

H.14

January 20, 1964.

CAPITAL MARKETS DEVELOPMENTS  
IN THE UNITED STATES

(Including Review of Corporate Securities Sold During  
1963 to Retire Outstanding Obligations)

The volume of public security financing to obtain new capital was very substantial last week and will not be much smaller this week. Last week, ended January 17, a \$40 million corporate issue and four large State and local government bond issues with par value of \$234 million were sold. This week, ending January 24, three large corporate issues aggregating \$97 million (including expiring rights offers) and three State and local issues totaling \$141 million are scheduled for sale.

Bond yields. Changes in yields on seasoned long-term bonds were mixed but minor last week. Yields on Aaa-rated corporate bonds edged up a basis point to 4.38 per cent, the highest since late March 1962. Aaa-rated State and local government bond yields, however, after three weeks of stability, dropped a basis point to 3.10 per cent, and yields on lower-grade municipals also fell one basis point to 3.56 per cent. U. S. Government and Baa-rated corporate bond yields were unchanged.

Yields on new corporate bonds, adjusted to an Aaa basis, averaged 4.44 per cent last week, six basis points below the average for the previous week. This decline, however, was probably not representative because of the small size of last week's only eligible issue.

Short- and intermediate-term interest rates. Rates on 3-month Treasury bills rose a basis point to 3.54 per cent last week, but those on 6-month bills eased a basis point to 3.65 per cent. Yields on 3-5 year U. S. Government obligations declined one basis point to 4.07 per cent. The average effective Federal funds rate continued at 3.50 per cent. Other rates were unchanged.

Housing starts and permits. Seasonally adjusted private housing starts, which had dropped sharply in November, increased by 3 per cent in December to a seasonally adjusted annual rate of 1,597 thousand, including farm. This was 13 per cent below the recent peak in October and 2 per cent above December of 1962.

For 1963 as a whole, starts totaled 1,589 thousand--9 per cent above a year earlier and 5 per cent higher than the advanced level in 1959 when the new Census series began.

On a three-month moving average basis, starts in the October-December period were at an annual rate of 1,667 thousand, down 3 per cent

from the high in the previous period and 7 per cent above the same period in 1962.

Starts financed without Government-underwritten mortgages represented 79 per cent of total starts in December. This share which tends to decline at this season of the year, about matched the proportion a year earlier. For all of 1963, the average proportion was 81 per cent, compared with 77 per cent during 1962 and 71 per cent in 1959.

Seasonally adjusted building permits in December rose to a new high for this series, following a moderate decline in November. The rise was due entirely to a very substantial expansion in permits for structures of 5-or-more units to a rate 44 per cent above the rate at the end of 1962.

Stock market credit. Customer credit in the stock market in December fell \$96 million from the November peak to \$7.2 billion at the end of 1963. This decline reversed an almost continuous increase in the use of customer credit amounting to about 50 per cent since July 1962. In early November, margin requirements had been raised from 50 to 70 per cent. A \$15 million increase in bank loans to other than brokers and dealers for purchasing or carrying securities (except U. S. Governments) only partially offset a decline of \$111 million in customers' debit balances (excluding U. S. Government securities).

Money borrowed by member firms of the New York Stock Exchange (except on U. S. Government securities) declined \$13 million, and customers' free credit balances fell \$9 million. More detailed information on stock market credit in November and December is shown in the following table.

	End of Month		Change
	Dec.	Nov.	
Customer credit			
Excluding U. S. Government securities - total	7,202	7,298	-96
Net debit balances	5,475	5,586	-111
Bank loans to "others"	1,727	1,712	+15
Net debit balances secured by U. S. Govt. securities	26	34	-8
Bank loans to "others" for purchasing or carrying U. S. Government securities	140	90	+50
Broker and dealer credit			
Money borrowed except on U. S. Govt. securities	4,444	4,457	-13
On customer collateral	3,849	3,892	-43
Money borrowed on U. S. Government securities	32	28	+4
Customers' net free credit balances	1,202	1,211	-9

Stock prices. Common stock prices increased somewhat further on balance last week in very active trading. Prices, as measured by

Standard and Poor's composite index of 500 stock prices, closed at 76.56 on January 17, only slightly below the all-time high reached earlier in the week. Trading volume averaged 6.1 million shares a day, the highest since late November.

CORPORATE SECURITIES SOLD DURING 1963  
TO RETIRE OUTSTANDING SECURITIES

Corporations took advantage of the relatively low level of interest rates prevailing during most of 1963 to refund a substantial volume of previously-issued high-coupon bonds. Net proceeds of corporate security sales for refunding last year totaled \$1.5 billion, twice the previous year's total and the largest volume since 1954. This refunding represented primarily financing of electric and gas utilities and, to a lesser extent, of American Telephone and Telegraph Company and its subsidiaries.

The bulk of the refinancing took place in the first half of 1963 when \$1.1 billion in securities to retire outstanding issues were sold. After mid-year, yields began to rise and the advantage to refunding many high-grade securities began to disappear. As a result, refinancing dropped off in the last half of the year to around \$0.5 billion, one-tenth less than in the corresponding period of 1962 when refunding was increasing.

Detail for public offerings. Nine publicly-offered bond issues were sold during July-December last year to raise funds to retire \$203 million in outstanding securities.\* (For details on refunding issues sold in the first half of 1963, see Capital Markets Developments in the United States for the week of July 8.) The table on the following page presents details on each of these new issues and on the issue, or issues, which their proceeds were used to refund. Issues are grouped into two categories: Group A--amounting to \$159 million--is comprised of issues refunded primarily to reduce interest costs, while Group B--totaling \$44 million--includes issues refunded for other reasons.

