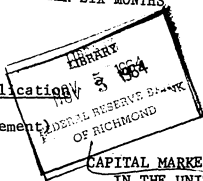


DECONTROLLED AFTER SIX MONTHS

Not for Publication

H.14 (Supplement)



**CAPITAL MARKET DEVELOPMENTS  
IN THE UNITED STATES**

November 3, 1964.

Attached for your information are three tables and four charts on corporate security financing during the first half of 1959-64, and a table and three charts on State and local government security financing during the first half of 1959-64.

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

Table 1

Corporate Security Offerings by Type of Business  
of Issuer and Use of Proceeds  
First Half 1959-64  
(Net proceeds in millions of dollars)

|                                | 1964  | 1963  | 1962 <u>1/</u> | 1961 <u>1/</u> | 1960  | 1959      |
|--------------------------------|-------|-------|----------------|----------------|-------|-----------|
| Total corporate offerings      | 7,267 | 6,252 | 5,538          | 7,187          | 4,679 | 4,835     |
| New capital                    | 6,994 | 5,198 | 5,284          | 6,482          | 4,527 | 4,771     |
| New money                      | 6,384 | 4,492 | 4,671          | 5,838          | 4,152 | 4,313     |
| Other purposes                 | 609   | 707   | 613            | 644            | 375   | 458       |
| Refunding                      | 273   | 1,054 | 254            | 705            | 152   | 64        |
| Memo: Foreign issues           | 134   | 563   | 321            | 203            | 96    | 84        |
| Manufacturing                  |       |       |                |                |       |           |
| New capital                    | 1,141 | 1,538 | 1,645          | 1,966          | 809   | 1,109     |
| New money                      | 961   | 1,281 | 1,347          | 1,605          | 690   | 967       |
| Other purposes                 | 180   | 257   | 298            | 361            | 119   | 142       |
| Refunding                      | 89    | 85    | 122            | 198            | 15    | 33        |
| Electric, gas & wtr. utilities |       |       |                |                |       |           |
| New capital                    | 1,295 | 1,120 | 1,413          | 1,435          | 1,406 | 1,791     |
| New money                      | 1,274 | 1,107 | 1,324          | 1,390          | 1,371 | 1,710     |
| Other purposes                 | 21    | 13    | 89             | 46             | 36    | 81        |
| Refunding                      | 125   | 478   | 102            | 52             | 24    | 10        |
| Communication                  |       |       |                |                |       |           |
| New capital                    | 1,936 | 457   | 684            | 1,180          | 338   | 149       |
| New money                      | 1,828 | 404   | 674            | 1,166          | 337   | 146       |
| Other purposes                 | 108   | 53    | 9              | 14             | 1     | 2         |
| Refunding                      | 8     | 273   | 1              | 378            | 1     | <u>1/</u> |
| Railroad                       |       |       |                |                |       |           |
| New capital                    | 182   | 184   | 84             | 82             | 90    | 108       |
| New money                      | 182   | 161   | 84             | 82             | 90    | 108       |
| Other purposes                 | --    | 23    | --             | --             | --    | --        |
| Refunding                      | --    | 72    | --             | 21             | 35    | --        |
| Other transportation           |       |       |                |                |       |           |
| New capital                    | 347   | 331   | 171            | 313            | 230   | 385       |
| New money                      | 254   | 328   | 166            | 270            | 223   | 370       |
| Other purposes                 | 94    | 3     | 6              | 43             | 7     | 15        |
| Refunding                      | 20    | --    | <u>1/</u>      | 12             | 3     | 10        |
| Commercial and other           |       |       |                |                |       |           |
| New capital                    | 229   | 275   | 389            | 375            | 294   | 409       |
| New money                      | 186   | 241   | 324            | 307            | 232   | 299       |
| Other purposes                 | 42    | 33    | 64             | 68             | 62    | 110       |
| Refunding                      | 7     | 24    | 11             | 28             | 9     | 7         |

Table 1 (cont'd).

