Table	Description Farm Credit Administration	Pages	Table	<u>Description</u> Production Credit System	Pages
	Expense data for the fiscal year 1953 and comparisons with other years	1	10.	(PCA's and PCC's) Operating expenses of the PCA's and PCC's related	
	Actual expenses by object classification - fiscal year 1953	2		to (1) the number of PCA loans made and (2) the average number of PCA loans outstanding - calendar years 1940, 1944, 1948, 1950, 1951 and 1952	15-17
	Comparison of actual man-years and expenses - fiscal years 1940 and 1953	2		Federal Intermediate Credit Banks	
	Authorized funds, actual expenses, and unexpended assessments or savings, by activity and source of funds - fiscal year 1953	3-4	11.	Selected income and expense items and ratios - years ended December 31, 1940, and June 30, 1944, 1948, 1951, 1952 and 1953	18-20
4.	Average number of employees (man-years), average salary, and total expenses - fiscal years 1940-1953	5	12.	Banks for Cooperatives Selected income and expense items and ratios -	
	Supervision and service costs and examination costs allocated to Farm Credit institutions - fiscal years 1944-1953	ı 6		years ended December 31, 1940, and June 30, 1944, 1948, 1951, 1952 and 1953	21-23
6	Farm Credit Administration and Farm Credit Institutions		13.	(FLB's and NFLA's) Selected income and expense items and ratios - years ended June 30, 1948 through 1953	24-26
0.	Comparative data on personal services, operating expenses, and volume of business - fiscal years 1940 and 1953	7- 8	14.	Operating expense: Average number and cost of units serviced and average amount and cost per	
7.	Farm Credit Institutions Operating expenses for years ended December 31,			\$100 of loans and sales paper outstanding - years ended December 31. 1940, and June 30, 1944, 1948,	07.00
. •	1940, and June 30, 1944 and 1948 through 1953	9		1951, 1952 and 1953	27-29
	Production Credit Associations			Federal Farm Mortgage Corporation	
8.	Selected income and expense items and ratios - calendar years 1940, 1944, 1948, 1950, 1951, and 1952	10-12	15.	Selected income and expense items and ratios - years ended December 31, 1940, and June 30, 1944 and 1948 through 1953	30
	Production Credit Corporations				
9•	Selected income and expense items - years ended December 31, 1940, and June 30, 1944, 1948, 1951, 1952 and 1953	13-14			

FARM CREDIT ADMINISTRATION

Expense data for the fiscal year 1953 and comparisons with other years

Expenses of the Farm Credit Administration for the fiscal year 1953 represent expenses applicable to employees in Washington, to employees in the district offices of the registrars and resident examiners, to chief reviewing appraisers, and to field examiners. Other employees of the chief reviewing appraisers' offices who previously had been on the payroll of the Farm Credit Administration were transferred to the payrolls of the Federal land banks effective July 1, 1951.

Section 601 of the Department of Agriculture Organic Act of 1944 directs the Farm Credit Administration to estimate and

apportion equitably its expenses for the ensuing fiscal year to the institutions comprising the Farm Credit system, to assess in advance the amounts so apportioned, and at the end of the year to allocate its actual expenses equitably and make necessary adjustments for the difference between the advance assessments and the allocations of actual expenses.

Tables 1 through 5 show pertinent information concerning the expenses of the Farm Credit Administration and the allocations of these expenses to the Farm Credit institutions and to appropriations from the U.S. Treasury.

Table 1 - Actual expenses by object classification fiscal year 1953

Actual expenses of the Farm Credit Administration (net of reimbursements from other agencies) totaled \$2,535,920 in 1953. Salaries of \$2,201,304 accounted for 87 percent of the total expenses, travel expenses 9 percent, and all other costs 4 percent.

Object	Amount
alaries.,	\$2,201,304
avel	226,337
eansportation of things	2,958
Demunication services	17.032
ents and utility services	10,811
inting and reproduction	49,261
her contractual services	7.773
pplies and materials	15,226
uipment	3.665
funds, awards, and indemnities	
ixes and assessments	1,553
Total expenses	2,535,920

Table 2 - Comparison of actual man-years and expenses, fiscal years 1940 and 1953

Actual man-years (average number of employees) and expenses of the Farm Credit Administration decreased substantially during the period 1940-53. Data used for 1940 exclude man-years and expenses applicable to functions in that year not performed by the Farm Credit Administration in 1953, except that employees of the chief reviewing appraisers' offices and their expenses have not been eliminated from 1940 data. These employees were transferred from the payroll of the Farm Credit Administration to the payrolls of the Federal land banks effective July 1. 1951. The functions performed in 1953 required 373 employees and cost \$2,535,920, whereas the same functions in 1940, with the exception above noted, required 1,308 employees and cost \$4,018,500 -- a reduction of 71 percent in personnel and 37 percent in expenses. All divisions showed reductions in personnel. Expenses did not decrease in proportion to personnel strength, primarily for two reasons:

(1) with the reduction in personnel the proportion of employees in the higher grade jobs increased due to the nature of the supervisory and examination activities, and (2) the salaries of employees retained were increased by statutory pay raises and within grade increases required by law.

	19	2/ a/		1953
Division or Office	Man- years	Expenses	Man- years	Expenses
Salaries and travel:				
Governor's Office	18	\$85,900	15	\$121,091
Land Bank Division b/	146	596,200	34	304,590
Intermediste Credit Division.	11	57,200	6	45,323
Production Credit Division	26	127,500	11	89,561
Cooperative Division	20	84,800	8	64,983
Cooperative Research and				
Service Division	85	305,000	46	300,148
Examination Division b/	196	777,600	98	714,525
Finance and Accounts				
Division b/	324	739,900	78	428,295
Administrative Division	366	661,000	48	185,224
Personnel Division	49	121,800	9	54,457
Economic and Credit Analysis				
Division	37	106,700	11	65,923
Information and Extension				
Division	30	94,700	1 9	53,521
Total salaries and				
trayel	1,308	3,758,300	373	2,427,641
General administrative expenses				0
(all other)		260,200		108,279
		1. 020 -00		0.675.000
Total expenses		4,018,500		2,535,920

a/Adjusted for comparability with 1953, except that employees of chief reviewing appraisers offices and their expenses have not been eliminated from Land Bank Division.

b/ Inoludes field employees:	,	1940		1953
Land Bank Division	41	\$210,000	11	\$126,676
Examination Division	139	612,500	82	618,377
Pinance and Accounts Division	84	194,400	28	161,398
Total	264	1,016,900	121	906,451

FARM CREDIT ADMINISTRATION

Table 3 - Authorized funds, actual expenses, and unexpended assessments or savings, by activity and source of funds, fiscal year 1953

Authorized funds of the Farm Credit Administration (administrative expense funds authorized by Congress) for the fiscal year 1953 totaled \$2,751,171. Assessments from Farm Credit institutions to cover supervision and examination of, and facilities and services to, these institutions represented \$2,321,451 of this amount, and appropriations from the U.S. Treasury for research and technical assistance, including facilities and services, to farmers' cooperatives represented \$429,720.

Actual expenses of the Farm Credit Administration totaled \$2,535,920, of which \$731,598 represented expenses applicable to examinations of Farm Credit institutions and \$1,804,322 all other expenses (expenses of supervising and furnishing facilities and services to Farm Credit institutions and providing research and technical assistance to farmer cooperatives). The allocation of examination expense to sources of funds was estimated by the chief examiner and will be revised to reflect the actual distribution based on examiners' time reports for 1953 when such reports are available. Examination expense

applicable to the district offices of the Federal Farm Mortgage Corporation is included in the assessments to the Federal land banks and is recovered by the banks through their contracts with the Corporation. The distribution of other expenses was made either directly or on predetermined divisional percentages established by a comprehensive analysis of the activities and expenses of the Farm Credit Administration.

Of the total expenses, 83.5 percent(\$2,117,887) was applicable to the advance assessments from the Farm Credit institutions and 16.5 percent (\$418,033) to appropriations. This compares with 84 percent allocated to the institutions and 16 percent allocated to appropriated funds in 1952.

Unexpended assessments or savings (difference between authorized funds and actual expenses) totaled \$215,251 in 1953. The unexpended assessments of \$203,564 will be returned to the Farm Credit institutions and savings of appropriations in the amount of \$11,687 will be returned to the U.S. Treasury.

PARM CREDIT ADMINISTRATION

Table 3 - Authorized funds, actual expenses, and unexpended assessment or savings by activity and source of funds fiscal year 1953

				Actu	al expenses				
Activity	Authorized	Bxamina	tion a/	A11	other	7	Unexpended assessments		
Source of Funds	funds	Percent	Amount	Percent	Amount	Percent	Amount	or savings	
Supervision and examination of and facilities and services to Farm Credit banks and corporations Assessments from Farm Credit institutions: Federal land banks Federal Farm Mortgage Corporation Federal intermediate credit banks District banks for cooperatives Central Bank for Cooperatives Production credit corporations Production oredit associations Other	92,100 367,000 226,900 55,100 259,100 167,000	0.1 11.9 7.9 0.5 3.0 21.7	87.300 58,200 3,800 21,900 158.500	4.4 13.9 8.6 2.7 11.9	\$637,296 80,427 250,081 155,332 48,405 214,748	40.6 3.2 13.3 8.4 2.1 9.3 6.3 0.3	\$1.030,096 80,827 337,381 213,532 52,205 236,648 158,500 8,698	11,273 29,619 13,368 2,895 22,452 8,500	
Total assessments for this activity	2,321,451	100.0			1,386,289	83.5	2,117,887		
Appropriations from U. S. Treasury for this activity	429,720	-	-	23.2	418,033	16.5	418,033	11,687	
To tals	2,751,171	100.0	731,598	100.0	1,804,322	100.0	2,535,920	215,251	

a/Distribution based on estimates of chief examiner.

b/Cost of examination of FFMC central office accounts. The costs of examination of the FFMC district office accounts are distributed to the FLB's and are recovered by the banks under their contracts with the FFMC.

c/Excess over authorization to be recovered through billings.

FARM CREDIT ADMINISTRATION

Table 4 - Average number of employees (man-years), average salary, and total expenses a/fiscal years 1940-1953

Average number of employees (man-years) and total expenses reflect generally a downward trend during the period 1940-1953. Man-years decreased each year and salaries and total expenses decreased in all except 3 years (1947, 1949, and 1950), Average salary cost increased each year beginning in 1942 with the total increase during the period being about 130 percent.

These data represent actual obligations shown in the budget

submissions including reimbursements from agencies other than Farm Credit institutions rather than actual expenses net of reimbursements from other agencies as shown in tables 1 through 3 and 5. Data for the years 1940-1952 have been adjusted for comparability with 1953, except that employees of the chief reviewing appraisers' offices and their expenses have not been eliminated.

	Average			Expenses	
Fiscal year	number of employees (man-years)	Average salary	Salaries	Other	Total
1940	1,308	\$2,582	\$3,376,259	\$642,249	\$4,018,508
1941	1,271	2,546	3,236,282	629,390	3,865,672
1942	1,162	2,625	3,050,301	554,345	3,604,646
1943	1,002	2,878	2,883,265	519,740	3,403,005
1944	806	3,324	2,679,762	397,996	3,077,758
1945	7 39	3,461	2,556,053	361,169	2,917,222
1946	694	3,556	2,467,640	389,443	2,857,083
1947	655	4,090	2,681,076	383,434	3,064,510
1948	536	4,374	2,344,490	357,449	2,701,939
1949	492	4,830	2,377,164	344,895	2,722,059
1950	468	5,082	2,378,544	413,839	2,792,383
1951	447	5,243	2,343,521	393,272	2,736,793
1952	391	5,847	2,286,063	365,887	2,651,950
1953	373	5,950	2,219,284	339,062	2,558,346

a/ Obligation basis including reimbursements from agencies other than Farm Credit institutions; adjusted for comparability with 1953, except for employees of chief reviewing appraisers' offices.

FARM CREDIT ADMINISTRATION

Table 5 - Supervision and service costs and examination costs allocated to Farm Credit institutions a/, fiscal years 1944-1953

Supervision and service costs and examination costs allocated to Farm Credit institutions in 1953 totaled \$2,117,887; this compares with \$2,213,960 in 1952. During the last ten years such costs ranged from a high of \$2,531,200 in 1944 to a low of \$2,079,404 in 1948.

Allocation percentages in this table are not comparable with those in table 3 as they are based on assessable expenses only, whereas those in table 3 are based on total expenses including the amount allocated to appropriated funds.

		Distribution by institutions, showing percent of total																	
Fiscal year	Detail	FLBs		PPMC	b/	PICB:	3	DBC	3	CBC		PCCs		PCA	8	OTHER o/		TOTAL	
7642		Amount	*	Amount	*	Amount	*	Amount	*	Amount	*	Amount	*	Amount	*	Amount	*	Amount	*
1944	Supervision	\$747,216	38.0		31.5	\$197.509	10.0	\$117,039	6.0	\$55,644	2.8	\$229,589			-	~	-	\$1,967,615	100.0
	Examination	393,137	69.8		3.5	36,813	6.5	15,060	2.7	1,201	0.2	6,872	1.2	\$70,638	12.5	\$20,187			
	Total	1,140,353	45.1	640,295	25.3	234,322	9.3	132,099	5.2	56,845	2.2	236,461	9.3	70,638	2.8	20,187	0.8	2,531,200	100.0
1945	Supervision	702,293	38.8	538,745	29.7	197,738	10.9	100,941	5.6	52,588	2.9	218,649	12,1	-	-	~	-	1,810,954	100.0
	Examination	382,722	66.9		6.2	39.023	6.8	20.986	3.7	1,010	0.2	7,408	1.3	72,514	12.7	12,893	2,2	571.837	
	Total	1,085,015	45.5	574,026	24.1	236,761	9.9	121,927	5.1	53,598	2.2	226,057	9.5	72,514	3.1	12,893	0.6	2,382,791	100.0
1946	Supervision	624,895	36.7	496,549	29.2			99,233	5.8	42,880	2.5	218,634 1	12.8	-		~	-1	1,704,359	100.0
	Examination	328,920	63.9		4.8			20,432	4.0	1,277	0.2	7,385	1.4	75,154	14.6	12,173	2.4	514.747	100.0
	Total	953,815	42.9	521,389	23.5	266,734	12.0	119,665	5.4	44,157	2.0	226,019 1	10.2	75,154	3.4	12,173	0.6	2,219,106	100.0
1947	Supervision	665,781	38.4	476,762	27.5	226,533	13.1	105,018	6.0	41,084	2.4	219,351 1	12.6	-	-	-	-	1.734,529	100.0
	Examination	378,316	63.2	20,364	3.4	50,613	8.5	26,846	4.5	1,649	0.3	12,155	2.0	96,920	16.2	11.339	1.9		
	Total	1,044,097	44.8	497,126		277,146	11.9	131,864	5.6	42,733	1.8	231,506	9.9	96,920	4.2	11.339	0.5	2,332,731	100.0
1948	Supervision	722,727	46.6	271,994	17.6	204,756	13.2	105,025	6.8	38,230	2.5	206,886 1	13.3	-	-	-	-	1,549,618	100.0
	Examination	322,317	60.8	18,740	3.6	43,018	8.1	29,688	5.6	2,829	0.5		2.7	88,585	16.7	10,617	2.0	529.786	
	Total	1,045,044	50.2	290,734	14.0			134,713	6.5	41,059	2.0	220,878 1	10.6	88,585	4.3	10,617	0.5	2,079,404	100.0
1949	Supervision	811,137	51.6	161,522	10.3	192,372	12.2	137,944	8.8	55,908	3.5	213,967	13.6	-	-	-	-	1,572,850	
	Examination		57.9	8,204	1.5		9.3	38,292	6.8	3,521	0.6	16,055	2.9	105,857	18.8	12,370	2.2	562,701	
	Total		53.2			244,767	11.4	176,236	8.3	59,429	2.8	230,022 1			5.0		0.6	2,135,551	100.0
1950	Supervision	833,962	51.7	166,044	10.3	197,632	12.3	141,730	8.8	51,746	3.2	220,076 1	13.7	-	-	-	-	1,611,190	100.0
	Examination	338,504	56.6			60,741	10.2	41,393	6.9	2,274	0.4	15,853	2.7	124,312	20.8	14,063	2.4	597,388	100.0
	Total		53.1		7.5	258,373	11.7	183,123	8.3	54,020	2,5	235,929 1			5.6	14,063	0.6		
1951	Supervision	844,252	54.4		7.7	198,086	12.7	143.269	9.2	38,413	2.5	209,298 1	13.5	-	-	-	-	1,552,709	100.0
	Exemination	360,572	55.5	778		70.337	10.8	46,860	7.2	4,274	0.7	15,036	2.3	137.855	21.2	14,026	2.2	649.738	100.0
	Total	1,204,824	54.7	120,169	5.5	268,423	12.2	190,129	8.6	42,687	1.9	224,334]	0.2	137,855	6.3	14,026	0.6	2,202,447	100.0
1952	Supervision	674 749	45.9	96,859	6.6	257,035	17.5	167,031	11.4	49,787	3.4	223,576 1		-	-	-	-	1,469,037	100.0
	Examination	396,569	53.2	4,992	0.7	85,846	11.5	57,056	7.7	6,456	0.9	17.857	2.4	158,441	21.2	17,706	2.4	744, 923	100.0
	Total	1,071,318	48.4	101,851	4.6	342,881	15.5	224,087	10.1	56,243	2.5	241,433 1	10.9	158,441	7.2	17,706	0.8	2,213,960	100.0
1953	Supervision	637,296	45.9	80,427	5.8			155.332		48,405	3.5	214,748 1	5.5	-	-	-	-	1,386,289	
	Examination	392,800	53.7		0.1	87,300	11.9			3,800	0.5	21,900	3.0	158.500	21.7	8,698	1.2	731,598	
	Total	1,030,096	48.6	80,827	3.8	337,381	15.9	213,532	10.1	52,205	2.5	236,648 1			7.5	8,698			

b/ Examination costs for 1953 distributed on estimates of chief examiner.

Examination costs represent only the costs of examining the FFMC central effice accounts. Costs of examining the district office accounts are allocated to the FLB's and recovered by the banks through their contracts with the Corporation.

o/ Includes joint stock land banks, general agents, fiscal agent, and audit of MFLA-PCA retirement plans.

