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APRIL 1969

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Recent Trends in the U.S. Balance of Payments

THE U.S. PAYMENTS BALANCE improved substantially in 1968 as measured by the summary indicators. At the same time, the trends that have been evident for well over a year—a weakened trade balance, lower outflows of U.S. capital, and enlarged inflows of foreign capital—accelerated greatly. Inflation of incomes and demand in the United States increased imports sharply and the trade surplus virtually disappeared, while stringent controls on U.S. capital flows, restrictive monetary policy, and other factors resulted in an improvement in the capital accounts that was considerably greater than the worsening on current account.

A question raised by these developments is whether the structure of the U.S. balance of payments in the years ahead may involve a smaller trade surplus and a smaller net outflow of capital than was formerly regarded as normal. Whatever the answer to this question, it is generally agreed that net capital outflows are likely to increase from their unusually low levels in 1968 and that the current-account surplus must also increase.

While the structure of the U.S. balance of payments in 1968 —and in early 1969—could not be regarded as satisfactory, one consequence of the improvement in the over-all balance—and of the pattern of financing—has been a reduction in foreign official reserves held in the form of dollars. In 1968 U.S. liabilities to foreign reserve holders declined by $0.7 billion, and in the early months of 1969 a further very large decline in these liabilities occurred.

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OVER-ALL RESULTS

It is always hazardous to attempt to sum up in a single number the results of a complex set of flows such as the international transactions of the United States. The difficulties are compounded when the structure of these transactions has changed as much as it has in the past few years. The two standard measures of the over-all balance—the liquidity balance and the balance on the basis of official settlements—have given greatly differing results and have shown wide fluctuations because of major changes in the composition of U.S. liabilities in these years. One of these changes has been a shift in holdings of foreign official accounts from liquid to nonliquid forms; this tended to reduce the liquidity deficit but did not affect the official settlements measure. The other is the accelerated accumulation of liquid claims on the United States by commercial banks abroad, reflecting increased deposits by private foreign residents in the Euro-dollar market and their use by U.S. banks; this has tended to reduce U.S. liabilities to foreign official institutions and improve the official settlements measure of the balance, without affecting the liquidity measure.

Shifts in these volatile asset holdings of foreigners, though significant, can be large and abrupt and at times can overshadow important changes taking place in all other transactions entering the international accounts. One procedure for minimizing these volatile elements, and for attempting to measure changes in the underlying balance of payments position, is to combine official reserve transactions and changes in liabilities to foreign commercial banks (Table 1, item 3; Chart 1, bottom panel). A

TABLE 1

MEASURES OF OVER-ALL BALANCE OF INTERNATIONAL TRANSACTIONS

In billions of dollars

Item	1960–65 average	1966	1967	1968
1. Balance on liquidity basis (financed by decrease in U. S. reserve assets and increase in all liquid liabilities to foreigners)	−2.55	−1.36	−3.57	.16
2. Balance on official reserve transactions basis (financed by decrease in U.S. reserve assets and increase in liquid and nonliquid liabilities to foreign reserve holders)	−2.05	.27	−3.40	1.62
3. Adjusted over-all balance	−2.73	−2.76	−4.22	−2.03
Financed by:				
a. Official reserve transactions	2.05	−.27	3.40	−1.62
b. Nonscheduled repayments of U.S. Govt. credits	.35	.43	.01	.27
c. U.K. liquidation of U.S. securities other than Treasury issues (−)	−.11	−.10	−.45	....
d. Inflow of foreign liquid capital through increase in U.S. liabilities to commercial banks abroad	.44	2.70	1.26	3.38

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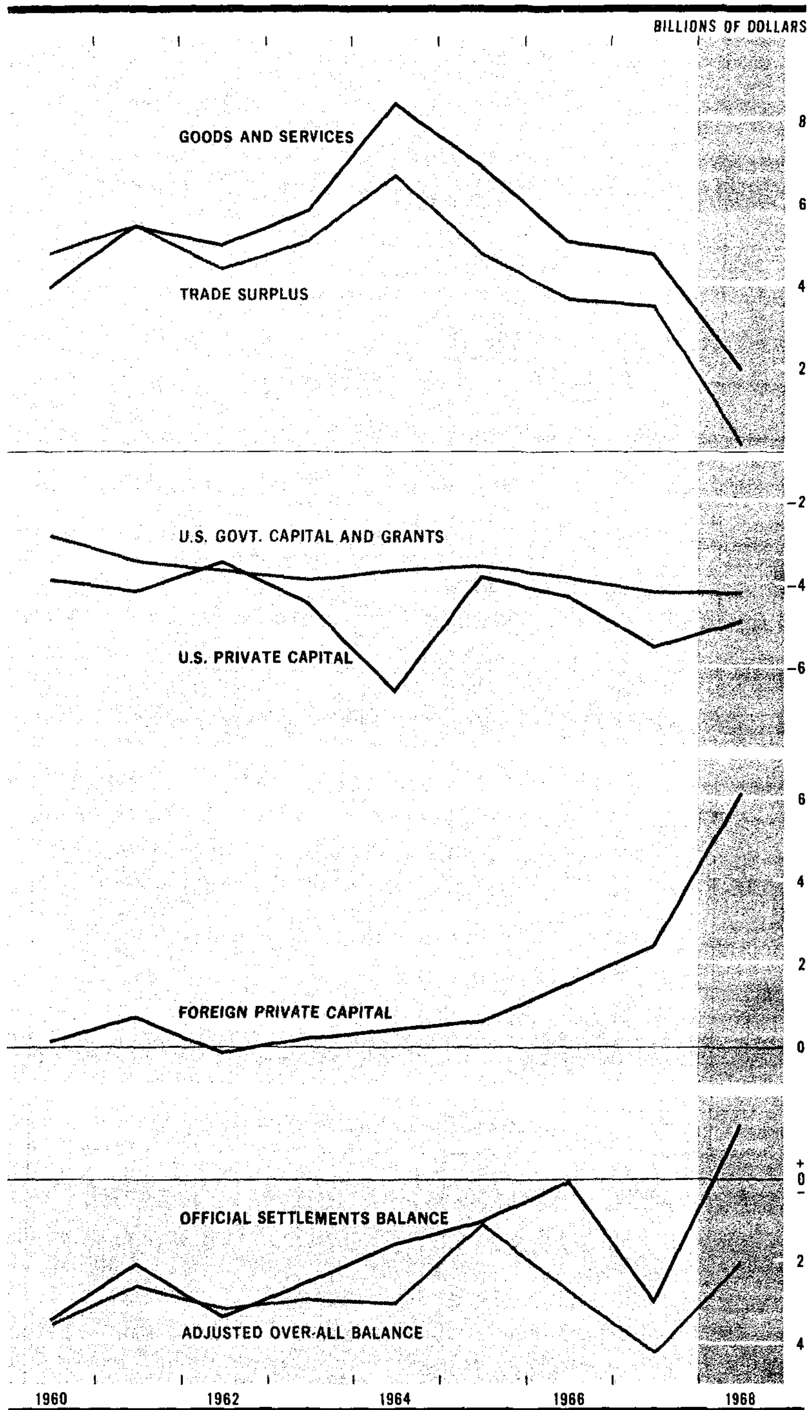
1 International transactions in 1968 were dominated by a steep DECLINE IN TRADE BALANCE, more than offset by INFLOWS OF FOREIGN CAPITAL--resulting in OVER-ALL IMPROVEMENT



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further adjustment is made by including with reserve transactions the prepayment of U.S. Government loans to foreign governments, as well as the liquidation of U.S. securities other than Treasury issues held by the U.K. Government. Thus this adjusted over-all measure gives a clearer indication of short-run changes in the underlying situation, although it does not represent an absolute measure of the extent of balance of payments disequilibrium requiring correction.

The deepening of the deficit in 1967—no matter how measured—pointed to the need for stronger efforts for improvement. The merchandise trade balance narrowed abruptly from an annual rate of $4.2 billion in the first three quarters of 1967 to $1.3 billion in the fourth, and the outflow of U.S. private capital rose sharply after mid-1967. New control measures on the outflow of U.S. capital were instituted at the beginning of 1968 and had an immediate strong effect, greatly reducing the outflow. The inflow of foreign private capital in various forms, already substantial in 1967, spurted to an unprecedented rate in 1968. The gain in the capital accounts much more than offset the further fall in the current account, so that all the summary measures of the balance of payments showed a strong recovery from 1967. The conventional measures shifted to surpluses; the adjusted measure also showed a considerable gain, moving to a rate of deficit somewhat below the average for the 1960–66 period.

U. S. PRIVATE CAPITAL

The outflow of U.S. private capital in 1968 as shown in the balance of payments accounts was $4.9 billion, but a very large part of this outflow was linked to inflows of foreign capital and in fact represented only the use or placement abroad of funds originally borrowed abroad. In Table 3 it can be seen that U.S. corporations borrowed $2.9 billion abroad in 1968, at long term, to be used for financing their foreign affiliates. This foreign borrowing was primarily responsible for reducing the amount of U.S. funds used for direct investments abroad, as derived from the balance of payments data, from $2.6 billion in 1967 to less than $1.0 billion in 1968. The investment directly subject to the control program was reduced by an even greater amount. Moreover, the controls were probably also responsible for most of the year-to-year change in other corporate capital flows, which yielded a further $0.8 billion improvement from 1967. The major item was a reversal of the flow of corporate funds into short-term assets abroad, primarily in the Euro-dollar market.

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Very likely some increase in the use of foreign capital by U.S. corporate investors would have occurred in 1968 even without the new program because markets in Europe were already expanding and were receptive to the type of securities offered by U.S. corporations. However, the controls provided an extremely

TABLE 2

U.S. BALANCE OF PAYMENTS, 1966–68

In billions of dollars

Item	1966	1967	1968	Change	
				1966 to 1967	1967 to 1968
Exports of goods and services[1]	43.1	45.8	50.2	+2.6	+4.4
Merchandise, excl. military	29.2	30.5	33.4	+1.3	+2.9
Military sales	0.8	1.2	1.4	+0.4	+0.2
Investment income[2]	6.3	6.9	7.7	+0.6	+0.8
Other services	6.9	7.2	7.7	+0.3	+0.5
Imports of goods and services	−38.1	−41.0	−48.2	−2.9	−7.2
Merchandise, excl. military	−25.5	−27.0	−33.3	−1.5	−6.3
Military expenditures	−3.7	−4.3	−4.6	−0.6	−0.2
Investment income[2]	−2.1	−2.3	−2.8	−0.2	−0.5
Other services	−6.7	−7.4	−7.6	−0.7	−0.2
Balance on goods and services[1]	5.1	4.8	2.0	−0.3	−2.8
Merchandise, excl. military	3.6	3.5	0.1	−0.2	−3.4
Military sales and expenditures	−2.9	−3.1	−3.1	−0.2	−0.0
Investment income[2]	4.2	4.6	4.9	+0.4	+0.3
Other services	0.2	−0.2	0.1	−0.3	+0.3
Remittances and pensions, net	−1.0	−1.3	−1.2	−0.3	+0.1
U.S. Govt. grants[3] and capital, net, excl. nonscheduled repayments	−3.9	−4.2	−4.2	−0.3	−0.0
U.S. private capital, net	−4.3	−5.5	−4.9	−1.2	+0.6
Direct investments[2]	−3.6	−3.0	−2.7	+0.6	+0.3
Foreign securities	−0.5	−1.3	−1.3	−0.8	−0.0
Claims reported by banks	0.3	−0.5	0.3	−0.7	+0.7
Other claims	−0.4	−0.8	−1.1	−0.3	−0.3
Foreign capital, excl. reserve transactions[4] and changes in U.S. liabilities to commercial banks abroad	1.5	2.5	6.5	+1.0	+3.9
Errors and omissions, net	−0.2	−0.5	−0.2	−0.3	+0.3
Adjusted over-all balance (Table 1, item 3)	−2.8	−4.2	−2.0	−1.4	+2.2
Changes in U.S. liabilities to commercial banks abroad	2.7	1.3	3.4	−1.4	+2.1
Balance financed by official reserve transactions[4] and nonscheduled repayments of U.S. Govt. credits	−0.1	−3.0	1.3	−2.8	+4.3
Financed by:					
Decline (+) in U.S. reserve assets	0.6	0.1	−0.9	−0.5	−0.9
(of which gold)	(0.6)	(1.2)	(1.2)	(+0.6)	(+0.0)
Increase (+) in U.S. reserve liabilities[4]	−0.9	2.9	−0.7	+3.8	−3.7
Nonscheduled repayments of U.S. Govt. credits	0.4	0.0	0.3	−0.4	+0.3
Memo: Balance on liquidity basis	−1.4	−3.6	0.2	−2.2	+3.7

[1] Excluding transfers under military grants.
[2] Excluding undistributed earnings of subsidiaries.
[3] Excluding military grants
[4] "Reserve transactions" shown here for 1966 and 1967 include, in addition to those included in the standard classification of official reserve transactions, the U.K. liquidation (—) of U.S. securities other than U.S. Treasury issues.

