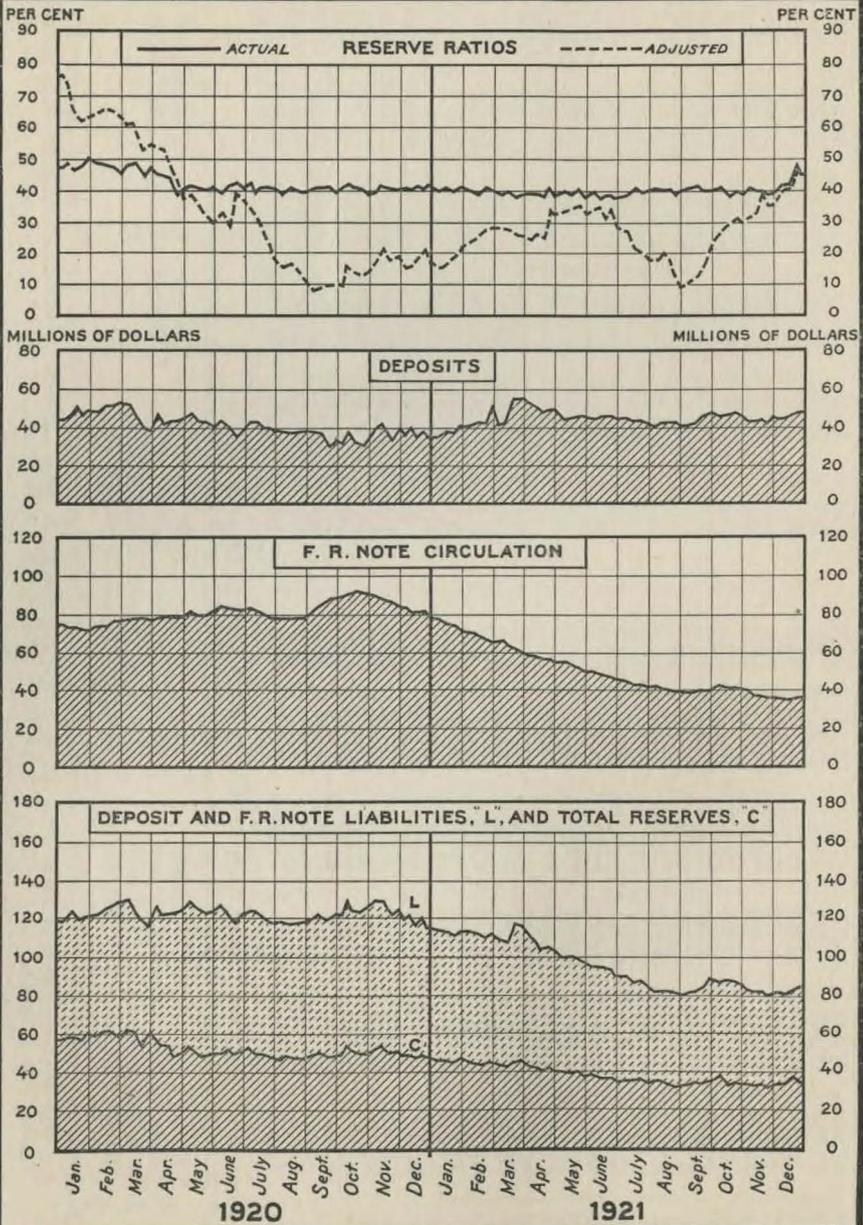
Federal Reserve Bank of Dallas

- (1) No acceptances were bought from or sold to other Federal Reserve Banks.
(2) Prior to March 18, net deposits as given below were used in calculating reserve percentages:

January 7.....	\$35,289,000	February 4.....	\$41,393,000	March 4.....	\$42,125,000
January 14.....	38,109,000	February 11.....	43,001,000	March 11.....	42,718,000
January 21.....	37,098,000	February 18.....	42,436,000		
January 28.....	40,899,000	February 25.....	45,659,000		

- (3) Adjusted percentages are calculated after increasing or reducing reserves held by the amount of accommodation extended to or received from other Federal Reserve Banks. A blank (—) in this column indicates that no accommodation was extended to or received from other Federal Reserve Banks.

FEDERAL RESERVE BANK OF DALLAS DEPOSITS, F. R. NOTE CIRCULATION, CASH RESERVES AND RESERVE RATIOS, 1920-1921



Adjusted percentages are calculated after reducing or increasing reserves held by the amount of accommodation received from or extended to other Federal Reserve banks. The deposit curve is based on "net deposits" up to March 11, 1921, and on "total deposits" thereafter.

SCHEDULE 1
COMPARATIVE STATEMENT OF CONDITION

(In thousands of dollars)

RESOURCES	Dec. 31 1921	Dec. 31 1920	Dec. 31 1919
Gold and gold certificates.....	\$ 7,263	\$ 10,008	\$ 6,470
Gold settlement fund F. R. Board.....	8,518	2,074	17,073
Gold with foreign agencies.....		86	3,414
Total gold held by bank.....	15,781	12,168	26,957
Gold with F. R. Agent.....	11,093	24,484	27,545
Gold redemption fund.....	2,941	4,431	3,712
Total gold reserves.....	29,815	41,083	58,214
Legal tender notes, silver, etc.....	6,149	4,455	1,197
Total reserves	35,964	45,538	59,411
Bills discounted:			
Secured by U. S. Gov't. obligations	8,962	15,903	39,376
All other	41,635	54,793	18,940
Bills bought in open market.....	165	247	6,421
Total bills on hand.....	50,762	70,943	64,737
U. S. bonds and notes.....	2,630	3,979	3,966
U. S. Certificates of indebtedness:			
One year certificates (Pittman Act)	1,900	8,300	8,300
All other			765
Total earning assets.....	55,292	83,222	77,768
Bank premises	2,168	1,639	399
5 per cent redemption fund against			
F. R. Bank notes.....	156	586	558
Uncollected items	25,694	42,963	61,892
All other resources.....	2,755	717	464
TOTAL RESOURCES	122,029	174,665	200,492
LIABILITIES			
Capital paid in.....	4,203	4,099	3,421
Surplus	7,394	6,033	3,030
Deposits:			
Government	4,344	1,660	2,900
Member bank-reserve account.....	43,372	46,995	63,372
All other	297	245	2,043
Total deposits	48,013	48,900	68,315
F. R. notes in actual circulation.....	35,470	79,453	74,930
F. R. bank notes in circulation—net			
liability	2,726	7,101	10,461
Deferred availability items.....	22,635	28,235	39,916
All other liabilities.....	1,588	844	419
Total liabilities	122,029	174,665	200,492
Ratio of total reserves to deposit and			
F. R. note liabilities combined.....	43.1	*40.1	*49.0

*Calculated on basis of net deposits and F. R. notes in circulation.

Federal Reserve Bank of Dallas

SCHEDULE 2

COMPARATIVE STATEMENT OF EARNINGS AND EXPENSES
FOR YEARS 1919, 1920 and 1921

EARNINGS	1921	1920	1919
Discounted bills	\$3,829,840	\$4,044,612	\$2,443,806
Purchased bills	7,980	73,212	113,397
United States securities.....	171,151	270,874	229,080
Transfers—net earnings	89,339	350,969	193,661
Deficient reserve penalties.....	124,163	158,569	81,984
Miscellaneous	21,175	6,286	323
Total earnings	4,243,648	4,904,522	3,062,251
CURRENT EXPENSES			
Salaries:			
Bank officers	133,545	117,768	87,212
Clerical staff	735,904	649,100	390,993
Special officers and watchmen.....	34,598	20,177	6,363
All other	82,470	39,456	11,883
Governors' conferences	714	651	788
Federal Reserve Agents' conferences..	295	64	109
Federal Advisory Council.....	200	400	992
Directors' meetings	7,004	6,530	4,447
Traveling expenses*	39,185	30,851	14,578
Assessments for Federal Reserve			
Board expenses	25,759	21,695	20,362
Legal fees	93	2,622	2,400
Insurance (life, fidelity, casualty, workmens' compensation and gen- eral liability)	39,607	31,067	13,308
Banking house:			
Taxes and fire insurance.....	37,599	3,476	1,746
Light, heat and power.....	27,632	6,896	3,365
Repairs and alterations.....	18,476	13,797	13,194
Rent, including light, heat and power and minor alterations.....	9,660	14,904	5,526
Fire insurance—Furniture and equip- ment	194		
Printing and stationery (including office and other supplies).....	114,405	67,998	41,009
Telephone	9,652	3,938	3,189
Telegraph	68,680	56,900	21,772
Security shipments	**1,603		
Currency and coin shipments.....	**74,870	79,352	51,075
Postage and expressage (other than on money and security shipments)	69,946	65,506	39,883
Furniture and equipment.....	155,843	82,883	70,718
Federal Reserve currency:			
Original cost, including shipping charges	65,915	86,514	85,719
Cost of redemption, including ship- ping charges	23,150	22,825	8,028
Taxes on Federal Reserve bank-note circulation	22,286	46,397	42,829
All other expenses.....	61,571	78,080	41,348
Total current expenses.....	1,860,856	1,549,847	982,836
Current net earnings.....	2,382,792	3,354,675	2,079,415

EARNINGS AND EXPENSES (Cont'd)

PROFIT AND LOSS ACCOUNT	1921	1920	1919
Earnings	\$4,243,648	\$4,904,522	\$3,062,251
Current expenses	1,860,856	1,549,847	982,836
	<hr/>	<hr/>	<hr/>
Current net earnings.....	2,382,792	3,354,675	2,079,415
Additions to current net earnings:			
Assessment a/c expenses Federal Reserve Board, previously charged to profit and loss.....		16,167	
All other	884	43	470
	<hr/>	<hr/>	<hr/>
Total additions	884	16,210	470
Deductions from current net earnings:			
Depreciation allowances on Bank Premises	139,230		
Reserve for possible losses.....	561,500	130,963	
Reserve for depreciation on U. S. bonds	49,295		
Assessment a/c expenses Federal Reserve Board			16,167
All other	20,087	11,691	21,854
	<hr/>	<hr/>	<hr/>
Total deductions	770,112	142,654	38,021
Net deductions from current net earnings	769,228	126,444	37,551
Net earnings available for dividends, surplus and franchise tax.....	1,613,564	3,228,231	2,041,864
Dividends paid	252,211	225,424	196,335
Transferred to surplus account.....	1,361,353	3,002,807	1,845,529

*Other than those connected with Governors' and Agents' conferences and meetings of directors and of the Advisory Council.

**Cost of security shipments from January to June included with cost of currency and coin shipments.

Federal Reserve Bank of Dallas

SCHEDULE 3

STATEMENT OF DISPOSITION OF INCOME
CALENDAR YEAR 1921

Income:

Discount on bills discounted.....	\$3,829,839.95
Discount on bills purchased.....	7,979.58
Interest on U. S. Securities.....	171,150.92
Transfers bought and sold—net charges.....	89,339.43
Penalties on deficient reserves.....	124,163.47
Miscellaneous profits	21,175.03
Total income	\$4,243,648.38

Less:

Expense current.....	\$1,778,247.80
Depreciation on bank buildings and furni- ture and equipment	221,838.00
Dividends paid June 30th.....	124,618.69
Dividends paid December 31st.....	127,592.24
Reserve for possible losses account liqui- dating banks	561,500.00
Reserve for depreciation on U. S. Securities	49,294.50
Other miscellaneous losses	19,204.15
Net profits—calendar year 1921.....	2,882,295.38
Net profits—calendar year 1921.....	1,361,353.00

Disposition of accumulated Net profits:

Transferred to Surplus June 30th.....	1,079,933.42
Transferred to Surplus December 31st.....	281,419.58
	\$1,361,353.00
	\$1,361,353.00

SCHEDULE 4

VOLUME OF PAPER DISCOUNTED AND BOUGHT, BY MONTHS, DURING 1921, CLASSIFIED ACCORDING TO CHARACTER OF PAPER, WITH TOTAL FOR THREE PRECEDING YEARS