FARM CREDIT ADMINISTRATION AND FARM CREDIT INSTITUTIONS

Table 6 - Comparative data on personal services, operating expenses, and volume of business, fiscal years 1940 and 1953

Personal services, both man-years and costs, of the Farm Credit Administration and in total for the district Farm Credit institutions (excludes associations) were substantially less in 1953 than in 1940 for comparable functions.* The number of employees of the Administration was 71 percent less and of the district institutions 65 percent less. Salary costs of the Administration were 34 percent less and of the district institutions 22 percent less.

Total operating expenses of the Farm Credit Administration in 1953 were 36 percent less than in 1940 for comparable functions,* whereas total operating expenses of all Farm Credit institutions, including associations, were 28 percent higher. The increase in the total expenses of all institutions was quite small, however, in comparison with the substantial increase in the total volume of business handled by these institutions. The total expenses of the institutions include FCA costs of \$1.4 million in 1940 and \$2.1 million in 1953. In 1940 the institutions paid only examination costs, except the FFMC which also paid supervisory costs, whereas in 1953 all institutions paid both supervisory and examination costs, except the PCA's which do not pay supervisory costs.

All institutions, except the FFMC, contributed to the increase from 1940 to 1953 in total operating expenses. The PCA's had

the largest increase of any of the systems both in dollar amount (\$10.1 million) and percentagewise (149 percent). The FLB system (FLB's and NFLA's) had the next largest amount increase (\$6.3 million), and the BC's the next largest percentage increase (their \$1 million increase representing 97 percent). The PCC's and FICB's had relatively small increases in amount, while the FFMC dropped about \$8.9 million.

Volume of business of all Farm Credit institutions as reflected by the total amount of loans made was about 4 times as great in 1953 as in 1940. The volume of loans serviced by the institutions, except by the FLB's, also increased during this period.

^{*} Farm Credit Administration data for 1940 exclude man-years and expenses applicable to functions in that year not performed by the Farm Credit Administration in 1953, except that employees of the chief reviewing appraisers' offices and their expenses have not been eliminated from 1940 data.

PARM CREDIT ADMINISTRATION AND PARM CREDIT INSTITUTIONS

Table 6 - Comparative data on personal services, operating expenses, and volume of business, fiscal years 1940 and 1953

	Fisc	al year 1940		Fiscal :	year 1953		
	Number	Amount	Number	Amount	Percentage char	nge from 1940	
Personal services (man-years and cost):							
Farm Credit Administration a/	1,308	\$3,376,259	373	\$2,219,284	-71	-34	
Farm Credit system:	_,_		1	7 ,	1-	 	
Federal land banks (including reimbursements from FFNC)	4,614	9,246,408	1,139	5,816,166	-75	-37	
Federal intermediate credit banks	431	1,073,975	283	b/ 1,271,598	-34	+18	
Production credit corporations	294	881,575	167	万/ 1,043,599	-43	+18	
Banks for cooperatives	220	649,699	231	1,285,249	+5	+98	
General agents	432	838,769	253	545,229	-41	-35	
Total	5,991	12,690,426	2,073	9,961,841	-65	-22	
otal operating expenses:							
Farm Credit Administration a/	_	4,018,508	_	2,558,346		-36	
Farm Credit system: c/	<u> </u>	4,010,000		2,990,940	•	-50	
Federal land bank System (FLB's and NFLA's)		12.317.100		18,603,642	_	+51	
Federal Ferm Mortgage Corporation	_	9.864.126				-91	
Federal intermediate credit banks		1,490,764		915,776 1,968,996		+32	
Production credit corporations		1,362,934		1,652,679		+21	
Production credit associations		6,757.632		16,816,749		+149	
Banks for cooperatives	•	1,036,678		2.043.214		+97	
Total	•	32,829,234	•	42,001,056	•	+28	
Volume of business:							
Federal land banks:							
National farm loan associations	3.867		1,145		-70		
Loans made	14,735	55 820 107	45,247	272,355,716	+207	+388	
Loans outstanding	616,308	55,820,107 1,880,408,005	315,750	1,135,782,090	-51	-40	
Federal Farm Mortgage Corporation:	020,700	2,000,400,00)	727,170	1,179,702,090	-92		
Loans made	18,066	30,251,371	45	43,319	- 99	-9 9	
Loans outstanding	433.706	30,251,371 668,850,213	30.507	20,300,806	- 93	-97	
Federal intermediate credit banks:			7 7 7 7				
Loans made	-	471,921,279	-	1,906,139,248		+304	
Loans outstanding	-	237,338,443		830,218,669		+250	
Production credit corporations:							
Production credit associations	528	•	499	-	-5	•	
Wholly-farmer owned	•	•	283	-	-	-	
Members	290,578	•	479,250	-	+65	-	
Farmer-owned stock		16,680,100	•	92,228,217	•	+453	
Loans made	229,566	328,342,002	270,335	1,290,038,908	+18	+293	
Loans outstanding	217,128	199,802,560	248,609	768,182,904	+14	+284	
Banks for cooperatives:		7.00					
Credit extended		92,868,454		505,562,554		+444	
Loans outstanding	1,689	63,333,429	2,024	319,108,548	+20	+404	

a/ Obligation basis including reimbursements from agencies other than Farm Credit institutions; 1940 deta edjusted for comparability with 1953, except for employees of chief reviewing appraisers' offices transferred to FIB's effective July 1, 1951.

b/ Includes directors' compensation (FICB's \$26,776 and PCC's \$28,609) which item is not available for 1940.

c/ 1940 total operating expenses are on a calendar year basis.

Table 7 - Operating expenses for years ended December 31, 1940, and June 30, 1944 and 1948 through 1953

Total operating expenses of the Farm Credit institutions of \$42 million in 1953 were about 28 percent greater than in 1940 and 5 percent greater than in 1952. The general trend of operating expenses for each system of institutions has been upward, except for the FFMC which has been in the process of liquidating its loans since July 1, 1947. The PCA's have had the largest increase since 1940 of any system (\$10.1 million or 149 percent), the FIB's the next largest (\$6.3 million or 51 percent) and the BC's next (\$1,000,000 or 97 percent). The FICB's and PCC's have had relatively small increases and the FFMC has dropped \$8.9 million. Additional data on the individual systems are included in separate tables for those systems.

Total FCA costs included in the Farm Credit institutions' expenses each year since July 1, 1943, when the last of the district institutions began paying supervisory costs, have

ranged from \$2.5 million in 1944 to \$2.0 million in 1949. For the last 6 years, except for 1949, this amount has been about \$2.2 million and has represented from 6.5 percent of the institutions' total expenses in 1948 to 5.2 percent in 1953.

The \$1.4 million of FCA costs included in the Farm Credit institutions' total expenses in 1940 represented examination costs of all institutions and supervision costs of only the FFMC. This amount was 4.4 percent of the institutions' total expenses in that year. Supervision costs applicable to the other institutions amounting to \$2.2 million were paid from appropriated funds. The total amount of \$3.6 million of FCA costs in 1940 applicable to the Farm Credit institutions represented 10.3 percent of the institutions' total expenses plus FCA supervision costs not included in those expenses.

7	Year ended			Yes	ar ended June	30		
Institution	December 31, 1940	1944	1948	1949	1950	1951	1952	1953
PCA's a/ PCC's FICB's BC's FLB System b/ FFMC c/	1,362,934 1,490,764 1,036,678 12,317,100	1,613,080 1,565,536 1,257,297 11,568,314	1,763,456 1,521,968 1,702,820 16,040,546	1,525,940 1,526,592 1,696,590 15,675,535	1,582,269 1,612,208 1,759,169 15,821,745	1,704,301	1,860,111 2,010,965 17,883,599	1,652,679 1,968,996
Total	\$32,829,234	\$31,923,323	<u>d</u> /\$33,505,881	\$33,992,720	\$35,083,119	\$37,055,938	\$40,099,415	\$42,001,056
(1) FCA costs included in above total e/(2) FCA supervision costs not included in	<u>f</u> /\$1,440,151	\$2,526,777	\$2,183,148	\$2,011,447	\$2,205,963	\$2,226,321	\$2,191,466	\$2,200,049
above total; paid from appropriated funds	g/2,163,625	XXX	XXX	XXX	XXX	XXX	XXX	XXX
(3) Total FCA costs applicable to Farm Credit institutions		2,526,777	2,183,148	2,011,447	2,205,963	2,226,321	2,191,466	2,200,049
institutions expenses plus item (2)	10.30%	7.92%	6.52%	5.92%	6.29%	6.01%	5.47%	5.24%

a/ Amounts exclude estimated income taxes paid by PCA's in the years 1949-1953.

d/Includes accrued annual leave applicable to prior years of \$1,755,000, set up in 1948 by the PCC's, FICB's, BC's, and FLB's.

f/Represents examination costs of all institutions and supervision costs of the FFMC; amount represents 4.3% of the institutions total expenses. g/Represents supervision costs of all institutions except the FFMC.

b/ Amounts represent expenses of the FLB's and NFLA's incurred on their own behalf. c/ Amounts include expenses of the FLB's and NFLA's incurred on behalf of the FFMC.

E/ These amounts do not agree with the amounts shown in tables 3 and 5 as allocations to Farm Credit institutions because the amounts in this table represent assessments for the current year's expenses plus or minus adjustments of the assessments for the prior year's expenses, whereas the amounts in the other tables represent the final adjusted costs for particular years.

PRODUCTION CREDIT ASSOCIATIONS

Table 8 - Selected income and expense items and ratios - calendar years 1940, 1944, 1948, 1950, 1951, and 1952

Income from loan operations (interest and service fees less patronage refunds) in 1952 of \$44.4 million was over 4 times as much as in 1940 and 21 percent more than in 1951. The increases resulted from more business and higher interest rates. Per annum rate of income* increased from 5.56 percent in 1940 to 6.41 percent in 1952.

Cost of borrowed funds (interest paid to FICB's) in 1952 of \$18.3 million was 7 times as much as in 1940 and 41 percent more than in 1951. The increases were due to more borrowings and higher interest rates. Higher money costs absorbed entirely the increase in the per annum rate of income from loan operations between 1940 and 1952.

Operating expenses in 1952 of \$16.4 million more than doubled those in 1940 and were about 11 percent higher than in 1951. Per annum rate of expenses,*however, dropped from 3.71 percent in 1940 to 2.36 percent in 1952.

Net gain from loan operations (income from loan operations less cost of money and operating expenses) in 1952 of \$9.7 million was over 12 times as much as in 1940 and about 7 percent more than in 1951. Per annum rate of net gain* increased from 0.42 percent in 1940 to 1.41 percent in 1952.

Net earnings before provision for losses and income taxes (net gain from loan operations, plus investment and other income) in 1952 of \$12.8 million were over 3 times those in 1940 and

were 6 percent more than in 1951. Interest on investments of \$3.3 million in 1940 represented about 80 percent of this item, whereas the \$3.0 million in 1952 represented only about 24 percent. Per annum rate* dropped from 2.24 percent in 1940 to 1.85 percent in 1952.

Final net earnings (after losses and provision for losses and income taxes) in 1952 of \$8.5 million more than doubled those in 1940 but were over 5 percent less than in 1951. Losses and provision for losses increased from \$200,000 in 1940 to \$2.9 million in 1952. Income taxes in 1952 amounted to \$1.5 million. Per annum rate of final net earnings* decreased from 2.13 percent in 1940 to 1.23 percent in 1952. Rates of return on paid-in capital and total net worth in 1952 were 8.79 percent and 4.85 percent, respectively, compared with 4.29 percent and 3.62 percent in 1940.

PCC operating expenses as a per annum rate of PCA loans outstanding decreased from 0.75 percent in 1940 to 0.24 percent in 1952. Dollar amount of PCC operating expenses actually increased from \$1.4 million in 1940 to \$1.7 million in 1952. (Washington office supervisory costs aggregating over \$200,000 a year are included in the PCC expenses since July 1, 1942.) Combined PCA and PCC operating expenses as a per annum rate of PCA loans outstanding decreased from 4.46 percent in 1940 to 2.60 percent in 1952.

^{*} Based upon average balance of loans outstanding (column 17).

PRODUCTION CREDIT ASSOCIATIONS

Table 8 - Selected income and expense items and ratios Calendar years 1940, 1944, 1948, 1950, 1951 and 1952

	Income from		Cost		0perati		Net gain		Net earni		Fin	al net	earnings				Memor	anda
District	operations	a/ Per	borrowed f	unds Per	expenses	Per	loan oper	Per	for losses income to	and		Per	Rate retur		Dividends paid to	refunds	Average balance	Per annum
and year	Amount	annum rate <u>c</u> /	Amount	annum rate c/	Amount	annum rate <u>c</u> /	Amount	annum rate <u>c</u> /	Amount	Per annum rate c/	Amount	rate c/	Total paid-in capital	Total net worth	stock- holders	paid to borrowers	of PCA loans outstanding	PCC operating expenses c/d/
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
System 1940 1944 1948 1950 1951 Springfield	\$10,142,155 12,335,021 22,716,193 28,862,231 36,830,784 44,405,045	5.24 5.64 6.07 6.15	\$2,610,992 3,444,375 7,068,164 9,361,929 12,978,736 18,297,826	1.43 1.46 1.75 1.97 2.17 2.64	\$6,757,632 8,101,255 10,910,178 13,250,388 14,756,754 16,371,788	3.71 3.44 2.71 2.78 2.46 2.36	\$773,531 789,391 4,737,851 6,249,914 9,095,294 9,735,431	0.42 0.34 1.18 1.32 1.52 1.41	\$4,084,147 3,560,762 7,395,580 9,096,386 12,085,147 12,824,396	2.24 1.51 1.84 1.91 2.02 1.85	\$3,884,421 3,404,977 6,949,101 7,261,106 8,979,818 8,488,541	2.13 1.45 1.73 1.53 1.50 1.23	4.29 3.69 8.44 8.52 10.01 8.79	3.62 2.78 5.37 4.96 5.64 4.85	\$86,178 215,755 304,784 394,038 426,987 494,983	\$128,581 142,318 159,403 244,635	\$182,394,000 235,623,000 402,580,000 475,789,000 598,706,000 692,218,000	0.44 0.33 0.27
1940 1944 1948 1950 1951 1952 Baltimore	587,568 847,894 1,652,921 1,935,300 2,014,217 2,253,284	5.07 5.58 5.64	171,432 258,347 559,686 658,147 706,385 962,534	1.42 1.44 1.72 1.90 1.98 2.53	362,759 521,814 738,577 883,318 930,085 976,321	3.01 2.91 2.26 2.55 2.60 2.57	53,377 67,733 354,658 393,835 377,747 314,429	0.45 0.38 1.09 1.13 1.06 0.83	277,219 229,638 515,646 552,449 534,573 465,698	1.59	254,505	2.00 1.42 1.51 1.26 1.08 0.87	3.84 4.45 8.65 7.69 7.07 6.23	3.41 3.42 5.72 4.58 3.97 3.36	10,788 5,373 15,221 38,880 41,727	-	12,043,000 17,934,000 32,612,000 34,664,000 35,683,000 38,006,000	0.80 0.47 0.37 0.37
1940 1944 1948 1950 1951	552,390 746,997 1,417,971 1,826,281 2,154,618 2,557,572	5.52 5.88 5.94	140,970 219,814 447,542 614,797 779,265 1,068,865	1.49 1.58 1.74 1.98 2.15 2.60	394,333 467,704 595,841 712,657 784,007 839,295	4.15 3.37 2.32 2.29 2.16 2.04	17,087 59,479 374,588 498,827 591,346 649,412	0.18 0.43 1.46 1.61 1.63 1.59	238,777 513,703 654,583 765,966	2.51 1.72 2.00 2.11 2.11 2.05	589,879 623,807	2.15 1.59 1.95 1.90 1.72 1.64	3.27 3.70 10.44 12.03 12.59 13.02	2.86 2.88 6.48 6.65 6.55 6.49	23,280 29,544 32,296 42,392	-	9,486,000 13,890,000 25,695,000 31,066,000 36,239,000 41,069,000	0.48 0.38 0.34
Columbia 1940 1944 1948 1950 1952 Louisville	3,290,445 3,818,248	5.89 6.55 7.25 7.24	212,862 333,803 754,729 938,191 1,228,172 1,690,349	1.44 1.50 1.94 2.07 2.33 2.72	814,676 893,399 1,224,565 1,495,399 1,593,475 1,720,152	5.53 4.03 3.16 3.29 3.02 2.76	-69,850 79,329 562,012 856,855 996,601 1,145,932	-0.47 0.36 1.45 1.89 1.89	336,253 431,405 914,112 1,178,280 1,334,435 1,476,736	1.94 2.36 2.60 2.53	459,921	1.93 2.07 2.07 2.34 2.46 2.19	2.62 3.92 7.61 10.46 12.38 12.57	2.31 3.14 5.03 6.05 6.82 6.58	- - 2,923 3,904 8,709	-	14,729,000 22,189,000 38,793,000 45,399,000 52,726,000 62,239,000	0.89 0.74 0.46 0.34 0.30 0.26
1940 1944 1948 1950 1951 1952 New Orleans	1,200,351 1,395,062 2,640,268 3,522,838 4,245,193 5,140,941	5.53 5.97 6.01 6.28	304,599 389,088 762,728 1,179,934 1,532,667 2,160,149	1.42 1.47 1.60 2.00 2.17 2.63	859,552 1,032,349 1,360,890 1,731,919 2,015,184 2,257,656	4.01 3.89 2.85 2.94 2.85 2.75	36,200 -26,375 516,650 610,985 697,342 731,136	0.17 -0.10 1.08 1.03 0.99 0.90	310,737 245,253 788,118 934,700 1,031,999 1,082,854	1.45 0.92 1.65 1.58 1.46 1.32	735,128	1.24 0.82 1.54 1.41 1.21 1.04	3.28 2.10 7.99 8.91 8.88 8.52	2.84 1.75 5.78 5.74 5.45 5.02	8,447 7,212 14,492 9,423 10,518	9,293	21,431,000 26,533,000 47,733,000 59,007.000 70,666,000 81,988,000	0.60 0.56 0.36 0.26 0.22 0.22
1940 1944 1948 1950 1951 1952 St. Louis	758,319 1,087,973 1,874,298 2,211,865 2,827,193 3,521,151	7.09	164,127 273,794 538,458 646,714 933,266 1,315,623	2.24	481,265 640,432 889,936 993,056 1,093,585 1,260,765	4.15 3.39 2.98 2.98 2.62 2.54	112,927 173,747 445,904 572,095 800,342 944,763	0.97 0.92 1.50 1.72 1.92	371,957 381,261 601,932 749,560 979,005 1,117,879	2.25		2.06 1.79 2.16 2.02 2.30 1.66	3.55 4.88 10.97 10.15 14.57	2.90 3.53 6.44 5.68 7.69 5.94	10,048 15,022 46,377 24,164 66,501	37,270 12,137 19,456	11,596,000 18,864,000 29,861,000 33,325,000 41,727,000 49,651,000	0.74 0.56 0.45 0.37 0.29 0.2 6
1940 1944 1948 1950 1951	1,123,333 1,300,002 2,425,015 3,128,829	5.34 5.86 6.26 6.22	281,150 348,063 728,588 967,715 1,408,263 2,005,368	1.44 1.43 1.76 1.94 2.14 2.59	769,847 952,342 1.172.292 1,446,442 1,610,563 1,881.868	3.95 3.91 2.83 2.89 2.45 2.43	72,336 -403 524,135 714,672 1,071,160 998,913	0.37 1.27 1.43 1.63		2.08	242,397 830,088 857,169	1.80	4.54 2.45 8.47 8.75 11.53 8.96	3.91 1.97 6.05 5.64 7.03 5.29	13,812 16,026 18,343	-	19,485,000 24,350,000 41,380,000 49,962,000 65,709,000 77,325,000	0.66 0.61 0.42 0.31 0.25 0.20