NOTE.—Details may not add to totals because of rounding. Changes are computed from unrounded data.

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strong impetus to the sale of such issues and to the step-up in borrowing from European banks. The net outflow of corporate funds of all types was thus driven down to less than $0.5 billion for the year, and there was actually an inflow of $0.5 billion in the final quarter of 1968. It seems clear from the still-rising projections for plant and equipment expenditures abroad, and the probable increased reluctance of U.S. corporations to add heavily to their foreign debt, that a return to larger outflows should be expected.

Net purchases by U.S. investors of foreign securities were maintained at the relatively high rate of $1.3 billion last year (Table 2). Over half the outflow went to Canada and most of the rest to international institutions and other borrowers exempt from the interest equalization tax (IET). No new issues were sold in the United States by European borrowers. The fast-growing international bond market in Europe was able to accommodate a major portion of the issues that a few years ago would normally have been brought out on the U.S. market.

The voluntary foreign credit restraint program for banks and other financial institutions also had a share in the 1968 balance of payments improvement. In the case of banks, assets subject to the program were reduced by $612 million in 1968, whereas in 1967 they had increased by $370 million—a net change of about $1 billion. Bank-reported claims as shown in the balance of payments accounts include custody items and other assets not covered by the program, and the net favorable shift including

TABLE 3

SELECTED CAPITAL TRANSACTIONS OF U.S. CORPORATIONS [1]

In millions of dollars

Transaction	1966	1967	1968
Net direct-investment capital outflow (−) as shown in balance of payments accounts	−3,623	−3,020	−2,743
New issues sold to foreigners (+)[2]	594	446	2,190
Other long-term liabilities to foreigners (+)[2]	180	89	687
Net increase (−) in short-term holdings abroad derived from sales of new issues	−143	−96	−1,073
Total above: net use (−) of U.S. funds for direct investment abroad	−2,992	−2,581	−939
Net increase (−) in other assets abroad	−294	−508	194
Short-term	−182	−219	310
Long-term	−112	−289	−116
Net increase (+) in short-term liabilities to foreigners	279	278	362
Total net outflow (−)	**−3,007**	**−2,811**	**−383**

[1] Excluding banking and brokerage claims and liabilities.

[2] New issues include only securities sold for the purpose of financing direct foreign investments; other long-term liabilities include some financing for other purposes. Borrowing abroad by foreign affiliates is not included.

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such assets was somewhat lower, at about $700 million. Nonbank financial institutions reduced their covered assets by about $250 million in 1968, compared with an increase of $20 million in 1967.

These changes in foreign lending by U.S. financial institutions were influenced by relative interest yields here and abroad as well as by the various restraint programs. Under the credit conditions of 1968, it seems unlikely that there would have been a significant outflow from these institutions in any event. However, the inflow that did occur was a sharp departure from earlier experience.

FOREIGN PRIVATE CAPITAL

Probably the most unusual development in the U.S. balance of payments last year was the extraordinary spurt in private foreign capital flows to the United States. As shown in Table 4, the total of such inflows reached $9.7 billion, nearly $6 billion above the amount for 1967. A large part of the inflow in 1968—$2.9 billion—was borrowed by U.S. direct investors and has already been taken into account above as a factor in the reduced outflow of U.S. funds for direct investments abroad.

Another large part of the inflow of foreign capital was the net purchase of $1.9 billion of outstanding U.S. corporate securities. For equity securities alone the total was $2.0 billion, compared with $0.8 billion in 1967. A number of interrelated explanations have been offered for this dramatic development, including a shift in investment preferences abroad toward U.S. equities, the heightened political tensions in Europe and relative calm and prosperity in the United States, the superior marketability of these securities as compared with those available in European markets, and the effective work of selling organizations. The fact that the inflow continued on a large scale through February of this year supports the supposition that this investment flow is not a transient phenomenon.

A further large inflow of private foreign capital, of quite different character, was the increase in claims on U.S. banks of foreign commercial banks, including foreign branches of U.S. banks. This inflow, which amounted to $3.4 billion in 1968, included $2.3 billion from foreign branches representing the use by U.S. banks of part of the funds deposited in the Euro-dollar market. The demand for such funds by U.S. banks reflected the tightening of the U.S. money market. The supply of foreign funds to the market was augmented by speculative movements

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TABLE 4

INFLOWS OF FOREIGN CAPITAL
Excluding official reserves

In millions of dollars; decrease in U.S. liabilities (−)

Type of capital	1966	1967	1968
Total	**4,255**	**3,804**	**9,844**
Private[1]	4,230	3,722	9,653
Nonliquid			
Direct investments	86	250	363
Purchases of U.S. corporate securities	766	1,348	4,057
New issues to finance U.S. direct foreign investments	(594)	(446)	(2,190)
Other[2]	(172)	(902)	(1,867)
Long-term liabilities of U.S. nonbanks	180	89	687
Short-term liabilities of U.S. nonbanks	296	388	666
Other nonliquid U.S. liabilities[3]	−7	−28	130
Liquid			
Foreign commercial banks	2,697	1,262	3,382
Other private foreigners	212	413	368
International and regional institutions	−352	39	241
Foreign official agencies[4]	378	43	−50

[1] Excludes transactions for foreign official accounts and international and regional organizations.
[2] Excludes U.K. transactions in U.S. securities other than Treasury issues in 1966 and 1967.
[3] Long-term liabilities of U.S. commercial banks, and in 1968, $125 million of U.S. Government nonliquid securities purchased by German commercial banks.
[4] Liabilities of the U.S. Government other than reserve liabilities.

out of the French franc and sterling, by deposits of funds borrowed abroad by U.S. companies but not yet used for direct investment, and possibly, by the cessation of foreign private gold purchases from the gold pool after March. At times foreign monetary authorities encouraged the flow of funds to the Euro-dollar market; the German central bank, for example, did so through preferential swap arrangements with German commercial banks.

CURRENT TRANSACTIONS

Last year the U.S. surplus on transactions in goods and services shrank to $2.0 billion and was at an annual rate of less than $1.0 billion in the final quarter. In the past this has been a strong sector of the U.S. balance of payments; in the 1963–65 period the average annual current-account surplus was $7.0 billion, but this fell to $5.0 billion in 1966–67.

Several elements of the current account continued to show gains last year. The most important, of course, was exports, which are discussed below. In addition, income from foreign investments, plus fees and royalties from foreign affiliates of U.S. companies, rose by about $1.0 billion, or 12 per cent, from 1967 to 1968, reflecting both the larger amount invested and probably also improved rates of return as business activity picked up abroad. About half of this increase in investment income was offset, however, by larger payments of income to

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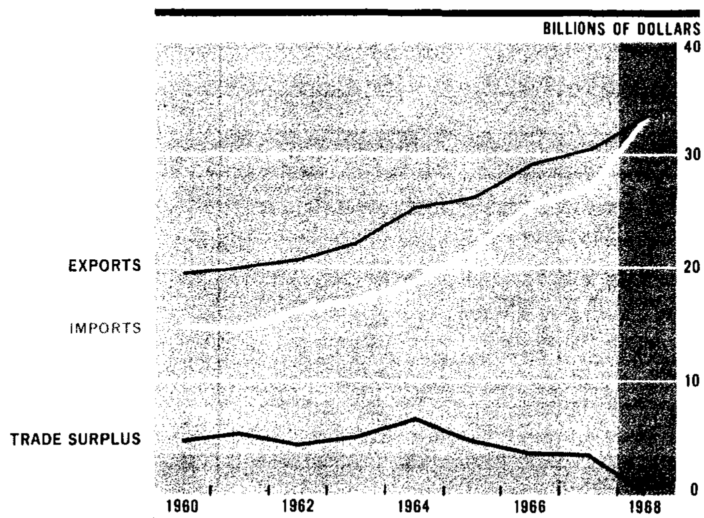
foreigners. The rise in U.S. interest rates had an immediate impact because a large part of foreign-owned claims on the United States have short maturities.

There was also a small improvement in the balance of tourist expenditures, reflecting primarily a return to the normal level of expenditures in Canada after the surge connected with EXPO-67.

Military expenditures continued to be a major drain; though the increase in 1968 was relatively small at about $200 million, the total stood at $4.6 billion. Some of this is recouped through military sales, which gained close to $200 million in the year but totaled only $1.4 billion.

Taken together, the nontrade components of the current account showed a year-to-year improvement of about $0.6 billion, but this was completely overshadowed by a $3.4 billion decline in the balance on merchandise trade.

2 | As IMPORTS grow much faster than EXPORTS, trade surplus shrinks



Merchandise trade. The major factor in the worsened trade performance last year was the 23 per cent year-to-year increase in the value of **imports.** Measured from the second half of 1967 to the second half of 1968 the increase was 25 per cent. A year earlier—that is, from the second half of 1966 to the second half of 1967—imports had advanced by about 3 per cent. The comparison shows quite clearly the differential results of the sharp cyclical rise that started late in 1967 as compared with the earlier slowdown in domestic economic activity in the first half of 1967.

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The extraordinarily large rise in imports last year resulted primarily from the very strong expansion in aggregate demand, as the current value of gross national product increased by 9 per cent. Also at work was the continuing long-term shift in the composition of U.S. imports away from food and industrial materials toward more finished goods. It is in the latter category of commodities that foreign suppliers have been most successful in penetrating the domestic market and claiming an increasing share of U.S. expenditures.

Even when those imports that increased sharply last year because of strikes or other special circumstances, that is, steel, copper, and cars from Canada, are excluded, the rise in imports from 1967 to 1968 was still exceptionally high—nearly 20 per cent—the greatest year-to-year change since the Korean war.

The pace of the import expansion changed within the year. Total imports expanded at an annual rate of 37 per cent from the second half of 1967 to the first half of 1968. This large increase probably reflected not only the great surge of demand and output in the domestic economy but also some apprehension by foreign traders that the United States might impose impediments on imports, widely discussed at that time, and possibly also some initial effects of the first phase of the Kennedy Round of tariff reductions, which became effective on January 1, 1968. The rise in imports slowed to a 10 per cent annual rate between the two halves of the year. After adjustment for high steel and copper imports in the first half, however, the rate of increase from the first to the second half of the year would have been about 15 per cent, much higher than the 9 per cent average annual rate of growth from 1960 to 1967.

With imports in 1968 rising nearly 2½ times as fast as domestic expenditures, the ratio of imports to GNP reached a peak 3.9 per cent for the year, compared with 3.4 per cent in 1966 and 1967 and 3 per cent in 1960–64. A similar jump in the import/GNP ratio occurred in 1951 during the Korean war as the domestic capacity-utilization rate in manufacturing at that time approached 95 per cent. Last year, however, the strong growth in imports was accompanied by a capacity-utilization rate of only about 85 per cent, though there was a squeeze on manpower as the unemployment rate fell to 3.6 per cent.

It appears that imports are not merely the marginal or supplemental items required when domestic supplies are insufficient to meet demand, but that they have become a permanent

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and increasing share of the total supply in certain product lines. Last year—for the first time—imports of finished manufactures reached about one-half of total imports. In 1960 such goods were only about a third of the total. Long-term uptrends in the import share of domestic expenditures for the major components of finished manufactures—automobiles, other nonfood consumer goods, and capital equipment—continued in 1968. The greatest rate of increase—60 per cent—was in imports of automobiles, both the U.S. types made in Canada and the foreign types imported from Europe and Japan. Imports of other consumer goods in 1968—even without adjustment up to retail value—accounted for nearly 4 per cent of total domestic expenditures on these items, nearly double the ratio in 1960. The large advance in such imports can be attributed partly to the attractive style and design of foreign products, and partly to sharp increases in domestic demand and prices.

The 20 per cent increase in purchases of foreign capital equipment in 1968 was nearly triple the rate of increase in total domestic expenditures for producers' durables. The share of imports in these total capital outlays was about 5.5 per cent in

TABLE 5

U.S. IMPORTS OF PRINCIPAL COMMODITIES, BY AREAS

Percentage distribution unless otherwise indicated

Commodity groups		Total all countries (billions of dollars)	Major industrial countries					All other countries
			Total	Canada	Western Europe		Japan	
					U.K.	Other		
Total imports[1]	1965	21.5	63	23	7	22	11	37
	1966	25.5	66	24	7	23	12	34
	1967	26.8	68	26	6	24	11	32
	1968	33.1	70	27	6	24	12	30
Foods and industrial materials	1965	14.9	52	26	4	15	7	48
	1966	16.6	53	25	4	16	8	47
	1967	16.4	55	26	4	17	7	45
	1968	19.3	57	26	5	18	8	43
Iron and steel	1965	1.3	97	8	7	40	42	3
	1966	1.3	96	9	7	36	44	4
	1967	1.4	96	9	7	40	41	4
	1968	2.2	95	10	7	37	40	5
Capital goods, automotive vehicles and parts, and other nonfood consumer goods	1965	5.7	89	12	14	41	22	11
	1966	8.0	90	19	13	38	21	10
	1967	9.2	89	25	10	35	19	11
	1968	12.5	89	27	9	34	19	11
Automotive vehicles and parts	1965	.1	100	26	12	58	4	(2)
	1966	1.9	100	48	7	41	4	(2)
	1967	2.6	100	61	5	30	4	(2)
	1968	4.3	100	61	4	29	6	(2)

1 Census basis. The groups shown do not add to total because miscellaneous imports, such as the return of goods previously exported and military items, are omitted.