All the issues refunded to reduce interest cost were sold in the years 1957, 1959 or 1960 when yields on new issues were appreciably higher than during this recent six-month period. The issues sold in the latter two years probably could not have been refunded at lower costs until 1962. Of the two issues sold in 1957, the Michigan Wisconsin Pipe Line Co. bonds could probably have been refunded in 1958 at even greater interest savings than last year, but restrictions in the indenture of the Southern Bell Telephone Co. bonds prevented refunding that issue prior to late 1962.

\*/ Most of the remaining \$280 million of securities sold to refund outstanding securities were private placements for which available information does not permit detailed analysis.

Issuers were able to place issues in Group A at rates that ran 57 to 122 basis points lower than those on the issues they were to refund. The difference in interest costs between the refunded issue and the issue refunded, however, does not measure the interest savings to the issuer because most issues are callable only at a price above par. The effect of call prices on total interest savings in a refunding operation can be illustrated by the \$70 million Southern Bell Telephone Co. refunding. This issuer was able to place its new issue at 57 basis points lower cost than the issue it refunded, but the latter had a call price of 106.32 payable to holders. This was equivalent to roughly 27 basis points a year on the refunded issue, so the net interest savings on the refunding amounted to about 30 basis points, or roughly \$4.8 million to the original redemption date of the old issue (in addition maturity was extended 17 years).

Both issues in Group B replaced securities about to mature at higher interest costs.

More detailed information concerning recent capital market developments is presented in the attached exhibits.

Capital Markets Section,  
Division of Research and Statistics,  
Board of Governors of the Federal Reserve System.

New Corporate Bond Issues Sold During the Second Half of 1963  
for the Purpose of Refunding Outstanding Securities

Issuer	Date Sold	Amount (millions of dollars)	Type of issue	Maturity	Coupon rate	Cost to issuer (in per cent)	Call price
<b>Group A: Sold Primarily to Reduce Interest Cost</b>							
Sierra Pacific Power Co.	7/63	8.0	Deb.	1993	5	4.89	--
To refund:	7/60	3.0	Deb.	1985	5-5/8	5.57	106.87
Michigan Wisc. Pipe Line Co.	7/63	30.0	1st mtg. bds.	1983	4-7/8	4.77	--
To refund:	6/57	24.6	1st mtg. bds.	1977	6-1/4	5.99	106.74
Southern Bell Tel. Co.	8/63	70.0	Deb.	2003	4-3/8	4.34	--
To refund:	6/57	70.0	Deb.	1986	5	4.91	106.32
Jersey Central Pwr. & Lt. Co.	10/63	18.5	1st mtg. bds.	1993	4-1/2	4.46	--
To refund:	5/60	8.5	1st mtg. bds.	1990	5-3/8	5.26	107.20
Wisconsin Public Service Co.	10/63	15.0	1st mtg. bds.	1993	4-3/8	4.39	--
To refund:	10/59	7.8	1st mtg. bds.	1989	5-1/4	5.19	106.07
Brockton Edison Co.	10/63	5.0	1st mtg. bds.	1993	4-1/2	4.48	--
To refund:	6/59	5.0	1st mtg. bds.	1989	5-1/4	5.22	105.88
Puget Sound Pwr. & Lt. Co.	11/63	40.0	1st mtg. bds.	1993	4-5/8	4.65	--
To refund:	10/59	20.0	1st mtg. bds.	1989	5-1/2	5.49	106.30
	4/60	20.0	1st mtg. bds.	1990	5-3/8	5.36	105.85

**Group B: Sold Primarily for Other Reasons**

Atlantic Coast Line Railroad Co.	9/63	20.0	1st mtg. bds.	1988	4-3/4	4.81	--
To refund:	4/27	8.1	gen. mtg. bds.	1964	4-1/2	4.61	100.00
Public Service Electric & Gas Co.	10/63	40.0	Deb.	1983	4-5/8	4.53	--
To refund:	11/48	36.0	Deb.	1963	3	2.96	100.00