MONTH	DISCOUNTED PAPER					Purchased Paper	TOTAL PAPER DISCOUNTED AND PURCHASED			
	TOTAL	Secured by Gov't. War Obligations	Banker's Acceptances	Trade Acceptances	All Other	Banker's Acceptances	1921	1920	1919	1918
January	91,743,276	60,685,854	79,903	556,189	30,421,330	None	91,743,276	83,946,095	92,139,895	10,708,111
February ..	67,374,398	49,190,814	None	198,143	17,985,441	None	67,374,398	76,350,062	93,354,695	12,517,136
March	73,451,683	50,440,970	54,210	440,032	22,516,471	20,906	73,472,589	93,923,153	104,925,502	23,986,654
April	64,551,083	42,338,479	None	372,187	21,840,417	3,916	64,554,999	108,952,001	117,860,855	39,650,522
May	60,345,342	34,388,996	None	362,173	25,594,173	150,000	60,495,342	111,446,184	130,702,524	39,333,585
June	65,635,555	34,145,816	None	356,253	31,133,486	19,200	65,654,755	117,350,253	113,247,122	45,453,965
July	59,114,721	27,620,528	None	323,066	31,171,127	60,000	59,174,721	110,216,572	100,213,598	52,244,194
August	63,432,441	34,446,349	None	448,869	28,537,223	20,000	63,452,441	111,587,861	95,139,511	68,294,345
Sept.	65,544,545	36,497,679	None	166,301	28,880,565	50,000	65,594,545	124,573,279	118,337,284	76,261,394
October	62,450,343	35,493,239	None	345,362	26,611,742	155,000	62,605,343	114,948,296	138,314,107	87,663,080
Nov.	53,315,388	27,166,867	None	194,083	25,954,438	200,000	53,515,388	124,346,664	72,583,833	77,499,588
Dec.	45,037,713	22,269,170	20,000	102,134	22,646,409	15,000	45,052,713	110,881,368	60,542,451	79,089,314
Total 1921	771,996,488	454,684,761	154,113	3,864,792	313,292,822	694,022	772,690,510			
Total 1920	1,280,178,511	999,942,925	703,722	5,670,523	273,861,341	8,348,277		1,288,526,788		
Total 1919	1,124,946,145	1,105,059,651	None	1,887,002	117,999,492	12,415,232			1,237,361,377	
Total 1918	587,677,766	447,833,088	None	2,056,753	137,787,920	25,024,122				612,701,888
Total 1917	47,052,564	11,272,269	None	177,953	35,602,378	9,743,505				

Federal Reserve Bank of Dallas

Federal Reserve Bank of Dallas

SCHEDULE 5

REDISCOUNTS

Volume of Rediscounts for 1921:

Rediscounts for member banks.....	\$ 771,996,488.00
Acceptances purchased	694,022.00
Acceptances purchased for our account by other Federal reserve banks	None
Other paper rediscounted for other Federal reserve banks.....	None
Total.....	\$ 772,690,510.00

Volume of Rediscounts for 1920:

Rediscounts for member banks.....	\$1,280,178,511.55
Acceptances purchased	7,726,192.55
Acceptances purchased for our account, by other Federal reserve banks	622,085.00
Other paper rediscounted for other Federal reserve banks.....	143,000,000.00
Total.....	\$1,431,526,790.10

Total number of banks served in 1921.....	704
Total number of new banks served in 1921.....	46
Largest note rediscounted in 1921.....	\$1,650,000.00
Smallest note rediscounted in 1921.....	10.35

SCHEDULE 6

NUMBER OF BANKS ACCOMMODATED THROUGH THE DISCOUNT OF
PAPER DURING 1921, DISTRIBUTED BY STATES

Texas	607
Oklahoma	31
Louisiana	17
New Mexico	39
Arizona	10
Total.....	704

SCHEDULE 7

REDISCOUNTS FOR 1921 BY MONTHS AND DISTRIBUTION BY STATES

Month	Texas	Oklahoma	Louisiana	New		Total
				Mexico	Arizona	
January	82,295,867	3,251,935	2,886,464	2,720,677	588,333	91,743,276
February	59,919,963	2,254,337	2,640,944	1,580,265	978,889	67,374,398
March	65,120,234	1,922,734	3,426,279	2,163,064	819,372	73,451,683
April	59,503,986	1,570,290	1,815,588	1,257,581	403,638	64,551,083
May	54,702,180	1,476,095	1,845,135	1,994,318	327,614	60,345,342
June	59,152,323	1,570,240	2,299,457	2,063,206	550,329	65,635,555
July	52,603,235	1,614,271	2,694,049	1,825,205	377,961	59,114,721
August	57,427,349	1,513,573	2,151,288	1,656,916	683,315	63,432,441
September	60,954,486	1,117,940	1,486,538	1,415,953	569,628	65,544,545
October	57,420,601	1,790,790	1,282,036	1,607,350	349,566	62,450,343
November	47,029,139	2,844,166	1,627,105	1,410,917	404,061	53,315,388
December	38,706,002	2,015,117	2,096,518	1,799,252	420,824	45,037,713
Total.....	694,835,365	22,941,488	26,251,401	21,494,704	6,473,530	771,996,488

SCHEDULE 8

DISCOUNT RATES FOR 1921 AND DATES ON WHICH EFFECTIVE

CLASS OF PAPER	Time	Jan. 1	Feb. 15	May 16	June 25	Nov. 4
Industrial and Commercial..	90 days	6	7	6½	6	5½
Agricultural and Livestock..	6 mon.	6	7	6½	6	5½
Trade Acceptances	90 days	6	7	6½	6	5½
Rediscounts secured by L. L. B. and Vic. Notes.....	90 days	5½	6	6	6	5½
Rediscounts secured by U. S. Cert. of Indebt.....	90 days	5	6	6	6	5½
M. B. C. Notes secured by L. L. B. and Vic. Notes.....	15 days	5½	6	6	6	5½
M. B. C. Notes secured by C. of I.....	15 days	5	6	6	6	5½
M. B. C. Notes secured by Eligible Paper	15 days	6	7	6½	6	5½

Notes secured by Treasury Certificates of Indebtedness discounted at the rate borne by the Certificate attached with a minimum rate of 5%.

Bankers' Acceptances purchased at market rates subject to agreement.

SCHEDULE 9

CLASSIFICATION BY MATURITIES OF BILLS DISCOUNTED
AND BOUGHT IN 1921

Due within fifteen days.....	\$506,367,345
Due within thirty days.....	26,252,446
Due within sixty days.....	69,605,455
Due within ninety days.....	110,417,555
Due after ninety days.....	60,047,709
Total.....	\$772,690,510

SCHEDULE 10

CLASSIFICATION OF TRADE ACCEPTANCES BY MATURITIES

Due within fifteen days.....	\$ 290,210
Due within thirty days.....	1,043,252
Due within sixty days.....	1,402,079
Due within ninety days.....	1,129,251
Total.....	\$3,864,792

SCHEDULE 11

CLASSIFICATION OF BILL LADING DRAFTS AS TO COMMODITY

Based on grain and grain products.....	\$1,000,220.76
Based on cotton and cotton products.....	1,652,553.97
Based on hay	382,028.14
Based on beans	42,520.10
Based on rice	236,909.93
Miscellaneous products	27,310.78
Total.....	\$3,341,543.68

SCHEDULE 12

STATEMENT OF BANKERS' ACCEPTANCES—RATES AND TIME

Amount purchased at 5 per cent.....	\$100,000.00
Amount purchased at 5½ per cent.....	64,840.00
Amount purchased at 6 per cent.....	358,276.00
Amount purchased at 6½ per cent.....	150,000.00
Amount purchased at 7 per cent.....	20,906.70
Total.....	\$694,022.70
Due within fifteen days.....	\$ 19,200.00
Due within thirty days.....	204,076.00
Due within sixty days.....	259,840.00
Due within ninety days.....	210,906.70
Total.....	\$694,022.70

SCHEDULE 13

OPERATIONS IN UNITED STATES BONDS AND SECURITIES
FOR THE YEAR 1921 AND TREASURY NOTES
HELD ON DECEMBER 31, 1921

Registered 2% Consuls of 1930.....	\$ 2,450,900.00
Registered 2% Panama Bonds 1938.....	155,000.00
Registered 2% Panama Bonds 1936.....	126,500.00
Registered 3% Conversion Bonds 1946.....	507,400.00
Registered 3% Conversion Bonds 1947.....	726,200.00
Registered 2% U. S. Special Certificates of Indebtedness.....	8,300,000.00
First Series 3½% Liberty Loan Bonds.....	600.00
Second Series 4% Liberty Loan Bonds.....	1,100.00
Third Series 4¼% Liberty Loan Bonds.....	2,700.00
Fourth Series 4¼% Liberty Loan Bonds.....	4,700.00
Victory 4¾% Loan Notes.....	4,150.00
Total.....	\$12,279,250.00

PURCHASES AND SALES OF UNITED STATES SECURITIES
FOR THE YEAR 1921

Registered 2% Consuls of 1930 sold to A. S. Pratt & Son, Washington, D. C., at par.....	\$ 1,055,000.00
Registered 2% Panama Bonds 1936-38 par to A. S. Pratt & Son	281,500.00
U. S. 2% Certificates of Indebtedness sold to U. S. Treasury at par.....	6,400,000.00
U. S. 4% Certificates of Indebtedness sold at par to the Treasury of the United States.....	3,000,000.00
U. S. 5% Certificates of Indebtedness sold at par to various banks and individuals.....	100,000.00
U. S. 5¼% Certificates of Indebtedness sold to various banks and individuals.....	370,000.00
U. S. 5½% Certificates of Indebtedness sold on New York market at par.....	100,000.00
First Series 3½% L. L. Bonds sold through Federal Reserve Bank, New York, at \$95.54.....	600.00

Second Series 4¼% L. L. Bonds sold through Federal Reserve Bank, New York, at \$97.08.....	1,000.00
Second Series 4¼% L. L. Bonds sold through Federal Reserve Bank, New York, at \$96.98.....	100.00
Third Series 4¼% L. L. Bonds sold through Federal Reserve Bank, New York, at \$97.62.....	2,000.00
Fourth Series 4¼% L. L. Bonds sold through Federal Reserve Bank, New York, at \$95.52.....	700.00
Fourth Series 4¼% L. L. Bonds sold through Federal Reserve Bank, New York, at \$97.38.....	4,000.00
Fourth Series 4¼% L. L. Bonds sold through Federal Reserve Bank, New York, at \$97.28.....	700.00
Victory Notes 4¾% sold through Federal Reserve Bank, New York, at \$99.98.....	4,000.00
Victory Notes 4¾% sold through Federal Reserve Bank, New York, at \$99.88.....	150.00
Total.....	\$11,319,750.00

U. S. 4% Certificates of Indebtedness purchased from U. S. Treasury at par.....	\$ 1,000,000.00
U. S. 4% Certificates of Indebtedness bought at par from the U. S. Treasury.....	2,000,000.00
U. S. 5% Certificates of Indebtedness bought at par from the U. S. Treasury.....	100,000.00
U. S. 5¼% Certificates of Indebtedness bought at par from the U. S. Treasury.....	370,000.00
U. S. 5½% Certificates of Indebtedness bought from City National Bank, Dallas, Texas, at par.....	100,000.00
Total.....	\$3,570,000.00

**UNITED STATES BONDS AND TREASURY NOTES HELD ON
DECEMBER 31, 1921**

Registered 2% Consols 1930.....	\$1,395,900.00
Registered 3% Conversions 1946-7.....	1,233,600.00
U. S. Certificates of Indebtedness Pitman Act.....	1,900,000.00
Total.....	\$4,529,500.00

SCHEDULE 14

MEMBER BANKS COLLATERAL NOTES

Total amount of member banks collateral notes.....	\$497,862,178.10
Total number of banks accommodated in this manner.....	507

**PAPER SECURED BY UNITED STATES BONDS AND CERTIFICATES
OF INDEBTEDNESS**

Member banks collateral notes.....	\$448,378,815.75
Member banks rediscounts.....	6,305,945.00
Total.....	\$454,684,760.75

SCHEDULE 15
DAILY AVERAGE EARNING ASSETS, EARNINGS THEREON AND AVERAGE RATE PER ANNUM, YEAR 1921,
AS COMPARED WITH YEAR 1920

	Earning Assets		Earnings		Average Rate	
	1921	1920	1921	1920	1921	1920
Bills discounted members and other F. R. Banks	\$61,237,903.81	\$71,270,731.02	\$3,829,839.95	\$4,044,612.34	6.25	5.67
Bills bought in open market and from other F. R. Banks.....	115,882.35	1,333,574.79	7,979.58*	73,211.72	6.88**	5.49
United States Securities.....	7,877,780.82	12,840,190.58	171,150.92	270,874.35	2.17	2.11
Total.....	\$69,231,566.98	\$85,444,496.39	\$4,008,970.45	\$4,388,698.41	5.79	5.14

*Includes \$905.35 earned in 1920, but credited in 1921.