PRODUCTION CREDIT ASSOCIATIONS

Table 8 - Selected income and expense items and ratios - continued Calendar years 1940, 1944, 1948, 1950, 1951 and 1952

	Incoms from		Cost		Operati	ng	Net gain loan opera	from	Net earni	ngs		al net	earnings				Memor	randa
District	operation	s <u>a</u> / Per	borrowed i	Per	expenses	Per	TORN OPERA	Per	before prov for losses income ta	and		Per	Rate return		Dividends paid to	Patronage refunds	Avsrage balance	Per annum rate of
and year	Amount	annum rate c/	Amount	annum rate c/	Amount	annum rate c/	Amount .	annum rate <u>c</u> /	Amount	Per annum rate c/	Amount	rate	Total paid-in capital	Total net worth	stock- holdere	paid to borrowers	of PCA loans outstanding	PCC operating expenses c/d/
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
St. Paul 1940 1944 1948 1950 1951 1952	\$826,294 805,744 1,492,843 2,150,651 2,543,164 3,103,060	5.61 5.07 5.56 6.17 6.25 6.55	\$208,949 221,207 437,916 686,063 888,824 1,269,238	1.39 1.63 1.97 2.19	\$639,869 604,314 848,448 1,076,686 1,200,927 1,325,249	4.34 3.80 3.16 3.09 2.95 2.80	-\$22,524 -19,777 206,479 387,902 453,413 508,573	-0.12 0.77 1.11 1.11	\$264,310 175,551 385,710 588,851 667,517 734,389	1.79 1.11 1.44 1.69 1.64 1. 55	\$288,982 163,802 372,709 518,253 470,424 446,345	1.96 1.03 1.39 1.49 1.16 0.94	3.68 2.30 6.20 9.11 8.09 7.24	3.17 1.80 4.22 5.47 4.66 4.07	\$6,365 22,341 25,113 36,099	:	\$14,741,000 15,880,000 26,872,000 34,832,000 40,665,000 47,346,000	0.88 0.86 0.57 0.37 0.33 0.30
1940 1944 1948 1950 1951 1952	672,046 828,936 1,218,327 1,868,532 2,831,773 3,443,021	5.06 4.75 4.64 5.31 5.58 5.95	188,335 253,036 421,770 674,021 1,057,009 1,442,278	1.45 1.61 1.91 2.08	428,066 523,235 613,819 790,940 926,640 1,022,150	3.22 3.00 2.34 2.25 1.83 1.77	55,645 52,665 182,738 403,571 848,124 978,593	0.69 1.15 1.67	314,754 251,853 369,400 591,755 1,034,617 1,178,933	2.37 1.44 1.41 1.68 2.04 2.04	334,253 229,304 365,853 430,472 650,724 679,845	2.52 1.32 1.39 1.22 1.28 1.17	4.76 3.50 6.87 7.95 10.36 9.80	3.95 2.53 4.24 4.53 5.97 5.51	24,662 46,711 68,448 80,968 53,100 100,849	\$72,211 51,409 8,053 59,299	13,288,000 17,430,000 26,269,000 35,191,000 50,767,000 57,882,000	0.82 0.69 0.49 0.34 0.24 0. 22
1940. 1944. 1948. 1950. 1951. 1952. Houston	797,357 829,126 1,672,807 2,106,773 3,017,460 3,475,498	5.35 5.14 5.31 5.60 5.83 6.16	212,718 234,710 548,612 724,970 1,100,501 1,506,335	1.46 1.74 1.93 2.13	480,516 548,366 711,502 886,107 1,011,223 1,103,965	2.26 2.35 1.95	104,123 46,050 412,693 495,696 905,736 865,198	0.28 1.31 1.32	369,441 271,467 632,398 730,204 -1,162,426 1,139,124	2.48 1.68 2.01 1.94 2.25 2.02	352,099 261,208 594,026 622,143 913,614 856,009	2.36 1.62 1.89 1.65 1.76	4.92 3.89 10.16 10.15 13.89 11.19	3.96 2.68 5.85 5.34 7.05 5.73	9,027 48,224 29,230 37,638 37,810	19,871 10,230 9,000	14,894,000 16,117,000 31,475,000 37,647,000 51,769,000 56,462,000	0.74 0.82 0.44 0.32 0.24 0.23
1940 1944 1948 1950 1951 1952 Berksley	821,947 1,346,362 2,594,363 3,099,030 4,196,506 4,746,475	5.36 5.23 6.15 6.56 6.63 6.84	214,320 375,945 759,180 941,006 1,401,939 1,871,819	1.46 1.80 1.99 2.21	515,840 858,591 1,235,536 1,508,249 1,623,645 1,781,986	3.36 3.34 2.93 3.19 2.57 2.57	91,787 111,826 599,647 649,775 1,170,922 1,092,670	1.42 1.38 1.85	347,926 375,678 859,095 969,507 1,534,538 1,469,603	2.27 1.46 2.04 2,05 2.42 2.12	372,965 350,734 737,566 395,436 602,074 434,732	2.43 1.36 1.75 0.84 0.95 0. 63	5.36 4.14 9.49 4.12 5.53 3.61	4.48 3.18 5.94 2.53 3.45 2.27	13,085 15,762 18,964 20,889	8,236 11,191 14,142	15,343,000 25,731,000 42,153,000 47,245,000 63,310,000 69,387,000	0.60 0.48 0.33 0.26 0.19 0.19
1940 1944 1948 1950 1951 1952	798,471 927,927 1,387,994 1,513,921 2,067,254 2,784,154	5.27 4.99 5.25 5.43 5.52 5.80	215,565 268,206 491,640 547,562 823,254 1,303,146	1.44 1.86 1.96 2.20	470,639 500,163 701,773 785,174 899,679 987,594	2.66	112,267 159,558 194,581 181,185 344,321 493,414	0.86 0.73 0.65 0.92	397,649 373,217 401,840 399,214 567,461 727,662	2.63 2.01 1.52 1.43 1.52 1.51	466,618 342,477 335,144 364,302 378,900 309,732	3.08 1.84 1.27 1.31 1.01 0.64	6.11 5.31 6.15 6.70 6.66 4.72	5.07 3.53 3.41 3.53 3.47 2.55	31,709 40,590 50,607 64,669 99,995 113,370	28,263 33,155 94,471 156,880	15,138,000 18,603,000 26,411,000 27,871,000 37,417,000 48,043,000	0.77 0.64 0.58 0.45 0.35 0.27
1940 1944 1948 1950 1951	1,046,391 912,467 1,798,080 2,207,766 3,025,172 3,929,307	5.17 5.04 5.40 5.58 5.81 6.25	295,965 268,362 617,315 782,809 1,119,191 1,702,122	1.85 1.98 2.15	540,270 558,546 816,999 940,441 1,067,741 1,214,787	2.67 3.09 2.45 2.38 2.05 1.93	210,156 85,559 363,766 484,516 838,240 1,012,398	0.47 1.10 1.22 1.61	508,203 334,708 597,802 742,127 1,107,387 1,300,764	2.51 1.85 1.79 1.88 2.13 2.07	484,432 325,884 537,037 479,993 656,128 722,052	2.40 1.80 1.61 1.21 1.26 1.15	6.08 5.09 8.90 7.41 9.24 9.26	4.74 3.24 4.95 3.89 4.85 4.84	20,780 86,086 64,491 55,497 65,559 18,665	-	20,220,000 18,102,000 33,326,000 39,580,000 52,028,000 62,820,000	0.44 0.61 0.40 0.30 0.22 0.20

a/ After patronage refunds.
b/ Excludes income taxes, which for the system totaled \$364,925 in 1950, \$999,699 in 1951, and \$1,468,051 in 1952.
c/ Based upon the average balance of PCA loans outstanding.
d/ PCC expenses for 1940 do not include Washington office supervisory costs which, aince the corporations began paying these coats effective July 1, 1942, have aggregated systemwide over \$200,000 a year.

PRODUCTION CREDIT CORPORATIONS

Table 9 - Selected income and expense items - years ended December 31, 1940, and June 30, 1944, 1948, 1951, 1952, and 1953

Operating income (primarily interest on securities, but also includes dividends on class A stock of PCA's and miscellaneous income) of \$1.2 million in 1953 was 27 percent less than in 1940 but slightly more than in 1952. The decrease from earlier years resulted from sales of securities in 1949 which were made to obtain funds to retire U. S. Government capital.

Operating expenses in 1953 of \$1.7 million were 21 percent greater than in 1940 and slightly more than in 1952. Operating expenses include FCA examination costs and, except in 1940, FCA supervisory costs. Since the corporations began paying the latter costs, effective July 1, 1942, they have aggregated over \$200,000 a year for the system. Included in 1948 expenses is a nonrecurring charge of \$219,000 representing the cost of establishing as a liability on the records of the corporations the value of accrued annual leave of their employees applicable to 1947 and prior years.

Net gain or loss from operations (operating income less operating expenses). In 1953 the corporations showed a net loss

from operations of \$480,000 which compares with a gain of \$238,000 in 1940 and a loss of \$514,000 in 1952. The operating losses in recent years have resulted from the smaller amounts of operating income, as explained above, not being sufficient to pay operating expenses.

Final net earnings or loss (net gain or loss from operations adjusted for profit or loss on sales of securities). In 1953 the corporations had a final net loss of \$779,000 which compares with final net earnings of \$1.8 million in 1940 and a loss of \$587,000 in 1952. The large net earnings in 1940 resulted from the sale at substantial premiums of holdings of consolidated Federal farm loan bonds callable in 1944. The proceeds of such sales were reinvested in long-term U. S. Treasury bonds. Final net earnings in 1948 include \$464,000, representing the reinstatement of security premiums previously written off.

PRODUCTION CREDIT CORPORATIONS

Table 9 - Selected income and expense items 1940, 1944, 1948, 1951, 1952 and 1953 $\underline{a}/$

Corporation and year	Operating income	Opersting expenses <u>b</u> /	Nst gain or loss (-) from operations	Final net earnings or loss (-)
	(1)	(2)	(3)	(4)
System 1940 1944 1948 1951 1952	\$1,600,642 1,467,769 1,773,089 1,098,802 1,129,624 1,172,538	\$1,362.934 1,613,080 1,763,456 1,585,551 1,643,807 1,652,679	\$237,708 -145,311 9,633 -486,749 -514,183 -480,141	\$1,833,544 668,317 634,052 -600,622 -586,646 -778,931
1953	135,024 140,251 151,752 91,815	118,316 139,055 159,562 132,862	16,708 1,196 -7,810 -41,047	189,122 56,882 39,585 -111,598
1952 1953 Beltimore	96,405 98,883	133,306 131,599	-36,901 -32,716	-37,073 -32,716
1940. 1944. 1948. 1951. 1952. 1953. columbia	138,449 115,054 151,947 90,225 9 6,011 9 5,577	121,128 139,871 120,032 119,567 128,929 130,641	17,321 -24,817 31,915 -29,342 -32,918 -35,064	180,577 42,813 100,868 -76,957 -42,070 -56,451
1940 1944 1948 1951 1952	138,484 114,028 163,651 91,978 104,728 117,654	131,151 165,049 173,570 157,716 1 5 7,905 164,487	7,333 -51,021 -9,919 -65,738 -53,177 -46,833	181,801 40,465 44,076 -70,969 -55,357 -46,833
Louisville 1940 1944 1948 1951 1952 New Orleans	135,779 111,804 162,080 100,199 105,387 113,879	128,473 154,335 163,134 158,847 161,732 161,518	7,306 -42,531 -1,054 -58,648 -56,345 -47,639	123,013 -24,844 29,247 -140,025 -87,215 -86,789
1940	109,618 111,666 132,005 78,451 91,875 90,377	85,818 112,544 131,293 123,474 126,074 123,096	23,800 -878 712 -45,023 -34,199 -32,719	139,680 42,695 41,703 -53,415 -36,071 -32,719
1940, 1944 1948 1951 1952, 1953,	165,644 122,501 160,604 110,428 113,829 111,946	129,206 152,144 175,175 157,526 162,2 75 165,12 2	36,438 -29,643 -14,571 -47,098 -48,446 -53,176	113,713 7,947 22,912 -49,718 -50,318 -84,763

PRODUCTION CREDIT CORPORATIONS

Table 9 - Selected income and expense items - continued 1940, 1944, 1948, 1951, 1952 and 1953 8/

Corporation and year	Operating income	Operating expenses b/	Net gain or loss (-) from operations	Final net earnings or loss (-)
	(1)	(2)	(3)	(4)
St. Peul				
1940	\$175,849	\$130,106	\$45,743	\$181,099
1944	140,603	135,563	5,040	47,858
1948	151,984	159,427	-7,443	56,437
1951	103,439	132,279	-28,840	-8,913
1952	103,652		-34,910	
1953	101,674	138,562 139,083	-37,409	-39,080 -37,409
Omaha				
1940	109,892	108,974	918	131,179
1944	116,114	125,207	-9,093	44,039
1948	141,855	121,302	20,553	87,316
1951	85 ,93 5	118,673	-32,738	-32,205
1952	86,899	127,450	-40,551	-47,213
1953	91,792	129,038	-37.246	-109,719
Wichita		190		
1940	129,951	110,934	19,017	170,694
1944	101,478	133,977	-32,499	20,056
1948	138,250	134,492	3,758	63,600
1951	82,871	124,280	-41,409	-71,530
1952,	69,622 83,785	127.437	-57,815	-66,341
1953	83,785	127,662	-43,877	-156,163
Houston				
1940.	111,397	92,040	19,357	120,569
1944	100,086	127,125	-27,039	46,541
1948	142,201	137,275	4,926	46,262
1951	82,690	119,733	-37,043	-28,995
1952	82,401	128,985	-46,584	-47 ,9 90
1953	82,043	126,734	-44,691	-46,321
Berkeley	330 306	22 (also	a alie	100 07/
1940	119,196	116,949	2,247	109,936
1944	139,535	119,891	19,644	150,405
1948	139,686	154,742	-15,056	48,667
1951	96,965 92 ,75 2	126,085	-29,120	-27,458
1952		129,641	-36,889	-36,889
1953	96 , 5 5 2	130,901	-34,349	-34,349
Spokane	171 750	90 970	lu 500	200 262
1940	131,359	89,839	41,520	192,161
1944	154,649	108,319	46,330	193,460
1948	137,074	133,452	3,622	53.379
1951	83,806	114,509	-30,703	71.161
1952	86,063	121,511	-35,448	-41,029
1953	88,376	122,798	-34,422	-54,699

a/ 1940 calendar year; other years fiscal ended June 30.
b/ 1940 data do not include Washington office supervisory costs which, since the corporations began psying these costs effective July 1, 1942, have sggregated systemwide over \$200,000 a year.



PRODUCTION CREDIT SYSTEM

Table 10 - Operating expenses of the PCA's and PCC's related to (1) the number of PCA loans made and (2) the average number of PCA loans outstanding -- calendar years 1940, 1944, 1948, 1950, 1951, and 1952

Operating expenses in this table are the same as those in tables 8 and 9 except that (1) all PCC expenses are on a calendar year basis for comparability with PCA expenses and (2) PCC expenses in 1948 have been adjusted to eliminate a nonrecurring charge of \$219,000 representing the cost of establishing as a liability on the records of the corporations the value of the accrued annual leave of their employees applicable to 1947 and prior years.

Operating expense per PCA loan made in 1952 amounted to \$64.51, of which \$58.57 represented PCA expense and \$5.94 represented PCC expense. The PCA unit cost compares with \$29.26 in 1940 and \$51.91 in 1951, and the PCC cost with \$5.90 and \$5.64, respectively. Increase in PCA unit cost from 1940 to 1952 resulted from PCA expenses increasing at a faster rate than the number of loans made; expenses more than doubled while the number of loans increased only 21 percent. Increase from 1951 to 1952 resulted from PCA expenses increasing nearly 11 percent while the number of loans made dropped 1.7 percent.

Increase in PCC unit cost between 1940 and 1952 resulted from PCC expenses increasing at a slightly faster rate than PCA loans made; the increase between 1951 and 1952 reflects the increase in PCC expenses and decrease in PCA loans made. PCC unit cost for 1940 does not reflect Washington office supervisory expense as the corporations did not pay these expenses prior to July 1, 1942.

Operating expenses per PCA loan outstanding in 1952 amounted to \$80.13, of which \$72.75 represented PCA expenses and \$7.38 PCC expenses. Comparable rates in 1940 were for the system \$41.69, PCA's \$34.69, and PCC's \$7.00, and in 1951, system \$72.85, PCA's \$65.71, and PCC's \$7.14. These average costs are greater than the costs per PCA loan made for comparable periods as the average number of PCA loans outstanding for any year is less than the number of loans made. This is due to the major volume of PCA business being for terms of less than one year.