## LONG-TERM BOND YIELDS, HIGH-GRADE

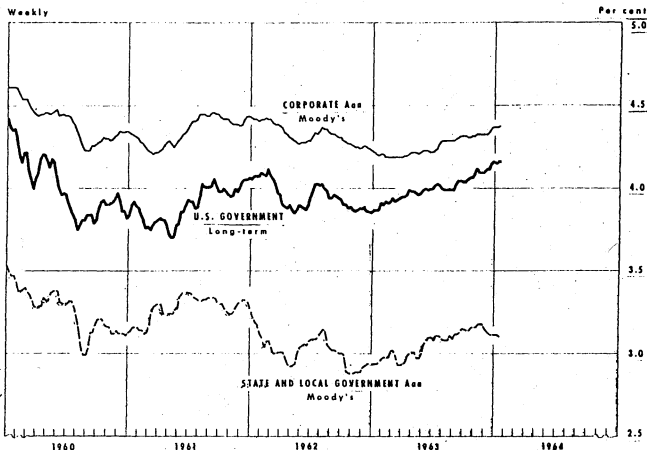


Exhibit A - Part II

Date	Corporate Aaa 1/	U. S. Govt. long-term 2/	State and local government Aaa 3/	Spread between U. S. Govt. and	
				Corporate Aaa	State and Local Aaa
(per cent)					
1958 - Low	3.55 (5/2)	3.07 (4/25)	2.64 (5/1)	.22	.34
1959-60 - High	4.61 (1/29/60)	4.42 (1/8/60)	3.65 (9/24/59)	.59	.92
1960-61 Low	4.21 (3/17/61)	3.70 (5/12/61)	2.99 (9/1/60)	.19	.46
1961 - High	4.46 (9/15)	4.07 (12/29)	3.37 (7/6)	.57	.76
1962 - Low	4.23 (12/28)	3.85 (12/28)	2.88 (11/8)	.30	.80
1963 - High	4.37 (12/27)	4.16 (12/27)	3.18 (11/21)	.35	1.05
Low	4.19 (3/29)	3.87 (1/18)	2.93 (3/28)	.21	.89
Dec. 20	4.36	4.15	3.11	.21	1.04
Dec. 27	4.37	4.16	3.11	.21	1.05
Jan. 3	4.37	4.15	3.11	.22	1.04
Jan. 10	4.37	4.16	3.11	.21	1.05
Jan. 17 p/	4.38 ✓	4.16	3.10	.22	1.06

p/ Preliminary.

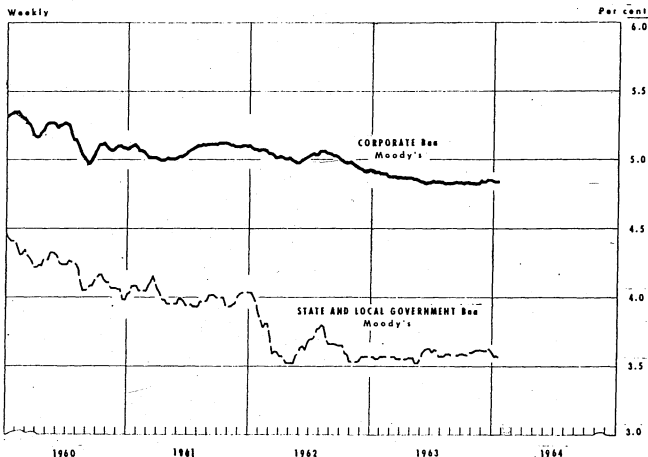
1/ Weekly average of daily figures. Average term of bonds included is 22-24 years.

2/ Weekly average of daily figures. The series includes bonds due or callable in 10 years or more.

3/ Thursday figures. Only general obligation bonds are included; average term is 20 years.

Note.—Highs and lows are for individual series and may be on different dates for different series. For spreads, high refers to widest, and low to narrowest.

## LONG-TERM BOND YIELDS, LOWER-GRADE



## Exhibit B - Part II

Date	Corporate Baa <u>1</u> /	State and local govt. Baa <u>3</u> /	Spread between Aaa and Baa	
			Corporate	State and local govt.
(per cent)				
1958 - Low	4.51 (7/11)	3.64 (5/1)	.77	.93
1959-60 - High	5.36 (2/12/60)	4.46 (1/7/60)	.84	1.08
1960-61 Low	4.98 (9/9/60)	3.93 (11/9/61)	.66	.57
1961 - High	5.13 (10/27)	4.16 (3/23)	.81	.93
1962 - Low	4.92 (12/21)	3.52 (5/17)	.63	.56
1963 - High	4.93 (1/4)	3.63 (6/27)	.71	.63
Low	4.83 (11/15)	3.52 (5/23)	.47	.44
Dec. 20	4.85	3.62	.49	.51
Dec. 27	4.85	3.60	.48	.49
Jan. 3	4.84	3.56	.47	.45
Jan. 10	4.84	3.57	.47	.46
Jan. 17 p/	4.84 ✓	3.56	.46	.46

Notes: For footnotes see Exhibit A.