**Actual rate on 1921 earnings 6.10.

SCHEDULE 16

PAPER REDISCOUNTED WITH OTHER FEDERAL RESERVE BANKS
DURING EACH MONTH OF 1921

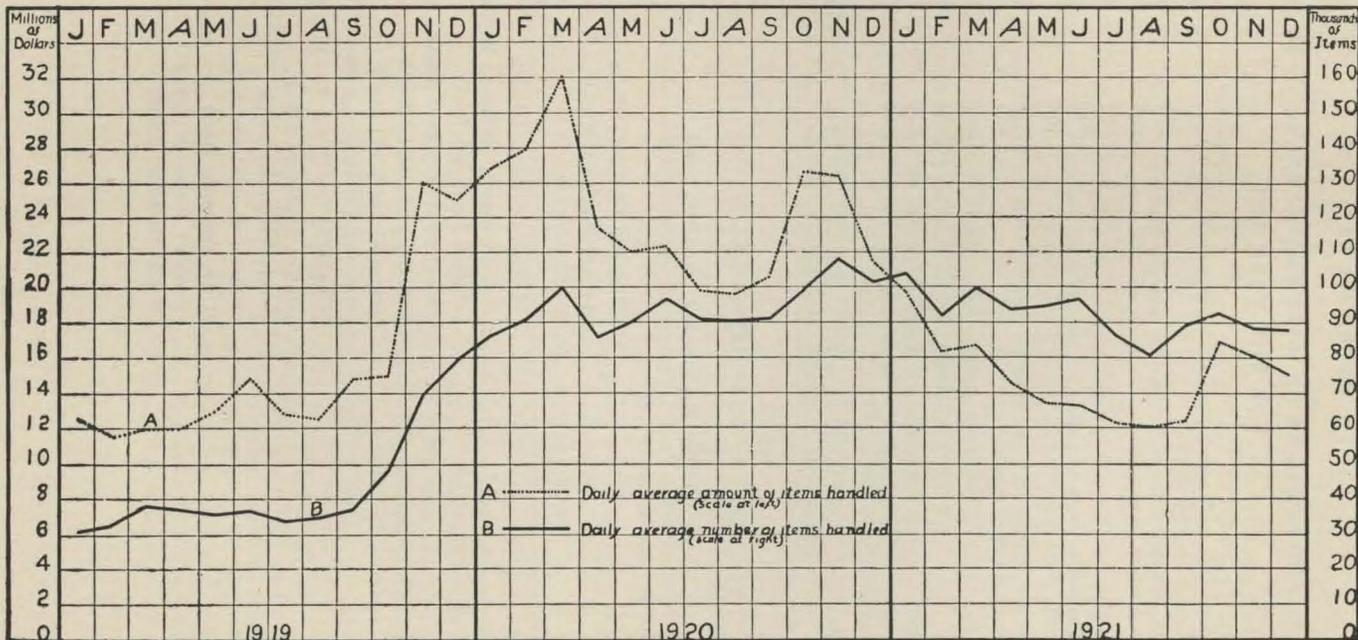
MONTH	F. R. B. Boston	F. R. B. Cleveland
January.....	None	49,000,000
February.....	None	34,500,000
March.....	None	33,000,000
April.....	7,500,000	17,500,000
May.....	10,000,000	None
June.....	18,000,000	None
July.....	25,000,000	9,000,000
August.....	31,500,000	5,500,000
September.....	23,000,000	6,500,000
October.....	20,500,000	None
November.....	12,500,000	None
December.....	3,000,000	None
Totals for Year.....	151,000,000	155,000,000

SCHEDULE 17
OPERATIONS OF FEDERAL RESERVE CLEARING SYSTEM
 (Figures Include Cash Items Only)
 (NUMBERS IN THOUSANDS; AMOUNTS IN THOUSANDS OF DOLLARS)

PERIOD	Items drawn on banks in own district				Items drawn on Treasurer of United States		Items forwarded to other F. R. Banks and their branches		Total Number*			Total Amount*		
	Located in F. R. Bank and branch cities		Located outside F. R. Bank and branch cities		Number	Amount	Number	Amount	1921	1920	1919	1921	1920	1919
	Number	Amount	Number	Amount										
Jan. 1 to Jan. 15.....	120	\$ 58,468	962	\$ 146,066	59	\$ 4,065	61	\$ 27,023	1,202	1,049	367	\$ 235,622	\$ 329,683	\$ 148,465
Jan. 16 to Feb. 15....	228	106,970	1,851	259,466	89	7,995	127	36,370	2,295	2,273	843	410,801	696,538	297,204
Feb. 16 to Mar. 15....	230	101,883	1,782	232,296	77	7,893	103	26,262	2,192	2,306	838	368,334	738,284	261,966
Mar. 16 to Apr. 15....	268	111,757	2,029	241,430	103	9,686	112	27,887	2,512	2,313	969	390,760	631,143	308,133
Apr. 16 to May 15....	222	92,744	1,842	201,384	104	7,579	100	21,031	2,268	2,250	891	322,738	549,966	327,488
May 16 to June 15....	247	96,689	1,969	205,722	96	7,937	109	21,548	2,421	2,321	837	331,896	533,994	342,675
June 16 to July 15....	214	88,962	1,746	190,084	102	9,601	100	17,445	2,162	2,262	840	306,092	494,151	320,624
July 16 to Aug. 15....	220	84,434	1,632	194,163	77	7,149	82	14,677	2,011	2,257	944	300,423	490,131	338,427
Aug. 16 to Sept. 15....	244	93,226	1,920	207,537	71	7,258	88	15,191	2,323	2,270	930	323,212	514,815	369,124
Sept. 16 to Oct. 15....	265	125,742	1,871	271,613	96	7,640	84	16,309	2,316	2,432	1,196	421,304	664,420	376,001
Oct. 16 to Nov. 15....	272	119,694	1,739	255,305	108	8,529	85	18,173	2,204	2,591	1,737	401,701	632,340	652,375
Nov. 16 to Dec. 15....	276	112,152	1,733	233,053	94	9,666	93	15,693	2,196	2,534	1,917	375,564	537,801	602,815
Dec. 16 to Dec. 31....	149	59,108	916	122,043	70	4,278	52	9,628	1,187	1,383	1,104	195,057	256,120	340,671
Total: 1921.....	2,955	1,251,829	21,992	2,765,162	1,146	99,276	1,196	267,237	27,289			4,383,504		
1920.....	2,294	1,871,511	23,021	4,303,032	1,145	107,662	1,831	787,181		28,291			7,069,386	
1919.....	1,151	1,144,256	9,592	2,697,699	1,265	157,169	1,405	636,844			13,413			4,685,968

*Exclusive of duplications on account of items handled by both parent bank and branch.

**OPERATIONS OF CHECK CLEARING AND COLLECTION DEPARTMENT
DURING 1919, 1920 and 1921**



Federal Reserve Bank of Dallas

SCHEDULE 18

NUMBER AND AMOUNTS OF WIRE TRANSFERS SOLD BY MONTHS
FOR THE YEAR 1921

	Number	Amount
January	1,142	\$ 36,631,000
February	958	29,340,000
March	1,067	36,718,000
April	1,057	28,418,000
May	1,158	39,380,000
June	1,176	46,539,000
July	1,148	39,804,000
August	1,284	39,886,000
September	1,409	42,299,000
October	1,534	41,852,000
November	1,370	41,570,000
December	1,370	46,893,000
Total.....	14,673	\$469,330,000

SCHEDULE 19

NEW NATIONAL BANKS, 1921

OKLAHOMA

Boswell.....	Citizens National Bank
Idabel.....	Idabel National Bank

TEXAS

Arlington.....	Farmers National Bank
Canadian.....	Southwestern National Bank
Clifton.....	Clifton National Bank
Dallas.....	Southwest National Bank
Electra.....	Security National Bank
Farwell.....	Farwell National Bank
Fort Worth.....	Continental National Bank
Houston.....	Guaranty National Bank
Houston.....	Public National Bank
Houston.....	State National Bank
Mercedes.....	First National Bank
Mexia.....	City National Bank
Nocona.....	Peoples National Bank
Quinlan.....	First National Bank

SCHEDULE 20

NATIONAL BANKS LIQUIDATING DURING 1921

LOUISIANA

Homer..... American National Bank...Liquidated—Succeeded by
Commercial Natl. Bank
Monroe..... Citizens National Bank....Consolidated with Ouichita
National Bank

TEXAS

Childress..... City National Bank.....Liquidated—Succeeded by
City Guaranty State Bk.
Cisco..... American National Bank...Liquidated—Succeeded by
Guar. State Bk. & Tr. Co.
Cleburne..... Natl. Bank of Cleburne.....Insolvent.
Cooper..... Farmers National Bank....Insolvent.
Crawford..... First National Bank.....Insolvent.
Dallas..... Security National Bank...Liquidated—Succeeded by
Southwest National Bk.
Desdemona..... First National Bank.....Insolvent.
Eastland..... American National Bank...Consolidated with Secur-
ity State Bank & Trust
Co.
Eastland..... City National Bank.....Liquidated—Succeeded by
Security State Bank &
Trust Co.
Fort Worth..... Natl. Bank of Commerce...Liquidated—Succeeded by
Continental National Bk.
Hearne..... First National Bank.....Insolvent.
Jakehamon..... First National Bank.....Liquidated
Necessity..... First National Bank.....Liquidated
Nocona..... Nocona National Bank....Liquidated—Succeeded by
Peoples National Bank
Plano..... F. & M. National Bank....Liquidated—Succeeded by
Farmers State Bank
Ranger..... First National Bank.....Insolvent.
Sealey..... Farmers National Bank....Consolidated with Sealey
National Bank
Sipe Springs..... First National Bank.....Insolvent.
Venus..... First National Bank.....Consolidated with Farmers
National Bank
West Columbia..... First National Bank.....Liquidated—Assets purch-
ased by Guaranty State
Bank
Wichita Falls..... American National Bank...Liquidated—Succeeded by
First National Bank
Wichita Falls..... Exchange National Bank....Liquidated.

Federal Reserve Bank of Dallas

SCHEDULE 21

NEW STATE BANKS, 1921

TEXAS

Caddo Mills.....	Caddo Mills State Bank
Childress.....	City Guaranty State Bank
Cohoma.....	First State Bank
Commerce.....	State Bank of Commerce
Como.....	Como State Bank
Cooper.....	Security State Bank
Decatur.....	Security State Bank
Emhouse.....	First State Bank
Greenville.....	Citizens State Bank
Hamilton.....	Hamilton Bank & Trust Company
Josephine.....	Josephine State Bank
Killeen.....	Guaranty State Bank
Mission.....	First State Bank
Murchison.....	First State Bank
Paradise.....	Paradise State Bank
Penelope.....	Penelope State Bank
Perrin.....	First State Bank
Plano.....	Farmers State Bank
Quinlan.....	First State Bank
Richland.....	First State Bank
Robstown.....	Guaranty State Bank
Streetman.....	First State Bank
Teague.....	First State Bank
Wharton.....	Wharton Bank & Trust Company
West.....	First State Bank
Yoakum.....	Yoakum State Bank

SCHEDULE 22

STATE BANKS LIQUIDATING DURING 1921

NEW MEXICO

Mountainair..... Mountainair State Bank..... Insolvent.

TEXAS

Colorado.....	First State Bank.....	Liquidated—Taken over by Colorado National Bank
Denison.....	Denison Bank & Trust Co.....	Liquidated—Succeeded by Citizens State Bank
Henderson.....	First State Bank.....	Insolvent.
Houston.....	State Bank & Trust Co.....	Converted into State Na- tional Bank
Jacksonville.....	Farmers Guaranty St. Bk	Insolvent.
Quinlan.....	First State Bank.....	Liquidated—Succeeded by First National Bank

Federal Reserve Bank of Dallas

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SCHEDULE 23

TOTAL STATE BANK MEMBERSHIP, ELEVENTH FEDERAL RESERVE DISTRICT, DECEMBER 31, 1921

	Capital	Surplus	Total Resources
ARIZONA			
Safford..... Bank of Safford.....	\$ 33,000	\$ 42,000	\$ 587,000
Tombstone..... Cochise County State Bank.....	30,000	10,000	295,000
LOUISIANA			
Monroe..... Central Savings Bk. & Trust Co.	375,000	125,000	3,199,000
Shreveport..... Continental Bank & Trust Co....	300,000	100,000	4,288,000
NEW MEXICO			
Albuquerque..... State Trust & Savings Bank	100,000	80,000	1,105,000
Cloudfroft..... First State Bank.....	25,000	3,000	95,000
Corona..... Stockmens State Bank	30,000	6,000	109,000
*Lovington..... First Territorial Bank.....	60,000	43,000	428,000
Portales..... Security State Bank	25,000	5,000	246,000
OKLAHOMA			
Broken Bow..... McCurtain County Bank	25,000	3,000	218,000
Coleman..... Coleman State Bank	25,000	3,000	189,000
Fort Towson..... First State Bank.....	50,000	10,000	263,000
Valliant..... Farmers State Guaranty Bank....	50,000	2,000	306,000
TEXAS			
Alice..... Citizens State Bank	60,000	20,000	419,000
Alpine..... Alpine State Bank.....	30,000	40,000	275,000
Alto..... Alto State Bank	25,000	12,000	235,000
Anson..... Anson State Bank	50,000	55,000	503,000
Avery..... Avery State Bank	25,000	12,000	94,000
Ballinger..... Ballinger State Bk. & Trust Co.	60,000	4,000	336,000
Bay City..... Bay City Bank & Trust Co.....	65,000	20,000	471,000
Bay City..... First State Bank	100,000	10,000	548,000
Beaumont..... Guaranty Bank & Trust Co.....	100,000	20,000	1,577,000
Beaumont..... Texas Bank & Trust Co.....	250,000	130,000	2,736,000
Beeville..... Beeville Bank & Trust Co.....	50,000	32,000	380,000
Bishop..... First State Bank.....	25,000	10,000	341,000
Bomarton..... First State Bank.....	32,000	1,000	159,000
Bonham..... Fannin County Bank.....	100,000	50,000	919,000
Bonham..... First State Bank	200,000	100,000	1,584,000
Bremond..... First State Bank.....	50,000	12,000	393,000
Bridgeport..... Bridgeport State Bank.....	25,000	5,000	148,000
Brownfield..... Brownfield State Bank.....	25,000	25,000	253,000
Bryan..... First State Bank & Trust Co....	100,000	50,000	809,000
Caddo Mills..... Caddo Mills State Bank.....	30,000	21,000	159,000
Canton..... Texas State Bank.....	50,000	25,000	166,000
Canyon..... First State Bank.....	40,000	6,000	267,000
Celina..... Celina State Bank.....	35,000	3,000	171,000
Celina..... First State Bank	50,000		291,000
Childress..... City Guaranty State Bank.....	100,000	10,000	571,000
Childress..... Farmers & Mechanics State Bank	50,000	60,000	842,000
Clarendon..... Farmers State Bank.....	50,000	10,000	205,000
Clifton..... Farmers Guaranty State Bank..	30,000	30,000	307,000
Clifton..... First Guaranty State Bank.....	40,000	20,000	235,000
Coahoma..... First State Bank	25,000	1,000	122,000
*Collinsville..... First Guaranty State Bank.....	25,000	8,000	183,000
Commerce..... Citizens State Bank.....	25,000	12,000	161,000
Commerce..... State Bank of Commerce.....	50,000	3,000	253,000
Como..... Como State Bank.....	25,000	25,000	174,000