PRODUCTION CREDIT SYSTEM

Table 10 - Operating expenses of the PCA's and PCC's related to (1) the number of PCA loans made and (2) the average number of PCA loans outstanding Calendar years 1940, 1944, 1948, 1950, 1951 and 1952

	C	perating expenses				per PCA loan m		Oper	ating expenses p	er PCA loan outsi	tanding
District and year	PCA <u>a</u> /	PCC <u>b</u> /	Total	Number of PCA loans made	PCA	PCC	Total	Average number of PCA loans outstanding	PCA	PCC	Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
System 1940 c/: 1944 1948 1950 1951 1952 Springfield	10,910,178 13,250,388 14,756,754 16,371,788	\$1,362,934 1,584,300 1,556,186 1,570,270 1,604,443 1,660,993	\$8,120,566 9,685,555 12,466,364 14,820,658 16,361,197 18,032,781	230,940 218,345 274,397 288,068 284,270 279,538	\$29.26 37.10 39.76 46.00 51.91 58.57	\$5.90 7.26 5.67 5.45 5.64 5.94	\$35.16 44.36 45.43 51.45 57.55 64.51	194,794 174,036 200,255 222,928 224,590 225,038	\$34 69 46.55 54.48 59.44 65.71 72.75	\$7.00 9.10 7.77 7.04 7.14 7.38	\$41.69 55.65 62.25 66.48 72.85 80.13
1940 c/ 1944 1948 1950 1951 1952 Baltimore	362,759 521,814 738,577 883,318 930,085 976,321	118,316 142,867 130,767 129,220 133,434 132,973	481,075 664,681 869,344 1,012,538 1,063,519 1,109,294	13,088 15,345 18,651 19,475 19,138 19,141	27.72 34.01 39.60 45.35 48.60 51.00	9.04 9.31 7.01 6.64 6.97 6.95	36.76 43.32 46.61 51.99 55.57 57.95	11,152 12,632 15,337 16,508 16,204 16,063	32.53 41.31 48.15 53.51 57.40 60.78	10.61 11.31 8.53 7.83 8.23 8.28	43.14 52.62 56.68 61.34 65.63 69.06
1940 c/		121,128 137,227 109,757 117,454 122,323 131,666	515,461 604,931 705,598 830,111 906,330 970,961	13,217 12,000 16,677 17,560 17,918 18,067	29.84 38.98 35.73 40.58 43.75 46.45	9.16 11.44 6.58 6.69 6.83 7.29	39.00 50.42 42.31 47.27 50.58 53.74	10,931 10,916 13,499 15,733 16,135 16,492	36.07 42.85 44.14 45.29 48.59 50.89	11.08 12.57 8.13 7.47 7.58 7.98	47.15 55.42 52.27 52.76 56.17 58.87
1940 c/	814,676 893,399 1,224,565 1,495,399 1,593,475 1,720,152	131,151 163,509 150,312 155,178 155,603 163,860	945,827 1,056,908 1,374,877 1,650,577 1,749,078 1,884,012	43,991 37,799 51,197 51,683 51,313 51,182	18.52 23.64 23.92 28.94 31.05 33.61	2.98 4.33 2.94 3.00 3.03 3.20	21.50 27.97 26.86 31.94 34.08 36.81	31,197 26,185 33,862 36,883 35,965 36,334	26.11 34.12 36.16 40.54 44.30 47.34	4.20 6.24 4.44 4.21 4.33 4.51	30.31 40.36 40.60 44.75 48.63 51.85
1940 c/ 1944 1948 1950 1951 1952 New Orleans	859,552 1,032,349 1,360,890 1,731,919 2,015,184 2,257,656	128,473 147,847 151,832 155,883 157,547 166,168	983,025 1,180,196 1,512,722 1,887,802 2,172,731 2,423,824	34,814 29,838 38,580 44,299 44,962 44,724	24.69 34.60 35.27 39.10 44.82 50.48	3.69 4.95 3.94 3.52 3.50 3.72	28.38 39.55 39.21 42.62 48.32 54.20	33,171 26,835 30,593 36,965 38,301 39,063	25.91 38.47 44.48 46.85 52.62 57.80	3.87 5.51 4.96 4.22 4.11 4.25	29.78 43.98 49.44 51.07 56.73 62.05
1940 c/. 1944. 1948. 1950. 1951. 1952. St. Louis	993,056 1,093,585 1,260,765	85,818 104,866 118,505 124,741 121,292 128,657	567,083 745,298 1,008,441 1,117,797 1,214,877 1,389,422	22,755 27,967 31,880 31,426 30,191 30,685	21.15 22.90 27.91 31.60 36.22 41.09	3.77 3.75 3.72 3.97 4.02 4.19	24.92 - 26.65 31.63 35.57 40.24 45.28	19,237 20,947 23,384 23,727 21,737 21,277	25.02 30.57 38.06 41.85 50.31 59.25	4.46 5.01 5.07 5.26 5.58 6.05	29,48 35.58 43,13 47,11 55,89 65,30
1940 c/	769,847 952,342 1,172,292 1,446,442 1,610,563 1,881,868	129,206 147,844 154,440 152,779 164,159 156,997	899,053 1,100,186 1,326,732 1,599,221 1,774,722 2,038,865	29,616 26,173 31,664 32,295 31,765 30,253	25.99 36.39 37.02 44.79 50.70 62.20	4.36 5.65 4.88 4.73 5.17 5.19	30.35 42.04 41.90 49.52 55.87 67.39	23,757 19,886 21,708 23,820 23,907 23,786	32.41 47.89 54.00 60.72 67.37 79.12	5.44 7.43 7.11 6.41 6.86 6.60	37.85 55.32 61.11 67.13 74.23 85.72

PRODUCTION CREDIT SYSTEM

Table 10 - Operating expenses of the PCA's and PCC's related to (1) the number of PCA loans made and (2) the average number of PCA loans outstanding Calendar years 1940, 1944, 1948, 1950, 1951 and 1952 - continued

		perating expenses		Operati	Ing expenses	per PCA loan m	ıade	Oper	ating expenses ;	er PCA loan outs	tanding
District and year	PCA <u>a</u> /	PCC <u>b</u> /	Total	Number of PCA loans made	PCA	PCC	Total	Average number of PCA loans outstanding	PCA .	PCC	Total
	(1)	(2) .	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
St. Paul 1940 c/ 1944 1948 1950 1951 1952 Dmaha	\$639,869 604,314 848,448 1,076,686 1,200,927 1,325,249	\$130,106 136,191 134,682 128,861 135,036 141,356	\$769,975 740,505 983,130 1,205,547 1,335,963 1,466,605	25,624 18,727 22,233 24,156 23,841 23,255	\$24.97 32.27 38.16 . 44.57 50.37 56.99	\$5.08 7.27 6.06 5.33 5.66 6.08	\$30.05 39.54 44.22 49.90 56.03 6 3.0 7	25,132 16,251 17,396 20,629 20,674 20,513	\$25.46 37.19 48.77 52.19 58.09 64.61	\$5.18 8.38 7.74 6.25 6.53 6.89	\$30.64 45.57 56.51 58.44 64.62 71.50
1940 o/	428,066 523,235 613,819 790,940 926,640 1,022,150	108,974 120,801 115,762 118,779 122,960 128,748	537,040 644,036 729,581 909,719 1,049,600 1,150,898	9,273 9,005 9,115 10,942 10,895 10,548	46.16 58.10 67.34 72.28 85.05 96.90	11.75 13.41 12.70 10.86 11.29 12.21	57.91 71.51 80.04 83.14 96.34 109.11	8,009 7,723 7,030 8,647 9,478 9,697	53.45 67.75 87.31 91.47 97.77 105.41	13.61 15.64 16.47 13.74 12.97	67.06 83.39 103.78 105.21 110.74 118.69
1940 o/ 1944 1948 1950 1951 1952	480,516 548,366 711,502 886,107 1,011,223 1,103,965	110,934 . 131,563 ~ 118,868 122,240 123,821 130,329	591,450 679,929 830,370 1,008,347 1,135,044 1,234,294	10,863 9,969 12,813 13,635 12,522 11,807	44.23 55.01 55.53 64.98 80.75 93.50	10.21 13.20 9.28 8.97 9.89 11.04	54.44 68.21 64.81 73.95 90.64 104.54	9,494 8,002 8,755 10,109 10,563 10,176	50.61 68.53 81.27 87.66 95.73 108.48	11,68 16.44 13,58 12.09 11.72 12.81	62.29 84.97 94.85 99.75 107.45 121.29
1940 c/	515,840 858,591 1.235,536 1,508,249 1,623,645 1,781,986	92,040 122,389 121,450 123,529 120,886 128,375	607,880 980,980 1,356,986 1,631,778 1,744,531 1,910,361	12,393 16,941 22,689 21,867 20,103 18,727	41.62 50.68 54.46 68.97 80.77 95.16	7.43 7.22 5.35 5.65 6.01 6.35	49.05 57.90 59.81 74.62 86.78 102.01	9,841 - 14,057 15,515 14,809 15,703 15,230	52.42 61.08 79.63 101.85 103.40 117.00	9.35 8.71 7.83 8.34 7.70 8.43	61.77 69.79 87.46 110.19 111.10 125.43
1940 c/	470,639 500,163 701,773 785,174 899,679 987,594	116,949 119,073 - 134,567 - 124,678 130,374 129,324	587,588 619,236 836,340 909,852 1,030,053 1,116,918	7,014 6,359 7,609 8,170 8,427 8,512	67.10 78.65 92.23 96.10 106.76 116.03	16.67 18.73 17.69 15.26 15.47 15.19	83.77 97.38 109.92 111.36 122.23 131.22	5,878 4,845 5,450 5,929 6,215 6,567	80.07 103.23 128.77 132.43 144.76 150.39	19.90 24.58 24.69 21.03 20.98 19.69	99.97 127.81 153.46 153.46 165.74 170.08
1940 c/	540,270 558,546 816,999 940,441 1,067,741 1,214,787	89,839 110,123 115,244 116,928 117,008 122,540	630,109 668,669 932,243 1,057,369 1,184,749 1,337,327	8,292 8,222 11,289 12,560 13,195 12,637	65.16 67.93 72.37 74.88 . 80,92 96.13	10.83 13.39 10.21 9.31 8.87 9.70	75.99 81.32 82.58 84.19 89.79 105.83	6,995 5,757 7,726 9,169 9,708 9,840	77.24 97.02 105.74 102.57 109.99 123.46	12.84 19.13 14.92 12.75 12.05	90.08 116.15 120.66 115.32 122.04 135.91

a/ Excludee income taxes in the years 1950, 1951, and 1952.
b/ 1948 amounte exclude chargee for accrued annual leave applicable to 1947 and prior yeare.
c/ PCC expensee for 1940 do not include Washington office supervisory coste which, eince the corporations began paying these coets effective July 1, 1942, have aggregated eyetemwide over \$200,000 a year.



Table 11 - Selected income and expense items and ratios - years ended December 31, 1940, and June 30, 1944, 1948, 1951, 1952, and 1953

Income from loan operations (interest on loans and discounts, less compensation to the BC's for servicing loans rediscounted; system amounts exclude income on interbank transactions) in 1953 of \$21.8 million was more than 6 times as much as in 1940 and 10 percent more than in 1952. The increases resulted from a greater average loan volume -- from \$225 million in 1940 to \$785 million in 1952 and \$805 million in 1953, and higher average loan and discount rates*-- from 1.47 percent in 1940 to 2.52 percent in 1952 and 2.71 percent in 1953.

Cost of borrowed funds (interest expense, commissions, and fiscal agent and debenture expense; system amounts exclude interest on interbank borrowings) in 1953 of \$18 million was almost 19 times as much as in 1940 and 6 percent more than in 1952. The increases resulted from a greater amount of borrowings and higher rates of cost on debentures outstanding -- from 0.45 percent in 1940 to 2.23 percent in 1952 and 2.31 percent in 1953. In 1953 and 1952 money costs absorbed 2.24 and 2.16 percentage points, respectively, of the per annum rate of income on loans, as compared with only 0.42 points in 1940.

Operating expenses in 1953 of nearly \$2 million were 32 percent greater than in 1940 and nearly 6 percent greater than in 1952. The per annum rate of expense* which amounted to 0.66 percent in 1940 dropped to 0.24 percent in 1952 and 1953.

Operating expenses include FCA examination costs and, except in 1940, FCA supervisory costs. Since the banks began paying the latter costs effective July 1, 1942, they have ranged for the system from about \$190,000 to \$260,000 a year. Expenses in 1948 include a nonrecurring charge of \$181,000 representing the cost of establishing as a liability on the records of the banks the value of the accrued annual leave of their employees applicable to 1947 and prior years.

Net gain from loan operations (income from loan operations less cost of borrowed funds and operating expenses) in 1953 of

\$1.9 million was more than twice as much as in 1940 and almost twice as much as in 1952. Per annum rate* declined from 0.39 percent in 1940 to 0.12 percent in 1952 and 0.23 percent in 1953. The increase in rate between 1952 and 1953 reflects an increase in loan income which was much larger than the increases in money costs and operating expenses. The small amount (\$21,800) of net gain in 1948 was due in part to the nonrecurring charge for accrued annual leave mentioned in connection with operating expenses.

Final net earnings (net gain from loan operations plus net income from investments, adjusted for charge-offs, recoveries, and allowances for losses) in 1953 of \$3.2 million was 36 percent less than in 1940 but 33 percent more than in 1952. The substantial amount of net earnings in 1940 reflects slightly over \$3 million profit on sales of securities; these sales were necessary to provide funds to return \$40 million of paid-in capital to the revolving fund in the U. S. Treasury. Net earnings in 1948 include \$490,500 representing the reinstatement of security premiums previously written off. Charge-offs, recoveries, and allowances for losses have been nominal in amounts and have affected net earnings very little. Per annum rate of net earnings* in 1953 was 0.39 percent compared with 0.30 percent in 1952 and 2.21 percent in 1940.

Earnings as a rate of return on paid-in capital and total net worth in 1953 were 4.73 percent and 2.84 percent, respectively, compared with 5.62 percent and 4.52 percent in 1940, and 3.76 percent and 2.27 percent in 1952.

Franchise taxes paid U. S. Government in 1953 of \$387,000 represented 12 percent of final net earnings before transfers to reserve for contingencies; the comparable proportion in 1940 was 11 percent and in 1952 it was 12 percent.

^{*} Based upon the average daily balance of loans, discounts, and notes receivable outstanding (column 15).

FEDERAL INTERMEDIATE CREDIT BANKS

Table 11 - Selected income and expense items and ratios 1940, 1944, 1948, 1951, 1952 and 1953 a/

			, 		194	0, 1944, 194	5, 1951, 1	952 and 1955	<u>a</u> /					,	
	Income fro		Cost of	borrowe	d funds	Opera expe		Net gai loan ope			Final ne	t earnings		Franchise	Memorandum Average daily
Bank		Per		Per	Rate of cost of		Da		Per		Per	Rate of re	turn on	taxes paid	balance of loans,
and year	Amount	annum rate	Amount	annum rate <u>b</u> /	debentures outstanding <u>c</u> /	Amount <u>d</u> /	Per annum rate <u>b</u> /	Amount	annum rate <u>b</u> /	Amount	annum rate <u>b</u> /	Paid-in capital	Total net worth	U. S. Government	discounts and notes receivable outstanding
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
System 1940 1944 1948 1951 1952 1953 Springfield	\$3,324,864 4,638,243 6,940,985 12,740,014 19,741,614 21,841,156	1.47 1.42 1.60 2.03 2.52 2.71	\$954,150 2,806,657 5,397,199 9,954,201 16,945,254 18,005,750	0.42 0.86 1.24 1.59 2.16 2.24	0.45 0.93 1.33 1.67 2.23 2.31	\$1,490,764 1,565,536 1,521,968 1,704,301 1,860,111 1,968,996	0.66 0.48 0.35 0.27 0.24 0.24	\$879,950 266,050 21,818 1,081,512 936,249 1,866,410	0.39 0.08 0.01 0.17 0.12 0.23	\$4.966,738 1,203,045 1,512,723 2,223,098 2,376,200 3,161,829	2.21 0.37 0.35 0.36 0.30 0.39	5.62 2.01 2.52 3.70 3.76 4.73	4,52 1,34 1,60 2,22 2,27 2,84	\$547,934 231,011 178,181 299,525 285,300 386,707	\$225,143,628 325,520,026 434,065,655 625,394,589 784,588,447 804,802,333
1940	192,176 283,583 547,206 749,503 970,110 1,115,773	1.49 1.46 1.56 2.00 2.41 2.75	53,614 159,918 430,911 573,417 854,867 882,792	0.41 0.82 1.23 1.53 2.13 2.18	0.44 0.92 1.30 1.64 2.26 2.30	111,639 113,371 121,675 131,979 145,952 154,140	0.87 0.59 0.35 0.35 0.36 0.38	26,923 10,294 -5,380 44,107 -30,709 78,841	0.21 0.05 -0.02 0.12 -0.08 0.19	199,020 94,319 128,640 134,801 62,574 174,271	1.54 0.49 0.37 0.36 0.16 0.43	3.78 1.89 2.57 2.70 1.25 3.49	2.83 1.29 1.67 1.67 0.77 2.11	7,255 23,580 19,660 21,200 3,143 18,568	12,920,962 19,342,920 35,123,399 37,425,412 40,202,786 40,519,743
1940 1944 1948 1951 1952 1953 Columbia	172,823 263,056 480,119 805,386 1,151,805 1,319,850	1.53 1.49 1.68 2.12 2.51 2.75	48,799 146,601 360,168 609,683 1,001,801 1,076,447	0.43 0.83 1.26 1.60 2.18 2.24	0.45 0.93 1.33 1.66 2.25 2.30	111,653 129,955 129,669 147,438 164,524 171,892	0.99 0.74 0.45 0.39 0.36 0.36	12,371 -13,500 -9,718 48,265 -14,520 71,511	0.11 -0.08 -0.03 0.13 -0.03 0.15	264,199 81,096 148,031 143,932 84,900 177,660	2.34 0.46 0.52 0.38 0.18 0.37	4.77 1.62 2.96 2.88 1.70 3.55	3.87 1.18 2.04 1.87 1.09 2.25	16,050 20,274 18,258 23,483 14,975 31,915	11,301,086 17,599,043 28,543,744 37,970,830 45,916,098 48,053,236
1940	221,959 375,472 725,154 1,080,241 1,560,910 1,822,393	1.49 1.41 1.66 2.12 2.60 2.70	56,687 248,532 598,936 864,679 1,316,449 1,621,429	0.38 0.93 1.37 1.70 2.19 2.40	0.43 0.93 1.35 1.67 2.18 2.36	114,658 132,273 137,263 152,638 164,508 174,737	0.77 0.50 0.31 0.30 0.27 0.26	50,614 -5,333 -11,045 62,924 79,953 26,227	0.34 -0.02 -0.02 0.12 0.14 0.04	418,946 74,614 106,465 149,505 176,853 161,772	2.81 0.28 0,24 0.29 0.29 0.29	4.75 1.49 2.11 2.93 3.07 2.56	4.48 1.23 1.66 2.14 2.28 1.91	42,236 6,154 1,616 12,376 19,213 2,943	14,916,719 26,575,356 43,538,091 50,848,339 60,044,305 67,594,659
1940. 1944. 1948. 1951. 1952. 1953	337,917 460,854 662,674 1,412,607 2,091,211 2,393,077	1.48 1.45 1.50 2.02 2.41 2.63	111,037 280,949 554,879 1,103,473 1,903,134 2,039,844	0.49 0.88 1,26 1.58 2.19 2.24	0.46 0.94 1.33 1.65 2.25 2.31	117,103 127,312 129,114 149,583 162,044 171,933	0.51 0.40 0.29 0.21 0.19 0,19	109,777 52,593 -21,319 159,551 26,033 181,300	0.48 0.17 -0.05 0.23 0.03	378,148 119,968 98,507 239,138 112,810 273,842	1,66 0.38 0.22 0.34 0.13	6.83 2.40 1.97 4.78 2.16 4.71	5.05 1.58 1.21 2.77 1.26 2.80	34,537 17,492 5,877 22,285 3,203 5,960	22,809,535 31,671,955 44,046,988 69,758,463 86,772,773 91,072,600
1940	217,469 394,799 572,182 949,771 1,418,014 1,702,369	1.44 1.40 1.69 2.11 2.58 2.76	52,783 260,812 462,324 760,419 1,208,777 1,414,797	0.35 0.92 1.37 1.69 2.20 2.29	0.37 0.92 1.32 1.65 2.20 2.30	107,097 124,660 123,845 143,165 147,730 159,269	0.71 0.44 0.36 0.32 0.27 0.26	57,589 9,327 -13,987 46,187 61,507 128,303	0.38 0.04 -0.04 0.10 0.11 0.21	143,336 88,340 114,672 192,917 403,961 252,691	0.95 0.31 0.34 0.43 0.74 0.41	2,43 1.77 2.29 3.86 7.28 4.06	2.11 1.37 1.69 2.68 5.05	4,584 8,585 16.168 35,729 38,490 31,923	15,143,107 28,198,654 33,769,414 45,107,166 54,847,904 61,777,639
1940	337,319 518,495 710,635 1,363,840 2,151,829 2,109,367	1.49 1.40 1.59 2.03 2.56 2.67	104,512 338,729 562,324 1,088,573 1,882,685 1,799,899	0.46 0,92 1.26 1.62 2.24 2.28	0.45 0.93 1.33 1.66 2.27	121,763 134,877 132,761 160,060 170,846 177,540	0.54 0.36 0.30 0.24 0.20 0.22	111,044 44,889 15,550 115,207 98,298 131,928	0.49 0.12 0.03 0,17 0.12 0.17	305,590 104,793 129,074 196,348 207,884 218,754	1.35 0,28 0,29 0,29 0.25 0.28	5.73 2.10 2.58 3.89 3.55	4.40 1,44 1.68 2.40 2.28 2.26	5,148 13,698 13,519 30,337 33,221 23,439	22,629,607 36,987,727 44,699,690 67,319,778 84,155,327 78,960,535