## SHORT- AND INTERMEDIATE-TERM INTEREST RATES, GOVERNMENT

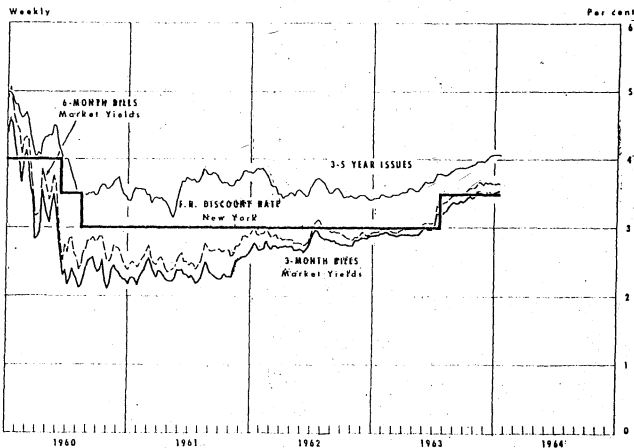


Exhibit C - Part II

Date	Discount rate 1/	Yields			Spread between yields on 3- month bills and yields on	
		3-month bills 2/	6-month bills 2/	3-5 year issues 2/	6-mo. bills	3-5 yr. issues
(per cent)						
1958 - Low	1.75	.58 (5/29)	3.02 (12/26)	2.14 (6/6)	.26	.04
1959-60 High	4.00	4.59 (1/8/60)	5.07 (1/8/60)	5.00 (12/24/59)	.79	1.81
1960-61 Low	3.00	2.11 (10/28/60)	2.35 (4/28/61)	3.15 (5/12/61)	.12	.38
1961-62 High	3.00	2.97 (7/13/62)	3.13 (7/20/62)	3.88 (2/2/62)	.44	1.51
1962 - Low	3.00	2.65 (6/8)	2.74 (6/8)	3.41 (12/28)	.02	.52
1963 - High	3.50	3.55 (11/15)	3.68 (12/6)	4.07 (12/27)	.17	.70
Low	3.00	2.88 (3/15)	2.93 (3/8)	3.44 (1/18)	.04	.42
Dec. 20	3.50	3.53	3.67	4.06	.14	.53
Dec. 27	3.50	3.52	3.65	4.07	.13	.55
Jan. 3	3.50	3.52	3.65	4.08	.13	.56
Jan. 10	3.50	3.53	3.66	4.08	.13	.55
Jan. 17 p/	3.50	3.54	3.65	4.07	.11	.53

1/ Weekly rate shown is that in effect at end of period at the Federal Reserve Bank of New York.

2/ Market yield; weekly averages computed from daily closing bid prices. Series of 3-5 year issues consists of selected notes and bonds.

Note.—Highs and lows are for individual series and may be on different dates for different series.

For spreads, high refers to widest, and low to narrowest.



## EXHIBIT D, Part I

SHORT- AND INTERMEDIATE- TERM INTEREST RATES,  
BANKS AND OTHER PRIVATE BORROWERS

Weekly

Per cent

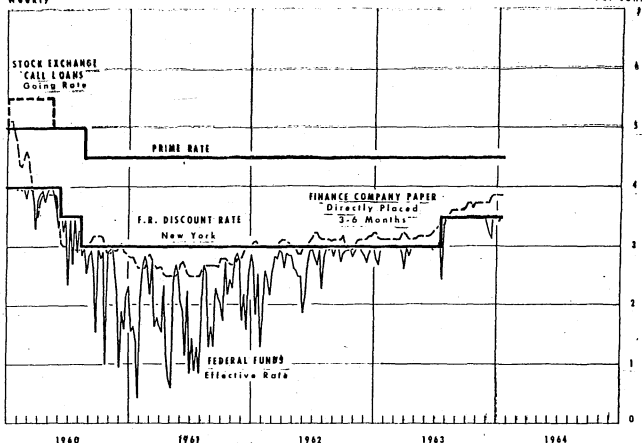


Exhibit D - Part II

Date	Stock Exchange call loan <u>1</u> /	Prime rate <u>1</u> /	Finance company paper <u>2</u> /	Federal funds <u>3</u> /	Spread between 3-mo. bills and finance co. paper
	(per cent)				
1958 - Low	3.50	3.50	1.13 (8/8)	.13 (5/29)	-.35
1959-60 - High	5.50	5.00	5.13 (1/22/60)	4.00 (5/13/60)	1.02
1960-61 Low	4.50	4.50	2.50 (8/5/61)	.43 (1/27/61)	.11
1961-62 - High	4.50	4.50	3.25 (7/20/62)	3.00 (12/28/62)	.56
1962 - Low	4.50	4.50	2.88 (6/1)	1.30 (1/26)	.19
1963 - High	4.50	4.50	3.88 (12/27)	3.50 (12/27)	.36
Low	4.50	4.50	3.13 (5/31)	2.45 (7/26)	.09
Dec. 20	4.50	4.50	3.88	3.50	.35
Dec. 27	4.50	4.50	3.88	3.50	.36
Jan. 3	4.50	4.50	3.88	3.44	.36
Jan. 10	4.50	4.50	3.88	3.50	.35
Jan. 17 p/	4.50	4.50	3.88	3.50	.34

1/ Weekly rate shown is that in effect at end of period. Stock Exchange call loan rate is going rate on call loans secured by customers' stock exchange collateral at New York City banks. Prime rate is that charged by large banks on short-term loans to business borrowers of the highest credit standing.

2/ Average of daily rates published by finance companies for directly placed paper for varying maturities in the 90-179 day range.

3/ Weekly average of daily effective rate, which is the rate for the heaviest volume of purchases and sale transactions as reported to the Federal Reserve Bank of New York.

Note. — Highs and lows are for individual series and may be on different dates for different series. For spreads, high refers to widest, and low to narrowest.