Federal Reserve Bank of Dallas

SCHEDULE 23—Continued

		Capital	Surplus	Total Resources
Cooper.....	Security State Bank.....	100,000		620,000
Copperas Cove.....	First State Bank.....	35,000	5,000	177,000
Corsicana.....	First State Bank.....	200,000	40,000	1,083,000
Cross Plains.....	First Guaranty State Bank.....	30,000	3,000	238,000
Crowell.....	First State Bank.....	30,000	30,000	326,000
Cuero.....	First State Bank & Trust Co.....	100,000	50,000	503,000
Dallas.....	Central State Bank.....	1,000,000	500,000	5,890,000
Dallas.....	Dallas County State Bank.....	250,000	110,000	2,905,000
Dallas.....	Guaranty Bank & Trust Co.....	1,000,000	125,000	8,359,000
Decatur.....	Security State Bank.....	60,000		154,000
DeKalb.....	First State Bank.....	100,000	25,000	351,000
Del Rio.....	Del Rio Bank & Trust Co.....	100,000	80,000	448,000
Denton.....	First Guaranty State Bank.....	50,000	8,000	363,000
East Bernard.....	Union State Bank.....	50,000	10,000	218,000
Edgewood.....	Farmers & Merchants State Bank.....	35,000	12,000	149,000
El Paso.....	American Trust & Savings Bank.....	350,000	50,000	3,015,000
El Paso.....	El Paso Bank & Trust Co.....	200,000	26,000	2,309,000
El Paso.....	Security Bank & Trust Co.....	200,000	25,000	1,808,000
Emhouse.....	First State Bank.....	30,000	20,000	113,000
Falfurrias.....	Falfurrias State Bank.....	75,000	2,000	293,000
Ferris.....	Farmers & Merchants State Bank.....	50,000	15,000	270,000
Flatonia.....	Flatonia State Bank.....	50,000	5,000	421,000
Floydada.....	First State Bank.....	50,000	15,000	482,000
Forney.....	Forney State Bank.....	25,000	20,000	155,000
Franklin.....	First State Bank.....	30,000	15,000	289,000
Frost.....	Citizens State Bank.....	25,000	50,000	213,000
Galveston.....	South Texas State Bank.....	200,000	150,000	3,689,000
Galveston.....	Texas Bank & Trust Co.....	400,000	600,000	7,232,000
Ganado.....	Farmers State Bank.....	35,000	2,000	88,000
Gatesville.....	Guaranty State Bank & Trust Co.....	50,000	13,000	428,000
Georgetown.....	Farmers State Bank.....	50,000	50,000	708,000
George West.....	First State Bank.....	50,000	18,000	218,000
Gilmer.....	Gilmer State Bank.....	50,000	4,000	157,000
Goldthwaite.....	Trent State Bank.....	100,000	50,000	691,000
Gonzales.....	Gonzales State Bank & Trust Co.....	75,000	25,000	498,000
Graford.....	First State Bank.....	50,000	20,000	204,000
Grand Prairie.....	First State Bank.....	40,000	20,000	246,000
Grand Prairie.....	Guaranty State Bank.....	25,000	1,000	108,000
Greenville.....	Citizens State Bank.....	100,000	5,000	377,000
Hallsville.....	Farmers State Bank.....	25,000	1,000	224,000
Hamilton.....	Hamilton Bank & Trust Co.....	50,000	50,000	328,000
Hamlin.....	First State Bank.....	40,000	20,000	431,000
Hedley.....	Guaranty State Bank.....	25,000	12,000	94,000
Hereford.....	First State Bank & Trust Co.....	50,000	50,000	473,000
Hillsboro.....	First State Bank.....	150,000	15,000	887,000
Italy.....	Farmers State Bank.....	50,000	12,000	322,000
Jacksonville.....	First Guaranty State Bank.....	63,000	25,000	593,000
Josephine.....	Josephine State Bank.....	30,000	6,000	105,000
Junction.....	Junction State Bank.....	100,000	110,000	750,000
Kaufman.....	First State Bank.....	100,000	80,000	622,000
Kenedy.....	Farmers & Merchants State Bank.....	50,000	50,000	331,000
Kenedy.....	First State Bank & Trust Co.....	60,000	90,000	531,000
Kerens.....	First State Bank.....	50,000	30,000	250,000
Kilgore.....	Kilgore State Bank.....	25,000	13,000	120,000
Killeen.....	First State Bank.....	35,000	16,000	301,000
Killeen.....	Guaranty State Bank.....	30,000		107,000
Kirkland.....	First State Bank.....	50,000	2,000	229,000

Federal Reserve Bank of Dallas

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SCHEDULE 23—Continued

		Capital	Surplus	Total Resources
Ladonia	First State Bank	35,000	10,000	422,000
LaFeria	Cameron County Bank	25,000	3,000	207,000
Lamesa	First State Bank	60,000	30,000	541,000
Leaky	First State Bank	25,000	1,000	69,000
Leonard	First State Bank	50,000	11,000	421,000
Liberty	Liberty State Bank	35,000	10,000	331,000
Lockney	Lockney State Bank	50,000	3,000	219,000
Longview	Commercial Guaranty State Bk.	50,000		296,000
Lorraine	First State Bank	30,000	30,000	350,000
Lorenzo	First State Bank	25,000	25,000	250,000
Lubbock	Lubbock State Bank	100,000	50,000	870,000
Lubbock	Security State Bank & Trust Co.	100,000	6,000	475,000
Lufkin	Citizens Guaranty State Bank	75,000	5,000	470,000
Luling	Citizens State Bank	25,000	7,000	146,000
Luling	Lipscomb Bank & Trust Co.	75,000	55,000	308,000
Madisonville	Farmers State Bank	25,000	25,000	255,000
Malone	First State Bank	25,000	8,000	107,000
Matador	First State Bank	38,000	13,000	348,000
Mathis	First State Bank	30,000	20,000	133,000
Maypearl	Citizens State Bank	25,000	25,000	158,000
Maypearl	Farmers & Merchants State Bk.	25,000	25,000	156,000
McAllen	First State Bank & Trust Co.	130,000		664,000
McGregor	First State Bank	50,000	6,000	284,000
McKinney	Central State Bank	75,000	7,000	555,000
Memphis	Citizens State Bank	75,000	50,000	538,000
*Mercedes	Bank of Commerce & Trust Co.	50,000	5,000	151,000
Mertens	First Guaranty State Bank	25,000	7,000	130,000
Mission	First State Bank	50,000	10,000	328,000
Moran	Moran State Bank	40,000	2,000	194,000
Mt. Calm	First State Bank	40,000	10,000	187,000
Mt. Pleasant	Guaranty State Bank	60,000	30,000	498,000
Munday	First State Bank	35,000	5,000	234,000
Murchison	First State Bank	25,000	3,000	96,000
Nacogdoches	Commercial Guaranty State Bk.	100,000	50,000	1,254,000
Normangee	First State Bank	25,000	25,000	210,000
North Zulch	Farmers Guaranty State Bank	25,000	2,000	141,000
Orange	Guaranty Bank & Trust Co.	100,000		460,000
Paducah	First State Bank	50,000	50,000	468,000
Palmer	First Guaranty State Bank	25,000	18,000	241,000
Pampa	Gray County State Bank	25,000	13,000	211,000
Paradise	Paradise State Bank	25,000		94,000
Paris	First State Bank	150,000	100,000	1,462,000
Paris	Lamar State Bank & Trust Co.	150,000	53,000	1,671,000
Pecos	Pecos Valley State Bank	110,000	40,000	540,000
Penelope	Penelope State Bank	25,000		136,000
Perrin	First State Bank	25,000	12,000	128,000
Plano	Farmers State Bank	60,000	40,000	341,000
Port Arthur	Merchants State Bank	100,000	50,000	1,317,000
Post	First State Bank	25,000	3,000	176,000
Quanah	First Guaranty State Bank	100,000	50,000	839,000
Ralls	First State Bank	25,000	15,000	154,000
Ralls	Guaranty State Bank & Trust Co.	60,000	7,000	302,000
Reagan	First State Bank	25,000	20,000	140,000
Rice	First State Bank	50,000		203,000
Richardson	Citizens State Bank	35,000	4,000	136,000
Richland	First State Bank	25,000	20,000	255,000

Federal Reserve Bank of Dallas

SCHEDULE 23—Continued

	Capital	Surplus	Total Resources
Roaring Springs.....First State Bank.....	25,000	21,000	171,000
Robstown.....First State Bank.....	25,000	15,000	189,000
Robstown.....Guaranty State Bank.....	50,000	10,000	346,000
Rockwall.....Guaranty State Bank.....	60,000	20,000	316,000
Royse City.....First State Bank.....	50,000	25,000	254,000
Rusk.....F. & M. State Bk. & Tr. Co.....	100,000	3,000	653,000
Sabinal.....First State Bank.....	80,000	1,000	420,000
San Antonio.....Central Trust Co.....	200,000		4,105,000
San Augustine.....Commercial Guaranty State Bk....	50,000	10,000	400,000
Santa Anna.....First State Bank.....	35,000	20,000	362,000
Savoy.....First State Bank.....	25,000	9,000	184,000
Seminole.....First State Bank.....	40,000	30,000	151,000
Seymour.....First Guaranty State Bank.....	35,000	6,000	141,000
Shamrock.....F. & M. State Bank.....	50,000	50,000	355,000
Shiro.....Farmers State Bank.....	25,000	25,000	110,000
Silverton.....Briscoe County State Bank.....	25,000		57,000
Sinton.....Bank of Commerce.....	50,000	10,000	377,000
Slaton.....First State Bank.....	40,000	3,000	262,000
Snyder.....First State Bank & Trust Co.....	50,000	25,000	322,000
Spearman.....Guaranty State Bank.....	25,000	5,000	83,000
Stamford.....First State Bank.....	100,000	35,000	615,000
Streetman.....First State Bank.....	25,000	20,000	168,000
Sweetwater.....Texas Bank & Trust Co.....	100,000	75,000	762,000
Teague.....First State Bank.....	50,000	5,000	525,000
Terrell.....First State Bank.....	200,000	165,000	1,253,000
Tioga.....First Guaranty State Bank.....	30,000	8,000	159,000
*Troup.....Guaranty State Bank.....	25,000	20,000	309,000
Trenton.....Guaranty State Bank.....	25,000	10,000	114,000
Tyler.....Peoples Guaranty State Bank.....	100,000	32,000	1,232,000
Valley Mills.....Citizens State Bank.....	30,000	4,000	108,000
Valleyview.....First Guaranty State Bank.....	25,000	9,000	128,000
Waco.....First State Bank & Trust Co.....	300,000	115,000	2,213,000
Waxahachie.....Guaranty State Bk. & Trust Co.....	200,000	23,000	1,202,000
Weatherford.....First State Bank.....	125,000	24,000	856,000
Wellington.....Wellington State Bank.....	50,000	50,000	485,000
West.....First State Bank.....	50,000		292,000
Wharton.....Security Bank & Trust Co.....	50,000	15,000	368,000
Wharton.....Wharton Bank & Trust Co.....	50,000	150,000	765,000
White Deer.....First State Bank.....	25,000	10,000	180,000
Wills Point.....First State Bank.....	100,000	44,000	486,000
Winnsboro.....Merchants & Planters State Bk.....	30,000	30,000	340,000
Wolfe City.....First State Bank.....	50,000	25,000	273,000
Woodville.....Woodville State Bank.....	30,000	3,000	128,000
Wortham.....First State Bank.....	50,000	15,000	977,000
Wylie.....First State Bank.....	75,000	25,000	493,000
Yoakum.....Yoakum State Bank.....	100,000	100,000	1,240,000
	\$15,516,000	\$6,424,000	\$126,338,000
Capital.....			15,516,000
Surplus.....			6,424,000
Total Capital and Surplus.....			\$21,940,000

*Data on these banks is from latest statements available.