PEDERAL INTERMEDIATE CREDIT BANKS

Table 11 - Selected income and expense items and ratios

					1940, 194	44 , 1 948 , 19	51, 1952 a	nd 1955 a/ -	continued						
	Income fr loan operet		Cost o	f borrowe	d funds	Operat expen		Net gain loan oper		1	inal nat	earnings			Mamorandum Avarage daily
Bank		Per		Per	Rate of		Per		Per		Par	Rate of	return on	Franchise taxes paid	balance of losne,
and year	Amount	ennum rate <u>b</u> /	Amount	ennum rate b/	cost of debentures outstanding	Amount <u>d</u> /	annum rate b/	Amount	ennum rata <u>b</u> /	Amount	ennum rate <u>b</u> /	Paid-in capital	Total nat worth	U. S. Covernment	discounta and notes receivabla outstanding
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
St. Paul 1940	\$282,019 306,634 440,410 937,291 1,429,473 1,656,499	1.49 1.43 1.53 2.02 2.52 2.75	\$85,186 163,028 325,883 698,176 1,181,795 1,305,342	0.45 0.76 1.13 1.50 2.08 2.17	0.48 0.92 1.32 1.65 2.24 2.32	\$143,186 138,366 118,039 147,708 159,406 165,746	0.76 0.65 0.41 0.32 0.28 0.27	\$53,647 5,240 -3,512 91,407 88,272 185,411	0.28 0.02 -0.01 0.20 0.16 0.31	\$670,372 77,439 135,347 182,750 182,444 282,017	3.54 0.36 0.47 0.39 0.32 0.47	7.76 1.55 2.71 3.66 3.65 5.64	5.74 0.89 1.48 1.91 1.88 2.84	\$137,593 19,360 21,336 33,188 30,611 35,504	\$18,941,516 21,347,872 28,720,683 46,384,145 56,729,569 60,223,320
1940 1944 1948 1951 1952 1953	225,767 312,282 384,306 947,491 1,589,006 1,573,473	1.53 1.45 1.50 2.00 2.49 2.63	60,753 172,647 293,033 734,256 1,359,306 1,305,462	0.41 0.80 1.14 1.55 2.13 2.18	0.47 0.93 1.35 1.68 2.26 2.30	118,813 131,269 119,627 132,792 141,622 154,170	0.81 0.61 0.47 0.28 0.22 0.26	46,201 8,366 -28,354 80,443 88,078 113,841	0.31 0.04 -0.11 0.17 0.14 0.19	397,490 90,762 100,740 169,931 181,965 213,879	2.70 0.42 0.39 0.36 0.29 0.36	5.17 1.82 2.01 3.40 3.64 4.28	3.77 1.08 1.14 1.84 1.95 2.24	49,372 22,690 12,685 42,483 39,241 47,220	14,745,228 21,513,849 25,560,364 47,307,560 63,703,921 59,863,296
1940	268,212 357,740 480,830 996,408 1,597,781 1,598,853	1.49 1.41 1.56 2.00 2.54 2.75	69,525 213,868 366,184 790,581 1,346,329 1,272,650	0.39 0.84 1,19 1.58 2.14 2.19	0.43 0.92 1.32 1.69 2.24 2.30	117,602 133,437 120,806 137,212 153,889 162,847	0.65 0.53 0.39 0.28 0.24 0.28	81,085 10,435 -6,160 68,615 97,563 163,356	0.45 0.04 -0.02 0.14 0.16 0.28	476,497 101,901 120,055 163,265 198,057 262,703	2.65 0.40 0.39 0.33 0.31 0.45	5.55 2.04 2,40 3.27 3.96 5.25	4.44 1.30 1.46 1.88 2.25 2.90	56,624 19,225 11,264 15,816 24,514 40,676	17,958,705 25,424,828 30,883,790 49,803,980 62,885,757 58,105,115
1940. 1944. 1948. 1951. 1952. 1953. Berkeley	395,651 618,644 814,403 1,482,088 2,302,910 2,550,416	1.48 1.43 1.59 2.03 2.53 2.75	108,843 370,739 630,859 1,157,359 1,960,208 2,073,152	0.41 0.86 1.23 1.59 2.16 2.24	0.43 0.93 1,34 1.69 2.23 2.30	141,768 139,080 127,833 133,343 157,069 167,623	0.53 0.32 0.25 0.18 0.17 0.18	145,040 108,825 55,711 191,386 185,633 309,641	0.54 0.25 0.11 0.26 0.20	446.052 186.866 148.102 301,436 324,751 464,193	1.67 0.43 0.29 0.41 0.36 0.50	6.66 3.74 2.96 6.03 6.05 8.60	4.67 2.13 1.59 2.99 3.03 4.15	39,013 34,216 12,025 12,859 6,188 41,048	26,736,466 43,351,022 51,375,552 72,744,388 90,807,846 92,737,888
1944 1948 1951 1952 1953 Spokane	334,423 428,125 643,688 1,042,607 1,881,860 2,158,487	1.41 1.42 1.75 2.03 2.53 2.75	95,509 268.371 456,002 824.812 1,588,570 1,746,344	0.40 0.89 1.24 1.61 2.14 2.23	0.42 0.94 1.29 1.68 2.22 2.31	140,468 134,914 134,222 140,434 149,833 158,459	0.59 0.45 0.37 0.27 0.20 0.20	98,446 24,840 53,464 77,361 143,457 253,684	0.42 0.08 0.14 0.15 0.19 0.32	730,611 78,676 157,020 162,310 229,947 361,180	3.08 0.26 0.43 0.32 0.31 0.46	6.54 1.57 3.14 3.25 4.28 5.17	6.14 1.18 2.26 2.19 2.90 3.66	90,153 19,669 14,255 15,578 32,487 40,295	23,752,858 30,188,638 36,658,218 51,408,628 74,309,760 78,492,641
1940. 1944. 1948. 1951. 1952.	339,691 330,899 507,383 999,227 1,617,257 1,853,395	1.45 1.42 1.63 2.02 2.52 2.75	107,464 194,803 383,701 775,623 1,362,285 1,481,923	0.46 0.84 1.23 1.57 2.12 2.20	0.49 0.92 1.34 1.68 2,22 2.31	145,014 126,022 127,114 127,949 142,688 150,640	0.62 0.54 0.41 0.26 0.22 0.22	87,213 10,074 -3,432 95,655 112,284 220,832	0.37 0.04 -0.01 0.19 0.18 0.33	536,477 104,271 126,070 186,765 210,054 318,867	2.30 0.45 0.40 0.38 0.33 0.47	5.84 2.09 2.52 3.74 4.20 6.38	4.84 1.39 1.60 2.25 2.50 3.67	65,369 26,068 31,518 34,191 40,014 67,216	23,287,839 23,318,162 31,145,722 49,315,900 64,212,401 67,401,661

a/ 1940 calendar year; other yeare fiscal ended June 30,
b/ Based upon the average daily balance of loans, discounts and notes receivable outstanding (column 15).
c/ Net debenture costs, excluding fiscal agent and debenture expanse, related to the average daily balance of dabenture outstanding.
1940 operating expenses do not include Washington office supervisory costs which, since the banks began paying these costs affactive July 1, 1942, have ranged for the system from about \$190,000 to \$260,000 a year.



Table 12 - Selected income and expense items and ratios - years ended December 31, 1940, and June 30, 1944, 1948, 1951, 1952, and 1953

Income from loan operations* in 1953 of \$12.6 million was slightly more than 6 times as much as in 1940 and 4.1 percent more than in 1952. Higher interest rates accounted for the increase between 1952 and 1953 while a combination of higher interest rates and increased loan volume was the reason for the change between 1940 and 1953. The average balance of net credit outstanding was \$77.4 million in 1940 as compared with \$371.4 million in 1952 and \$369.8 million in 1953. Per annum rate of income** increased from 2.67 percent in 1940 to 3.25 percent in 1952 and to 3.40 percent in 1953. The 1944 per annum rate was only 1.78 percent, due to the banks' substantial investment in CCC paper on which the interest varied from 3/4 of 1 percent to 1 percent.

Cost of borrowed funds (interest expenses and fiscal agent costs, less compensation for services to FICB's; system amounts exclude interest on interbank borrowings) in 1953 of \$4.4 million compares with \$87,000 in 1940 and \$4.3 million in 1952. The increase between 1952 and 1953 was entirely due to higher interest rates. The per annum rate of money costs** increased from 0.11 percent in 1940 to 1.16 percent in 1952 and to 1.20 percent in 1953.

Operating expenses in 1953 of slightly more than \$2 million were almost twice as much as in 1940 and 1.6 percent higher than in 1952. Per annum rate of expenses**, however, decreased from 1.34 percent in 1940 to 0.54 percent in 1952 and 0.55 percent in 1953 due to the greater volume of credit outstanding. Operating expenses include FCA examination costs and, except in 1940, FCA supervisory costs. Since the banks began paying the latter costs effective July 1, 1943, they have ranged from \$140,000 to over \$200,000 a year. Expenses in 1948 include a nonrecurring charge of \$209,000 representing the cost of establishing as a liability on the records of the banks the value of the accrued leave of their employees applicable to 1948 and prior years.

Net gain from loan operations (income from loan operations less cost of borrowed funds and operating expenses) in 1953 of \$6.1 million was 6.5 times as much as in 1940 and 6.0 percent more than in 1952. Per annum rate of net gain** was 1.22 percent

in 1940 as compared with 1.55 percent in 1952 and 1.65 percent in 1953.

Net earnings before provision for losses (net gain from loan operations plus investment and other income) in 1953 of \$7.1 million was about 1.6 times as much as in 1940 and 5.2 percent more than in 1952. Investment and other income in 1940 amounted to \$3.5 million (includes profit of over \$2 million on sales of securities which were necessary to retire \$60 million of the banks' Government capital) and represented about 80 percent of earnings before losses. In 1953 it amounted to \$1 million and represented only 14.6 percent of the item. Per annum rate** dropped from 5.79 percent in 1940 to 1.83 percent in 1952 and increased to 1.93 percent in 1953.

Final net earnings (after loan losses and provision for losses) in 1953 of \$8.8 million were 64.8 percent higher than in 1940 and were 58.5 percent more than in 1952. Downward adjustments of loss reserves and profits on the sale of acquired assets increased net earnings \$1.7 million in 1953, whereas in 1952 losses and provision for losses decreased net earnings \$1.2 million. Per annum rate of final net earnings** decreased from 6.93 percent in 1940 (reflects the large volume of investment income and net downward reserve adjustment in that year) to 1.50 percent in 1952 and increased in 1953 to 2.39 percent.

The rates of return in 1953 on paid-in capital of 4.47 percent and on total net worth of 3.31 percent were considerably higher than the rates in 1952 of 2.83 percent and 2.15 percent, respectively, and compare favorably with the 1940 rates of 3.82 percent and 3.41 percent. The differences between 1953 and 1952 reflect primarily the fluctuations in losses and provision for losses.

^{*} Interest on loans, investments under CCC programs, loans to other banks for cooperatives and notes receivable, other interest, compensation for services under CCC programs, compensation income on participations sold, and appraisal and loan service fees, less compensation expense on participation loans. System amounts exclude income on interbank transactions.

** Based upon average amount of net credit outstanding (column 15).

BANKS FOR COOPERATIVES

Table 12 - Selected income and expense items and ratios 1940. 1944. 1948. 1951. 1952. and 1953 a/

	Income	fnom	Cost	of		1940, 194	4, 1948, 1951,	1952, and	1953 a/	<u> </u>					
	loan ope		borrowed		Operating	expenses	Net gain	n from rations	Net earni provision	ngs before for losses		Final net	t earnings		Memorandum
Bank and year	Amount	Per annum rate	Amount	Per annum rate	Amount d/	Per annum rate	Amoun	Per annum rate	Amount	Per annum		Per	Rate of	return on	Average balance
	(1)	<u>b</u> /	(3)	<u>b</u> /		<u>b</u> /		<u>b</u> /	Amount	rate <u>b</u> /	Amount	rate <u>b</u> /	Paid-in capital	Total net worth	of net credit outstanding
System		1 (2)	(5)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
1940 1944 1948 1951 1952 1953 Springfield 1940 1944	12,587,765	2.67 1.78 2.74 3.18 3.25 3.40	\$87,354 665,194 1,019,228 2,343,192 4,316,923 4,437,471	0.11 0.32 0.43 0.76 1.16 1.20	\$1,036,678 1,257,297 1,702,820 1,829,077 2,010,965 2,043,214	1.34 0.61 0.72 0.59 0.54	\$945,294 1,756,844 3,766,947 5,645,656 5,763,935 6,107,080	1,22 [0,85] 1,59 1,83 1,55 1,65	\$4,476,223 2,498,769 5,057,603 6,510,567 6,794,988 7,149,971	5.79 1,21 2.14 2.11 1.83 1.93	\$5,363,860 2,815,769 3,348,139 6,792,953 5,577,057 8,838,985	6.93 1.36 ·1.41 2.20 1.50 2.39	3.82 1.56 1.76 3.49 2.83 4.47	3.41 1.35 1.44 2.71 2.15 3.31	\$77,364,961 206,497,455 236,703,908 309,016,355 371,419,489 369,815,800
1948 1951 1952 Baltimore 1940.	151,111 516,445 495,166 620,482 686,860	2.85 4.55 3.91 4.17 4.39	1,329 9,439 55,193 64,996 122,452 138,623	0.04 0.18 0.48 0.51 0.82 0.89	75,906 85,195 114,509 114,030 132,000 126,109	1.84 1.61 1.01 0.90 0.89 0.80	47,062 56,477 346,743 316,140 366,030 422,128	1.14 1.06 3.06 2.50 2.46 2.70	211,748 94,653 387,435 351,739 407,782 463,880	5.14 1.78 3.42 2.78 (2.74) 2.97	209,781 106,936 278,720 402,241 397,457 404,355	5.09 2.01 2.46 3.18 2.67 2. 58	2.84 1.80 3.98 4.65 4.42 4.43	2.66 1.55 3.23 3.52 3.28 3.19	4,121,007 5,307,877 11,343,538 12,641,071 14,879,458
1944 1948 1951 1952 1953 Columbia	100,433 483,078 661,049 786,535 724,261	3.34 2.85 3.18 3.75 3.97 3.85	5,996 3,056 91,670 145,670 241,905 220,958	0.17 0.09 0.60 0.83 1.22 1.17	67,111 72,386 155,016 159,358 181,650 187,252	1.91 2.05 1.02 0.90 0.92 1.00	44,518 24,991 236,392 356,021 362,980 316,051	1.26 0.71 1.56 2.02 1.83 1.68	247,709 66.326 278,562 388,375 407.641 360,722	7.03 1.88 1.84 2.20 2.06 1.92	55,557 92,973 -411,229 343,078 392,746 336,443	1.58 2.63 -2.71 1.95 1.98 1.79	0.87 1.97 -5.85 3.02 3.41 2.97	0.80 1.64 -4.78 2.74 3.01 2.54	15,644,902 3,524,246 3,528,900 15,179,253 17,626,229 19,791,946 18,799,895
1944 1948	94,247 208,285 366,085 412,025 488,461 547,871	2.05 2.81 3.23 3.34 4.10	1,116 43,153 70,002 93,589 161,768 116,478	0.03 0.42 0.54 0.73 1.11 0.87	60,227 87,249 113,856 124,633 139.595 137,945	1.77 0.86 0.87 0.98 0.95 1.03	32,904 77,883 182,227 193,803 187,098 293,448	0.97 0.77 1.40 1.52 1.28 2.20	223,404 130,389 238,296 250,766 244,061 350,411	6.58 1.28 1.83 1.96 1.67 2.62	164,012 152.021 238,589 301,055 130,031 1,517,661	4.83 1.50 1.83 2.36 0.89	2.52 1.61 2.46 2.94 1.26	2.26 1.41 2.01 2.47 1.04	3,397,051 10,160,183 13,025,194 12,767,633 14,605,298
1940 1944 1948 1951 1952 1953 New Orleans 1940	184,049 387,168 616,923 716,768 694,612	2.55 2.40 3.13 3.63 3.72 3.82	4,950 13,583 43,463 128,750 198,015	0.10 0.18 0.35 0.76 1.03 1.09	61,374 85,019 121,314 142,235 150,830 162,234	1.23 1.11 0.98 0.84 0.78 0.89	61,118 85,447 222,391 345,938 367,862 334,363	1.22 1.11 1.80 2.03 1.91 1.84	200,470 135,905 279,288 403,239 425,162 391,663	4.02 1.77 2.26 2.37 2.21 2.16	193,560 138,072 280,565 425,310 165,434 456,163	3.88 1.80 2.27 2.50 0.86 2.51	2.50 1.65 3.19 4.45 1.69 4.71	2.28 1.42 2.53 3.29 1.22 3.33	13,355,919 4,989,937 7,683,584 12,371,148 16,990,676 19,245,044 18,159,804
1944. 1948. 1951. 1952. 1953. St. Louis	165,349 268,202 308,442 361,325 381,595 389,454 79,202	3.39 2.45 3.04 3.51 3.72 3.64	10,553 69,673 50,064 28,078 31,765 64,514	0.22 0.63 0.49 0.27 0.31 0.60	83,931 113,521 129,483 134,329 141,434 141,188	1.72 1.04 1.28 1.31 1.38 1.32	70,865 85,008 128,895 198,918 208,396 183,752	1.45 0.78 1.27 1.93 2.03 1.72	167,865 146,656 190,997 250,258 273,105 248,461	3.44 1.34 1.89 2.43 2.66 2.32	128,317 95,838 137,216 326,507 116,625 327,311	2.63 0.88 1.35 3.17 1.14 3.06	1.62 0.97 1.37 3.22 1.18 3.83	1.55 0.88 1.18 2.63 0.94 2.91	4,873,448 10,948,982 10,129,535 10,295,461 10,251,136 10,697,883
1944 1948 1951 1952 1953	79,202 204,583 665,449 1,001,304 1,047.710 1,104,132	2.21 2.96 3.36 3.52 3.64	1,711 36,601 144,339 267,040 335,962 328,546	0.07 0.42 0.64 0.90 1.13 1.08	61,996 76,273 129,909 153,372 162,099 174,579	2.39 0.82 0.58 0.51 0.54 0.58	15,495 89,709 391,201 580,892 549,649 601,007	0.60 0.97 1.74 1.95 1.85 1.98	202,264 120,500 423,185 613,774 582,055 640,331	7.81 1.30 1.88 2.06 1.95 2.11	207,122 138,302 123,485 811,916 612,394 634,937	8.00 1.50 0.55 2.72 2.06 2.10	3.35 2.25 1.35 5.52 4.15 4.26	2.93 1.84 1.08 4.56 3.29 3.27	2,589,061 9,249,249 22,505,494 29,833,727 29,775,072 30,301,502