## Corporate Security Offerings by Type of Business of Issuer and Use of Proceeds

First Half -- 1959-64

|                                   | 1964  | 1963  | 1962 <u>1/</u> | 1961 <u>1/</u> | 1960  | 1959 |
|-----------------------------------|-------|-------|----------------|----------------|-------|------|
| Mining                            |       |       |                |                |       |      |
| New Capital                       | 170   | 150   | 103            | 112            | 159   | 70   |
| New money                         | 128   | 106   | 92             | 98             | 87    | 65   |
| Other purposes                    | 42    | 44    | 11             | 14             | 71    | 5    |
| Refunding                         | 1     | 1     | 2              | 1              | 1     | 2    |
| Financial and real estate         |       |       |                |                |       |      |
| New capital                       | 1,649 | 1,143 | 795            | 1,019          | 1,200 | 750  |
| New money                         | 1,571 | 864   | 660            | 919            | 1,121 | 647  |
| Other purposes                    | 123   | 280   | 135            | 99             | 79    | 103  |
| Memo: New Capital by-             |       |       |                |                |       |      |
| (Sales and consumer finance cos.) | 828   | 386   | 146            | 390            | 646   | 356  |
| (Banks)                           | 353   | 42    | 74             | 45             | 84    | 91   |
| (Other cos.)                      | 513   | 715   | 575            | 584            | 470   | 303  |
| Refunding                         | 24    | 121   | 16             | 14             | 64    | 2    |

1/ Less than \$500,000

Note.--Details may not add to totals due to rounding.

Source:--Securities and Exchange Commission and Federal Reserve.

Table 2

Security Offering for New Capital by  
Manufacturing Companies  
First Half 1959-64

(Net proceeds in millions of dollars)

|                                | 1964  | 1963  | 1962 <u>1/</u> | 1961 <u>1/</u> | 1960 | 1959      |
|--------------------------------|-------|-------|----------------|----------------|------|-----------|
| All Manufacturing              | 1,141 | 1,538 | 1,645          | 1,966          | 809  | 1,109     |
| Primary nonferrous metals      | 171   | 138   | 20             | 23             | 32   | 65        |
| Chemicals                      | 112   | 92    | 170            | 81             | 108  | 78        |
| Nonelectrical Machinery        | 125   | 127   | 164            | 120            | 78   | 64        |
| Primary iron and steel         | 71    | 17    | 93             | 439            | 31   | 231       |
| Electrical machinery           | 101   | 99    | 204            | 200            | 123  | 149       |
| Textiles and apparel           | 58    | 66    | 107            | 41             | 24   | 36        |
| Paper                          | 51    | 32    | 60             | 78             | 17   | 57        |
| Tabacco                        | 26    | 1     | --             | 47             | --   | 40        |
| Foods                          | 39    | 141   | 85             | 72             | 34   | 65        |
| Rubber products                | 23    | 85    | 12             | 27             | 25   | 42        |
| Other transportation equipment | 53    | 117   | 38             | 119            | 63   | 53        |
| Lumber, wood products          | 10    | 18    | 14             | 23             | 53   | 18        |
| Fabricated metal products      | 59    | 50    | 23             | 15             | 39   | 38        |
| Stone, clay and glass          | 8     | 41    | 68             | 91             | 23   | 6         |
| Petroleum and refining         | 5     | 290   | 196            | 177            | 6    | 11        |
| Printing                       | 34    | 18    | 30             | 54             | 8    | 12        |
| Motor vehicles and equipment   | 15    | 3     | 6              | 29             | 13   | <u>1/</u> |
| Beverages                      | 40    | 7     | 31             | 3              | --   | 15        |
| Other <u>2/</u>                | 140   | 196   | 324            | 327            | 132  | 129       |

1/ Less than \$500,000.

2/ Includes issues of foreign manufacturers not further classified.

Note.--Details may not add to totals due to rounding.