2 Less than 0.5 per cent.

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1968, almost double the 3 per cent share of 5 years ago. Imports of electrical machinery were particularly heavy, reflecting with a lag the surge in public utility investment that began around the end of 1966.

Purchases of food and industrial materials, other than steel and copper, increased in 1968 by 15 per cent. Neither the ratio of imported foodstuffs to total domestic food expenditures nor the ratio of imported industrial materials—other than steel and copper—to total final sales of goods has shown much long-term increase. Imports of materials, however, have varied more than proportionately with cyclical variations in the domestic economy.

The trend toward a larger share of finished products in the commodity composition of imports is reflected in shifts in the geographic distribution of our imports (Table 5). In the early 1960's when food and industrial materials were a larger portion of total imports, the less-developed countries provided about 40 per cent of all U.S. imports; in 1968 their share was a little over 25 per cent. Japan is now second only to Canada as a supplier of goods to the United States, accounting for over 12 per cent of total imports in 1968, while Western Europe's share is 30 per cent. The increase in Canada's share reflects the growth in automobile trade resulting from the Automotive Agreement of 1965.

In 1968, **exports** did well, gaining nearly 10 per cent in value, in response to the general upswing in world demand. This was considerably more than the average 6.5 per cent annual increase between 1960 and 1967. The expansion of exports last year was entirely in shipments of nonagricultural products, particularly manufactured goods. The value of exports of agricultural products dipped slightly as food grain crops reached record amounts in both importing and supplying countries.

In the earlier part of 1968 increased deliveries of commercial transport planes and automobiles and parts—the latter largely to Canada—accounted for the bulk of the gain in exports of nonagricultural commodities; the advance in the second half of the year was more broadly based and included larger shipments of machinery, chemicals, and nonfood consumer goods. By areas, the direction of export expansion also shifted in the second half of 1968, with the less developed countries accounting for less of the increase and Western Europe, particularly the European Economic Community (EEC), accounting for more. Sales to Japan expanded further but exports to Canada, aside from automobile deliveries, remained sluggish.

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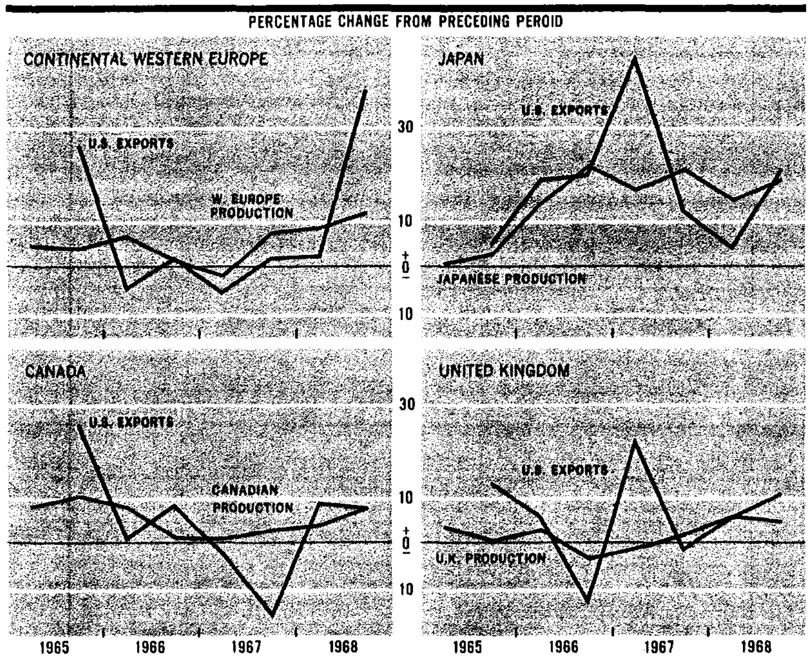
3 | U.S. nonagricultural EXPORTS to principal foreign markets are related to INDUSTRIAL PRODUCTION



For notes see p. 308.

Changes in the pattern of growth in U.S. exports to major areas appear to be roughly consistent with changes in current economic conditions in those markets, after taking account of the special factors affecting aircraft sales, exports of autos to Canada, and agricultural commodities. During the period covered in Chart 3, 1965–68, the swings in our exports to these areas seem to parallel changes in their business activity, though for a number of reasons the amplitudes of the export changes vary considerably from those for foreign output and other economic indicators during short periods.

The countries of *continental Western Europe* customarily account for between 25 and 30 per cent of total U.S. nonmilitary merchandise sales abroad. Exports to this area expanded by about 10 per cent from 1967 to 1968 after showing no gain in 1967, responding to a marked upturn in economic activity in these countries last year after a pause in 1966–67. Last year shipments of agricultural products fell by more than 5 per cent as harvests abroad improved, but this drop was more than offset by a 15 per cent rise for nonagricultural goods, a larger advance proportionately than to any other area. Deliveries of civilian aircraft and other nonagricultural exports—machinery, chemicals, and consumer goods—advanced sharply. The increase in

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shipments of nonagricultural commodities—other than aircraft —was particularly strong in the second half of 1968, when such exports were more than 20 per cent greater than in the first half.

About 40 per cent of U.S. nonagricultural exports to continental Western Europe consist of machinery; 45 per cent are industrial materials (chemicals, paper products, copper, fuels); consumer products account for less than 15 per cent. It is the strong weight of industrial products, notably machinery, that makes U.S. exports to this area particularly susceptible to changes in European industrial activity, and especially to changes in investment outlays and demand for durable goods.

From Chart 3, it can be observed that the changes in U.S. nonagricultural exports—other than aircraft—to these European countries parallel movements in their industrial production. As business activity in Europe slackened in 1966 and the first half of 1967, U.S. nonagricultural exports dropped. With the strengthening in economic activity beginning in mid-1967, our exports to these countries also began to increase, but more moderately and with some delay, as industrial capacity remained ample. It was only in the second half of 1968, when industrial output in the EEC countries spurted sharply—adjusted for the effects of the May strikes in France—that our exports accelerated. Possibly also contributing to this strong advance were shipments postponed so as to arrive after July 1, when 40 per cent of the Kennedy Round of tariff reductions became effective in those countries. As output is still rising rapidly in Europe and demand pressures on European industrial and labor resources are expected to be strong in 1969, U.S. exports to this area can be expected to advance significantly again this year.

U.S. exports to the *United Kingdom* expanded by 5 per cent from 1967 to 1968, about the same rate as a year earlier. Here too there was a drop in exports of agricultural products and a substantial rise in nonagricultural exports, especially in aircraft, chemicals, and machinery. The last item accounts for over 40 per cent of total U.S. shipments of nonagricultural commodities—other than aircraft—to the United Kingdom.

Our share in the U.K. market has improved steadily from 10.5 per cent of total U.K. imports in 1963 to 13.5 per cent last year. However, the increase in the U.S. share is below the gain scored by the EEC countries, particularly Germany. Apparently the sources of U.K. imports have shifted away from Canada

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and the less developed countries toward the United States and Europe.

Measures taken by the British Government to curb consumption and reduce imports make it likely that U.S. exports to the United Kingdom this year may not be so buoyant as they were last year. However, the projected high rate of U.K. business investment in 1969 may still provide support for machinery exports.

In 1968, U.S. exports to *Japan* of agricultural and other products each increased by about 10 per cent, but the U.S. share of Japanese imports continued to fall off. From 35 per cent in 1960 the U.S. share, though still large, was reduced to 27 per cent last year.

The composition of our exports to Japan may be an important factor in explaining the relatively poor performance of our exports over the years. The bulk of our nonagricultural shipments to Japan consists of industrial materials—coal, scrap iron, and logs are important examples—rather than machinery. The small proportion of machinery may in part be a consequence of Japanese import controls on heavy electrical equipment and electronic computers, which elsewhere are important export items for the United States.

Swings in U.S. nonagricultural exports to Japan have been large relative to changes in Japanese industrial production recently; the extraordinary rise in 1967 was probably related to heightened demand pressures in Japan, including a large increase in inventories. In 1969, U.S. exports to Japan may show a greater rate of increase than in 1968 as a result of Japan's improved balance of payments position and the relaxation of monetary restraints last summer.

U.S. exports to *Canada* are only loosely related to concurrent changes in Canadian industrial output. This probably reflects the fact that a considerable part of our exports is also influenced strongly by the investment activity in Canada of U.S. corporations, and the timing of their investment outlays is not necessarily related to current levels of Canadian business activity.

The bulk of the 12 per cent increase from 1967 to 1968 in total U.S. exports to Canada consisted of automobiles and parts, and civilian aircraft. Shipments of other nonagricultural products, principally chemicals and consumer goods, advanced by less than 5 per cent. Machinery exports, which regularly account

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for nearly one-half of nonagricultural exports (other than cars and aircraft), failed to expand for the first time since 1961 as Canadian plant and equipment expenditures declined. Our share of Canadian imports, except for automotive products, has not changed significantly since 1960, remaining at about 65 per cent.

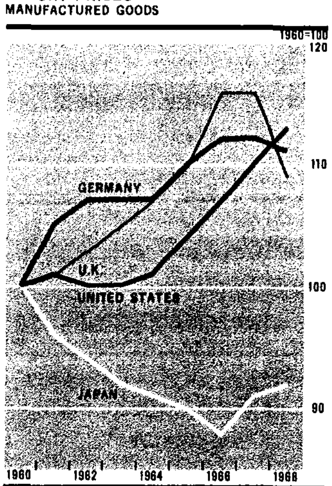
U.S. exports to the *less developed countries* expanded in 1968 by over 8 per cent. Shipments to Latin America were nearly 15 per cent larger than in 1967, while shipments to the developing countries in Asia and Africa rose only 5 per cent. The upturn in our exports to Latin America last year was supported by increased U.S. direct investments and U.S. Government credits.

Agricultural exports—largely under aid programs—make up about one-third of our exports to the developing countries of Asia and Africa. Deliveries of wheat to India and Pakistan were reduced as a result of their improved harvests last year, and total agricultural exports to this region dipped below those of 1967. The major increase in exports of nonagricultural goods was in civilian aircraft.

Competitive position. The U.S. index of unit values of manufactured goods exports—giving an approximate measure of average prices—increased by nearly 8 per cent from 1965 to 1968 after changing very little between 1960 and 1964. In contrast, export prices of Germany, a major competitor, have increased only slightly since 1965, and only a moderate rise was recorded for Japan and Italy. The devaluation of sterling in late 1967 succeeded in rolling back the dollar equivalent of British export prices to below those of 1965. Despite these sharp disparities in price movements between the United States and other countries, our over-all share of total exports to markets other than the United States has shown little year-to-year variation since 1965, averaging about 19 per cent. This, however, is below the more than 20 per cent average from 1960 to 1964.

For various categories of manufactures, however, there have been sizable shifts. Our shares in exports of commercial aircraft and of automobiles and parts have risen (the latter reflecting the effects of the 1965 Automotive Agreement with Canada). Our relative share in chemicals deteriorated from 1965 to 1967 but recovered in 1968 to about that in 1965–66, and the share of adjusted world exports of electrical machinery has changed little in the last 3 years. There has been a further worsening of our position in nonelectric machinery and the "all other" group —largely consumer goods and semifinished industrial products

EXPORT PRICES
MANUFACTURED GOODS



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such as paper products, metal manufactures, and textile materials—and in 1968, our shares in exports of these two broad categories were significantly less than in 1964.

In general, the U.S. export picture in recent years seems to be a mixture of some signs of strength for certain products, but slow or no progress in others. Whether the accentuation in recent years of the rise in U.S. prices relative to those of a number of other industrial countries will begin to have a greater effect on our export performance remains to be seen.

CURRENT DEVELOPMENTS

Measurement of the underlying state of affairs in the balance of payments this year will be complicated for some time by the effects of the dock strike and by the distortions resulting from the massive capital inflow in the last quarter of 1968. The latter factor should be taken into account in assessing the first-quarter-1969 results, and the two quarters should probably be averaged. One encouraging aspect has been the continued large volume in January and February of net foreign purchases of U.S. equity securities; the total for the 2 months was more than $600 million. Moreover, relatively high U.S. interest rates brought a major further increase of perhaps $3 billion in U.S. liabilities to foreign commercial banks during the first quarter.