SCHEDULE 24
MEMBER BANKS BY STATES

December 31, 1921

Arizona	National	8	State	2	Total	10
Louisiana	National	16	State	2	Total	18
New Mexico	National	37	State	5	Total	42
Oklahoma	National	38	State	4	Total	42
Texas	National	556	State	103	Total	749
Totals		655		206		861

SCHEDULE 25

RECAPITULATION OF CAPITAL STOCK ACCOUNT, 1921

Number of member banks December 31, 1920 (national).....	663	
Number of member banks December 31, 1920 (state).....	187	
New national banks organized during 1921.....	16	
State banks and trust companies admitted during 1921.....	26	892
National banks liquidating during 1921.....	24	
State banks and trust companies liquidating during 1921.....	7	31
Total member banks December 31, 1921.....		861
Total capital stock December 31, 1920.....		\$8,197,100
Stock allotted member banks for quarter ending:		
March 31, 1921.....	\$ 98,100	
June 30, 1921.....	206,300	
September 30, 1921.....	252,000	
December 31, 1921.....	52,400	608,800
Total.....		\$8,805,900
Stock surrendered for quarter ending:		
March 31, 1921.....	\$ 25,500	
June 30, 1921.....	31,800	
September 30, 1921.....	69,000	
December 31, 1921.....	273,200	399,500
Total stock December 31, 1921.....		\$8,406,400
Total paid-up capital stock December 31, 1920.....		4,098,550
Subscriptions paid in quarter ending:		
March 31, 1921.....	\$ 49,050	
June 30, 1921.....	103,150	
September 30, 1921.....	126,000	
December 31, 1921.....	26,200	304,400
Total.....		\$4,402,950
Cash subscriptions refunded for surrender of stock quarter ending:		
March 31, 1921.....	\$ 12,750	
June 30, 1921.....	15,900	
September 30, 1921.....	34,500	
December 31, 1921.....	136,600	199,750
Total paid up capital December 31, 1921.....		\$4,203,200

SCHEDULE 26
NUMBER AND AGGREGATE AMOUNTS OF FEDERAL RESERVE NOTES RECEIVED, ISSUED TO BANK, AND
RETURNED TO THE COMPTROLLER DURING 1921

FEDERAL RESERVE NOTES	NUMBER OF NOTES									Aggregate Amount Dollars
	\$5	\$10	\$20	\$50	\$100	\$500	\$1,000	\$5,000	\$10,000	
1. Received from Comptroller	1,708,000	392,000	304,000							18,540,000
2. Received from F. R. Bank and from U. S. Treasurer (fit notes)	296,000	463,000	266,000	12,680	5,900	318	404			13,217,000
3. Received by Comptroller from Treasurer for destruc- tion and credit of F. R. Agent's account.....	2,878,957	1,831,633	1,066,998	38,782	15,896	148	107			57,760,775
4. Total	4,882,957	2,686,633	1,636,998	51,462	21,796	466	611			89,517,775
5. Issued to F. R. Bank.....	1,826,000	483,000	552,000	7,200	2,100	56	164			25,762,000
6. Returned to Comptroller of Currency for destruction, including notes returned by U. S. Treasurer for credit of F. R. Agent's account....	2,878,957	1,831,633	1,066,998	38,782	15,896	148	107			57,760,775
7. On hand at end of month....										
8. Total	4,704,957	2,314,633	1,618,998	45,982	17,996	204	271			83,522,775

SCHEDULE 27

NUMBER AND AGGREGATE AMOUNTS OF FEDERAL RESERVE NOTES RECEIVED, ISSUED TO BANK, AND RETURNED TO THE COMPTROLLER SINCE ORGANIZATION, AND ON HAND AT CLOSE OF BUSINESS, DECEMBER 31, 1921

FEDERAL RESERVE NOTES	NUMBER OF NOTES								Aggregate Amount Dollars	
	\$5	\$10	\$20	\$50	\$100	\$500	\$1,000	\$5,000		\$10,000
1. Received from Comptroller	10,636,000	7,288,000	3,632,000	144,000	68,000	1,600	2,000			215,500,000
2. Received from F. R. Bank and from U. S. Treasurer (fit notes).....	1,532,250	3,020,850	1,308,450	70,980	62,300	358	1,139			75,135,750
3. Received by Comptroller from Treasurer for destruction and credit of F. R. Agent's account.....	8,235,182	5,495,148	2,595,887	80,066	27,682	190	292			155,203,630
4. Total	20,403,432	15,803,998	7,536,337	295,046	157,982	2,148	3,431			445,839,380
5. Issued to F. R. Bank.....	11,567,000	9,303,090	4,748,430	196,113	118,000	916	1,979			269,877,150
6. Returned to Comptroller of Currency for destruction, including notes returned by U. S. Treasurer for credit of F. R. Agent's account.....	8,272,432	5,529,908	2,600,907	80,053	27,682	190	292			155,837,230
7. On hand at end of month....	564,000	971,000	187,000	18,880	12,300	1,042	1,160			20,125,000
8. Total	20,403,432	15,803,998	7,536,337	295,046	157,932	2,148	3,431			445,839,380

SCHEDULE 28

INTERDISTRICT MOVEMENT OF FEDERAL RESERVE NOTES DURING YEAR 1921

F. R. Bank of	5's		10's		20's		50's		100's	
	Rec'd from	Ret'd to	Rec'd from	Ret'd to	Rec'd from	Ret'd to	Rec'd from	Ret'd to	Rec'd from	Ret'd to
Boston	\$ 75,700	\$ 81,750	\$ 647,900	\$ 225,500	\$ 257,500	\$ 231,000	\$ 37,000	\$ 74,500	\$ 35,300	\$ 64,400
New York	671,250	1,590,750	2,567,000	1,486,000	1,919,200	1,135,400	458,800	375,450	536,700	636,400
Philadelphia	112,250	125,750	525,500	234,000	249,500	346,000	47,500	95,750	45,500	86,300
Cleveland	134,750	100,000	713,000	226,750	569,500	601,800	113,000	256,150	90,500	94,400
Richmond	97,500	197,750	823,000	249,010	386,240	314,000	43,250	107,250	39,500	67,500
Atlanta	1,427,730	1,577,000	1,674,550	1,636,750	2,364,960	1,437,500	249,200	140,900	215,300	209,600
Chicago	382,250	378,500	794,500	881,250	1,257,100	1,755,900	240,300	364,250	208,000	247,300
St. Louis	1,060,235	925,750	1,300,920	1,194,500	2,100,720	1,421,000	306,600	118,600	267,100	124,500
Minneapolis	41,000	64,350	94,500	123,000	195,300	198,600	29,500	18,800	30,300	30,600
Kansas City	1,191,500	1,159,250	1,364,000	1,582,250	2,434,000	2,468,500	314,500	179,600	311,300	205,800
San Francisco	633,415	679,500	804,900	1,042,250	1,845,100	2,681,500	300,400	317,100	336,100	494,900
Total.....	5,827,580	6,880,350	11,309,770	8,881,260	13,579,120	12,591,200	2,140,050	2,048,350	2,115,600	2,261,700

F. R. Bank of	500's		1000's		10,000's		1921 Total Amounts		1920 Total Amounts	
	Rec'd from	Ret'd to	Rec'd from	Ret'd to	Rec'd from	Ret'd to	Rec'd from	Ret'd to	Rec'd from	Ret'd to
Boston	\$ 500	\$ 3,000	\$ 3,000	\$ 8,000	.....	.....	\$ 1,056,900	\$ 688,150	\$ 1,466,560	\$ 589,300
New York	32,000	108,500	63,000	159,000	.....	\$10,000	6,247,950	5,501,500	7,266,650	4,423,550
Philadelphia	3,500	1,500	5,000	2,000	.....	.....	988,750	891,300	1,626,800	738,950
Cleveland	9,000	5,000	9,000	5,000	.....	.....	1,638,750	1,289,100	1,695,750	1,392,950
Richmond	1,000	1,500	11,000	20,000	.....	.....	1,401,490	957,010	3,061,000	768,650
Atlanta	11,000	16,500	21,000	67,000	.....	.....	5,963,740	5,085,250	5,290,250	4,670,500
Chicago	8,000	31,000	11,000	35,000	.....	.....	2,901,150	3,693,200	3,847,000	4,431,750
St. Louis	12,000	5,500	33,000	19,000	.....	.....	5,080,575	3,808,850	8,272,822	4,558,650
Minneapolis	3,500	3,500	5,000	7,000	.....	.....	399,100	445,850	404,500	590,900
Kansas City	21,000	30,000	16,000	49,000	.....	.....	5,652,300	5,674,400	6,974,350	6,007,200
San Francisco	14,500	31,500	33,000	43,000	.....	.....	3,967,415	5,289,750	4,299,205	4,610,350
Total.....	116,000	237,500	210,000	414,000	.....	10,000	35,298,120	33,324,360	44,204,887	32,782,750

SCHEDULE 29

Federal Reserve Agent's statement of Federal Reserve notes on hand, outstanding, received from Comptroller of the Currency, canceled, and coverage of total issue, as of December 31, 1921.

RESOURCES

Federal Reserve notes on hand.....	\$ 20,125,000.00
Federal Reserve notes outstanding.....	39,537,770.00
Collateral security held against outstanding Federal Reserve notes:	
Gold and gold certificates.....	6,701,000.00
Credit balance in gold redemption fund.....	2,158,285.00
Credit balance with Federal Reserve Board.....	2,234,000.00
Eligible paper	50,739,414.25
	<hr/>
	\$121,495,469.25

LIABILITIES

Federal Reserve notes received from Comptroller of Currency—gross amount	\$215,500,000.00
Less forwarded to the Comptroller for destruction.....	155,837,230.00
Received from Comptroller—net.....	59,662,770.00
Gold and gold certificates.....	11,093,285.00
Eligible paper	50,739,414.25
	<hr/>
	\$121,495,469.25

SCHEDULE 30

FEDERAL RESERVE BANK NOTES OUTSTANDING DECEMBER 31, 1920, ISSUED AND REDEEMED DURING 1921 AND OUTSTANDING DECEMBER 31, 1921

	Outstanding December 31, 1920	New notes issued in 1921 to replace unfit notes redeemed	Unfit notes redeemed during 1921	Outstanding December 31, 1921
Ones	\$5,950,220	\$1,540,000	\$6,016,000	\$1,474,220
Twos	689,780	200,000	620,000	269,780
Fives	628,030	240,000	449,000	419,030
Tens	753,310		353,000	400,310
Twenties	723,460		337,000	386,460
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Totals.....	\$8,744,800	\$1,980,000	\$7,775,000	\$2,949,800

Federal Reserve Bank of Dallas

SCHEDULE 31

COMBINED STATEMENT OF CONDITION OF NATIONAL BANKS
ELEVENTH FEDERAL RESERVE DISTRICT

(In thousands of dollars)

	Number of Banks 657 Feb. 21, 1921	Number of banks 657 Apr. 28, 1921	Number of banks 657 June 30, 1921	Number of banks 652 Sept. 6, 1921
RESOURCES:				
Loans and Discounts.....	\$518,020	\$497,000	\$483,755	\$464,557
U.S. Government Securities	101,297	89,843	88,586	86,342
Other Bonds	17,648	20,170	22,211	23,954
All other resources.....	215,064	189,795	181,099	190,298
	<hr/>	<hr/>	<hr/>	<hr/>
Total.....	\$852,029	\$796,808	\$775,651	\$765,151
LIABILITIES:				
Capital stock	\$ 72,954	\$ 73,625	\$ 73,830	\$ 73,225
Surplus	43,433	43,469	43,626	43,390
Undivided profits	16,954	21,162	19,366	20,409
Individual deposits	528,852	495,641	480,916	468,524
Due to banks.....	84,465	68,234	58,638	61,113
All other liabilities.....	105,371	94,677	99,275	98,490
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Total.....	\$852,029	\$796,808	\$775,651	\$765,151

SCHEDULE 32

LIST OF BANKS IN ELEVENTH FEDERAL RESERVE DISTRICT
WHICH HAVE BEEN GRANTED PERMISSION TO ACT
IN FIDUCIARY CAPACITIES

ARIZONA

Nogales	First National Bank
Tucson	Arizona National Bank
Tucson	Consolidated National Bank

LOUISIANA

Shreveport	Commercial National Bank
Shreveport	First National Bank

NEW MEXICO

Albuquerque	First National Bank
Albuquerque	State National Bank
Carlsbad	First National Bank
Roswell	Citizens National Bank
Roswell	First National Bank
Silver City	Silver City National Bank