Source.--Securities and Exchange Commission and Federal Reserve.

Table 3

**Total Corporate Security Offerings by Type of Issue  
First Half 1959-64**

(Gross proceeds in millions of dollars)

| Type of issue             | 1964  | 1963  | 1962 <u>±</u> | 1961 <u>±</u> | 1960  | 1959  |
|---------------------------|-------|-------|---------------|---------------|-------|-------|
| Total corporate offerings | 7,350 | 6,334 | 5,663         | 7,323         | 4,802 | 4,947 |
| <u>Type of offering</u>   |       |       |               |               |       |       |
| Public                    | 4,394 | 3,080 | 3,597         | 4,993         | 3,113 | 3,168 |
| Private                   | 2,957 | 3,254 | 2,065         | 2,330         | 1,688 | 1,780 |
| <u>Type of security</u>   |       |       |               |               |       |       |
| Bonds and notes           | 5,160 | 5,623 | 4,513         | 5,089         | 3,574 | 3,476 |
| Public                    | 2,299 | 2,497 | 2,500         | 2,963         | 2,008 | 1,747 |
| Private                   | 2,861 | 3,127 | 2,013         | 2,126         | 1,566 | 1,729 |
| (Memo: Convertible)       | (227) | (180) | (244)         | (301)         | (205) | (338) |
| Preferred stock           | 192   | 146   | 193           | 287           | 211   | 315   |
| Common stock              | 1,998 | 565   | 957           | 1,948         | 1,017 | 1,157 |

Source.--Securities and Exchange Commission.

Table 4

Long-term Security Issues of State and Local Governments  
First Half 1959-64

(In millions of dollars)

|                                  | 1964  | 1963  | 1962  | 1961  | 1960  | 1959  |
|----------------------------------|-------|-------|-------|-------|-------|-------|
| <u>Issuing authority:</u>        |       |       |       |       |       |       |
| State                            | 883   | 865   | 939   | 1,022 | 686   | 933   |
| County and township              | 364   | 317   | 382   | 345   | 279   | 240   |
| Municipality                     | 1,522 | 1,698 | 1,515 | 1,376 | 1,165 | 1,201 |
| School district                  | 997   | 884   | 1,008 | 870   | 863   | 714   |
| Special authority                | 1,866 | 2,087 | 1,501 | 963   | 1,165 | 1,605 |
| Total                            | 5,632 | 5,852 | 5,344 | 4,576 | 4,158 | 4,693 |
| <u>Purpose of issue:</u>         |       |       |       |       |       |       |
| New capital total                | 5,304 | 5,118 | 5,208 | 4,561 | 4,133 | 4,639 |
| Schools                          | 1,757 | 1,649 | 1,884 | 1,557 | 1,363 | 1,238 |
| Highways, bridges and tunnels    | 479   | 442   | 864   | 541   | 398   | 500   |
| Residential buildings            | 442   | 406   | 288   | 149   | 272   | 235   |
| Hospitals and institutions       | 44    | 156   | 88    | 68    | 58    | 83    |
| Sewer and water                  | 864   | 844   | 666   | 717   | 559   | 700   |
| Misc. public service enterprises | 240   | 427   | 240   | 267   | 130   | 748   |
| Veterans' aid                    | 90    | --    | 125   | 313   | 151   | 203   |
| Other                            | 1,387 | 1,195 | 1,052 | 950   | 1,204 | 932   |
| Refunding                        | 328   | 734   | 137   | 15    | 25    | 54    |
| Total                            | 5,632 | 5,852 | 5,344 | 4,576 | 4,158 | 4,693 |
| <u>Type of issue:</u>            |       |       |       |       |       |       |
| General obligation               | 3,403 | 3,185 | 3,526 | 3,146 | 2,687 | 2,654 |
| Revenue                          | 1,708 | 2,412 | 1,530 | 1,250 | 1,260 | 1,723 |
| Utility                          | 651   | 1,075 | 466   | 524   | 697   | 1,210 |
| Quasi-utility                    | 857   | 788   | 839   | 522   | 389   | 317   |
| Special tax                      | 36    | 28    | 15    | 29    | 56    | 118   |
| Rental                           | 164   | 522   | 209   | 175   | 118   | 79    |
| Public Housing Authority         | 403   | 138   | 214   | 123   | 154   | 229   |
| Federal Government loans         | 118   | 116   | 75    | 57    | 57    | 87    |
| Total                            | 5,632 | 5,852 | 5,344 | 4,576 | 4,158 | 4,693 |