Capital flows between the United States and other countries for the rest of the year will probably be influenced more by relative costs of funds than by the newly announced easing of the restraints on outflows of U.S. funds. U.S. corporate investors appear to have reduced their security offerings in the European market after February; this could reflect less receptivity for convertible debentures in view of a less buoyant stock market here, but it may also mean that many direct investors are using funds available from earlier borrowings or are using more funds from U.S. sources. The potential for the latter is very large, not only because the program ceiling has been raised from $2.6 billion in 1968 to $3.35 billion in 1968, but also as a result of the carryover into 1969 of well over $1.0 billion of investment "allowables" not used in 1968. It is in the area of the financing of direct investments that relative borrowing costs will be particularly influential.

Some additional potential for outflows of credit from banks and other financial institutions to foreigners also arises from the changes in the voluntary foreign credit restraints administered by the Federal Reserve, but if additional outflows occur they are

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expected to be used mainly to finance exports. The revision of the guidelines for financial institutions would theoretically permit an additional outflow of about $400 million—after deducting some attrition of outstanding credits to continental Europe—and there could be some additional outflow through reductions in the amount of unused leeway. Here again, the actual outflow will be limited by over-all credit conditions.

The reduction in the rate of the IET, dropping the yield differential imposed on taxable foreign securities to ¾ per cent from 1¼ per cent, is not likely to open the way for greatly increased purchases of foreign securities at current interest rates here and abroad.

Improvement in the trade balance depends importantly on the effectiveness with which fiscal and monetary policies are used to contain excessive demand pressures and price increases in the United States. A cooling off of aggregate demand would help, through both income–demand and price–cost effects, to dampen the rise in imports that distorted last year's pattern of international transactions. □

Notes to Charts:

Chart 1: The balances on goods and services and on goods alone exclude transfers under military grants. U.S. Government capital and grants are after deducting scheduled debt repayments and exclude military grants and pensions. U.S. private capital is before deduction of the use of any funds obtained through borrowing abroad. Foreign private capital excludes liabilities of U.S. banks to commercial banks abroad and excludes U.K. net transactions in U.S. corporate securities through 1967. The official settlements balance corresponds to Table 1, item 2; the adjusted over-all balance corresponds to Table 1, item 3.

Chart 3: The changes in U.S. nonagricultural exports are calculated from data in 1963 dollars and are adjusted to exclude automobile shipments to Canada and civilian aircraft exports. Foreign industrial production indexes are obtained from data published in OECD, *Main Economic Indicators*, March 1969. All changes are at seasonally adjusted annual rates.

EEC countries account for about 80 per cent of industrial production in continental Western Europe; EEC industrial production is used here to approximate continental Western European industrial production. The data have been adjusted to exclude the effects on industrial production of the disorders in France during the second quarter of 1968.

Margin chart (Export Prices on p. 306): The values shown represent the dollar equivalents of foreign currency prices for countries other than the United States. German export prices in dollars were affected by an upward revaluation in March 1961; U.K. prices were affected by a devaluation in November 1967.

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Staff Economic Studies

The research staffs of the Board of Governors of the Federal Reserve System and of the Federal Reserve Banks undertake studies that cover a wide range of economic and financial subjects, and other staff members prepare papers related to such subjects. In some instances the Federal Reserve System finances similar studies by members of the academic profession.

From time to time the results of studies that are of general interest to the economics profession and to others are summarized—or they may be printed in full—in this section of the BULLETIN.

In all cases the analyses and conclusions set forth are those of the authors and do not necessarily indicate concurrence by the Board of Governors, by the Federal Reserve Banks, or by the members of their staffs.

Single copies of the full text of each of the studies or papers summarized in the BULLETIN *are available in mimeographed form. The list of Federal Reserve Board publications at the back of each* BULLETIN *includes a separate section entitled "Staff Economic Studies" that enumerates the studies for which copies are currently available in that form.*

Study Summary

CHANGES IN BANK OWNERSHIP: THE IMPACT ON OPERATING PERFORMANCE

Paul F. Jessup—University of Minnesota

This paper was prepared under a research contract with the Federal Reserve Bank of Minneapolis during the summer of 1968.

Recent as well as proposed changes in the Nation's banking system have stimulated research relating to banking structure and operations. Such research can provide the basis for informed legislative consideration and regulatory decisions. Important previous studies (such as Lawrence's "The Performance of Bank Holding Companies" and Horvitz and Shull's "The Impact of Branch Banking on Bank Performance") generally conclude that banks acquired by registered bank holding companies or by branch systems subsequently have higher loan/asset ratios than similar independent banks. These studies also find that the acquired banks place more emphasis on consumer loans, usually have higher service charges on demand deposit accounts, and have higher expense ratios. To extend the scope of these research contributions, this study examines whether there are significant differences in the operating performance of banks after ownership changes among *individual* shareholders.

Based on specified premises of rational investment and managerial behavior, it is hypothesized that independent banks, after changes in control, will have significantly higher loan/asset ratios. Other operating changes are also predicted. To test the hy-

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potheses, banks in Minnesota with new majority ownership and new senior management during 1961-65 are identified, as are control groups of similar banks that did not experience such changes. Three samples and three control groups are thus identified. Before-and-after analysis for each set of banks is achieved by examining specified operating ratios in 1960 and 1966. The principal test is a statistical comparison of the mean ratios of the sets of banks, and the selected level of significance is 5 per cent.

The statistical tests confirm the hypothesis that significant differences in operating characteristics are associated with changes in bank ownership among individuals or groups of individuals. A major finding is that banks with new owner-managers generally have higher loan/asset ratios. Also such banks tend to place greater emphasis on consumer loans. At the same time these banks generally do not charge higher prices for their services, as measured by such ratios as (revenue on loans)/(total loans) and (service charges on deposit accounts)/(demand deposits). Recognizing certain limitations to the study, these findings provide important information for public policy. Several of the principal implications for bank regulatory agencies and State legislatures are specified in the conclusions of the study. □

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Quarterly Survey of Changes in Bank Lending Practices

Since late 1964, the Federal Reserve System has conducted quarterly surveys to obtain information from large commercial banks concerning changes in their nonprice lending policies and practices and their appraisal of current and anticipated demand for business loans. Initially, these surveys were conducted on an experimental basis and in light of this experience, the survey was later revised and placed on an established basis. The results of these surveys are published annually in the spring; the review of 1967 developments, together with a description of the survey, appeared in the April 1968 issue of the Federal Reserve BULLETIN. Summary statistics covering the four surveys in 1968 are included in this article.

Although Federal Reserve monetary policy had begun to move toward restraint in late 1967, loan demands at banks early in 1968 were generally weak and most banks did not immediately firm their lending policies in response to the slightly reduced availability of funds. Only about one-third of the respondent banks in the February survey indicated that they had raised interest rates on loans to business borrowers, which in many cases probably reflected the prime rate increase in November 1967. Moreover, only a very few banks stiffened nonprice lending terms and conditions across the board, although somewhat more of these banks did indicate firming of selected policies, such as those regarding compensating balances and loans to new and nonlocal customers.

In the spring, however, loan demands by businesses picked up substantially—in response to increased tax payments and a more rapid rate of inventory accumulation—while the availability of funds to banks was curtailed sharply further by monetary policy. Consequently, most banks took significant measures to tighten their lending policies. Well over 90 per cent of the respondent banks in the May survey indicated that they had raised interest rates on loans to nonfinancial businesses and 50 to 60 per cent had raised interest rates on loans to finance companies. About two-thirds of the respondents also had firmed policies with respect to compensating balance requirements on loans to nonfinancial businesses, while about one-fourth tightened these requirements on loans to finance companies. Over half of the banks indicated greater reluctance to establish new or larger credit lines to finance companies and to grant loans to new or nonlocal customers. Moreover, with the exception of the continued willingness of most banks to make consumer instalment loans, from 20 to 30 per cent of the respondents tightened policies in all remaining areas covered by the survey. Historically, consumer instalment loans have been among the most profitable categories of bank lending and among the last to feel the impact of monetary restraint.

Banks generally continued to maintain restrictive lending policies through the summer, even though Federal Reserve monetary policy became more accommodative following enactment by Congress of fiscal restraint measures in late June, which were anticipated to have a marked slowing effect on economic activity in the coming months. Although inflows of funds to banks improved during the summer, loan demands continued

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to be strong. Thus, while a few banks indicated in the August survey that they had changed their policies—some toward ease and others toward restraint—the overwhelming majority reported that their policies remained essentially unchanged from those in effect 3 months earlier, which generally had been restrictive.

However, economic and financial developments over the fall and early winter led some banks to tighten further their lending policies. When it became apparent that the impact of the fiscal restraint program was not going to be felt so quickly as had been anticipated, Federal Reserve monetary policy again moved toward restraint. Meanwhile, loan demands—which had been strong since spring—strengthened further, probably reflecting the financing of working capital needs associated with increased plant

QUARTERLY SURVEY—FEBRUARY 1968

CHANGES IN BANK LENDING PRACTICES AT SELECTED LARGE BANKS: POLICY ON FEBRUARY 15, 1968, COMPARED WITH POLICY 3 MONTHS EARLIER

Number of banks; figures in parentheses indicate percentage distribution of total banks reporting

Item	Total	Much stronger	Moderately stronger	Essentially unchanged	Moderately weaker	Much weaker
Strength of demand for commercial and industrial loans:[1]						
Compared with 3 months earlier	125 (100.0)	....	21 (16.8)	73 (58.4)	30 (24.0)	1 (.8)
Anticipated in next 3 months	124 (100.0)	1 (.8)	64 (51.6)	56 (45.2)	3 (2.4)	....
	Total	**Much firmer policy**	**Moderately firmer policy**	**Essentially unchanged**	**Moderately easier policy**	**Much easier policy**
Loans to nonfinancial businesses:						
Terms and conditions:						
Interest rates charged	125 (100.0)	6 (4.8)	37 (29.6)	82 (65.6)	....	....
Compensating or supporting balances	124 (100.0)	3 (2.4)	18 (14.5)	102 (82.3)	1 (.8)	....
Standards of creditworthiness	124 (100.0)	1 (.8)	9 (7.3)	113 (91.2)	1 (.8)	....
Maturity of term loans	124 (100.0)	2 (1.6)	9 (7.3)	104 (83.9)	8 (6.5)	1 (.8)
Practice concerning review of credit lines or loan applications:						
Established customers	125 (100.0)	....	2 (1.6)	120 (96.0)	3 (2.4)	....
New customers	124 (100.0)	2 (1.6)	22 (17.7)	89 (71.8)	11 (8.9)	....
Local service area customers	120 (100.0)	....	3 (2.5)	111 (92.5)	6 (5.0)	....
Nonlocal service area customers	121 (100.0)	2 (1.7)	21 (17.4)	89 (73.6)	9 (7.4)	....
Factors relating to applicant:[2]						
Value as depositor or source of collateral business	125 (100.0)	4 (3.2)	22 (17.6)	97 (77.6)	2 (1.6)	....
Intended use of the loan	125 (100.0)	1 (.8)	17 (13.6)	104 (83.2)	3 (2.4)	....
Loans to independent finance companies:[3]						
Terms and conditions:						
Interest rate charged	125 (100.0)	3 (2.4)	25 (20.0)	97 (77.6)	....	....
Compensating or supporting balances	125 (100.0)	1 (.8)	6 (4.8)	118 (94.4)	....	....
Enforcement of balance requirements	125 (100.0)	1 (.8)	15 (12.0)	109 (87.2)	....	....
Establishing new or larger credit lines	125 (100.0)	6 (4.8)	13 (10.4)	96 (76.8)	10 (8.0)	....
	Total	**Considerably less willing**	**Moderately less willing**	**Essentially unchanged**	**Moderately more willing**	**Considerably more willing**
Willingness to make other types of loans:						
Term loans to businesses	125 (100.0)	....	12 (9.6)	96 (76.8)	17 (13.6)	....
Consumer instalment loans	124 (100.0)	....	1 (.8)	94 (75.8)	27 (21.8)	2 (1.6)
Single-family mortgage loans	122 (100.0)	3 (2.5)	8 (6.6)	94 (77.0)	16 (13.1)	1 (.8)
Multifamily mortgage loans	122 (100.0)	3 (2.5)	11 (9.0)	103 (84.4)	5 (4.1)	....
All other mortgage loans	122 (100.0)	2 (1.6)	11 (9.0)	96 (78.7)	13 (10.7)	....
Participating loans with correspondent banks	125 (100.0)	....	5 (4.0)	104 (83.2)	15 (12.0)	1 (.8)
Loans to brokers	124 (100.0)	2 (1.6)	7 (5.6)	108 (87.1)	7 (5.6)	....

[1] After allowance for bank's usual seasonal variation.

[2] For these factors, firmer means the factors were considered to be more important in making decisions for approving credit requests, and easier means they were considered to be less important.

[3] "Independent," or "noncaptive," finance companies are finance companies other than those organized by a parent company mainly for the purpose of financing dealer inventory and carrying instalment loans generated through the sale of the parent company's products.