## STOCK MARKET

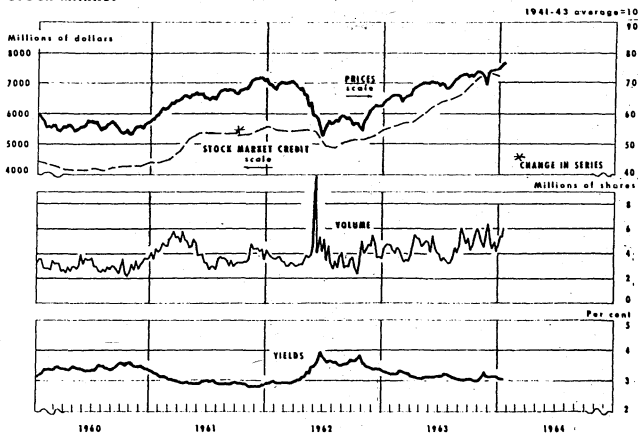


Exhibit E - Part II

Date	Stock price index 1/	Common stock yields 2/ (per cent)	Trading volume 3/ (millions of shares)	Stock market customer credit		
				Total	Customers' debit bal- ances 4/	Bank loans to "others" 5/
(In millions of dollars)						
1961-62 - High	72.04 (12/8/61)	2.82	10.1	5,602(12/61)	4,259 (12/61)	1,377(8/30/61)
Low	52.68 (6/22/62)	3.96	2.4	4,876(7/62)	3,562 (7/62)	1,269(9/26/62)
1963 - High	74.44 (12/27)	3.01	6.4	7,298(11/63)	5,861 (11/63)	1,738 (12/25)
Low	64.10(3/1)	3.36	3.2	5,595(1/63)	4,208(1/63)	1,378(2/23)
November	72.62	3.14	5.2	7,298	5,586	1,712
December	74.17	3.13	4.7	7,207	5,475	1,727
Jan. 3	75.50	3.09	5.4	n.a.	n.a.	1,727
Jan. 10	76.24	3.06	5.4	n.a.	n.a.	1,729
Jan. 17 p/	76.56	3.05	6.1	n.a.	n.a.	n.a.

n.a.—Not available. p/ Preliminary.

1/ Standard and Poor's composite index of 500 common stocks, weekly closing prices, 1941-43=10. Monthly data are averages of daily figures rather than of Friday's only. Highs and lows are for Friday's data only.

2/ Standard and Poor's composite stock yield based on Wednesday data converted to weekly closing prices by Federal Reserve. Yields shown are for dates on which price index reached its high or low.

3/ Averages of daily trading volume on the New York Stock Exchange.

4/ End of month figures for member firms of the New York Stock Exchange which carry margin accounts; excludes balances secured by U. S. Government obligations.

5/ Wednesday figures for weekly reporting member banks. Excludes loans for purchasing or carrying U. S. Government securities. Prior to July 1, 1959, such loans are excluded only at banks in New York and Chicago. Weekly reporting banks account for about 70 per cent of loans to others. For further detail see Bulletin.

## PRIVATE HOUSING STARTS AND PERMITS

Monthly, annual rates

Millions of units

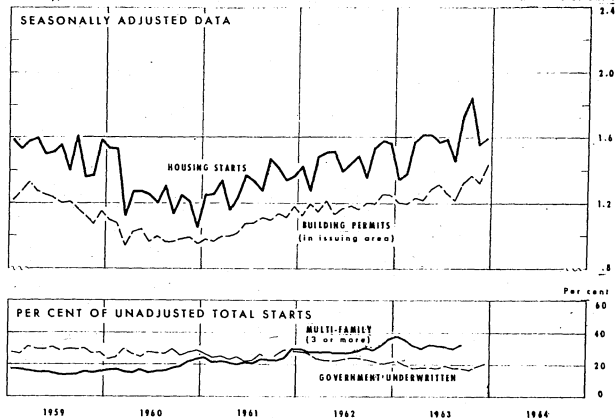


Exhibit F - Part II

Date	Starts							Building permits (seasonally adjusted annual rate) 2/
	Total		Unadjusted					
	Seasonally adjust- ed annual rate	Unadjusted	Type of financing			Type of housing		
			FHA	VA	Other	1-2 family	Multi- family	
		(Thousands of units)						
1962 - Dec.	1,562	94	16	5	74	60.1	33.8	1,248
1963 - Jan.	1,344	81	14	4	63	50.1	30.5	1,200
Feb.	1,380	87	13	4	70	56.0	30.6	1,193
Mar.	1,575	124	17	5	103	84.9	39.5	1,232
Apr.	1,618	158	21	7	129	111.1	47.0	1,214
May	1,618	166	22	7	137	112.6	53.8	1,285
June	1,571	153	20	7	126	104.7	48.7	1,315
July	1,588	150	21	8	121	103.0	47.1	1,256
Aug.	1,455	144	19	7	119	100.5	43.8	1,215
Sept. $\bar{x}$ /	1,732	145	19	6	120	97.5	47.8	1,319
Oct. $\bar{x}$ /	1,847	163	21	6	136	n.a.	n.a.	1,367
Nov. $\bar{x}$ /	1,556	119	17	5	96	n.a.	n.a.	1,321
Dec.	1,597	97	15	5	77	n.a.	n.a.	1,434

1/ Total starts are Census estimates including farm for both permit-issuing and non-issuing areas. A dwelling unit is started when excavation begins; all units in an apartment structure are considered started at that time. FHA and VA starts are units started under commitments by these agencies to insure or guarantee the mortgages. As reported by FHA and VA, a unit is started when a field office receives the first compliance inspection report, which is made before footings are poured in some cases but normally after the foundations have been completed. Capehart military housing units are excluded. Other starts are derived as a residual, although total and FHA and VA starts are not strictly comparable in concept or timing; other starts include both units financed by conventional mortgages and units without mortgages.

2/ Building permits are Census estimates for all of the approximately 10,000 areas in the United States which were identified as having a local building permit system in 1959. Unlike starts, seasonally adjusted building permits reflect a direct measure of the influence of changes in the number of working days per month, along with other differences in timing and coverage.