BANKS FOR COOPERATIVES

Table 12 - Selected income and expense itams and ratios 1940, 1944, 1948, 1951, 1952 and 1953 $\underline{a}/$ - continued

	Income loan oper		Cost o		Operating e	expenses	Net gain loan opera		Net earning provision f			Final net	earnings		Mamorandum
Bank		Per		Per		Per annum		Per		Per annum		Par	Rate of	return on	Avarage balance
and year	Amount	annum rate <u>b</u> /	Amount	annum rate <u>b</u> /	Amount d/	rate b/	Amount	rate <u>b</u> /	Amount	rate <u>b</u> /	Amount	rata <u>b</u> /	Paid-in capital	Total nat worth	of nat cradit outstanding
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
St. Paul 1940 1944 1948 1951 1952 1953 Omaha	\$131,840 266,394 606,650 865,858 1,006,487 1,097,046	2.89 2.10 2.86 3.16 3.17 3.25	\$871 14,276 89,166 225,411 368,879 428,891	0.02 0.11 0.42 0.82 1.16 1.27	\$87,421 105,906 129,322 148,189 153,882 158,004	1.92 0.84 0.61 0.54 0.49	\$43,548 146,212 388,162 492,258 483,726 510,151	0.95 1.15 1.83 1.80 1.52 1.51	\$169,526 201,122 446,530 540,275 544,825 571,250	3.71 1.59 2.10 1.97 1.72 1.69	\$131,901 298,607 344,739 496,571 509,119 521,250	2.89 2.36 1.62 1.81 1.61	1.62 2.53 2.76 3.34 3.39 3.44	1.51 2.25 2.28 2.62 2.59 2.57	\$4,564,062 12,665,763 21,243,645 27,379,846 31,704,693 33,714,699
1940	72,488 164,757 199,163 356,250 432,994 477,019	3.23 2.45 2.64 3.00 3.07 3.04	31 17,288 26,622 106,641 181,019 192,909	c/ 0.26 0.35 0.90 1.28 1.23	74,039 81,842 114,741 109,724 120,787 124,853	3.30 1.22 1.52 0.92 0.86 0.80	-1,582 65,627 57,800 139,885 131,188 159,257	-0.07 0.97 0.77 1.18 0.93 1.01	141,516 103,703 96,263 178,550 169,852 197,921	6.31 1.54 1.28 1.51 1.21 1.26	101,490 125,450 101,840 188,981 169,498 196,866	4.53 1.86 1.35 1.59 1.20 1.25	1.51 2.03 1.62 2.88 2.51 2.42	1.48 1.80 1.35 2.32 1.99	2,242,372 6,733,816 7,530,419 11,863,169 14,086,796 15,693,855
1940 1944 1948 1951 1952 1953	150.361 242,502 402.504 862,930 949.222 944,213	2.82 2.38 3.54 4.22 4.15 4.07	6,827 29,257 27,530 146,929 229,033 243,157	0.13 0.28 0.24 0.72 1.00	68,316 90,584 119,374 169,505 200,419 203,146	1.28 0.89 1.05 0.83 0.88 0.88	75,218 122,661 255,600 546,496 519,770 497,910	1.41 1.21 2.25 2.67 2.27 2.14	213,273 184,949 324,341 603,312 591,616 569,756	4.00 1.82 2.86 2.95 2.59 2.46	156,158 224,933 344,230 516,725 470,329 474,039	2.93 2.21 3.04 2.53 2.06 2.04	2.16 2.07 2.99 4.15 3.73 3.77	2.00 1.85 2.48 3.24 2.83 2.78	5,334,949 10,170,109 11,345,725 20,454,346 22,863,278 23,182,879
1940	97,794 228,096 335,581 517,191 639,615 680,181	3.50 2.13 3.08 3.31 3.53 3.57	213 15,631 28,409 77,351 141,670 164,997	0.01 0.15 0.26 0.50 0.78 0.87	65,863 98,503 113,466 112,684 117,974 118,062	2.36 0.92 1.04 0.72 0.65 0.62	31,718 113,962 193,706 327,156 379,971 397,122	1.13 1.06 1.78 2.09 2.10 2.08	167,513 170,246 249,631 383,082 435,897 453,048	5.99 1.59 2.29 2.45 2.41 2.38	147,035 179.241 311,786 276,400 395,923 477,735	5.26 1.67 2.86 1.77 2.19 2.50	2.34 1.71 2.89 2.53 3.55 4.23	2.12 1.53 2.40 1.95 2.70 3.13	2,794,567 10,731,271 10,905,765 15,617,239 18,099,709 19,073,400
1940 1944 1948 1951 1952 1953	671,031	2.76 2.05 2.87 3.01 3.15 3.40	24,047 46,526 128,656 164,997 434,282 421,314	0.21 0.40 0.66 0.74 1.33 1.35	119,265 116,191 146,109 159,645 161,803 161,451	1.05 1.01 0.75 0.72 0.50 0.52	170,309 73,313 283,416 346,389 431,837 477,911	1.50 0.64 1.46 1.55 1.32 1.53	406,411 157,846 359,193 412,677 510,362 556,861	3.57 1.37 1.85 1.85 1.56 1.78	342,383 242,846 94,716 564,085 656,073 670.704	3.01 2.11 0.49 2.53 2.01 2.15	2.43 2.01 0.89 4.32 4.83 4.95	2.24 1.69 0.69 3.30 3.59 3.55	11,369,531 11,532,040 19,444,844 22,305,791 32,634,024 31,212,034
1940 1944 1948 1951 1952 1953		3.27 2.77 2.89 3.23 3.30 3.35	7,549 14,111 52,420 83,612 186,287 180,610	0.12 0.19 0.39 0.57 1.00	84,064 100,062 123,965 121,664 133,559 136,874	1.36 1.35 0.94 0.84 0.71 0.76	110,844 90,710 205,576 265,465 298,303 283,706	1.79 1.23 1.56 1.82 1.59	282,502 153,375 267,511 316,348 362,636 348,038	4.56 2.07 2.03 2.17 1.93 1.94	294,232 177,451 237,111 336,461 308,434 336,038	4.75 2.40 1.80 2.31 1.65 1.88	2.89 1.98 2.55 3.33 2.98 3.26	2.66 1.68 2.00 2.48 2.17 2.33	6,190,037 7,394,926 13,195,712 14,587,834 18,748,933 17,918,878
1940 1944 1948 1951 1952	1,643,099 3,054,882 4,507,600	1.84 1.26 2.40 3.16 3.61 4.38	22,933 397,504 576,505 1,338,878 2,815,542 3,499,912	0.11 0.40 0.84 1.39 2.26 2.87	127,165 144,566 191,756 179,709 214,933 211,517	0.59 0.14 0.28 0.18 0.17 0.17	243,277 724,844 874,838 1,536,295 1,477,125 1,630,274	1.14 0.72 1.28 1.59 1.18	1,842,022 833,099 1,516,371 1,818,172 1,839,994 1,997,629	8.62 0.83 2.21 1.88 1.48 1.64	3,232,312 843,099 1,266,371 1,803,623 1,252,994 2,485,483	15.12 0.84 1.85 1.87 1.00 2.04	7.09 1.12 1.63 2.91 2.01 3.97	5.91 0.96 1.34 2.17 1.47 2.84	21,374,693 100,390,755 68,483,636 96,653,333 124,734,102 122,060,150

a/ 1940 calendar year; other years fiacal ended June 30.
b/ Based on average balance of credit outstanding net of participations sold.
c/ Leas than 0.005%.
d/ 1940 data do not includa Washington office aupervisory costs which, since the banks began paying these coata effective July 1. 1943, have ranged from about \$140,000 to over \$200,000 a year.



Table 13 - Selected income and expense items and ratios - years ended June 30, 1948 through 1953

(FLB and NFLA data have been consolidated with adjustments having been made to eliminate items causing duplication, such as compensation, loan closing fees and dividends paid by the banks to the NFLA's)

Income from loan operations (interest on loans and real estate sales paper, miscellaneous interest, and loan closing fees received from borrowers) in 1953 of \$45 million was 19 percent greater than in 1948 and 8 percent more than in 1952. The increases resulted from a greater average loan volume (see column 19) and higher rates of interest on new loans closed at 3 banks. The per annum rate of all income from loan operations* was 4.11 percent in 1953 compared with 4.10 percent in 1952 and 4.16 percent in 1948.

Cost of borrowed funds (all costs of CFFL bonds, interest on notes payable, and interest on future payment funds) in 1953 of \$20 million was 76 percent more than in 1948 and 38 percent greater than in 1952. The increases resulted from larger borrowings and higher interest rates. The average interest rate on CFFL bonds outstanding (weighted average face rate on bonds outstanding at the end of the year) increased from 1.55 percent in 1948 to 2.07 percent in 1952 and 2.35 percent in 1953. Money costs in 1953 absorbed 1.83 percentage points of the per annum rate of income on loans* as compared with 1.25 points in 1948.

Operating expenses (net of recoveries from the FFMC and for surplus property disposal) of \$18.6 million in 1953 were 16 percent greater than in 1948 and 4 percent more than in 1952. The per annum rate of expense* in 1953 was 1.70 percent compared with 1.77 percent in 1948 and 1.76 percent in 1952. Operating expenses in 1948 include a nonrecurring charge of \$1,146,000 representing the cost of establishing as a liability on the records of the banks the value of accrued annual leave of their employees applicable to 1948 and prior years.

Net gain from loan operations (income from loan operations less cost of borrowed funds and operating expenses) in 1953 of \$6.3 million was 39 percent less than in 1948 and 31 percent less than in 1952. The per annum rate* in 1953 was 0.58 percent as compared with 1.14 percent in 1948 and 0.91 percent in 1952.

Net earnings before provision for losses (net gain from loan operations plus net income from investments and mineral rights, and miscellaneous income) in 1953 of \$12.6 million were 11 percent less than in 1948 and 18 percent less than in 1952. These decreases would have been substantially greater were it not for income from mineral reservations, this income having increased from \$777,000 in 1948 to \$2,700,000 in 1952 and \$2,300,000 in 1953. The per annum rate of net earnings before provision for losses* was 1.15 percent in 1953 as compared with 1.56 percent in 1948 and 1.51 percent in 1952. Net earnings before provision for losses represented about an 18 percent rate of return on capital stock in 1953 compared with rates of about 25 percent in 1948 and 24 percent in 1952. The rate of return on total net worth of the system was 3.32 percent in 1953 as compared with 4.99 percent in 1948.

Final net earnings (after provision for losses) in 1953 of \$21.3 million were 51 percent greater than in 1948 but were 21 percent less than in 1952. The year to year changes in final net earnings were due largely to differences in the amount of net downward adjustments in the banks' reserve for losses, which were made after determining that such reserves were too high. These reserves had been built up by charges to earnings in previous years. In 1953 a smaller net gain from lending operations also was a major factor in the decline in final net earnings. The per annum rate of final net earnings* was 1.95 percent in 1953 as compared with 1.55 percent in 1948 and 2.65 percent in 1952.

The rate of return in 1948 of final net earnings on capital stock was 24.98 percent and on total net worth 4.98 percent. The comparable rates in 1953 were 30.40 percent and 5.62 percent, respectively, and in 1952 they were 41.32 percent and 7.55 percent.

Dividends declared by NFLA's to borrowers have ranged from \$3.5 million in 1948 to \$4.1 million in 1953.

^{*}Based upon the average unpaid balance of loans and real estate sales paper outstanding.

PEDERAL LAND BANK SYSTEM

(Data for Federal Land Banks and Nationsl Farm Loan Associations have been consolidated) a/
Table 13 - Selected income and expense items and ratios
Years ended June 30, 1948 through 1953