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and equipment expenditures. Thus, even though most banks indicated in the November survey that their lending policies still were unchanged, an appreciable number of respondents, particularly smaller banks where loan demands had increased more than at larger banks, had firmed their policies. This was true especially with regard to loans to new or nonlocal customers and the amount of emphasis placed on customer relationships in approving loan requests. On the other hand, about one-third of the banks indicated that they had reduced interest rates charged on loans to businesses and to finance companies, but these reductions generally had been in response to the September decline in the prime rate. Shortly after the November survey date, the prime rate was raised back to the pre-September level and then raised again in late December. □

QUARTERLY SURVEY—MAY 1968

CHANGES IN BANK LENDING PRACTICES AT SELECTED LARGE BANKS: POLICY ON MAY 15, 1968, COMPARED WITH POLICY 3 MONTHS EARLIER

Number of banks; figures in parentheses indicate percentage distribution of total banks reporting

Item	Total	Much stronger	Moderately stronger	Essentially unchanged	Moderately weaker	Much weaker
Strength of demand for commercial and industrial loans:[1]						
Compared with 3 months earlier	125 (100.0)	12 (9.6)	73 (58.4)	36 (28.8)	4 (3.2)	....
Anticipated in next 3 months	125 (100.0)	12 (9.6)	76 (60.8)	32 (25.6)	5 (4.0)	....
	Total	Much firmer policy	Moderately firmer policy	Essentially unchanged	Moderately easier policy	Much easier policy
Loans to nonfinancial businesses:						
Terms and conditions:						
Interest rates charged	125 (100.0)	40 (32.0)	77 (61.6)	8 (6.4)	....	....
Compensating or supporting balances	125 (100.0)	19 (15.2)	53 (42.4)	52 (41.6)	1 (.8)	....
Standards of creditworthiness	125 (100.0)	10 (8.0)	31 (24.8)	84 (67.2)	....	....
Maturity of term loans	125 (100.0)	15 (12.0)	26 (20.8)	84 (67.2)	....	....
Practice concerning review of credit lines or loan applications:						
Established customers	125 (100.0)	1 (.8)	34 (27.2)	90 (72.0)	....	....
New customers	125 (100.0)	34 (27.2)	47 (37.6)	44 (35.2)	....	....
Local service area customers	123 (100.0)	2 (1.6)	35 (28.5)	86 (69.9)	....	....
Nonlocal service area customers	123 (100.0)	30 (24.4)	40 (32.5)	53 (43.1)	....	....
Factors relating to applicant:[2]						
Value as depositor or source of collateral business	125 (100.0)	20 (16.0)	48 (38.4)	57 (45.6)	....	....
Intended use of the loan	124 (100.0)	21 (16.9)	34 (27.4)	69 (55.6)	....	....
Loans to independent finance companies:[3]						
Terms and conditions:						
Interest rate charged	124 (100.0)	18 (14.5)	57 (46.0)	49 (39.5)	....	....
Compensating or supporting balances	124 (100.0)	7 (5.6)	24 (19.4)	93 (75.0)	....	....
Enforcement of balance requirements	124 (100.0)	14 (11.3)	26 (21.0)	84 (67.7)	....	....
Establishing new or larger credit lines	124 (100.0)	28 (22.6)	38 (30.6)	58 (46.7)	....	....
	Total	Considerably less willing	Moderately less willing	Essentially unchanged	Moderately more willing	Considerably more willing
Willingness to make other types of loans:						
Term loans to businesses	125 (100.0)	19 (15.2)	43 (34.4)	63 (50.4)	....	....
Consumer instalment loans	124 (100.0)	1 (.8)	10 (8.1)	101 (81.5)	11 (8.9)	1 (.8)
Single-family mortgage loans	122 (100.0)	18 (14.8)	26 (21.3)	73 (59.8)	5 (4.1)	....
Multifamily mortgage loans	121 (100.0)	18 (14.9)	27 (22.3)	75 (62.0)	1 (.8)	....
All other mortgage loans	122 (100.0)	11 (9.0)	43 (35.2)	67 (54.9)	1 (.8)	....
Participating loans with correspondent banks	125 (100.0)	2 (1.6)	22 (17.6)	97 (77.6)	4 (3.2)	....
Loans to brokers	124 (100.0)	10 (8.1)	19 (15.3)	95 (76.6)	....	....

[1] After allowance for bank's usual seasonal variation.

[2] For these factors, firmer means the factors were considered to be more important in making decisions for approving credit requests, and easier means they were considered to be less important.

[3] "Independent," or "noncaptive," finance companies are finance companies other than those organized by a parent company mainly for the purpose of financing dealer inventory and carrying instalment loans generated through the sale of the parent company's products.

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QUARTERLY SURVEY—AUGUST 1968

CHANGES IN BANK LENDING PRACTICES AT SELECTED LARGE BANKS: POLICY ON AUGUST 15, 1968, COMPARED WITH POLICY 3 MONTHS EARLIER

Number of banks; figures in parentheses indicate percentage distribution of total banks reporting

Item	Total	Much stronger	Moderately stronger	Essentially unchanged	Moderately weaker	Much weaker
Strength of demand for commercial and industrial loans: [1]						
Compared with 3 months earlier	125 (100.0)	2 (1.6)	23 (18.4)	72 (57.6)	27 (21.6)	1 (.8)
Anticipated in next 3 months	124 (100.0)	....	26 (21.0)	72 (58.0)	26 (21.0)	....
	Total	**Much firmer policy**	**Moderately firmer policy**	**Essentially unchanged**	**Moderately easier policy**	**Much easier policy**
Loans to nonfinancial businesses:						
Terms and conditions:						
Interest rates charged	125 (100.0)	1 (.8)	9 (7.2)	106 (84.8)	9 (7.2)	....
Compensating or supporting balances	125 (100.0)	1 (.8)	9 (7.2)	111 (88.8)	4 (3.2)	....
Standards of creditworthiness	125 (100.0)	....	8 (6.4)	115 (92.0)	2 (1.6)	....
Maturity of term loans	125 (100.0)	....	7 (5.6)	113 (90.4)	5 (4.0)	....
Practice concerning review of credit lines or loan applications:						
Established customers	125 (100.0)	....	2 (1.6)	114 (91.2)	9 (7.2)	....
New customers	125 (100.0)	4 (3.2)	9 (7.2)	92 (73.6)	19 (15.2)	1 (.8)
Local service area customers	123 (100.0)	....	4 (3.3)	108 (87.8)	11 (8.9)	....
Nonlocal service area customers	123 (100.0)	4 (3.3)	17 (13.8)	94 (76.4)	7 (5.7)	1 (.8)
Factors relating to applicant: [2]						
Value as depositor or source of collateral business	125 (100.0)	3 (2.4)	15 (12.0)	105 (84.0)	2 (1.6)	....
Intended use of the loan	124 (100.0)	2 (1.6)	12 (9.7)	106 (85.5)	4 (3.2)	....
Loans to independent finance companies: [3]						
Terms and conditions:						
Interest rate charged	124 (100.0)	....	4 (3.2)	119 (96.0)	1 (.8)	....
Compensating or supporting balances	124 (100.0)	....	4 (3.2)	119 (96.0)	1 (.8)	....
Enforcement of balance requirements	123 (100.0)	1 (.8)	10 (8.1)	111 (90.3)	1 (.8)	....
Establishing new or larger credit lines	124 (100.0)	8 (6.5)	19 (15.3)	89 (71.7)	8 (6.5)	....
	Total	**Considerably less willing**	**Moderately less willing**	**Essentially unchanged**	**Moderately more willing**	**Considerably more willing**
Willingness to make other types of loans:						
Term loans to businesses	125 (100.0)	2 (1.6)	12 (9.6)	103 (82.4)	8 (6.4)	....
Consumer instalment loans	124 (100.0)	....	3 (2.4)	104 (83.9)	15 (12.1)	2 (1.6)
Single-family mortgage loans	121 (100.0)	1 (.8)	8 (6.6)	86 (71.1)	22 (18.2)	4 (3.3)
Multifamily mortgage loans	121 (100.0)	3 (2.5)	13 (10.7)	99 (81.8)	4 (3.3)	2 (1.7)
All other mortgage loans	121 (100.0)	2 (1.7)	14 (11.6)	93 (76.8)	11 (9.1)	1 (.8)
Participating loans with correspondent banks	125 (100.0)	1 (.8)	9 (7.2)	107 (85.6)	8 (6.4)	....
Loans to brokers	124 (100.0)	1 (.8)	13 (10.5)	104 (83.9)	6 (4.8)	....

[1] After allowance for bank's usual seasonal variation.

[2] For these factors, firmer means the factors were considered to be more important in making decisions for approving credit requests, and easier means they were considered to be less important.

[3] "Independent," or "noncaptive," finance companies are finance companies other than those organized by a parent company mainly for the purpose of financing dealer inventory and carrying instalment loans generated through the sale of the parent company's products.

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QUARTERLY SURVEY—NOVEMBER 1968

CHANGES IN BANK LENDING PRACTICES AT SELECTED LARGE BANKS: POLICY ON NOVEMBER 15, 1968, COMPARED WITH POLICY 3 MONTHS EARLIER

Number of banks; figures in parentheses indicate percentage distribution of total banks reporting

Item	Total	Much stronger	Moderately stronger	Essentially unchanged	Moderately weaker	Much weaker
Strength of demand for commercial and industrial loans:[1]						
Compared with 3 months earlier	125 (100.0)	3 (2.4)	42 (33.6)	67 (53.6)	13 (10.4)	....
Anticipated in next 3 months	125 (100.0)	....	36 (28.8)	79 (63.2)	10 (8.0)	....
	Total	**Much firmer policy**	**Moderately firmer**	**Essentially unchanged**	**Moderately easier**	**Much easier**
Loans to nonfinancial businesses:						
Terms and conditions:						
Interest rates charged	125 (100.0)	....	9 (7.2)	73 (58.4)	43 (34.4)	....
Compensating or supporting balances	125 (100.0)	....	14 (11.2)	110 (88.0)	1 (.8)	....
Standards of creditworthiness	125 (100.0)	1 (.8)	5 (4.0)	119 (95.2)	....	....
Maturity of term loans	125 (100.0)	1 (.8)	4 (3.2)	117 (93.6)	3 (2.4)	....
Practice concerning review of credit lines or loan applications:						
Established customers	125 (100.0)	....	2 (1.6)	119 (95.2)	4 (3.2)	....
New customers	125 (100.0)	1 (.8)	18 (14.4)	95 (76.0)	11 (8.8)	....
Local service area customers	123 (100.0)	....	2 (1.6)	114 (92.7)	7 (5.7)	....
Nonlocal service area customers	123 (100.0)	3 (2.4)	22 (17.9)	92 (74.8)	6 (4.9)	....
Factors relating to applicant:[2]						
Value as depositor or source of collateral business	125 (100.0)	3 (2.4)	18 (14.4)	103 (82.4)	1 (.8)	....
Intended use of the loan	125 (100.0)	1 (.8)	12 (9.6)	107 (85.6)	5 (4.0)	....
Loans to independent finance companies:[3]						
Terms and conditions:						
Interest rate charged	125 (100.0)	....	1 (.8)	90 (72.0)	34 (27.2)	....
Compensating or supporting balances	125 (100.0)	....	3 (2.4)	122 (97.6)	....	....
Enforcement of balance requirements	125 (100.0)	1 (.8)	3 (2.4)	121 (96.8)	....	....
Establishing new or larger credit lines	125 (100.0)	4 (3.2)	13 (10.4)	97 (77.6)	11 (8.8)	....
	Total	**Considerably less willing**	**Moderately less willing**	**Essentially unchanged**	**Moderately more willing**	**Considerably more willing**
Willingness to make other types of loans:						
Term loans to businesses	125 (100.0)	....	9 (7.2)	106 (84.8)	10 (8.0)	....
Consumer instalment loans	124 (100.0)	....	3 (2.4)	98 (79.1)	22 (17.7)	1 (.8)
Single-family mortgage loans	122 (100.0)	....	7 (5.7)	104 (85.3)	10 (8.2)	1 (.8)
Multifamily mortgage loans	122 (100.0)	1 (.8)	11 (9.0)	103 (84.5)	7 (5.7)	....
All other mortgage loans	122 (100.0)	1 (.8)	8 (6.6)	106 (86.9)	7 (5.7)	....
Participating loans with correspondent banks	125 (100.0)	....	6 (4.8)	113 (90.4)	6 (4.8)	....
Loans to brokers	123 (100.0)	2 (1.6)	5 (4.1)	111 (90.2)	5 (4.1)	....

[1] After allowance for bank's usual seasonal variation.

[2] For these factors, firmer means the factors were considered to be more important in making decisions for approving credit requests, and easier means they were considered to be less important.

[3] "Independent," or "noncaptive," finance companies are finance companies other than those organized by a parent company mainly for the purpose of financing dealer inventory and carrying instalment loans generated through the sale of the parent company's products.