TEXAS

Abilene	Citizens National Bank
Amarillo	First National Bank
Austin	American National Bank
Beaumont	First National Bank
Bonham	First National Bank
Brenham	First National Bank
Brownsville	Merchants National Bank
Brownwood	Citizens National Bank
Cameron	Citizens National Bank
Colorado	City National Bank
Corsicana	Corsicana National Bank
Dallas	American Exchange National Bank
Dallas	City National Bank
Dallas	Dallas National Bank
Dallas	National Bank of Commerce
Denison	State National Bank
El Paso	City National Bank
El Paso	First National Bank
El Paso	State National Bank
Fort Worth	Farmers & Mechanics National Bank
Fort Worth	First National Bank
Fort Worth	Fort Worth National Bank
Fort Worth	Stockyards National Bank
Galveston	First National Bank
Granger	First National Bank
Greenville	Greenville National Exchange Bank
Houston	National Bank of Commerce
Marshall	First National Bank
Marshall	Marshall National Bank
McKinney	First National Bank
Orange	First National Bank
Palestine	Royal National Bank
Port Arthur	First National Bank
San Angelo	Central National Bank
San Angelo	San Angelo National Bank
San Angelo	First National Bank
San Antonio	Lockwood National Bank

Federal Reserve Bank of Dallas

San Antonio	National Bank of Commerce
Sealy	Sealy National Bank
Sherman	Commercial National Bank
Sherman	M. & P National Bank
Stanton	First National Bank
Texarkana	Texarkana National Bank
Troup	First National Bank
Tyler	Citizens National Bank
Victoria	Victoria National Bank
Waco	First National Bank
Waxahachie.....	Citizens National Bank
Wichita Falls	City National Bank
Wichita Falls	First National Bank

SCHEDULE 33

BANKS AUTHORIZED TO ACCEPT UP TO 100 PER CENT OF THEIR
CAPITAL AND SURPLUS

ARIZONA

NogalesFirst National Bank

TEXAS

Austin	American National Bank
Brownwood	Brownwood National Bank
Dallas	American Exchange National Bank
Dallas	City National Bank
Dallas	Dallas National Bank
Dallas	Southwest National Bank
El Paso	First National Bank
Fort Worth	Farmers & Mechanics National Bank
Fort Worth	Fort Worth National Bank
Fort Worth	Stockyards National Bank
Gainesville	First National Bank
Hillsboro	Citizens National Bank
Honey Grove	State National Bank
Houston	First National Bank
Houston	Houston National Exchange Bank
Houston	Lumberman's National Bank
Houston	National Bank of Commerce
Houston	South Texas Commercial National Bank
Houston	Union National Bank
Navasota.....	First National Bank
Paris	Lamar State Bank & Trust Company
San Angelo	First National Bank
Sherman	Commercial National Bank
Terrell	American National Bank
Terrell	First National Bank
Waco	First National Bank
Waxahachie	Waxahachie National Bank

SCHEDULE 34

NUMBER OF EMPLOYEES
(INCLUDING THE EL PASO AND HOUSTON BRANCHES)
DECEMBER 31, 1921

DEPARTMENT	Male	Female	Total
Auditing	21	1	22
Bookkeeping	14	3	17
Cash	12	18	30
Credit	17	8	25
Examination and Statistical	12	3	15
Fiscal Agency	30	19	49
Loan and Discount	30	7	37
Mailing	15		15
Member Bank Relations	5	1	6
Secretaries and Stenographers to Senior and Junior Officers	3	11	14
Securities		4	4
Service	84	33	117
Transit	100	27	127
El Paso Branch	34	26	60
Auditing	3	1	4
Houston Branch	40	27	67
Auditing	4	2	6
Officers	22		22
TOTAL	446	192	637

SCHEDULE 35

CURRENCY RECEIPTS FROM AND PAYMENTS TO MEMBER AND NON-MEMBER BANKS, BY MONTHS, DURING
1921, WITH TOTALS FOR 1919 AND 1920

[In Thousands of Dollars]

MONTH	Receipts		Payments		Total Receipts			Total Payments		
	From Member Banks	From Non-member Banks	To Member Banks	To Non-member Banks	1921	1920	1919	1921	1920	1919
January	\$ 19,970	\$ 430	\$ 6,793	\$ 980	\$ 20,400	\$ 11,206	\$ 11,650	\$ 7,773	\$ 7,009	\$ 2,197
February	15,688	418	6,385	569	16,106	6,756	6,876	6,954	8,883	3,556
March	19,034	723	7,491	1,139	19,757	10,934	5,343	8,630	10,059	4,713
April	15,975	506	8,128	933	16,481	11,854	5,483	9,061	9,372	4,344
May	18,726	612	8,919	290	19,338	12,125	4,975	9,209	8,618	4,581
June	17,150	452	7,399	508	17,602	10,914	3,579	7,907	9,811	7,183
July	19,728	510	8,330	305	20,238	12,822	5,953	8,635	9,591	6,505
August	15,642	437	8,302	334	16,079	12,395	4,776	8,636	12,567	7,147
September	12,222	508	12,755	356	12,730	11,724	4,933	13,111	17,500	14,096
October	14,359	455	8,866	180	14,814	16,159	6,327	9,046	13,816	14,804
November	14,978	326	7,086	161	15,304	21,621	5,117	7,247	8,294	13,471
December	14,122	519	11,965	346	14,641	20,872	10,716	12,311	11,221	12,214
Total: 1921.....	197,594	5,896	102,419	6,101	203,490			108,520		
1920.....	152,697	6,685	120,951	5,790		159,382			126,741	
1919.....	72,580	3,208	90,145	4,573			75,728			94,811

SCHEDULE 36

UNITED STATES TREASURY CERTIFICATES OF INDEBTEDNESS
SUBSCRIPTIONS ALLOTTED

Date of Issue	Date of Maturity	Series	Rate	Allotment	Number of Subscribers
Jan. 15, 1921	Apr. 15, 1921	E 1921	5½ %	\$ 2,197,000	100
Jan. 15, 1921	Oct. 15, 1921	F 1921	5¾ %	1,424,000	243
Feb. 15, 1921	July 15, 1921	G 1921	5½ %	2,552,000	130
Mch. 15, 1921	Sept. 15, 1921	TS2 1921	5½ %	2,546,000	174
Mch. 15, 1921	Mch. 15, 1922	TM 1922	5¾ %	2,396,000	221
Apr. 15, 1921	Oct. 15, 1921	H 1921	5½ %	2,764,500	265
May 16, 1921	Feb. 16, 1922	A 1922	5½ %	4,071,500	244
June 15, 1921	June 15, 1922	TJ 1922	5½ %	4,708,000	331
June 15, 1921	June 15, 1924	A 1924	5¾ %	4,058,600	166
Aug. 1, 1921	Mch. 15, 1922	TM2 1922	5¼ %	2,489,000	35
Aug. 1, 1921	Aug. 1, 1922	B 1922	5½ %	5,289,500	105
Sept. 15, 1921	Mch. 15, 1922	TM3 1922	5 %	5,278,500	153
Sept. 15, 1921	Sept. 15, 1922	TS 1922	5¼ %	3,979,000	259
Sept. 15, 1921	Sept. 15, 1924	B 1924	5½ %	5,449,000	127
Nov. 1, 1921	Apr. 1, 1922	C 1922	4¼ %	1,541,000	87
Nov. 1, 1921	Sept. 15, 1922	TS2 1922	4½ %	3,586,500	159
Dec. 15, 1921	June 15, 1922	TJ2 1922	4¼ %	2,605,000	120
Dec. 15, 1921	Dec. 15, 1922	TD 1922	4½ %	4,175,000	266
Total.....				\$61,110,100	3,185

METHOD OF PAYMENT

Credit in war loan deposit account.....	\$44,332,550
Cash	13,326,050
Other certificates of indebtedness exchanged.....	3,451,500
Total.....	\$61,110,100

REDEMPTIONS

United States Treasury certificates of indebtedness.....	\$42,395,500
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CERTIFICATES OF INDEBTEDNESS PURCHASED FROM BANKS AND
RE-SOLD TO INVESTORS

\$21,082,500

Federal Reserve Bank of Dallas

SCHEDULE 37

DEPOSITARY BANKS—DULY QUALIFIED AND DESIGNATED

Balance on deposit January 1, 1921.....		\$ 1,953,042.00
Amount of deposits made on account of pay- ments of certificates of indebtedness by credit in war loan Deposit account:		
January	\$ 2,230,000.00	
February	2,067,000.00	
March	2,561,500.00	
April	1,414,250.00	
May	2,152,500.00	
June	6,714,900.00	
July	None	
August	6,766,500.00	
September	11,282,900.00	
October	None	
November	3,657,000.00	
December	5,486,000.00	
	<hr/>	
Total deposits	\$44,332,550.00s	44,332,550.00
Grand total		\$46,285,592.00*

Amount of withdrawals from depositaries
for the year:

January	\$ 2,905,300.58	
February	1,090,070.02	
March	2,319,671.40	
April	1,755,479.46	
May	3,417,414.98	
June	1,839,340.44	
July	4,458,702.49	
August	3,343,832.61	
September	4,593,110.01	
October	9,877,981.16	
November	2,578,655.76	
December	1,955,259.81	
	<hr/>	
	\$40,134,818.72s	40,134,818.72
Balance on deposit Dec. 31, 1921.....		6,150,773.28
Grand total		\$46,285,592.00*

Total number of qualified depositaries at close of business 1921.....	723
Number of banks qualifying 1921.....	1
Number of banks increasing their designation.....	5
Number of banks cancelling their designation.....	18

SCHEDULE 38

**COLLATERAL PLEDGED TO SECURE U. S. DEPOSITS WITH
DESIGNATED DEPOSITARIES IN WAR LOAN
DEPOSIT ACCOUNT**

Collateral held January 1, 1921.....		\$ 4,557,366.88	
Collateral pledged:			
January	\$ 3,155,350.00		
February	2,533,650.00		
March	2,386,113.08		
April	2,017,340.00		
May	2,313,256.61		
June	8,732,917.63		
July	1,824,353.83		
August	11,815,174.68		
September	19,111,561.04		
October	1,476,723.49		
November	4,934,078.37		
December	9,584,387.50		
		<u>\$69,884,906.23s</u>	69,884,906.23s
			<u>\$74,442,273.11*</u>

Collateral withdrawn:			
January	\$ 2,901,136.38		
February	2,346,037.50		
March	2,310,723.00		
April	2,505,569.98		
May	2,633,183.35		
June	4,454,294.96		
July	5,512,871.06		
August	9,034,791.42		
September	12,737,345.25		
October	9,660,638.14		
November	5,423,810.48		
December	6,524,784.61		
		<u>\$66,045,186.13s</u>	66,045,186.13s
Balance of collateral held December 31, 1921....		\$ 8,397,086.98	
			<u>\$74,442,273.11*</u>

SCHEDULE 39

**AMOUNT OF SECURITIES PLEDGED AGAINST WAR LOAN DEPOSIT
ACCOUNT AT THE END OF EACH MONTH**

January	\$ 4,813,580.50
February	5,001,193.00
March	5,077,083.00
April	4,588,353.10
May	4,268,426.36
June	8,547,049.03
July	4,858,531.80
August	7,638,915.06
September	14,013,130.85
October	5,829,216.20
November	5,339,484.09
December	8,399,086.98

Federal Reserve Bank of Dallas

SCHEDULE 40
BOND TRANSACTIONS, INCLUDING
CONVERSIONS, EXCHANGE, TRANSFERS, RE-SALES AND
MISCELLANEOUS

ISSUES	Pieces Received	Amount	Pieces Delivered	Amount
First 4%	65	\$ 6,350	64	\$ 5,700
First 4¼%	2,842	565,200	2,692	583,450
First-second 4¼%	142	19,700	136	19,700
Second 4%	668	56,000	616	53,550
Second 4¼%	11,064	2,287,800	9,821	2,386,450
Third 4¼%	45,764	4,721,600	41,369	4,755,700
Fourth 4¼%	344,252	55,125,600	278,143	56,127,200
Total	404,797	\$62,782,250	332,253	\$63,931,750
Bonds delivered on exchange by consignment agents	19,555	2,771,800	13,751	2,771,800
	424,352	\$65,554,050	346,004	\$66,703,550

Denominational Interchange

First 3½'s	\$ 169,100
First 4¼'s	234,800
Second 4¼'s	1,126,300
Third 4¼'s	2,012,950
Fourth 4¼'s	2,660,850
Victory 3¾'s	534,100
Victory 4¾'s	2,016,700
Total	\$8,754,800
No. of pieces	83,654

Transfer Transactions

First 3½'s	\$ 23,400
First 4¼'s	12,000
Second 4¼'s	117,600
Third 4¼'s	210,750
Fourth 4¼'s	356,150
Victory 3¾'s	100
Victory 4¾'s	64,100
Total	\$ 784,100
No. of pieces	2,336

Conversion Transactions

First 4's	\$ 325,250
Second 4's	1,584,450
Total	\$1,909,700
No. of pieces	20,385

Coupon Exchange Transactions

First 3½'s	\$ 30,200
First 4¼'s	77,400
Second 4's	775,650
Second 4¼'s	982,800
Third 4¼'s	2,095,850
Fourth 4¼'s	10,850
Victory 3¾'s	518,850
Total	\$4,491,600
No. of pieces	21,157