	Income fi			ost of	nds	Operati expense		Net gain loan opera		Net earn	ings befor	ore provi	sion	Fin	sl net e	arnings			Memorandum
					Average							Rate retur				Rate		Dividends declared	Average balance of
Bank and year	Amount	Per annum rate	Amount	Per annum rate b/	interest rate on bonds out- standing	Amount	Per annum rate <u>b</u> /	Amount	Per annum rate <u>b</u> /	Amount	Per annum rate <u>b</u> /	Capital stock	Total net worth	Amount	Per annum rate b	Capital stock	Total net worth	by NFLA's to borrowers	mortgage loans and real estate sales paper outstanding
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
System	\$37,715,890 36,264,590 37,742,760 39,482,509 41,542,306 44,970,160	4.08 4.10 4.10 4.10	\$11,370,298 11,410,015 12,312,192 12,722,795 14,532,120 20,032,987	1.25 1.28 1.34 1.32 1.43 1.83	1.55 1.55 1.62 1.62 2.07 2.35	\$16,040,546 15,675,535 15,821,745 16,777,728 17,883,599 18,603,642	1.77 1.77 1.72 1.74 1.76 1.70	\$10,305,046 9,179,040 9,608,823 9,981,986 9,126,587 6,333,531	1.14 1.03 1.04 1.04 0.91 0.58	\$14,102,232 13,176,472 13,901,828 14,210,244 15,369,085 12,585,511	1.56 1.48 1.51 1.48 1.51 1.15	25.03 23.15 23.45 23.40 23.56 17.98	4.99 4.49 4.49 4.29 4.31 3.32	\$14,073,500 13,982,012 18,119,943 21,795,493 26,950,673 21,284,524	1.57 1.97 2.26 2.65	24.98 24.57 30.56 35.44 41.32 30.40	4.98 4.77 5.85 6.59 7.55 5.62	3,876,806 3,621,520 3,961,406	\$907,116,419 888,104,611 920,784,857 963,658,219 1,015,241,096 1,093,747,456
1948 1949 1950 1951 1953 Baltimore	2,403,577 2,356,280 2,389,297 2,423,752 2,467,879 2,612,327	4.22	788,861 788,995 825,432 830,096 864,013 1,133,659	1.39 1.41 1.46 1.47 1.51 1.90	1.65 1.65 1.71 1.71 2.06 2.30	1,085,918 1,038,239 1,085,734 1,137,362 1,110,292 1,140,931	1.92 1.85 1.92 2.01 1.94 1.91	528,798 529,046 478,131 456,294 493,574 337,737	0.93 0.94 0.84 0.80 0.86 0.56	617,426 646,188 595,167 589,093 655,321 480,593	1.09 1.15 1.05 1.04 1.15 0.80	17.47 18.12 16.49 16.14 17.43 12.26	5.07 5.09 4.34 4.16 4.29 3.05	555,684 571,714 1,070,328 560,192 1,131,205 460,710	0.99	15,73 16.03 29.65 15.35 30.09 11.75	4.57 4.50 7.81 3.95 7.40 2.93	49,729 67,393 105,397 123,000 134,262 165, 0 05	56,644,847 56,049,668 56,572,051 56,630,938 57,232,571 59,751,304
1948 1949 1950 1951 1952 Columbia	1,678,759 1,643,003 1,693,348 1,782,826 1,919,376 2,074,756	4.26 4.26 4.20	453,692 473,976 520,148 547,490 684,737 913,780	1.18 1.23 1.31 1.29 1.49 1.86	1.45 1.45 1.55 1.55 1.95 2.32	951,778 867,616 881,686 951,062 1,018,757 1,052,772	2.47 2.25 2.22 2.24 2.21 2.14	273,289 301,411 291,514 284,274 215,882 108,204	0.71 0.78 0.73 0.67 0.47 0.21	368,176 389,693 401,518 356,383 326,472 400,405	0.96 1.01 1.01 0.84 0.71 0.81	14.70 15.19 15.05 12.42 11.17 12.61	3.80 3.85 3.80 3.23 2.57 3.02	368,176 364,807 345,902 268,150 1,707,114 354,243	0.87 0.63 3.71	14.70 14.22 12.97 9.34 58,42 11.15	3.80 3.61 3.28 2.43 13.42 2.67	1,374 60,156 62,480	38,505,540 38,573,963 39,749,391 42,463,162 46,043,350 49,242,938
1948 1949 1950 1951 1952 1953 Louisville	1,961,379 2,054,156 2,321,979 2,483,107 2,683,960 2,983,298	4.47 4.37 4.55 4.54 4.65 4.78	613,000 677,489 782,613 829,948 939,946 1,381,648	1.40 1.44 1.53 1.52 1.63 2.21	1.43 1.43 1.53 1.53 2.23 2.35	1,127,033 1,111,068 1,213,206 1,288,399 1,267,421 1,332,995	2.57 2.36 2.38 2.35 2.19 2.13	221,346 265,599 326,160 364,760 476,593 268,655	0.50 0.57 0.64 0.67 0.83 0.44	360,263 409,120 473,889 559,709 653,463 450,613	0.82 0.87 0.93 1.02 1.13 0.72	12.63 13.58 14.55 16.29 17.54 11.19	4.85 5.05 5.41 5.97 6.37 3.68	292,776 502,989 425,873 443,959 591,789 1,672,425	0.67 1.07 0.83 0.81 1.02 2.68	10.27 16.69 13.08 12.92 15.88 41.53	3.94 6.21 4.86 4.73 5.77 13.67	252	43,880,708 47,005,829 51,075,954 54,661,413 57,746,307 62,464,419
1948 1949 1950 1951 1953 New Orleans	2,439,397 2,608,877 2,758,988 3,026,345	4.07 4.02 4.03 4.02 4.01 4.01	520,557 514,790 602,236 649,276 777,587 1,107,943	0.90 0.90 1.00 1.00 1.13 1.47	1.75 1.75 1.75 1.75 2.11 2.39	1,364,107 1,550,052 1,496,411 1,588,803 1,672,059 1,737,316	2.35 2.72 2.47 2.45 2.43 2.30	473,074 225,455 340,750 370,798 309,342 181,086	0.82 0.40 0.56 0.57 0.45 0.24	630,342 382,756 526,982 557,099 506,318 380,800	1.09 0.67 0.87 0.86 0.74 0.51	15.69 9.45 12.29 12.52 10.73 7.47	1.80 1.09 1.48 1.55 1.39 1.03	1,630,342 278,123 526,982 460,432 412,821 375,445	0.49 0.87 0.71 0.60	40.57 6.86 12.29 10.35 8.75 7.36	4.65 0.79 1.48 1.28 1.13 1.02	268 .857 249 .999 253 .853 251 .454 255 .889 272 .322	57,955,094 56,987,512 60,513,682 64,785,853 68,832,314 75,380,998
1948 1949 1950 1951 1953 St. Louis	2,106,606 2,044,546 2,224,686 2,335,000 2,408,058 2,514,790	4.20 4.24 4.17 4.15 4.13	429,854 444,391 530,210 581,698 684,683 967,806	0.90 0.91 1.01 1.04 1.18 1.59	1.35 1.35 1.48 1.48 2.27 2.28	1,074,169 1,256,718 1,081,012 1,198,046 1,266,974 1,297,698	2.24 2.58 2.06 2.14 2.18 2.13	602,583 343,437 613,464 555,256 456,401 249,286	1.26 0.71 1.17 0.99 0.79 0.41	1,271,242 949,873 1,367,959 1,158,222 1,343,102 996,760	2.66 1.95 2.61 2.07 2.32 1.64	41.95 30.02 39.80 32.56 36.07 25.98	6.20 4.44 6.00 4.37 4.84 3.51	1,200,813 863,619 1,262,065 3,752,325 1,297,248 767,002	2.40 6.71 2.24	39.63 27.29 36.72 105.49 34.84 19.99	5.85 4.03 5.54 14.17 4.68 2.70	120,149 112,265 141,834 168,897 207,863 199,631	47,836,771 48,663,267 52,511,164 55,890,428 57,986,420 60,824,659
1948 1949 1950 1951 1952	3,444,086 3,649,290 3,851,038	4.01 4.01 4.01 4.01	1,284,801 1,260,828 1,360,528 1,403,295 1,604,678 2,038,220	1.50 1.52 1.58 1.54 1.67	1.69 1.70 1.74 1.74 2.09 2.33	1,333,995 1,247,426 1,276,157 1,419,172 1,488,627 1,552,865	1.56 1.51 1.49 1.56 1.55 1.51	865,960 812,873 807,401 826,823 757,733 532,239	1.01 0.98 0.94 0.91 0.79 0.51	1,332,032 1,258,524 1,251,015 1,251,956 1,243,716 1,150,117	1.46 1.38 1.29	24.03 22.75 21.83 21.01 19.74 17.23	5.67 5.15 4.89 4.67 4.42 3.35	979,868 1,258,524 1,251,015 1,251,956 1,243,716 6,118,980	1.46 1.38 1.29	17.67 22.75 21.83 21.01 19.74 91.68	4.17 5.15 4.89 4.67 4.42 17.81	327,706 271,007 284,231 262,103 248,086 306,753	85,643,181 82,886,705 85,847,338 90,997,772 96,178,883 103,075,429

PRDERAL LAND BANK SYSTEM

(Date for Federal Land Banks and National Farm Loan Associations have been consolidated) a/
Table 13 - Selected income and expense items and ratios
Years ended June 30, 1948 through 1953 - continued

	Income f			ost of owed fu	ınds	Operet:		Net gain i		Net earn	ings befor	re provi	sion	P1n	al net e	arnings			Memorandum
Bank		Per		Per	Average interest		Per		Per		Per	Rate retur			Per	Rate		Dividends declared by NFLA's	Average balance of mortgege loans
and year	Amount	annum rate	Amount	ennum rete <u>b</u> /	rate on bonds out- standing	Amount	annum rete b/	Amount	annum rate <u>b</u> /	Amount	annum rete <u>b</u> /	Capital stock	Total net worth	Amount	annum rate b/	Capital stock	Total net worth	to borrowers	and real estate sales peper outstanding
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
St. Paul 1948 1949 1950 1951 1952 1953 0maha	\$5,201,626 4,727,863 4,745,821 4,894,156 5,141,480 5,766,923	4.17 4.03 4.01 4.03 4.00 4.04	\$1,497,820 1,473,073 1,394,856 1,401,627 1,641,182 2,680,837	1.20 1.26 1.18 1.15 1.28 1.88	1.39 1.39 1.45 1.45 2.03 2.52	\$1,759,927 1,844,543 1,665,665 1,818,170 2,098,277 2,269,598	1.41 1.57 1.41 1.50 1.63	\$1,943,879 1,410,247 1,685,300 1,674,359 1,402,021 816,488	1.20	2,153,865 2,188,463 2,672,829	1.98 1.72 1.82 1.80 2.07		7.55 7.60 7.29	\$2,371,267 1,816,901 1,826,127 1,823,307 13,063,764 1,584,493	1.90 1.55 1.54 1.50 10.13	33.17 25.66 25.10 24.34 159.17 17.47	9.38 6.81 6.44 6.07 30.07 3.48	340,923 338,773 361,535 367,132	124,647,196 117,242,596 118,457,216 121,532,728 128,899,891 142,848,129
1948 1949 1950 1951 1952 1953	6,939,041 6,597,967 6,755,456 7,049,472 7,332,099 7,779,805	4.03 4.00 4.00 4.00 4.00 4.01	2,434,428 2,409,854 2,562,330 2,609,767 2,813,055 3,673,047	1.42 1.46 1.52 1.48 1.53 1.89	1.65 1.65 1,72 1.72 2.11 2.32	2,175,825 2,125,059 2,489,070 2,325,278 2,448,121 2,480,637	1.26 1.29 1.47 1,32 1.34 1.28	2,328,788 2,063,054 1,704,056 2,114,427 2,070,923 1,626,121	1.35 1.25 1.01 1.20 1.13 0.84	2,571,926 2,237,448 2,614,361 2,696,555	1.60 1.56 1.32 1.48 1.47		5.65 5.17 4.39 5.00 4.99 3.96	2,699,155 2,474,254 2,104,937 2,439,184 2,516,169 4,347,990	1.56 1.50 1.24 1.38 1.37 2.24	25.92 23.90 19.65 22.17 21.82 35.96	4.67 4.65	1,659,225 1,264,700 1,406,630 1,220,861	172,063,749 165,137,133 169,331,051 176,584,977 183,449,049
1948 1949 1950 1951 1952 Houston	2,865,769 2,756,827 2,911,056 3,083,269	4.12 4.08 4.10 4.09 4.08 4.07	1,042,693 1,013,256 1,064,498 1.084,754 1,228,440 1,545,600	1.50 1.50 1.50 1.44 1.54	1.65 1.66 1.72 1.72 1.99 2.33	1,296,394 1,371,218 1,245,379 1,375,501 1,503,351 1,594,092	1.86 2.03 1.75 1.82 1.88	526,682 372,353 601,179 623,014 531,026 315,790	0.76 0.55 0.85 0.83 0.66 0.37	1,154,410 1,128,480 1,258,473	1.63	22.41 20.86 25.24 23.52 24.81 19.19	4.44 4.04 4.22 3.96 4.24 3.24	902,782 797,866 5,010,537 1,072,821 1,120,320 2,270,900	1.30 1.18 7.06 1,42 1.40 2.67	21.02 18.44 109.56 22.36 22,09 41.94	4.17 3.57 18.30 3.77 3,78 7.09	192,432 186,170 192,544 204,927 223,164 232,348	69,608,708 67,507,675 70,959,685 75,407,282 80,011,762 84,947,109
1948 1949 1950 1951 1952 1953 Berkeley	. 3,792,962 . 3,878,043	4.12 4.06 4.07 4.07 4.06 4.06	911,392 892,134 985,885 1,010,024 1,215,875 1,785,793	0.94 0.96 1.06 1.06 1.19 1.58	1.46 1.46 1.54 1.55 1.89 2.38	1,804,809 1,334,961 1,380,872 1,532,398 1,666,378 1,732,344	1.85 1.44 1.48 1.61 1.62 1.53	1,293,043 1,530,649 1,426,205 1,335,621 1,279,936 1,070,996		1,981,248 1,999,767 2,030,137 1,956,616	1.73 2.14 2,15 2.13 1.91 1.52	27.77 32.76 32.95 32.27 29.09 23.19	3.65 4.18 4.12 3.62 3.44 2.94	1,614,521 1,895,106 1,890,962 7,260,196 1,956,406 1,713,211	1.66 2.05 2.03 7.61 1.91 1.52	26.61 31.34 31.16 115.40 29.09 23.19	3.50 4.00 3.89 12.93 3.44 2.94	567,508 654,914 735,931 832,546 830,728 833,681	97,227,224 92,541,495 93,185,995 95,345,904 102,436,239 112,963,861
1948 1949 1950 1951 1952 1953 Spokane	2.749,407 2,778,866 2,782,464	4.07 4.03 4.03 4.03 4.01 4.02	798,567 828,159 932,081 939,304 1,014,697 1,311,561	1.25 1.26 1.37 1.36 1.46 1.78	1.58 1.58 1.66 1.66 2.08 2.29	1,006,866 986,667 1,024,046 1,061,781 1,209,858 1,212,981	1.57 1.51 1.50 1.54 1.75 1.65	798,694 827,735 793,280 777,781 557,909 439,223	1.25 1.26 1.16 1.13 0.80 0.59	1,025,636 1,034,891 890,993	1.29	24.47	4.95 4.52 4.42 4.17 3.48 2.78	834,121 2,498,716 868,197 1,773,236 788,526 431,174	1.31 3.81 1.27 2.57 1.14 0.59	20.96 61.21 20.55 41.94 17.95 9.12	4.19 11.18 3.74 7.14 3.08 1.64	180,512 186,956 143,457 153,500 157,194 145,745	63,940,599 65,572,355 68,156,178 68,890,908 69,308,842 73,687,631
1948 1949 1950 1951 1952	2,275,265 2,515,851 2,771,958	4.28 4.15 4.18 4.16 4.13 4.14	594,633 633,070 751,375 835,516 1,063,227 1,493,093	1.21 1.27 1.38 1.38 1.58 2.01	1.38 1.38 1.53 1.53 2.16 2.27	1,059,725 941,968 982,507 1,081,756 1.133,484 1,199,413	2.16 1.89 1.81 1.79 1.69 1.61	448,910 497,181 541,383 598,579 575,247 387,706	0.91 0.99 0.99 0.99 0.86 0.52	714,172 741,450 1,165,227	1.33 1.32 1.31 1.23 1.74 1.44	22.00 21.06 20.75 19.64 28.10 23.33	5.41 5.18 4.96 4.87 7.06 5.98	623,995 659,393 1,537,018 689,735 1,121,595 1,187,951	1.27 1.32 2.82 1.14 1.67 1.60	21.04 21.06 44.65 18.27 27.05 25.90	5.17 5.18 10.67 4.53 6.80 6.64	144,696 147,954 160,800 195,440 218,602 238,808	49,162,802 49,936,413 54,425,152 60,466,854 67,115,468 74,414,995

a/ Adjustments have been made to eliminate those items which would cause duplication, such as compensation, loan closing fees end dividends paid by the banks to NFLA's.
b/ Based upon the average balance of mortgage loans and real estate sales paper outstanding.



FEDERAL LAND BANK SYSTEM

(Federal Land Banks and National Farm Loan Associations)

Table 14 - Operating expense: Average number and cost of units serviced and average amount and cost per \$100 of loans and sales paper outstanding - years ended December 31, 1940, and June 30, 1944, 1948, 1951, 1952, and 1953

Total operating expenses in this table differ from those in Table 13 in that (1) FLB and NFLA expenses include those incurred for the FFMC in its regular operations (they still exclude those applicable to the disposal of surplus property and mineral rights under P. L. 760), (2) FLB expenses exclude the nonrecurring charge of \$1,146,000 in 1948 for accrued annual leave of the banks' employees applicable to prior years, and (3) NFIA expenses exclude lump sum payments made for past service credits of employees under association retirement plans for the years in which the payments were made. The latter two adjustments were made in order to afford comparability between years. As in Table 13, FLB expenses exclude compensation and loan closing fees to the NFIA's in order to avoid overstating the system's expenses. Also, FLB expenses in 1940 do not include FCA supervisory costs which, since the banks began paying these costs effective July 1, 1943, have ranged systemwise from \$623,000 to over \$800,000 a year.

Operating expenses (as described above) of the FLB system (FLB's and NFLA's) in 1953 of \$19.4 million were 8 percent less than in 1940 but 3 percent more than in 1952. FLB expenses of \$9.6 million in 1953 were 36.5 percent less than in 1940 but slightly higher than in 1952, while NFLA expenses of \$9.9 million in 1953 were 62 percent greater than in 1940 and 4 percent larger than in 1952. As in 1952 NFLA expenses exceeded FLB expenses.

Cost per unit serviced (average number of FIB and FFMC mortgage loans, real estate sales paper, and real estate owned, with joint FIB-FFMC loans counted as one unit) for the system has increased steadily from \$23.61 in 1940 to \$55.55 in 1952 and to \$57.58 in 1953. FIB expenses per unit serviced increased

from \$16.79 in 1940 to \$27.57 in 1952 and to \$28.32 in 1953 while the NFLA costs moved from \$6.82 to \$27.98 in 1952 and to \$29.26 in 1953. The increase in FLB unit costs from 1940 to 1952 resulted from the number of units serviced having declined at a faster rate than FLB operating expenses; in 1953 expenses increased slightly as the number of units serviced continued to drop. The increase in NFLA unit costs reflects the smaller number of units together with the higher NFLA operating expenses. The average number of units serviced declined from 897,000 in 1940 to 339,000 in 1952 and to 337,500 in 1953.

Cost per \$100 of loans and sales paper outstanding (average unpaid balance of FLB and FFMC units) for the system increased from \$0.80 in 1940 to \$1.79 in 1952 and then declined to \$1.74 in 1953. The major portion of this increase occurred between 1944 and 1948 and resulted from the average balance of loans declining at a much faster rate than operating expenses. The cost for the FLB's was \$0.57 in 1940 as compared with \$0.89 in 1952 and \$0.86 in 1953, while for the NFLA's it was \$0.23 in 1940, \$0.90 in 1952 and \$0.88 in 1953. The relative stability in the rates during the past several years indicates that changes in operating expenses and in the average balance of loans outstanding have been in about the same proportion. The average balance of loans and real estate sales paper outstanding declined from \$2,660 million in 1940 to under \$1,000 million in 1949 and 1950, then increased to \$1,119 million in 1953.