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Revised Guidelines

For Banks and Nonbank Financial Institutions

Effective April 4, 1969, the Board of Governors of the Federal Reserve System issued revised 1969 guidelines covering foreign credits and investments by U.S. banks and other financial institutions. The revisions, which are given below, represent a modification of earlier announced guidelines and are designed to permit additional flexibility to finance U.S. exports and to resolve some serious equity problems.

The Voluntary Foreign Credit Restraint Program (VFCR) is one of several elements in the Government's over-all program to strengthen the U.S. balance of payments position.

Under the revised guidelines, a bank will either retain its present ceiling on foreign lending or adopt a new ceiling equal to 1½ per cent of its total assets as of December 31, 1968. This formula will permit a modest increase of $400 million in the foreign lending ceilings for banks which stood at $9.7 billion at the end of last year.

For nonbank financial institutions—such as insurance companies, mutual funds, finance companies, and bank trust departments—the ceiling on foreign assets will be restored to 100 percent of the end-of-1967 base. The ceiling had earlier been continued at 95 per cent of that base for the current year. This modification—designed primarily to simplify administration of the program—will increase the ceiling for nonbank financial institutions by an estimated $40 million during 1969. At the end of last year investments by nonbank financial institutions covered by the guidelines amounted to $1.4 billion.

At the time the revised guidelines were announced, Governor Andrew F. Brimmer, who administers the program in behalf of the Board of Governors, said that the banks had an unused leeway of $475 million at the end of 1968. Thus the revision would potentially allow banks to increase their existing level of credits to foreigners by about $875 million. It is expected that the full potential will not be used, and a substantial leeway will continue to be maintained. Furthermore, the potential increase will be lessened slightly as bank ceilings continue to be progressively reduced by the amount of repayments of term loans to residents of developed countries of continental Western Europe.

The program has been in force since February 1965 and was last revised in December of last year when guidelines for 1969 were issued. In considering the program at that time, the Board concluded that the balance of payments prospects for 1969 did not permit any basic change in VFCR. Yet, in view of the need to improve the trade balance, the Board said it planned to re-examine the program early in 1969 to determine whether additional flexibility for financing U.S. exports might be provided in the guidelines.

As part of that review, Governor Brimmer has held a series of seven regional meetings throughout the country at the Federal Reserve Banks of Boston, New York, Philadelphia, Atlanta, Chicago, Dallas, and San Francisco. Representatives of other Federal Reserve Banks and of the reporting commercial banks and other financial institutions participated in these meetings.

Governor Brimmer also said it had be-

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come apparent as the regional meetings progressed that some additional flexibility in the guidelines was needed to finance U.S. exports and to reduce inequities among banks of different size inherent in the VFCR program. The financing of U.S. exports under the VFCR refers to credits extended by the banks to foreigners to finance purchases from the United States. The program does not affect credits to American producers and exporters to finance U.S. exports.

Under the guidelines issued last December 23, the 1969 ceiling on foreign credit extensions by banks remained at the level specified in the guidelines, as adjusted, of one year earlier. For about one-half of the approximately 160 reporting banks (accounting for more than 90 per cent of the aggregate ceiling), this was essentially 103 per cent of the 1964 base. For the remainder of the reporting banks, the ceiling was the 1967 ceiling plus one-third of the difference between that amount and 2 per cent of total assets as of December 31, 1966.

I. General Purpose

In order to help to strengthen the U.S. balance of payments, U.S. financial institutions are asked to continue to restrain their foreign loans and investments.

II. Banks

A. Ceiling Restraints

1. *Basic Restraint*

A bank should not hold claims on foreigners (defined in G-2 below) at any time in excess of its ceiling, as determined in 2 below, except for temporary overages as the result of the extension of export credit.

2. *Ceiling*

The foreign lending guideline amount (hereafter, "ceiling") for a bank that has been reporting under previous Federal Reserve foreign credit restraint guidelines is the larger of:

a. the ceiling it was expected to observe on December 31, 1968, under the guidelines in existence on that date; or

b. 1½ per cent of its total assets as of December 31, 1968.

3. *Special Ceiling:*

a. A bank that, on December 31, 1968, had outstanding claims on foreigners of less than $500,000 and that has no special ceiling under previous guidelines may discuss with the Federal Reserve Bank in its District the possibility of adopting a special ceiling adequate to permit the bank to meet reasonable credit demands of existing customers or other reasonable credit demands originating in its normal trade area.

b. In discussing the ceiling of such a bank, the Federal Reserve Bank will take into account the bank's previous experience with foreign transactions, including acceptance of foreign deposits or handling foreign collections, and other circumstances concerning prospects for the bank's engaging in foreign transactions.

4. *Priority Credits:*

a. Within its ceiling, and as among all types of credit to foreigners, a bank should give first priority to credits to finance exports of U.S. goods (hereafter "export credits") and second priority to credits to developing countries.

b. Export credits that result in sales taking place on credit rather than, in the absence of such credits, on the basis of cash are not to be considered as priority credits.

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5. *Western Europe:*

a. *Term Loans.* Banks should not make new term loans (loans with maturities of over one year) to residents of developed countries of continental Western Europe, except to finance U.S. exports. A bank's ceiling should be reduced each month by the dollar amount of any repayments it receives on term loans to such residents outstanding on December 31, 1967.

b. *Short-term credits.* Banks should hold the amount of short-term credits (credits with original maturities of one year or less) to residents of these countries to not more than 60 per cent of the amounts of such credits outstanding on December 31, 1967.

6. *Equity Investments*

Equity investments, including those in developed countries of continental Western Europe, may be made within a bank's ceiling, subject to requirements of the Board of Governors.

7. *Sale of Foreign Assets*

Any bank that sells a claim on a foreigner that is subject to these restraints, without recourse, (a) to a U.S. resident other than a financial institution participating in the Federal Reserve credit restraint program or other than a direct investor subject to the controls administered by the Department of Commerce or (b) to the Export-Import Bank should reduce its ceiling by an equivalent amount.

8. *Total Assets*

For the purpose of calculating a ceiling under A-2-b above, total assets are those shown in the Official Report of Condition, submitted to the relevant supervisory agency, as of December 31, 1968.

B. Exclusions

1. *Canada*

These guidelines are not to restrain the extension of credit to residents of Canada. For the purpose of determining the aggregate amount of a bank's outstanding claims on foreigners, any net increases in claims on residents of Canada after February 29, 1968, should be deducted from total claims on foreigners, and any net reductions in claims on residents of Canada after February 29, 1968, should be added to total claims on foreigners.

2. *Certain Guaranteed and Insured Loans*

Loans to finance U.S. exports that either are guaranteed, or participated in, by the Export-Import Bank, or guaranteed by the Department of Defense, or are insured by the Foreign Credit Insurance Association are exempt from these credit restraints.

C. Temporary Overages

1. A bank would not be considered as acting inconsistently with the purpose of the guidelines if it temporarily exceeded its ceiling as the result of the extension of an export credit.

2. Such a bank should, however, refrain from making new extensions of nonpriority credits so as to reduce its claims on foreigners to an amount within the ceiling as quickly as possible. It should also take every opportunity to withdraw or reduce commitments, including credit lines, that are not of a firm nature and to assure that drawings under credit lines are kept to normal levels and usage. At time of renewal, each credit line should be reviewed for consistency with the program.

3. A bank whose foreign credits are in excess of the ceiling will be invited periodically to discuss with the appropriate Federal Reserve Bank the steps it has taken and proposes to take to reduce its credits to a level within the ceiling.

D. Applicability to Financial Institutions

1. *General*

The guidelines are applicable to all U.S.

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banks (exclusive of the trust departments of commercial banks, which should follow the guidelines for nonbank financial institutions) and to "Edge Act" and "Agreement" Corporations.

2. *Edge Act and Agreement Corporations:*

a. Edge Act or Agreement Corporations that, under previous guidelines, adopted a ceiling separate from those of their parent banks may continue to be guided by a separate ceiling or may combine their foreign loans and investments with those of their parent banks.

b. No special ceilings are provided for Edge Act or Agreement Corporations established after March 3, 1965. An Edge Act or Agreement Corporation which has been established after March 3, 1965, as a subsidiary of one bank should share the ceiling of the respective parent bank. An Edge Act or Agreement Corporation which has been formed after March 3, 1965, and is a subsidiary of two or more banks (not associated in a bank holding company) may be assigned a share or shares of the ceilings of its parent banks. Any contemplated reallocations of ceilings to the Edge Act or Agreement Corporation should be discussed with the Federal Reserve Bank of the District in which the bank desiring to make the transfer is located.

3. *Bank Holding Companies:*

a. A registered bank holding company will be treated as a bank for the purpose of these guidelines.

b. Banks and Edge Act or Agreement Corporations which are owned by a registered bank holding company may consolidate the ceilings of one or more banks in the group.

4. *Foreign Branches of U.S. Banks:*

a. The guidelines are not designed to restrict the extension of foreign credits by foreign branches of U.S. banks if the funds utilized are derived from foreign sources and do not add to the outflow of capital from the United States.

b. Total claims of a bank's domestic offices on its foreign branches (including permanent capital invested in, as well as balances due from, such branches) represent bank credit to foreigners for the purposes of the program.

E. Conformity with Objectives of Guidelines

1. *Department of Commerce Program and Nonbank Financial Institutions Guidelines*

Banks should avoid making loans that would directly or indirectly enable borrowers to use funds abroad in a manner inconsistent with the Department of Commerce program or with the guidelines for nonbank financial institutions.

2. *Substitute Loans*

Banks should not extend to U.S. subsidiaries and to branches of foreign companies loans that otherwise might have been made by the banks to the foreign parent or other affiliate of the company or that normally would have been obtained abroad.

3. *Management of Liquid Assets*

A bank should not place its own funds abroad (other than in Canada) for short-term investment purposes, whether such investments are payable in foreign currencies or in U.S. dollars. Banks need not, however, reduce necessary working balances held with foreign correspondents.

4. *Transactions for Customers*

While recognizing that it must follow a customer's instruction, a bank should discourage customers from placing liquid funds outside the United States, except in Canada. A bank should not place with a customer foreign obligations that, in the absence of

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the guidelines, it would have acquired or held for its own account.

5. *U.S. Branches and Agencies of Foreign Banks*

Branches and agencies of foreign banks located in the United States are requested to act in accordance with the spirit of these guidelines.

F. Reporting

Each bank that is eligible for a ceiling under these guidelines should file a Monthly Report on Foreign Claims (Form FR 391/69.1) with the Federal Reserve Bank in the District in which the bank is located. (Forms are available at the Federal Reserve Banks.)

G. Definitions

1. "Foreigners" include: individuals, partnerships, and corporations domiciled outside the United States, irrespective of citizenship, except their agencies or branches located within the United States; branches, subsidiaries, and affiliates of U.S. banks and other U.S. corporations that are located in foreign countries; and any government of a foreign country or official agency thereof and any official international or regional institution created by treaty, irrespective of location.

2. "Claims on foreigners" are claims on foreigners held for a bank's own account. They include: foreign long-term securities; foreign customers' liability for acceptances executed, whether or not the acceptances are held by the reporting banks; deferred payment letters of credit described in the Treasury Department's Supplementary Reporting Instruction No. 1, Treasury Foreign Exchange Reports, Banking Forms, dated May 10, 1968; participations purchased in loans to foreigners (except loans guaranteed or participated in by the Export-Import Bank or guaranteed by the Department of Defense, or insured by the Foreign Credit Insurance Association); loans to financial subsidiaries incorporated in the United States, 50 per cent or more of which is owned by foreigners; and foreign assets sold, with recourse, to U.S. residents other than financial institutions participating in the Federal Reserve credit restraint program or direct investors subject to the controls administered by the Commerce Department. "Claims on foreigners" exclude: contingent claims; unutilized credits; claims held for account of customers; acceptances executed by other U.S. banks; loans to finance U.S. exports guaranteed or participated in by the Export-Import Bank or guaranteed by the Department of Defense or insured by the Foreign Credit Insurance Association; and, in the manner determined in B-1 above, claims on residents of Canada.

3. "Credits to finance exports of U.S. goods" and "export credits" are transactions that are identifiable through documents available to the bank.

4. Developing countries are all countries other than: Abu Dhabi, Australia, Austria, the Bahamas, Bahrain, Belgium, Bermuda, Canada, Denmark, France, Germany (Federal Republic), Hong Kong, Iran, Iraq, Ireland, Italy, Japan, Kuwait, Kuwait-Saudi Arabia Neutral Zone, Libya, Liechtenstein, Luxembourg, Monaco, Netherlands, New Zealand, Norway, Portugal, Qatar, Republic of South Africa, San Marino, Saudi Arabia, Spain, Sweden, Switzerland, and the United Kingdom; and other than: Albania, Bulgaria, the People's Republic of China, Cuba, Czechoslovakia, Estonia, Hungary, Communist-controlled Korea, Latvia, Lithuania, Outer Mongolia, Poland (including any area under its provisional administration), Rumania, Soviet Zone of Germany and the Soviet sector of Berlin, Tibet, Union of Soviet Socialist Republics and the Kurile Islands, Southern Sakhalin, and areas in East Prussia that are under the provisional administration of the Union of Soviet Socialist Republics, and Communist-controlled Vietnam.