## YIELDS ON NEW AND SEASONED CORPORATE BONDS

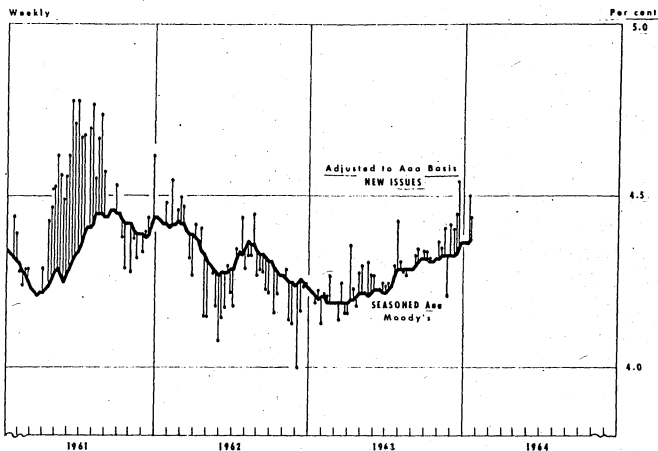


Exhibit G - Part II

## Yields on New Corporate Bond Issues Adjusted to an Aaa basis

	Number of issues	Am't of issues included (mil. of dollars)	Average yield (per cent)		Number of issues	Am't of issues included (mil. of dollars)	Average yield (per cent)
<b>Weekly averages:</b>							
1963 - Aug. 16	--	--	--	Nov. 22	4	115.0	4.42
23	--	--	--	29	--	--	--
30	2	50.0	4.33*	Dec. 6	2	60.0	4.41
Sept. 6	1	12.0	4.35	13	2	95.0	4.45
13	--	--	--	20	1	150.0	4.54*
20	1	15.0	4.34	27	--	--	--
27	1	100.0	4.34	1964			
Oct. 4	2	33.5	4.32	Jan. 3	--	--	--
11	--	--	--	10	1	130.0	4.50
18	--	--	--	17	1	5.0	4.44*
25	1	40.0	4.37				
Nov. 1	2	75.0	4.35				
8	1	30.0	4.41				
15	1	22.0	4.21*				

Note: Averages of offering yields on all new issues of publicly offered corporate bonds rated Aaa, Aa and A by Moody's Investors Service (except serial and convertible issues, offerings of natural gas pipeline and foreign companies, and bonds guaranteed by the Federal Government) weighted by size of offering. Before averaging, new offerings are adjusted to a composite Aaa basis by deducting from the actual reoffering yield the excess of the weekly average yield for seasoned bonds of the appropriate industry-quality group over the composite average for seasoned Aaa-rated bonds (Moody's). Averages considered unrepresentative because of special characteristics of the offerings included are denoted by an asterisk.

## Exhibit H

Long-term Corporate and State and Local Government  
Security Offerings and Placements

(In millions of dollars)

	New Capital					
	Corporate 1/			State and Local 2/		
	1964	1963	1962	1964	1963	1962
January	e/ 850	613	592	e/ 900	p/ 732	876
February		594	859		p/ 726	1,133
March		1,144	807		p/ 974	628
April		930	1,113		p/ 866	873
May		904	760		p/ 861	912
June		1,013	1,132		p/ 945	786
July		676	582		p/ 647	612
August		667	749		p/ 706	544
September		795	579		p/ 447	427
October		p/1,062	835		p/1,103	650
November		p/ 830	703		p/ 639	578
December		e/1,282	1,103		e/ 400	550
1st quarter		2,351	2,258		p/2,431	2,637
2nd quarter		2,847	3,005		p/2,672	2,571
3rd quarter		2,138	1,910		p/1,800	1,582
4th quarter		e/3,174	2,641		e/2,142	1,779
1st half		5,198	5,264		p/5,103	5,208
Three quarters		7,337	7,173		p/6,903	6,790
Year		e/10,510	9,814		e/9,045	8,568
Excluding finance companies 3/						
1st quarter		2,284	2,199			
2nd quarter		2,529	2,919			
3rd quarter		1,797	1,775			
4th quarter		e/2,674	2,410			
Year		e/9,284	9,303			

e/ Estimated by Federal Reserve.

p/ Preliminary.

1/ Securities and Exchange Commission estimates of net proceeds.

2/ Investment Bankers Association of America estimates of principal amounts.

3/ Total new capital issues excluding offerings of sales and consumer finance companies.

## Exhibit I

New Corporate Security Issues, Type of Issue and Issuer  
(In millions of dollars)

Quarter or Month	Gross proceeds for new capital and refunding 1/					Net proceeds for new capital 1/ 2/			
	Total	Bonds		Common and pfd. stock	Memo: foreign issues included	Mfg.	Public utility	Communi- cations	Other is- suers
		Publicly offered	Privately offered						
1961 - I	1,992	662	880	449	76	515	381	81	832
II	5,352	2,303	1,275	1,774	155	1,466	1,081	1,095	1,052
III	2,566	772	1,139	654	69	935	595	104	893
IV	3,236	967	1,424	845	62	792	836	147	1,263
1962 - I	2,378	1,155	716	507	68	655	430	456	717
II	3,250	1,389	1,222	639	257	996	983	231	794
III	2,184	853	1,024	307	56	601	375	275	659
IV	2,957	1,089	1,568	300	179	769	568	321	986
1963 - I	2,700	1,108	1,306	287	128	947	326	236	842
II	3,634	1,389	1,820	424	434	591	794	221	1,241
III	2,466	898	1,281	287	109	806	285	150	897
IV <u>e/</u>	3,415	1,286	1,771	357	n.a.	884	505	123	1,662
1962 - Apr.	1,217	654	227	336	10	384	377	88	264
May	801	247	420	134	147	270	196	64	229
June	1,232	488	575	169	100	342	410	79	301
July	630	200	366	67	13	217	118	88	159
Aug.	922	477	363	82	--	218	110	120	301
Sept.	632	176	295	161	43	166	148	67	199
Oct.	976	539	314	123	46	153	141	260	282
Nov.	784	286	446	52	34	271	175	4	253
Dec.	1,197	264	808	125	99	345	252	57	451
1963 - Jan.	695	350	243	102	25	135	114	125	238
Feb.	642	259	289	94	43	220	115	68	191
Mar.	1,363	499	774	91	60	592	97	43	412
Apr.	1,049	380	452	217	56	148	341	71	369
May	1,340	550	694	95	182	216	222	92	373
June	1,246	459	675	113	196	227	230	58	499
July	810	279	431	100	46	297	107	86	187
Aug.	786	336	349	100	21	272	100	24	270
Sept.	871	283	501	87	42	237	78	39	441
Oct. <u>p/</u>	1,170	511	532	127	7	266	198	42	556
Nov. <u>p/</u>	904	205	542	157	8	224	130	13	463
Dec. <u>e/</u>	1,341	570	697	73	n.a.	394	177	68	643
1964 - Jan.									
Feb.									
Mar.									