N.A.--Not available.

Note.--Details may not add to totals because of rounding.

Source.--Investment Bankers Association of America.

CHART 1

CORPORATE SECURITY OFFERINGS  
USE OF NET PROCEEDS  
First Half 1959-64

Billions of dollars

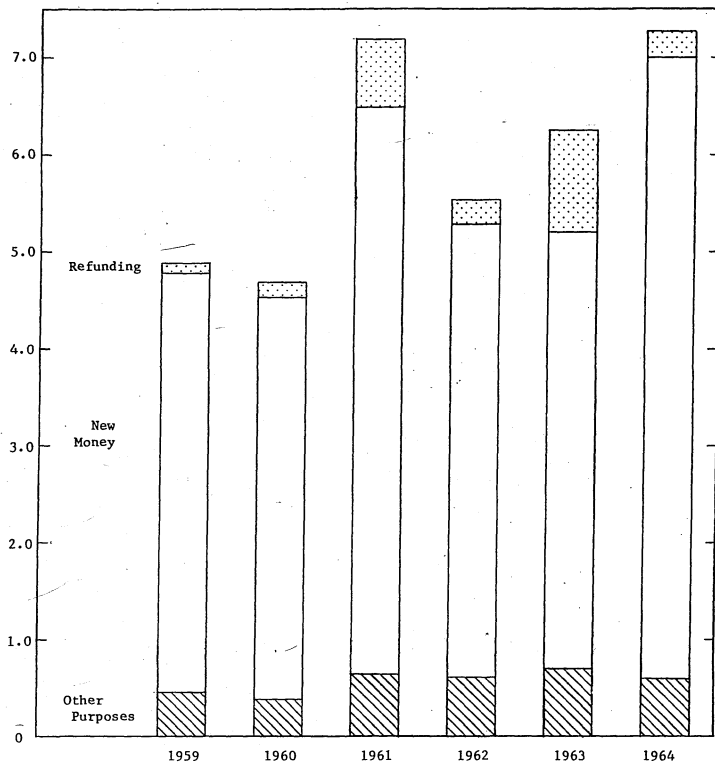


CHART 2

CORPORATE SECURITY OFFERINGS FOR NEW CAPITAL  
BY TYPE OF BUSINESS

First Half 1959-64

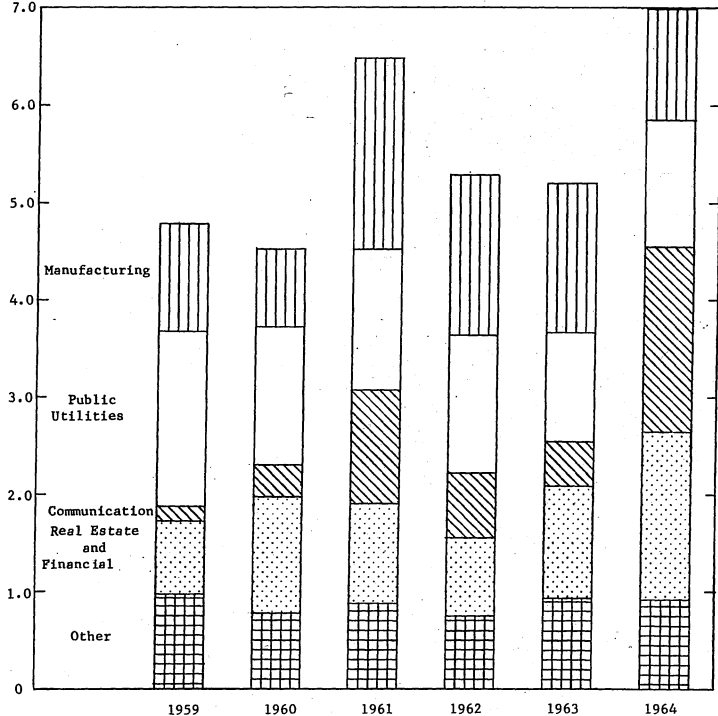