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III. Nonbank Financial Institutions

A. Types of Institutions Covered

The group of institutions covered by the nonbank guidelines includes: trust companies; trust departments of commercial banks; mutual savings banks; insurance companies; investment companies; finance companies; employee retirement and pension funds; college endowment funds; charitable foundations; and the U.S. branches of foreign insurance companies and of other foreign nonbank financial corporations. Investment underwriting firms, securities brokers and dealers, and investment counseling firms also are covered with respect to foreign financial assets held for their own account and are requested to inform their customers of the program in those cases where it appears applicable. Businesses whose principal activity is the leasing of property and equipment, and which are not owned or controlled by a financial institution, are not defined as financial institutions.

B. Ceiling and Priorities

Each institution is requested to limit its aggregate holdings of foreign assets covered by the program to no more than 100 per cent of the adjusted amount of such assets held on December 31, 1967.

Institutions generally are expected to hold no foreign deposits or money market instruments (other than Canadian). However, an institution may maintain such minimum working balances abroad as are needed for the efficient conduct of its foreign business activities.

Among other foreign assets that are subject to the guideline ceiling, institutions are asked to give first priority to credits that represent the bona fide financing of U.S. exports, and second priority to credits to developing countries. In addition, institutions are requested not to increase the total of their investments in the developed countries of continental Western Europe beyond the amount held on December 31, 1968, except for new credits that are judged to be essential to the financing of U.S. exports. This means that reductions through amortizations, maturities, or sales may be offset by new acquisitions in these countries. However, institutions are expected to refrain from offsetting proceeds of sales to other Americans by new acquisitions from foreigners.

Institutions may invest in noncovered foreign assets generally as desired. However, they are requested to refrain from making any loans and investments, noncovered as well as covered, which appear to be inconsistent with other aspects of the President's balance of payments program. Among these are the following:

1. Noncovered credits under this program that substitute directly for loans that commercial banks would have made in the absence of that part of the program applicable to them;
2. Noncovered credits to developing country subsidiaries of U.S. corporations that would not have been permitted under the Department of Commerce program if made by the U.S. parent directly.
3. Credits to U.S. corporate borrowers that would enable them to make new foreign loans and investments inconsistent with the Department of Commerce program.
4. Credits to U.S. subsidiaries and branches of foreign companies that otherwise would have been made to the foreign parent, or that would substitute for funds normally obtained from foreign sources.

C. Covered Assets

Covered foreign financial assets, subject to the guideline ceiling, include the following types of investments, except for "free delivery" items received after December 31, 1967:

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1. Liquid funds in all foreign countries other than Canada. This category comprises foreign bank deposits, including deposits in foreign branches of U.S. banks, and liquid money market claims on foreign obligors, generally defined to include marketable negotiable instruments maturing in 1 year or less.

2. All other claims on non-Canadian foreign obligors written, at date of acquisition, to mature in 10 years or less. This category includes bonds, notes, mortgages, loans, and other credits. Excluded are bonds and notes of international institutions of which the United States is a member, and loans guaranteed or participated in by the Export-Import Bank or the Department of Defense or insured by the Foreign Credit Insurance Association, regardless of maturity.

3. Net financial investment in foreign branches, subsidiaries and affiliates, located in developed countries other than Canada and Japan.[1] Such financial investment includes payments into equity and other capital accounts of, and net loans and advances to, any foreign businesses in which the U.S. institution has an ownership interest of 10 per cent or more. Excluded are earnings of a foreign affiliate if they are directly retained in the capital accounts of the foreign business.

4. Long-term credits of foreign obligors domiciled in developed countries other than Canada and Japan.[1] Included in this category are bonds, notes, mortgages, loans, and other credits maturing more than 10 years after date of acquisition. Excluded are bonds of international institutions of which the United States is a member.

5. Equity securities of foreign corporations domiciled in developed countries other than Canada and Japan, except those acquired after September 30, 1965, in U.S. markets from American investors.[1] The test of whether an equity security is covered will depend on the institution's obligation to pay the Interest Equalization Tax on acquisition. Exclusion from covered assets under this program normally will be indicated when, in acquiring an equity security that otherwise would be covered, the purchasing institution receives a certificate of prior American ownership, or brokerage confirmation thereof.

1. See NOTE on p. 324.

D. Base-Date Holdings

Base-date holdings for any reporting date in 1969 are defined as:

1. Total holdings of covered foreign assets as of December 31, 1967;

2. Minus, equity securities of companies domiciled in developed countries (except Canada and Japan), that are included in (1) but had been sold to American investors prior to the current quarter;

3. Plus, or minus, the difference between sales proceeds and "carrying" value of covered equities sold prior to the current quarter to other than American investors or in other than U.S. markets. On each reporting date in 1969, "carrying" value should be the value reflected in the institution's report (on Form FR 392R-68) for December 31, 1967, in the case of equities held on that date, and it should be cost in the case of equities purchased after that date.

"Adjusted" base-date holdings, to which the 100 per cent ceiling applies, are equal to "base-date" holdings as defined above adjusted for sales *during the current quarter* of included covered equities in accordance with the procedures specified in (2) and (3) of the preceding paragraph.

E. Noncovered Assets

Foreign financial assets not covered by the guidelines are still reportable on the quarterly statistical reports to the Federal Reserve Banks. Such noncovered foreign investments include the following:

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1. All financial assets in, or claims on residents of, the Dominion of Canada.

2. Bonds and notes of international institutions of which the United States is a member, regardless of maturity.

3. Long-term investments in all developing countries and in Japan, including credit instruments with final maturities of more than 10 years at date of acquisition, direct investment in subsidiaries and affiliates, and all equity securities issued by firms domiciled in these countries.

4. Equity securities of firms in developed countries other than Canada and Japan that have been acquired in U.S. markets from American investors (see Point 5 above).

Foreign assets of types covered by the program and acquired as "free delivery" items —that is, as new gifts or, in the case of trust companies or trust departments of commercial banks, in new accounts deposited with the institution—are not defined as covered assets, if they were acquired after December 31, 1967. Such assets should be reported as a memorandum item, as should all loans held that are guaranteed or participated in by the Export-Import Bank or the Department of Defense, or insured by the Foreign Credit Insurance Association.

F. Credits to Certain U.S. Corporations

Any loan or investment acquired by a nonbank financial institution after June 30, 1968, that involves the advance of funds to a domestic corporation which is simply a financing conduit (commonly known as a "Delaware sub"), and which in turn will transmit the funds to a foreign business, should be reported as a foreign asset if one or more foreigners own a majority of the "Delaware" corporation. The amounts of such foreign loans or investments should be classified according to the country where the funds are actually to be used, not according to the residence of the owners of the "Delaware" corporation.

In the event that U.S. residents hold a majority ownership interest in the "Delaware" corporation, no part of a loan or investment in such a corporation is to be regarded as a foreign asset of the institution.

G. Leasing of Physical Goods

The foreign leasing activities of firms which engage primarily in the leasing of physical assets (e.g., computers, real property, ships, aircraft), and which are not owned or controlled by a U.S. financial institution, are not reportable under the nonbank program. However, such activities are reportable when they are undertaken by nonbank financial institutions. These institutions should report the book value of any physical assets leased to foreigners on the appropriate line of the quarterly form they file with their Federal Reserve Bank.

H. Investment in Certain Foreign Insurance Ventures

Net investment in foreign insurance ventures should be reported as such wherever possible. In the case of any such ventures in which there is no segregated net investment, the U.S. insurance company may exclude from its foreign assets investments within the foreign country involved, in amounts up to 110 per cent of reserves accumulated on insurance sold to residents of that country, or (if it is larger) the minimum deposit of cash or securities required as a condition of doing insurance business within that country.

I. Long-Term Credits to Developing-Country Businesses

Institutions are requested to discuss with their Federal Reserve Bank in advance any future long-term loans or direct security placements that would involve extensions of credit of $500,000 or more to private business borrowers located in the developing countries.

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J. Reporting Requirement

Each nonbank financial institution holding, on any quarterly reporting date, covered assets of $500,000 or more, or total foreign financial assets of $5 million or more, is requested to file a statistical report covering its total holdings on that date with the Federal Reserve Bank of the Federal Reserve district in which its principal office is located. The reports are due within 20 days following the close of each calendar quarter, and forms may be obtained by contacting the Federal Reserve Bank.

Institutions with holdings below these levels, although not requested to file formal reports, are also expected to abide by the provisions of the program.

K. Covered Assets in Excess of Ceiling

Some institutions increased, rather than reduced, their holdings of covered assets in 1968. In most such instances, there may have been special circumstances—such as inability to reduce existing investments by enough to offset new investments made to honor long-standing firm commitments or to accommodate requests for bona fide and essential financing of U.S. exports. Nevertheless, every institution whose December 31, 1968, holdings of covered assets exceeded its adjusted base-date holdings should review its situation with its Federal Reserve Bank with a view to working out an individually tailored program for eliminating the excess during 1969.

In view of the balance of payments objectives of the program, it is noted that covered investments of nonbank financial institutions may be permitted to exceed the guideline ceiling to the extent that the funds for such investment are borrowed abroad for investment in the same country or in countries that are subject to the same or more liberal guideline limitations. Thus, funds borrowed in the developed countries of continental Western Europe may be used to finance investments in these countries and elsewhere, and funds borrowed in other developed countries (except Canada and Japan) may be used to finance investment in covered foreign assets anywhere but in the developed countries of continental Western Europe. Any institution desiring to offset foreign borrowing against foreign investment, however, should discuss its plans with the Federal Reserve Bank before entering into such an arrangement. □

NOTE.—Developed countries other than Canada and Japan: continental Western Europe—Austria, Belgium, Denmark, France, Germany (Federal Republic), Italy, Liechtenstein, Luxembourg, Monaco, Netherlands, Norway, Portugal, San Marino, Spain, Sweden, and Switzerland; other developed countries are: Abu Dhabi, Australia, the Bahamas, Bahrain, Bermuda, Hong Kong, Iran, Iraq, Ireland, Kuwait, Kuwait-Saudi Arabia Neutral Zone, Libya, New Zealand, Qatar, Republic of South Africa, Saudi Arabia, and the United Kingdom. Also to be considered "developed" are the following countries: Albania, Bulgaria, the People's Republic of China, Cuba, Czechoslovakia, Estonia, Hungary, Communist-controlled Korea, Latvia, Lithuania, Outer Mongolia, Poland (including any area under its provisional administration), Rumania, Soviet Zone of Germany and the Soviet sector of Berlin, Tibet, Union of Soviet Socialist Republics and the Kurile Islands, Southern Sakhalin, and areas in East Prussia which are under the provisional administration of the Union of Soviet Socialist Republics, and Communist-controlled Vietnam.

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Credit Extended by Banks to Real Estate Mortgage Lenders

Credit extended to real estate mortgage lenders by large commercial banks that submit weekly condition reports amounted to $4.2 billion, according to preliminary summaries of reports as of February 26, 1969—toward the beginning of the real estate building season. This amount compared with $4.1 billion as of October 30, 1968, the date of the previous survey.

On each of these reporting dates, loans secured by the pledge of real estate mortgage loans owned by the borrowers as well as loans otherwise secured or unsecured accounted for the largest share of total credit extended to real estate mortgage lenders. As in earlier reports—published in the January 1969 and earlier Federal Reserve BULLETINS—these loans were advanced largely to real estate mortgage companies.

Compared with 4 months earlier, total credit extended to life insurance companies and savings and loan associations was considerably larger near the end of February, whereas that extended to mortgage companies and mutual savings banks was smaller.

CREDIT EXTENDED TO REAL ESTATE MORTGAGE LENDERS BY WEEKLY REPORTING BANKS

Amounts in millions of dollars

Credit, by type of borrower	Outstanding on		Increase (decrease −) Oct. 30, 1968, to Feb. 26, 1969
	Oct. 30, 1968	Feb. 26, 1969	
Loans to real estate mortgage lenders, total	*3,442*	*3,535*	*93*
Life insurance companies	315	443	128
Mortgage companies	2,194	2,106	−88
Mutual savings banks	24	17	−7
Savings & loan associations	157	169	12
Other[1]	752	799	47
Real estate loans purchased by banks from real estate mortgage lenders under resale agreements, total	*668*	*670*	*2*
Life insurance companies	78	122	44
Mortgage companies	268	220	−48
Mutual savings banks	95	33	−62
Savings & loan associations	32	141	109
Other[1]	196	155	−41
Total credit extended	**4,110**	**4,205**	**95**
Life insurance companies	393	565	172
Mortgage companies	2,462	2,326	−136
Mutual savings banks	118	50	−68
Savings & loan associations	189	310	121
Other[1]	947	954	7
Number of weekly reporting banks	335	336	1
With loans to real estate mortgage lenders	268	263	−5
With real estate loans purchased from real estate mortgage lenders under resale agreements	83	84	1
With both of the above	73	72	−1

[1] Firms (other than banks) that make or hold substantial amounts of real estate loans.