1/ Preliminary. e/ Estimated by Federal Reserve. 1/ Gross proceeds exceed net proceeds  
y the cost of flotation. 2/ For total see Exhibit H; other issuers are extractive, railroad  
d other transportation, real estate and finance and commercial and other. Source.--Securi-  
ties and Exchange Commission.

## Exhibit J

Other Security Offerings  
(In millions of dollars)

	Gross long-term 1/					
	Foreign government 2/			Federal agency 3/		
	1964	1963	1962	1964	1963	1962
January		232	142		--	246
February		133	10		148	156
March		76	35		--	--
April		57	10		186	461
May		114	86		--	--
June		11	50		459	--
July		63	25		--	--
August		83	8		--	150
September		--	31		--	175
October		p/ --	151		p/174	--
November		p/ --	88		p/200	--
December		e/ --	101		e/ --	--
Year		e/ 769	737		e/1,167	1,188
	Net Short-term 4/					
	State and local government 5/			Federal agency 3/		
	1964	1963	1962	1964	1963	1962
January		75	18		-106	247
February		272	466		-189	-156
March		-367	-186		-482	226
April		589	127		292	-364
May		-30	-84		195	82
June		-10	-118		319	284
July		62	78		414	261
August		208	339		327	227
September		-173	-406		258	-157
October		259	71		123	379
November		146	234		-102	55
December		p/-346	-161		p/ 545	-80
Year		p/ 685	378		p/1,594	1,004

p/ Preliminary. e/ Estimated by Federal Reserve. n.a.--Not available. 1/ These data differ from those in Exhibit H in that refunding issues, as well as new capital issues are included. Long-term securities are defined as those maturing in more than one year.

2/ Includes securities offered in the United States by foreign governments and their political subdivisions and international organizations. Source: Securities and Exchange Commission. 3/ Issues not guaranteed by the U. S. Government. Source: long-term, Securities and Exchange Commission; short-term, Treasury Department and Federal Reserve.

4/ These data differ from those in Exhibit H and above in that they represent new offerings less retirements, whether from the proceeds of refunding issues or from other funds. Data include only issues with original maturity of one year or less. 5/ Principally tax and bond anticipation notes, warrants or certificates and Public Housing Authority notes. In some instances PHA notes included may have a somewhat longer maturity than one year. Source: Bond Buyer and Federal Reserve.

## Exhibit K

Large Long-term Public Security Issues for New Capital  
(Other than U. S. Treasury) 1/Proceeds of Large Issues Offered  
(In millions of dollars)

Month	Corporate				State and local government	Other 2/
	Total	Bonds (Other than convertibles)	Convertible bonds	Stocks		
1962 - December	198	178	20	--	193	75
1963 - January	234	215	--	19	344	48
February	186	125	35	26	367	63
March	394	372	--	22	570	--
April	409	263	--	146	431	134
May	149	149	--	--	389	43
June	348	348	--	--	372	460
July	199	180	--	19	279	60
August	236	218	--	18	329	20
September	237	215	--	22	135	--
October	446	380	--	66	743	174
November	180	117	--	63	373	200
December	547	515	--	32	111	--

## Large Individual Issues Offered January 1 through 17

Issuer	Type	Amount (millions of dollars)	Maturity	Coupon rate or net interest cost	Offering yield	Rating
<u>CORPORATE</u>						
General Amer. Transp. Corp.	Equip. tr. cert.	40.0	1984	4-5/8	4.59	A
New York Tel. Co.	Deb.	130.0	2004	4-5/8	4.53	Aaa
Transcontinental Gas P. L. Corp.	1st mtg. p.l. bds.	40.0	1984	4-3/4	4.82	Baa
<u>STATE AND LOCAL GOVERNMENT</u>						
State of California	G.O.	80.0	1965-90	n.a.	2.10-3.35 <sup>4/</sup>	Aa
Alabama Highway Auth.	Rev.-Q.Ut.	15.0	1970-84	3.44	2.75-3.47	A
Public Housing Auth.	--	140.3	1964-2004	3.36	1.90-3.50	Aaa
Toledo Lucas Co. Port Auth., Ohio	Rev.-Rent.	18.9	1964-84	3.96	2.80-3.60	--
St. Louis Met. Swr. Dist., Mo.	Rev.-Rent.	46.9	2004		3.95	
Greater Johnstown Wtr. Auth., Pa.	G.O.	16.0	1965-84	3.00	2.00-3.10	Aa
	Rev.-Ut.	11.8	1965-2004	3.88	2.25-3.90	A
<u>OTHER</u>						
None						



## Footnotes

\*--Rights offering. n.a.--Not available.