Billions of dollars  
7.0

CHART 3

CORPORATE SECURITY OFFERINGS  
BY TYPE OF ISSUE

First Half 1959-64

Billions of dollars

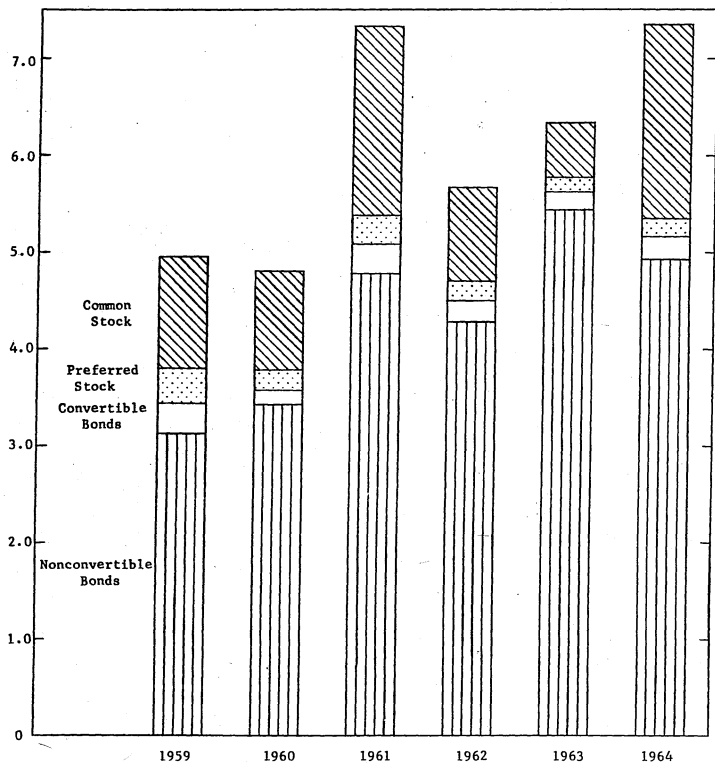


CHART 4

PERCENTAGE DISTRIBUTION OF BONDS SOLD BETWEEN  
THOSE PUBLICLY OFFERED AND PRIVATELY PLACED  
First Half 1959-64

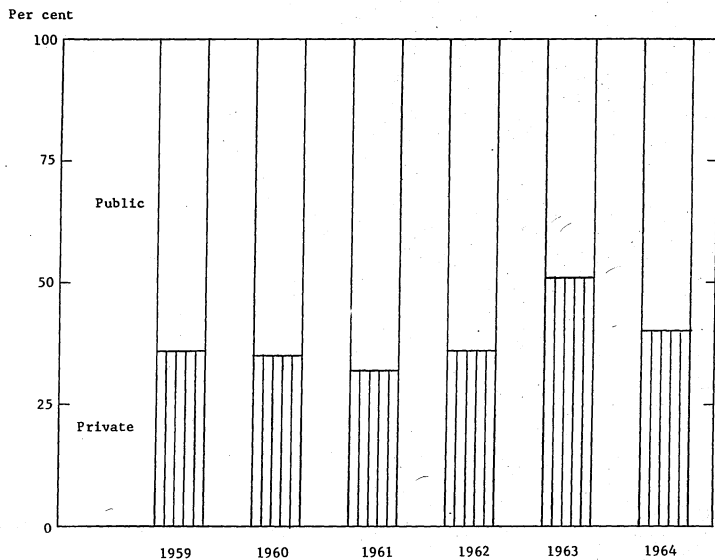


CHART 5

LONG-TERM SECURITY ISSUES OF STATE AND LOCAL GOVERNMENT  