FEDERAL LAND BANK SYSTEM

(Federal Land Banks and National Farm Loan Associations)

Table 14 - Operating expense: Average number and cost of units serviced; and average amount and cost per \$100 of loans and sales paper outstanding

District	0	perating expense			mber and cost			Average amount, and sal		per \$100, outstanding	f loans	Nemorandum Compensation and loan
and	DI D	NITT A	Matal	Number	Cost pe	r unit serv	lced	Amount	Cost	er \$100 bal	ance	closing fees to NFLA's excluded from
year	FLB	NFLA	Total	<u>b</u> /	FLB	NFLA	Total	<u>c</u> /	FLB	NFLA	Total	FLB operating expense d/
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
System 1940 1944 1948 1951 1952 1953 Springfield	11,845,000 9,200,200 9,270,000	\$6.077,900 6,677,800 7,265,800 8,640,800 9,483,700 9,876,200	\$21,139,500 18,522,500 16,466,000 17,910,800 18,830,400 19,436,300	897,001 693,766 388,397 344,766 339,001 337,522	\$16.79 17.07 23.69 26.89 27.57 28.32	e/\$6.82 e/ 9.69 e/18.91 25.06 27.98 29.26	\$23.61 26.70 42.40 51.95 55.55 57.58	\$2,660,118,500 1,875,427,800 1,018,265,700 1,009,608,700 1,049,553,200 1,118,998,000	\$0.57 0.63 0.90 0.92 0.89 0.86	e/\$0.23 e/ 0.36 e/ 0.72 0.86 0.90 0.88	\$0.80 0.99 1.61 1.78 1.79 1.74	\$6,650,500 6,872,000 7,178,600 7,462,100 7,811,800 7,834,400
1940	900,300 780,800 740,600 677,900	80,800 107,300 415,600 503,300 530,300 562,200	1,253,400 1,007,600 1,196,400 1,243,900 1,208,200 1,224,500	38,416 35,188 24,472 22,368 22,250 22,339	30.52 25.59 31.91 33.11 30.47 29.65	2.10 3.05 16.98 22.50 23.83 25.16	32.62 28.64 48.89 55.61 54.30 54.81	108,913,600 90,005,600 66,245,100 60,977,900 60,437,900 62,044,000	1.08 1.00 1.18 1.21 1.12	0.07 0.12 0.63 0.83 0.88 0.90	1.15 1.12 1.81 2.04 2.00	124,100 72,500 418,900 521,100 561,200 587,200
1940 1944 1948 1951 1952 1953 Puerto Rico f/	733,500 535,200 xx xx	215,500 298,100 308,900 xx xx xx	1,109,800 1,031,600 844,100 xx xx xx	36,588 27,701 15,284 xx xx xx xx	24.44 26.48 35.02 xx xx xx	5.89 10.76 20.21 xx xx xx	30.33 37.24 55.23 xx xx xx	85,040,200 58,638,200 32,613,100 xx xx xx xx	1.05 1.25 1.64 xx xx xx	0.25 0.51 0.95 xx xx xx	1.30 1.76 2.59 xx xx xx	177,700 307,700 329,500 XX XX XX
1940	174,800 170,600 xx xx	- - - - - - - - - - - - - - - - - - -	173.000 174.800 170,600 xx xx xx	5,187 4,664 4,112 xx xx xx xx	33.35 37.48 41.49 xx xx xx	- - - xx xx xx	33.35 37.48 41.49 xx xx xx	12,558,700 11,252,600 12,194,200 xx xx xx	1.38 1.55 1.40 xx xx xx	- - - xx xx xx	1.38 1.55 1.40 xx xx xx	- - - xx xx xx xx
1940— 1944 1948— 1951— 1952— 1953— Columbia	908,300 705,800 603,400 555,000 571,400	215,500 298,100 308,900 419,700 525,400 536,400	1,282,800 1,206,400 1,014,700 1,023,100 1,078,400 1,107,800	41,775 32,365 19,396 17,216 16,752 16,576	xx xx xx 35.05 33.13 34.47	xx xx xx 24.38 31.24 32.36	30.71 37.27 52.31 59.43 64.37 66.83	97,598,900 69,890,800 44,807,300 45,284,000 48,197,900 50,907,700	xx xx 1.33 1.15 1.12	xx xx 0.93 1.09	1.31 1.73 2.26 2.26 2.24 2.18	177,700 307,700 329,500 442,500 532,800 554,100
1940 1948 1951 1952 Louisville	949,700 785,100 792,800 742,800 782,600	397,300 472,600 482,400 607,400 630,200 635,000	1,507,800 1,422,300 1,267,500 1,400,200 1,373,000 1,417,600	71,372 56,041 32,690 31,199 30,753 30,751	15.56 16.95 24.02 25.41 24.16 25,45	5.57 8.43 14.76 19.47 20.49 20.65	21.13 25.38 38.78 44.88 44.65 46.10	119,778,100 85,020,300 54,744,700 58,771,500 60,778,500 64,726,700	0.93 1.12 1.43 1.35 1.22	0.33 0.56 0.88 1.03 1.04 0.98	1.26 1.68 2.31 2.38 2.26 2.19	436,300 474,500 488,700 502,200 469,200 470,500
1940 1944 1948 1951 1952 1953 New Orleans	915,200 686,100 779,000 828,500 834,000	598,900 559,800 713,600 878,400 897,800 942,000	1,758,400 1,475,000 1,399,700 1,657,400 1,726,300 1,776,000	97,293 67,692 32,892 27,854 26,997 26,716	11.92 13.52 20.86 27.97 30.69 31.22	6.16 8.27 21.70 31.54 33.25 35,26	18.08 21.79 42.56 59.51 63.94 66.48	250,305,000 148,190,700 63,963,600 66,865,900 70,256,500 76,268,100	0.46 0.62 1.07 1,17 1.18 1.09	0.24 0.38 1.12 1.31 1.28 1.24	0.70 1.00 2.19 2.48 2.46 2.33	750,500 639,800 687,700 802,200 512,200 520,100
1940 1944 1948 1951 1952 1952	. 723,000 . 709,000 672,600	420,000 424,700 458,400 599,000 643,100 642,000	1,342,000 1,147,700 1,167,400 1,271,600 1,334,200 1,357,200	77,039 58,524 34,237 33,099 32,772 32,155	11.97 12.35 20.71 20.32 21.09 22.24	5.45 7.26 13.39 18.10 19.62 19.97	17.42 19.61 34.10 38.42 40.71 42.21	108,556,500 76,831,600 53,114,300 57,889,700 59,434,900 61,852,700	0.85 0.94 1.33 1.16 1.16	0.39 0.55 0.86 1.03 1.08 1.04	1.24 1.49 2.19 2.19 2.24 2.19	439,700 433,300 277,800 256,200 258,700 257,900

PEDERAL LAND BANK SYSTEM

(Federal Land Banka and National Farm Loan Associations)

Table 14 - Operating expense: Average number and cost of units serviced; and average amount and cost per \$100 of loans and sales paper outstanding Years ended December 31, 1940, and June 30, 1944, 1948, 1951, 1952 and 1953 - continued

	Op.	srating expense a	/	Average nu	mber and cost	of units s	erviced	Avsrage amount, and sale	and cost pes paper ou		of loans	Memorandum Compansation and loan
District					Cost pe	r unit serv	 1 ced	AA	Cost	per \$100 t	alance	closing fees to
and year	FLB	NFLA	Total	Number b/	PLB	NFLA	Total	Amount	PLB	NPLA	Total	NFLA's sxcluded from FLB opsrating expense d/
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
St. Louis												
1940	\$1,097,900 861,700	\$499,900	\$1,597,800	74,901	\$14.66	\$6.67	\$21.33	\$260,470,500	\$0.42	\$0.19	\$0,61	\$482,100
19 ⁴⁴	638,500	564,700 g/ 640,000	1,426,400	56.343	15.29 20.10	10.02 20.15	25.31 40.25	174,796,100 93,005,900	0.49	0.32	0.81 1.38	563,900 694,100
1951	756,700	739,300	1,496,000	31,762 28,676	26.39	25.78	52.17	94,033,200	0.80	0.79	1.59	503,700
1952	760,700	791,600	1,552,300	28,225	26.95	28.05	55.00	98,453,600	0.77	0.81	1.59	530,300
1953	751,100	857,300	1,608,400	27.948	26.87	30.68	57-55	104,746,800	0.72	0.82	1.54	557,700
St. Paul			(0 - 0 - 111	2 6 24		0-					
1940	2,225,900 1,710,500	947,700 1,060,000	3,173,600	138,744	16.04	6.83	22.87	432,846,000	0.51	0.22	0.73	1,049,500
1944 1948	1,046,500	870,300	2,770,500 1,916,800	107,944 56,351	15.85	9.82 15.44	25.67 34.01	305,596,800 144,490,800	0.56 0.72	0.35	0.91 1.32	1,099,000
1951	997,400	1,010,500	2,007,900	47,902	18.57 20.82	21.10	41.92	130,679,700	0.76	0.77	1.53	970,500 1,339,000
1952	1,119,500	1,153,800	2,273,300	47,330	23.65	24.38	48.03	136,026,800	0.76 0.82	0.85	1.67	1,647,500
1953	1,166,500	1,254,800	2,421,300	47,820	23.65 24.39	26,24	50.63	148,331,100	0.79	0.77 0.85 0.84	1.63	1,747,300
Omaha	3 700 (00	alutu anna										
1940,	1,780,600 1,451,800	944,500	2,725,100	100,309	17.75 17.78	9.42	27.17	488,610,800	0.36	0.19	0.55	1,111,000
1944 1948	1,140,100	1,075,900	2,527,700 2,191,000	81,659 48,702	23.41	13.18 21.58	30.96 44.99	366,854,800 182,749,800	0.40 0.62	0.29		1,182,400
1951	1,182,800	1,217,200	2,400,000	42,723	27.69	28.49	56.18	180.517.400	0.66	0.67	1,20	1,109,900 1,198,500
1952	1.170.500	1,337,800	2,508,300	42,187	27.75	31.71	59.46	180,517,400 186,453,600	0.63	0.72	1.35	1,286,900
1953	1,144,200	1,386,300	2,530,500	42,286	27.06	32.78	59.84	196,424,000	0.58	0.71	1.29	1,033,700
Wiohita		(=0.000										
1940 1944	1,413,100	638,800 578,100	2,051,900	78,166	18.08	8.17	26.25	227,073,400	0.62	0.28	0.90	471,000
1948	784,900	597,400	1,721,100 1,382,300	30,318	18.77 25.69	9.49	28.26 45.59	155,205,300 78,630,000	0.74 1.00	0.37	1.11	566,200
1951	760,300	713,500	1,473,800	60,897 30,318 26,122	29.11	27,31	56.42	78,600,200	0.97	0.91	1.76	623,600 521,700
1952	785,600 818,300	792,600 830,000	1,578,200	25,675	30,60	30.87	61.47	82,192,300	0.96	0.96	1.92	542,400
1953	818,300	830,000	1,648,300	25,675 25,269	32.38	32.85	65.23	86,297,100	0.95	0.96	1.91	574,100
Houston	3 000 000	F00 H00	2 (20 200	0			-0					
1940, 1944	1,029,500 904,700	590,400 819,900	1,619,900 1,724,600	85,291	12.07 12.87	6,92	18.99	244,551,800	0.42	0.24	0.66	736,000
1948	665,900	E/ 844,300	1,510,200	70,274 42,117	15.81	11.67 20.05	24 • 54 36 R6	183,567,300 106,113,700	0.49	0.45	1.43	746,100
1951	658 . 5 00	970,800	1,629,300	34,879	15.81 18.88	27.83	24.54 35.86 46.71	99,003,100	0.67	0.98	1.65	762,700 491,200
1952	678,700	1,073,500	1,752,200 1,808,900	34,025	19.95	31.55	51.50	105,176,200	0.65	1.02	1.67	513,200
1953	706,800	1,102,100	1,808,900	33,880	19.95 20.86	32,53	53.39	115,044,400	0.61	0.96	1.57	553,400
Barksley	1,049,500	366 600	2 426 200	tio also	06.04							
10/1/	748,000	366,600 368,000	1,416,100 1,116,000	40,149	26.14	9.13 12.28	35.27	172,601,500	0.61	0.21	0.82	484,600
1948	649,100	423,900	1,073,000	15.828	24.95 41.01	26.78	37.23 67.79	119,932,200 73,844,600	0.62 0.88	0.31	1.45	429,700
1951	713,500 728,000	म्मम् ,200	1,157,700	29,974 15,828 14,739	48.41	30.14	78-55	73.277.000	0.97	0.57 0.61	1.58	362,500 365,900
1952	728,000	[<u>g</u> / 526,000]	1,254,000	14,143	51.48	37.19	78.55 88.67	73,277,000	1.00		1.73	396,000
1953	760,100	525,100	1,285,200	13,883	54.75	37.82	92.57	76,106,600	1,00	0.73	1.69	397,000
1940	1,033,200	377 500	1,410,700	ca che	10.76	5.05	06.75	atio Can bear				
1944	628,800	377,500 348,700	977 500	5 3,5 46 36,865	19.30 17.06	7 .0 5 9 . 46	26.35 26.52	148,812,400	0.69	0.25	0.9	388,000
1948	608,400	460.100	977,500 1,068,500	19,632		23,44	54.43	99,536,300 56,555,900	0.63 1.08	0.35	1.89	356,900
1951	612,400	537,500 583,600	1,149,900	17,989	30.99 34.04	29.88	63.92	63,709,100	0.96	0.84	1.80	452,700 517,900
1952	608,400	583,600	1,192,000	17.892	34.00 36.21	32,62	66.62	69,559,100	0.87	0.84		561,400
1953	648,100	603,000	1,251,100	17.899	36.21	33.69	69,90	76,248,800	0,85	0.79	1.64	581,400

a/ Represents expense incurred for their own account and for the FFMC in its regular operations but not that applicable to the disposal of surplus property, or mineral rights under P. L. 760.

FLB expense excludes compensation and loan closing fees to NFLA's in all years and supplemental allowances in 1940 and 1944 (column 12). FLB expense in 1940 does not include Washington office supervisory costs which, since the banks began paying these costs effective July 1, 1943, have ranged systemwide from \$623,000 to over \$800,000. FLB expanse in 1948 excludes charges for accrued annual leave applicable to 1948 and prior years, which totaled \$1,146,000 for the 12 land banks.

b/ Represents the average number of PLB and LBC mortgage loans, purchase money mortgages, real estate sales contracts and notes receivable outstanding and real estate owned during the year, with joint FLB-LBC loans counted as one unit.

c/ Represents average of the unpaid principal balancss of FLB and LBC mortgags loans and real estate sales paper outstanding during the year.

d/ Since July 1, 1947, eight banks (Columbia, Louisville, New Orlsans, St. Louis, Omaha, Wichita, Houston, and Barkslay) have adopted compensation plans which provide that only part of association operating expenses be met from PLB compensation and the balance from dividends and other income. The number of units and dollar volume used in determining these rates exclude data for Puerto Rico.

The delsgation of servicing authority to the NFLA of San Juan during 1951 resulted in the curtailment of the operations of the Baltimore bank's branch office in Puerto Rico; consequently, no segregation of costs between the States and Puerto Rico has been made since that date.

g/ Excludes contributions for past service under employee retirement plans.

Table 15 - Selected income and expense items and ratios - years ended December 31, 1940, and June 30, 1944 and 1948 through 1953

(Comparisons of Corporation data for the years 1948 through 1953 with 1940 and 1944 are not too valid since the Corporation has been in the process of liquidating its loans since July 1, 1947.)

Income from loan operations (interest on loans and real estate sales paper, miscellaneous interest, and loan fees) in 1953 of \$1.3 million was 26 percent less than in 1952. The per annum rate of income from loan operations* was 4.99 percent in 1952 and in 1953.

Income from investments (income from all investments, including CFFL bonds and FLB notes receivable). The Corporation has had no income from this source since 1948.

cost of borrowed funds (all costs relating to FFMC bonds plus other interest expense). All of the amounts shown for 1953, 1952, and 1951 and practically all for 1950 and 1949 represent other interest expense, primarily interest on future payment funds of borrowers.

Operating expenses in 1953 of \$916,000 were 16 percent less than in 1952. The per annum rate of operating expenses* was 3.63 percent in 1953 as compared with 3.17 percent in 1952.

Net earnings before provision for losses (income from loan operations and from investments, less cost of borrowed funds

and operating expenses, plus net mineral income and in 1944, profit on sale of securities) in 1953 of \$1.5 million were 15 percent less than in 1952, reflecting the decrease in income from loan operations. Mineral income in 1953 was about the same as in 1952. The per annum rate of net earnings before losses* was 6.00 percent in 1953 as compared with 5.17 percent in 1952. The 1953 earnings represent a rate of return on the Corporation's total net worth of 5.69 percent.

Final net earnings (after provision for losses or adjustment of such provision) were \$1.5 million in 1953. Beginning in 1944 and through 1952 net earnings were increased each year by downward adjustments of the Corporation's reserve for losses resulting from reduced reserve requirements due to the liquidation of loans. In 1952 the Corporation changed its reserve for losses from a valuation reserve to a surplus reserve, and in that year returned \$4.9 million to earnings.

Dividends paid to U. S. Treasury during 1953 amounted to \$9 million and increases the total of such payments to \$122 million.

FEDERAL FARM MORTGAGE CORPORATION

Table 15 - Selected Income and expense items and ratios
1940, 1944, 1948 through 1953 s/

	Income from loan operations		Income from investmente		Cost of borrowed funde		Operating expanse		Net earninge before provision for lossee		Pinal net sarminge			Kemo randum		
Year	Amount	Per annum rate <u>b</u> /	Amount	Per annum rate <u>b</u> /	Amount	Per annum rate <u>b</u> /	Amount	Par annum rate b	Amount	Per annum rate b	Rate of return on total net worth		Per annum rate b/	Rate of return on total net worth	Dividende paid to U. S. Treasury	Average balance of mortgage loane and real estate sales paper outstanding
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
1940 1944 1948 1949 1950 1951 1952	\$35,780,353 21,664,140 5,697,546 4,038,104 3,039,944 2,298,555 1,712,806 1,259,976	5.26 5.03 5.13 4.98 4.99 5.00 4.99	\$29,388,122 17,126,255 205,685 - - -	4.32 3.98 0.19 - -	\$37,892,783 24,661,403 130,276 53,641 37,453 26,753 18,242 13,280	5.57 5.73 0.12 0.07 0.06 0.06 0.05 0.05	\$9,864,126 7,777,563 2,372,089 1,871,106 1,603,731 1,250,828 1,086,972 915,776	1.45 1.81 2.13 2.31 2.63 2.72 3.17 3.63	\$17,411,297 8,212,364 3,474,446 2,222,324 1,537,333 1,157,073 1,772,369 1,514,733		7.23 3.01 2.71 2.77 2.67 5,21	\$3,154,260 42,129,559 17,535,369 7,688,605 3,368,038 2,654,224 6,687,640 1,514 733	0.46 9.79 15.78 9.49 5.53 5.78 19.49 6.00	1.43 37.08 15.17 9.37 6.08 6.12 19.65 5.69	\$68,000,000 17,000,000 14,000,000 14,000,000 9,000,000	\$680,350,594 430,337,592 111,149,302 81,049,387 60,906,214 45,950,494 34,312,129 25,250,533

a/ Calendar year 1940 and fiscal years ended June 30, 1944 and 1948 through 1953, b/ Based upon the average balance of mortgage loans and real estate sales paper outstanding (column 16).

^{*} Based upon the average unpaid balance of loans and real estate sales paper outstanding.

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