- 1/ Includes corporate and other security offerings of \$15 million and over; State and local government security offerings of \$10 million and over.
- 2/ Includes foreign government and International Bank for Reconstruction and Development issues and non-guaranteed issues by Federal agencies.
- 3/ In the case of State and local government securities, G.O. denotes general obligations; Rev.-Ut., revenue obligations secured only by income from public utilities; Rev.-Q.Ut., revenue bonds secured only by revenue from quasi-utilities; Rev.-S.T., revenue bonds secured by revenue from specific taxes only; Rev.-Rent., revenue bonds secured solely by lease payments.
- 4/ 1/20 per cent bonds due 1989 and 1/4 per cent bonds due 1990 not publicly reoffered.

## Exhibit L

Forthcoming Large Long-term Public Security Offerings for New Capital  
(Other than U. S. Treasury) 1/

## Expected Proceeds from Forthcoming Large Issues

Date of computation	During month following date shown			Subsequent to date shown		
	Corporate	State and local govt.	Other <u>2/</u>	Corporate	State and local govt.	Other <u>2/</u>
1962 - Dec. 28	269	177	25	314	311	25
1963 - Jan. 31	167	376	--	412	843	33
Feb. 28	142	458	--	572	755	--
Mar. 29	376	381	45	421	763	45
Apr. 30	149	447	40	234	599	40
May 31	223	255	460	288	582	460
June 28	170	142	75	215	287	75
July 31	221	329	20	267	512	20
Aug. 31	158	210	--	183	468	--
Sept. 30	240	561	--	240	757	--
Oct. 31	145	255	--	145	401	--
Nov. 29	392	137	--	1,992	349	--
Dec. 31	305	469	--	1,905	731	--

## Forthcoming Large Offerings, as of January 17

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>CORPORATE</u>			
Pan American World Airways	Conv. sub. deb.	60.0	January 22 (rts. ex.)
Texas Pwr. & Lt. Co.	S.F. deb.	15.0	January 22
Potomac Elec. Pwr. Co.	Com. stk.	21.7	January 23 (rts. ex.)
American Tel. & Tel. Corp.	Com. stk.	1,600.0	April (rts. ex.)
<u>STATE AND LOCAL GOVERNMENT</u>			
Dallas, Texas	G.O.	12.0	January 20
New York City, N.Y.	G.O.	114.4	January 21
Philadelphia Sch. Dist., Pa.	G.O.	15.0	January 22
Duval Co. Spec. Tax Sch. Dist. No. 1, Fla.	Rev.-S.T.	10.0	January 28
*Commonwealth of Massachusetts	G.O.	33.4	January 28
Commonwealth of Puerto Rico	G.O.	53.0	January 29
State of Delaware	G.O.	24.8	February 4
*Milwaukee, Wisconsin	G.O.	15.6	February 4
*Chesterfield Co., Va.	G.O.	11.5	February 5
*Milwaukee Co., Wisconsin	G.O.	12.1	February 18
Penna. Gen. State Auth.	Rev.-Rent.	50.0	February 18
Alabama State Docks Dept.	Rev.-Q.Ut.	10.0	February 27
Pittsburgh, Pa.	G.O.	35.0	Indefinite

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## Forthcoming Large Offerings, as of January 17 (Cont'd.)

	Type	Amount (millions of dollars)	Approximate date of offering
<u>STATE AND LOCAL GOVERNMENT</u> (Cont'd.)			
Dade County, Florida	G.O.	46.0	Indefinite
Jacksonville Expressway Auth., Fla.	Rev.-Ut.	40.0	Indefinite
Houston, Tex.	G.O.	11.1	Indefinite
<u>OTHER</u>			
None			

\*--Included in table for first time.

1/ Includes corporate and other issues of \$15 million and over; State and local government issues of \$10 million and over.

2/ Includes foreign government and International Bank for Reconstruction and Development issues and non-guaranteed issues of Federal agencies.

3/ Deletions for reasons other than sale of issue: None.

## Exhibit M

Foreign Government and Corporate Security Offerings  
and Placements in the United States

## Part I: Public Offerings

Sale Date	Amount (millions of dollars)	Issuer and Description of Issue
		A. Sold November 1 through January 17
12/24	3.0	Province of Santa Fe, Republic of Argentina - 7% Treasury bonds, maturing 1969, offered to yield 9.45%
		B. Prospective Offerings
2/27	7.5	Tubos de Acero de Mexico, S.A. - convertible debenture

## Part II: Private Placement--Reported November 1 through January 17.

Date reported	Amount (millions of dollars)	Issuer and Description of Issue
11/27	15.0	Home Oil Co., Ltd.--6-1/4% collateral trust bonds, maturing 1983, placed at par--no information available on takedown
1/7	14.0	Laurentide Financial Corp., Ltd.--5-1/4% collateral trust notes maturing 1989--no information available on takedown

Note: For retrospective data on aggregate foreign corporate and government security offerings in the United States see Exhibits I and J. There is no simple relationship between the data shown in this Exhibit and that shown in Exhibits I and J because the latter includes privately placed securities in the period in which funds are actually takedown but only in the amount of takedown, while the placements shown in this exhibit are included when reported, frequently with little or no information concerning timing of takedowns. Full or partial takedowns may take place both prior and subsequent to the date a placement is reported.

\*--Included in table for first time.