BY ISSUING AUTHORITY  
First Half 1959-64

Billions of dollars

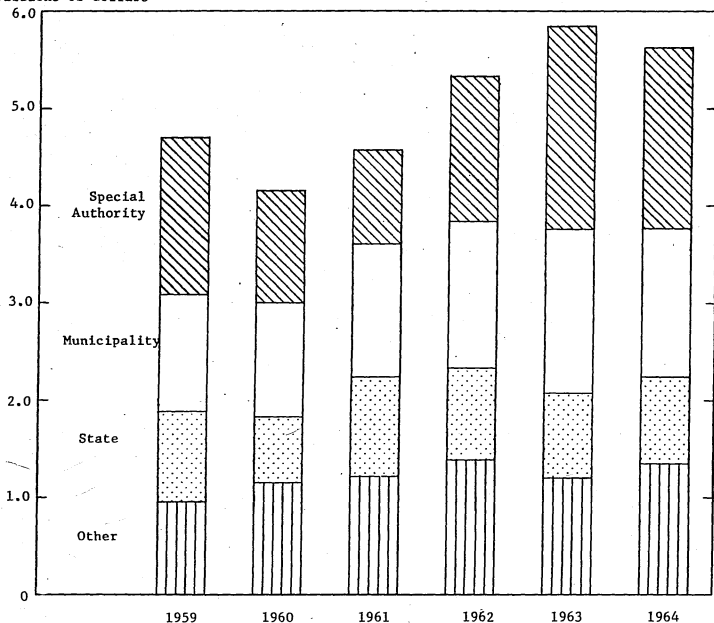


CHART 6  
LONG-TERM SECURITY ISSUES OF STATE AND LOCAL GOVERNMENT  
BY PURPOSE OF ISSUE  
First Half 1959-64

Billions of dollars

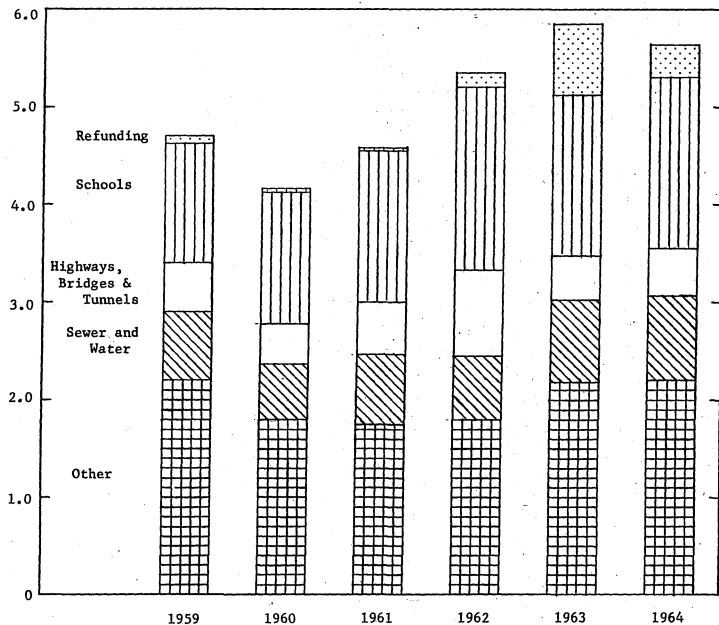


CHART 7  
LONG-TERM SECURITY ISSUES OF STATE AND LOCAL GOVERNMENT  
BY TYPE OF ISSUE  
First Half 1959-64

Billions of dollars

