

Quiz #11
Due: October 25, 2017

Show All Your Work

1. The Choosy Bank has \$175,000 in checkable deposits, \$440,000 in time deposits, \$80,000 in bank capital and \$290,000 in securities. What is the maximum amount that the bank can loan out if they keep \$42,500 in excess reserves at a 12% required reserve ratio? Show your work in a balance sheet.