Registered Exchange Transactions

First 3½'s	\$ 668,600
First 4¼'s	277,450
Second 4¼'s	662,950
Third 4¼'s	845,600
Fourth 4¼'s	747,550
Victory 3¾'s	2,950
Victory 4¾'s	527,800
Total	\$3,732,900
No. of pieces	12,601

Victory Conversion

Victory 3¾'s	\$ 109,200
Victory 4¾'s	9,250
Total	\$ 118,450
No. of pieces	199

Sale of Bonds

First 3½'s	\$ 99,150
First 4¼'s	251,900
Second 4¼'s	1,375,500
Third 4¼'s	1,536,950
Fourth 4¼'s	1,728,700
Victory 3¾'s	97,350
Victory 4¾'s	2,525,500
Total	\$7,614,950
No. of pieces	32,860

RECAPITULATION

	Pieces	Amount
Temporary permanent exchanges.....	424,352	\$ 66,703,550
Denominational interchanges	83,654	8,754,800
Coupon exchanges	21,157	4,491,600
Registered exchanges	12,601	3,732,900
Registered transfers	2,336	784,100
Conversions	20,584	2,028,150
Re-sales	32,860	7,614,950
Miscellaneous	59,628	9,048,415
Total.....	657,172	\$103,158,465

SCHEDULE 41

SHIPMENTS OF SECURITIES

MONTH AND YEAR	Number Shipments	Number Pieces	Amount
January, 1921.....	6,108	183,556	\$ 57,887,069.88
February, 1921.....	4,339	177,462	38,109,459.97
March, 1921.....	4,399	178,270	34,395,655.86
April, 1921.....	3,660	175,381	31,476,562.28
May, 1921.....	5,219	190,406	25,694,202.87
June, 1921.....	4,724	170,987	27,209,736.66
July, 1921.....	3,530	139,449	16,348,271.70
August, 1921.....	3,739	117,999	15,000,915.83
September, 1921.....	3,767	130,090	23,145,101.56
October, 1921.....	3,889	186,796	22,875,285.38
November, 1921.....	3,464	148,806	14,391,309.88
December, 1921.....	4,064	242,507	23,710,614.26
Total.....	50,902	2,041,709	\$330,244,186.13

SCHEDULE 42

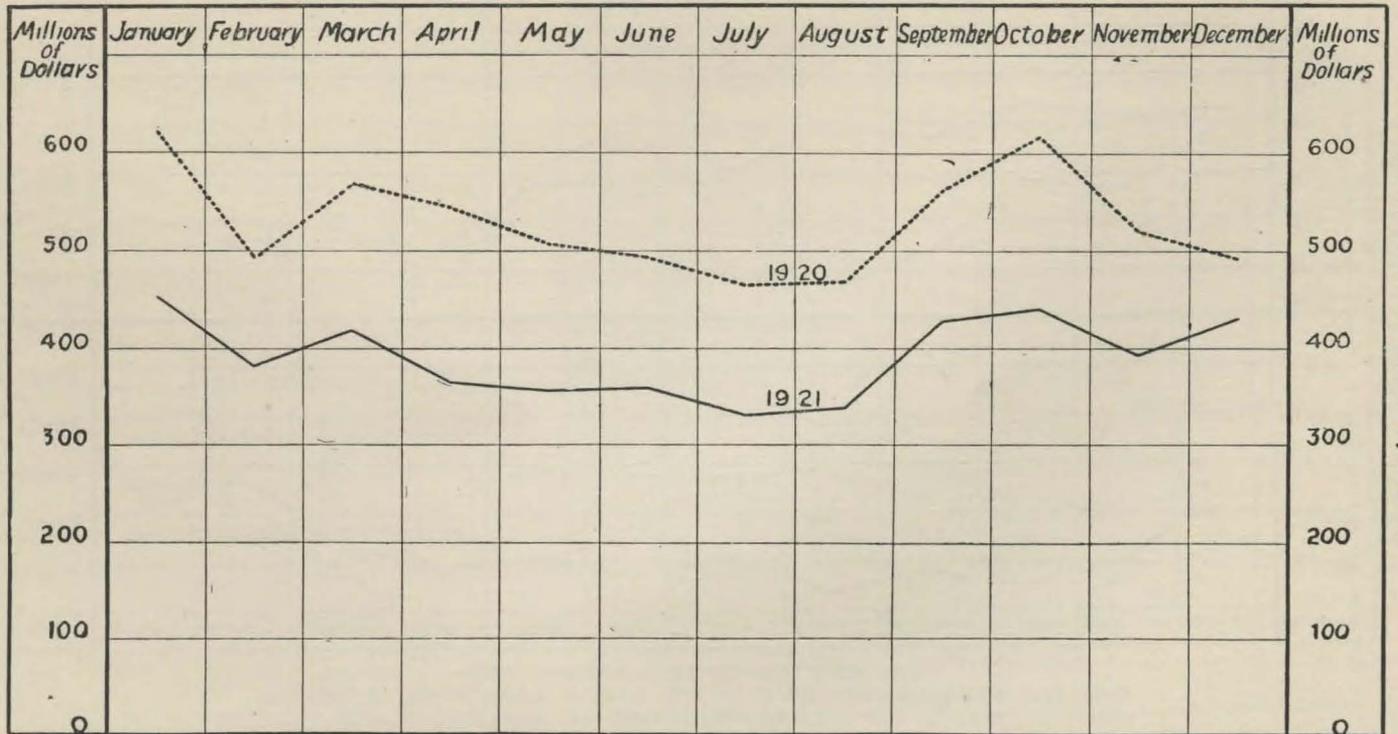
UNITED STATES INTEREST COUPONS AND WARRANTS PAID

MONTHS	Interest Coupons Paid		Government Warrants Paid	
	Number	Amount	Number	Amount
January	153,222	\$ 488,354.70	21,692	\$ 2,868,412.20
February	83,570	238,611.57	24,428	3,471,476.73
March	133,623	834,513.86	28,481	3,628,977.93
April	135,663	622,411.71	28,247	3,514,637.92
May	111,741	595,462.60	28,867	3,641,175.72
June	148,873	857,659.46	27,091	3,250,153.46
July	65,181	249,458.85	24,593	4,755,996.22
August	44,398	210,666.17	29,947	3,696,043.18
September	87,841	498,211.59	28,529	3,251,142.19
October	134,858	687,250.15	29,461	3,713,548.47
November	97,937	424,499.52	31,036	6,025,151.36
December	160,797	769,192.84	30,472	6,412,311.28
Total.....	1,357,704	\$6,476,293.02	332,844	\$48,229,026.66

SCHEDULE 43
WAR SAVINGS SECURITIES—SALES AND REDEMPTIONS

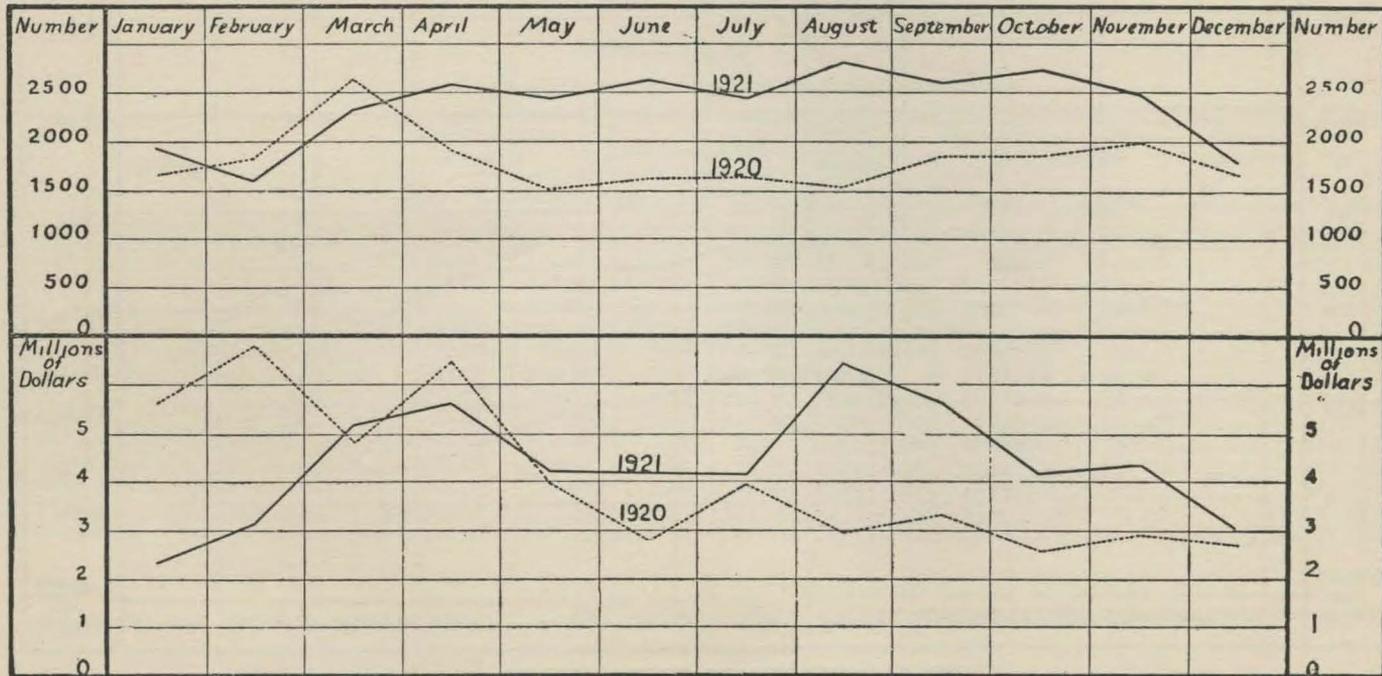
MONTHS	WAR SAVINGS STAMPS		THRIFT STAMPS		TREASURY SAVINGS STAMPS		TREASURY SAVINGS CERTIFICATES		WAR SAVINGS CERTIFICATES	
	Sales	Redemption	Sales	Redemption	Sales	Redemption	Sales	Redemption	Sales	Redemption
January	\$ 8,952.76	\$12,084.00	\$ 582.00	\$ 556.25	\$215.00	None	\$ 27,315.60	\$27,729.60	.....	\$ 304,631.84
February	6,434.54	631.76	130.00	150.25	21.00	None	7,908.95	678.40	.....	176,887.10
March	269.10	101.07	107.50	44.00	100.00	None	19,085.40	None	.....	163,451.90
April	190.90	390.08	30.75	43.25	None	None	16,081.25	5,681.60	.....	163,081.98
May	303.68	None	227.50	None	None	None	14,601.60	None	.....	110,440.45
June	37.53	None	7.25	26.50	None	None	14,949.45	None	.....	115,890.86
July	87.78	844.36	2.75	281.00	None	None	14,776.30	None	.....	89,150.91
August	243.02	None	5.50	262.00	None	None	17,011.40	None	.....	77,697.45
September	50.40	109.20	13.50	118.00	None	10.00	9,324.00	105.00	.....	84,622.75
October	1,843.98	29.47	.75	36.00	None	None	13,514.10	None	.....	86,408.79
November	1,831.48	None	2.25	None	None	None	16,521.30	84.80	.....	94,314.07
December	None	80.37	1.50	37.00	None	None	111,239.35	None	.....	91,940.77
Total.....	\$20,245.17	\$14,270.31	\$1,111.25	\$1,554.25	\$336.00	\$10.00	\$282,328.70	\$34,279.40	.....	\$1,558,518.87

BANK CLEARINGS AT AUSTIN, BEAUMONT, DALLAS, EL PASO, FORT WORTH,
 GALVESTON, HOUSTON, SAN ANTONIO, SHREVEPORT, WACO, AND
 WICHITA FALLS DURING 1920 AND 1921

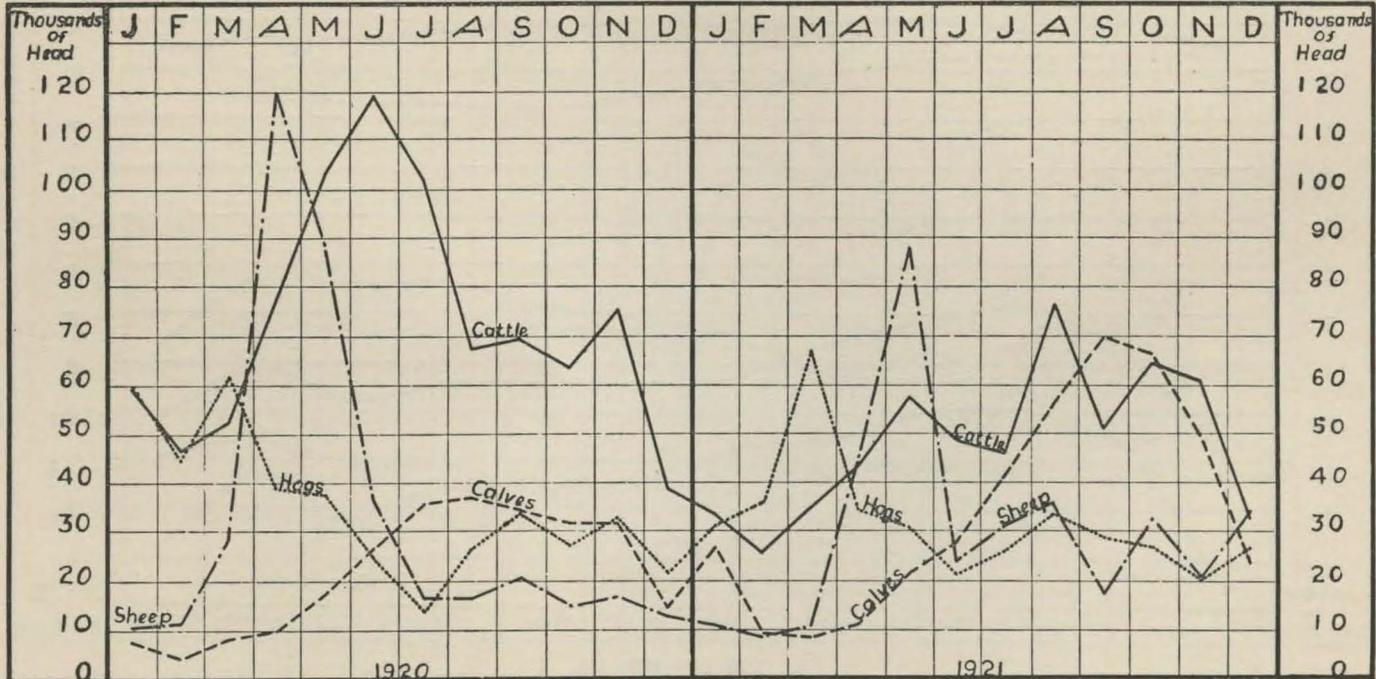


Federal Reserve Bank of Dallas

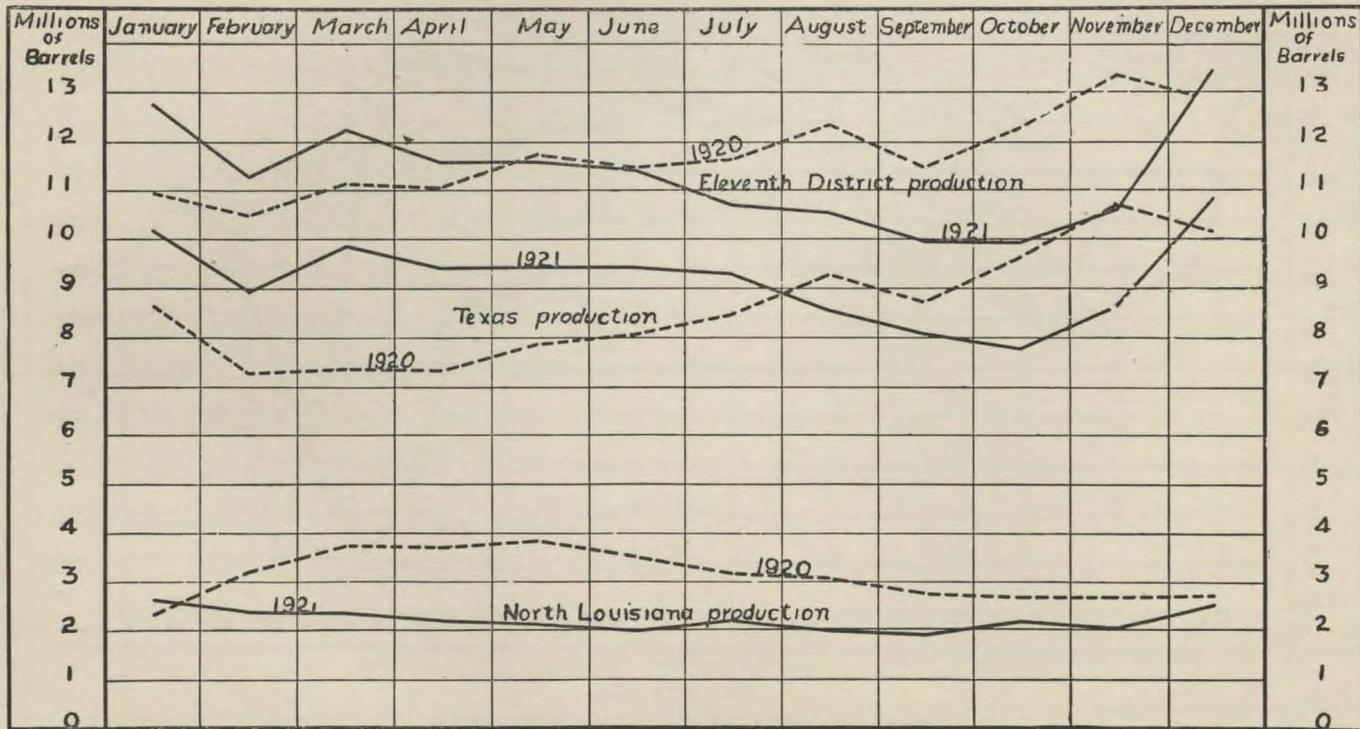
NUMBER AND VALUATION OF BUILDING PERMITS AT AUSTIN, BEAUMONT,
DALLAS, EL PASO, FORT WORTH, GALVESTON, HOUSTON, SAN ANTONIO
AND SHREVEPORT IN 1920 AND 1921



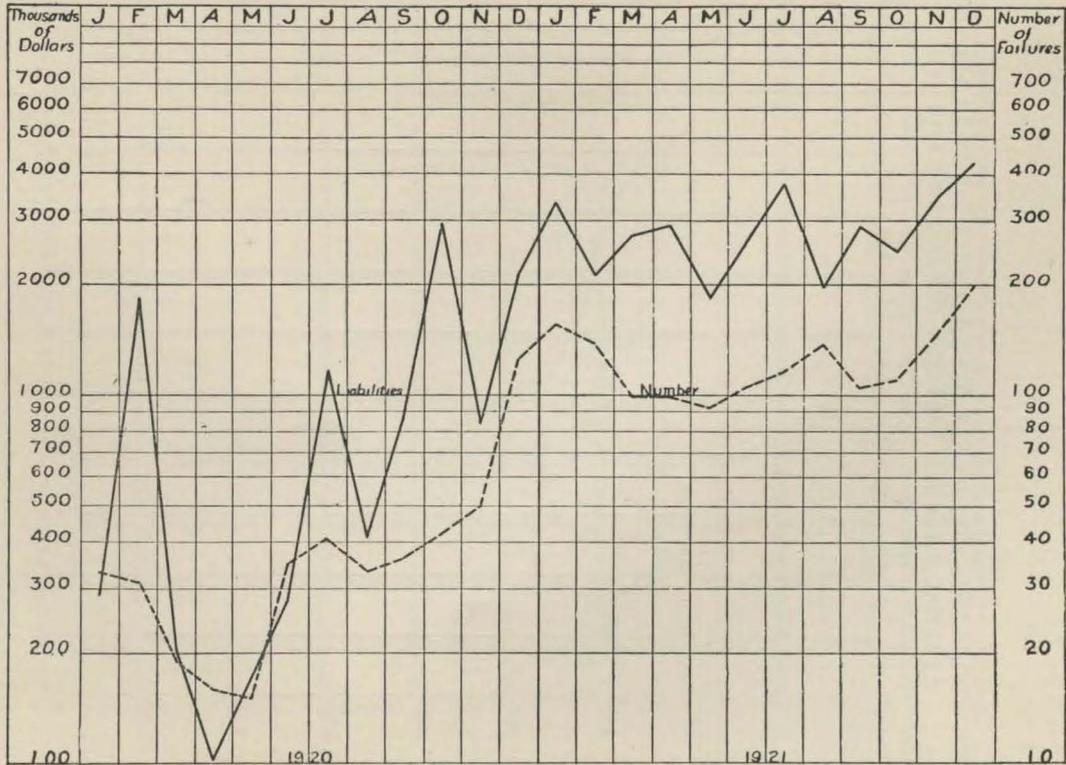
LIVESTOCK RECEIPTS AT FORT WORTH,
1920 AND 1921



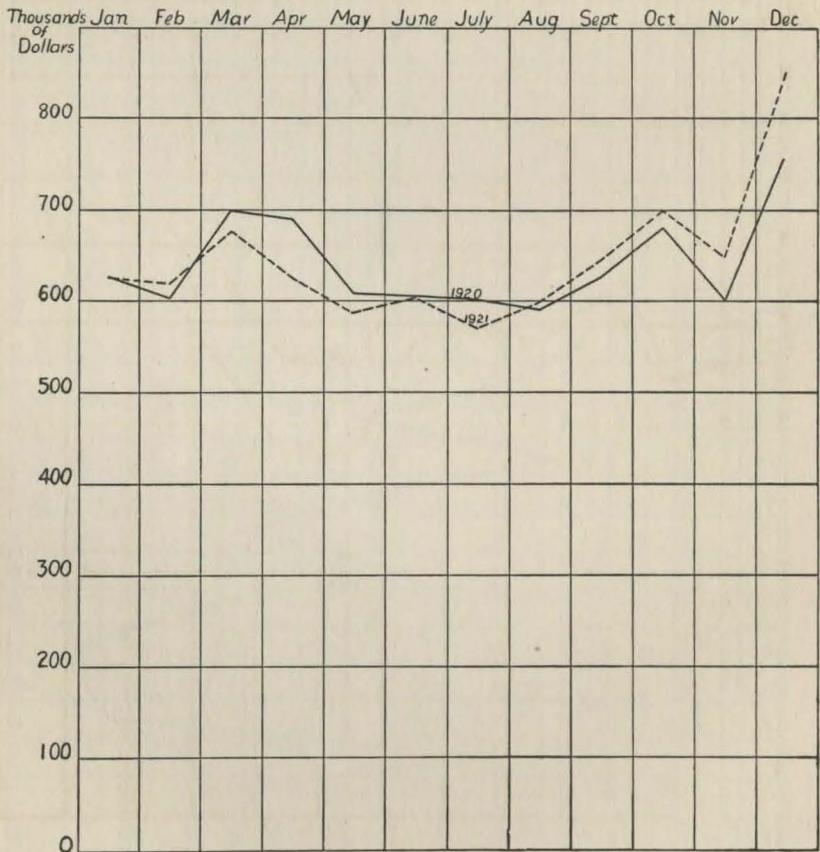
PRODUCTION OF CRUDE OIL IN ELEVENTH FEDERAL RESERVE DISTRICT
IN 1920 and 1921



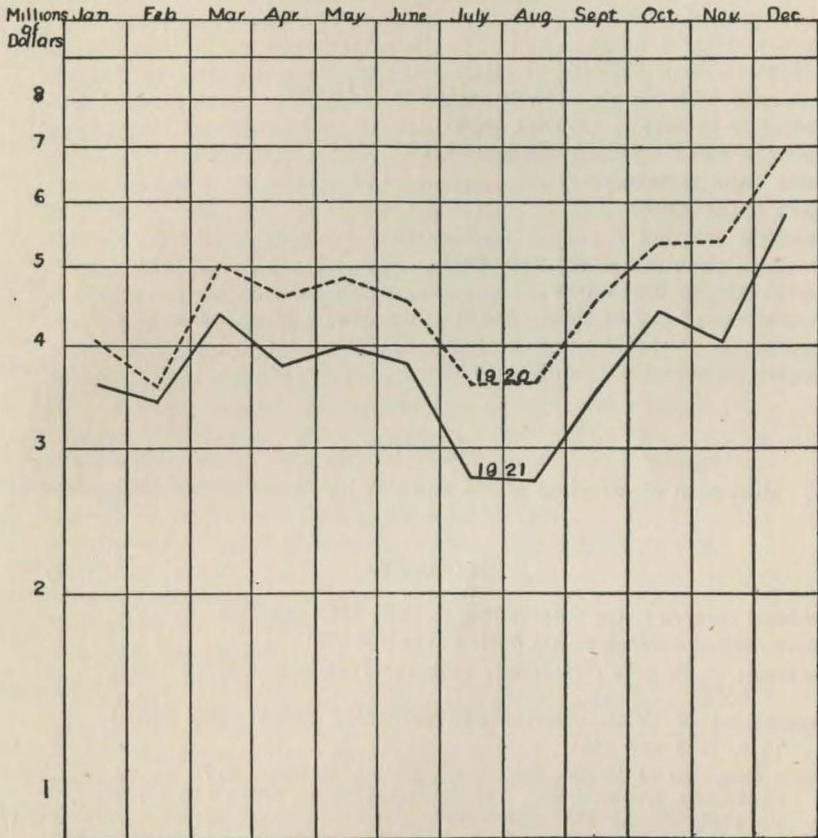
COMMERCIAL FAILURES IN ELEVENTH FEDERAL RESERVE DISTRICT IN 1920 AND 1921



POSTOFFICE RECEIPTS AT ELEVEN PRINCIPAL CITIES IN ELEVENTH
FEDERAL RESERVE DISTRICT DURING 1920 AND 1921



NET SALES OF TWENTY TEXAS DEPARTMENT STORES
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