NOTE.—Details may not add to totals because of rounding. Figures for 1969 are preliminary.

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Statements to Congress

Statement by William McChesney Martin, Jr., Chairman, Board of Governors of the Federal Reserve System, before the Committee on Banking and Currency, U.S. Senate, March 25, 1969.

I am pleased to appear before this committee today to discuss with you recent developments in financial markets and especially the trend of interest rates over the past several years. I have frequently testified that I would like to see interest rates as low as we can have them without inflation. And I would add now that the way to get interest rates down is to end the inflation that has been raising them.

Let me set forth a few of my own ideas as to why interest rates have risen to the present unprecedented levels, and what must be done if we are to see a return to a level of interest rates consistent with satisfactory rates of investment over the long run in such areas as housing and plant and equipment.

To begin with, the current period of high interest rates needs to be viewed in the longer-run perspective of interest rate trends over the period since World War II. While there have been short-run swings in interest rates over these past two decades, in response to variations in the tempo of economic activity, several major factors have contributed to the persistent upward trend that we have experienced.

The most important contributing factor has been the extraordinarily high rate of technological progress occurring both in the United States and abroad. It scarcely seems possible that 20 years ago television sets, synthetic fibers, and plastic containers were products that existed largely in the minds of engineers and chemists, or that the use of computers and the automation of production processes were just beginning to affect business thinking and planning. As Apollo 8 was circling the moon, I was reminded that the first manned flight of any kind took place only a little more than 60 years ago. And much of the progress symbolized by that leap forward has occurred during the past three decades.

The technological discoveries of this period have required extraordinarily large investments to be incorporated into new products and processes, and this, of course, has meant heavy demands for financing. Earlier in the postwar period, businesses were able to draw heavily on internally generated funds and on stocks of liquid assets built up during World War II to help finance these projects. As the postwar period proceeded, however, they had to rely increasingly on external sources to meet financing needs.

High rates of investment are, as we are all aware, a principal source of gains in productivity, in real income, and in our standards of living. Rarely has any society been as fortunate as ours in realizing the benefits of almost continuous economic prosperity over the past 20 years. Per capita disposable income in the United States, in real terms, is fully 50 per cent higher now than it was at the end of World War II. And our consuming public has chosen to enjoy the fruits of material progress in ways that put heavy demands on the credit markets. Consumers have demanded more and better homes, and a wider and more varied stock of durable goods. To purchase these assets, consumers depend significantly on mortgage and instalment credit.

Another factor in the long upward trend

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of interest rates in the postwar years has been the major change that has occurred in asset portfolios of financial investors. Both institutional and other investors entered the postwar period with exceptionally large holdings of liquid assets, accumulated largely as a result of wartime deficit spending. Consequently, even though interest rates were at exceptionally low levels, investors were anxious to switch from liquid assets into mortgages, consumer loans, and corporate and municipal securities. The abundance of available loan funds held interest rates down in the first postwar decade, but as the backlog of liquidity was worked off, greater interest rate incentives were required to encourage investors to supply funds to finance economic expansion.

As the postwar years unfolded, investors also began to show heightened preferences for equity investments as contrasted with fixed-income securities. To some degree, this reflected the failure to follow stabilization policies that might have kept inflation under better control. But it also resulted from the degree of success we did enjoy in avoiding the deep declines in economic activity that occurred prior to World War II.

To an important degree, then, the general upward trend in postwar interest rates has been symptomatic of the vigor of economic expansion. Yet, it seems quite clear to me that even in prosperous times we can have lower and relatively more stable interest rates than prevail today. We enjoyed interest rate developments of that kind during the early years of the 1960's. Indeed, interest rates on some kinds of financial assets, such as mortgages, declined a little over the first 5 years of the present decade. But beginning about the middle of 1965, the cost of credit began to rise, and we are still seeing increases going on today. What accounts for this abrupt change in the demand-supply equation in financial markets during the past 3½ years?

The answer to that question is not, I think, hard to discover. Since mid-1965, except for a brief respite in early 1967, we have had an overheated economy and growing expectations of inflation. Private spending decisions have been influenced in fundamental ways. We received word just recently that businesses are planning to raise their expenditures for plant and equipment by 14 per cent in 1969 over the 1968 level. While the size of the anticipated growth in capital outlays was larger than many observers had expected, the news that plans for the period ahead were strong should not have come as a great surprise. With wages increasing at rates well beyond the growth of productivity, with costs of capital goods rising, and with expectations developed over the past several years that higher costs can sooner or later be passed on in the form of higher prices, why shouldn't we expect businesses to do what they can to introduce cost-cutting methods and to put new capacity in place at today's prices?

This recent announcement of upward revisions in business investment plans for 1969 is a continuation of developments that became evident around the middle of last year, when the rate of business investment began to strengthen measurably, despite the fact that rates of capacity utilization in manufacturing were not especially high and stern measures of fiscal restraint had just been adopted. We also experienced a large rise in housing starts in the latter half of last year, even though interest rates on mortgages were at record levels—and rising—while flows of funds through traditional sources of mortgage finance were falling off.

Let us consider for a moment the cost-price developments that businesses and consumers have had to take into account in making their investment decisions. From the middle of 1965 to the end of 1968, consumer prices rose at an annual rate of 3½ per cent, compared with a 1½ per cent annual rate in the previous 3½ years; for

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wholesale prices, the figures are 2 per cent for the recent period and three-fourths of 1 per cent for the prior 3½ years; for construction costs, 4½ per cent and 2 per cent; for average hourly compensation in manufacturing, 5½ per cent compared with 3¾ per cent; and for unit labor costs in manufacturing, 4 per cent in the past 3½ years compared with no change in the prior 3½ years. Is it any wonder that consumers want to buy houses now to avoid paying higher prices later? Should we be surprised that businesses are trying to find some method of holding down the rise in production costs and are searching for labor-saving investments as a means to do so?

Financing the high level of private investment has increased greatly the demands on money and capital markets. From 1960 to 1964 nonfinancial businesses and consumers together borrowed new funds at an average rate of about $38 billion a year. Since 1965 the annual average has been $59 billion—or more than 50 per cent higher—and in 1968 the figure rose to $67 billion. In the past 3 years nonfinancial corporations raised new capital through bond issues in amounts averaging nearly $13 billion a year, about three times as much as during the previous 3 years.

In addition to this large demand for private credit, pressures in credit markets have reflected heavy Federal borrowing, resulting from our failure to adopt earlier the measures of fiscal restraint needed to avoid deficit financing and inflationary pressures. In calendar 1966 Federal financing requirements remained relatively modest, even though expenditures rose substantially, since revenues also increased rapidly with growth in private money incomes. Consequently, total Federal borrowing, including the issues of some Government agencies and enterprises that have recently been shifted to private ownership, was held to $6 billion in 1966. But in 1967 the comparable figure rose to $13 billion, and then to $17 billion in 1968. In recent months the borrowing needs of the Federal Government have slackened appreciably as the budget has moved into surplus in response to the measures of fiscal restraint enacted last summer. It seems abundantly clear that interest rates would be still higher today if those fiscal actions had not been taken.

It seems to me as I look back over these past several years, therefore, that the major factors forcing up interest rates stand out quite clearly. What we have seen is a rising tide of inflationary pressure, fed in part by Federal deficit spending, generating in turn widespread expectations of more inflation to come, mounting private demands for credit to finance additional spending, and hence increased costs of funds. Developments comparable to these have occurred in many other countries, and we have recognized them for what they were. But it sometimes seems hard for us to recognize that the fundamental economic principles of supply and demand apply to us—no matter how vast and well-endowed our country is—as well as to others.

I want to note quite specifically that the run-up in interest rates since the middle of 1965 does not stem principally from diminution in the supply of credit created by restrictive monetary policies. Monetary policy has been restrictive during some intervals over the past several years—from late 1965 to the fall of 1966, for a brief period in the late spring of 1968, and then again from late 1968 to the present. But in surrounding periods the supply of money and credit grew rapidly, and the period 1965–68 as a whole was one of rather substantial monetary expansion. Let me again cite some statistics.

In the 4 years 1965 through 1968, total member bank reserves rose at an average annual rate of 6 per cent; in the prior 4 years the average annual increase was 4 per

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cent. From 1965 through 1968, total commercial bank credit rose at a 9½ per cent annual rate, compared with 8 per cent for the previous 4 years. For the stock of money (currency and demand deposits), the annual average rate of gain was 5 per cent for 1965–68 versus 3 per cent for 1961–64.

I do not think the degree of monetary restraint or ease can be summarized very precisely in any single set of numbers such as these. But it would seem reasonable to conclude from these data that the rise in interest rates over the past several years did not result from a reduction in credit supplies, but from an exceptional rise in credit demands.

I do not mean to argue that the interest rate developments of recent years have had no relation to monetary policy. We know that, in the short run, expansive monetary policies tend to reduce interest rates and restrictive monetary policies to raise them. But in the long run, in a full-employment economy, expansive monetary policies foster greater inflation and encourage borrowers to make even larger demands on the credit markets, while lenders pull back from taking positions in fixed-income securities since they fear that both interest and principal will be eroded by rising prices. Over the long run, therefore, expansive monetary policies may not lower interest rates; in fact, they may raise them appreciably. This is the clear lesson of history that has been reconfirmed by the experience of the past several years.

If my diagnosis of our current interest rate problem is correct, then it is clear what we need to do to get interest rates back down to more sensible levels. We must follow economic stabilization policies that bring inflation under control and continue those policies long enough to be sure that a resurgence of excess demand and strong cost and price pressures does not recur.

I think we have made a good beginning in the adoption of stabilization policies that will eventually accomplish those objectives. Last year the Congress adopted fiscal restraint measures that altered the Federal budgetary position dramatically. As a consequence, we can look forward to surpluses in the Federal budget, as measured in the national income and product accounts, at an annual rate of around $5 billion during the first half of this year. A year earlier the budget—figured on the same basis—was in deficit to the tune of roughly $10 billion at annual rates.

The fiscal measures enacted last summer took hold a little later than we had expected, and hoped for, but these measures are becoming effective. Nonetheless, we have some distance to go yet in cooling off the economy. There now seems to be little, if any, hope that we can ease up on fiscal restraint in the near future; the strength of expansionary forces is still much too great for that. The surtax will almost certainly have to be continued after midyear, in my judgment. Indeed, the real question now is whether fiscal policy should move another notch in the restrictive direction, given the possibility that we may be facing a strong capital goods boom.

The start we have made in adapting stabilization policies to the needs of the economy also includes a marked change in the posture of monetary policy since late last year. Monetary policies generally work with a significant lag, in terms of their effects on spending and on prices, partly because it takes time to work off excess liquidity in the economy. Nonetheless, the effects of monetary actions show up much earlier in financial markets than they do in markets for goods and services.

The data in the table below provide some indication of the financial effects of the more restrictive policies in effect since late last year. The annual growth rate of the money stock has been reduced from about

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7½ per cent in the fourth quarter of last year to about 2 per cent in the first 3 months of 1969. For time deposits the turnaround has been much greater since outstanding CD's at large banks have declined about $3½ billion to $4 billion since the beginning of the year. As a result, total bank credit (as measured by what we call the credit proxy, adjusted to include increased Euro-dollar borrowing abroad by our banks) will show a small decline in the first quarter, a marked change from the nearly 12 per cent annual rate of growth experienced in the final 3 months of last year.

I am confident that interest rates will turn down again just as soon as it becomes abundantly clear to everyone that the fiscal and monetary authorities have no intention of letting inflation proceed, and borrowing and spending decisions are adjusted accordingly. What I have called the challenge of "disinflating without deflating" can be met most effectively if lenders and borrowers will now exercise the utmost restraint in taking on new commitments. A sincere effort at such self-restraint will, I believe, prove to be in the best long-run interest of the individual firms themselves as well as of the communities and nation that they serve. Continued, unchecked inflation can be an insidious crippler of much of the best in the American system. I think it behooves all of us to stand resolutely against that threat.

I am reasonably confident that we are on the road to accomplishing the objectives for which we are striving. We will be seeing, as the year progresses, the results of monetary and fiscal policies working together to restrain inflation for the first time in a number of years.

SELECTED MONETARY AND FINANCIAL INDICATORS, MARCH 24, 1969

Item	Annual rate of change (per cent)		
	Q4 1968	Jan.–Feb. 1969	Q1 1969 (proj.)
1 Total reserves	8.8	4.5	.8
2 Nonborrowed reserves	3.0	5.0	1.5
3 Money supply (currency and private demand deposits)	7.6	2.2	1.7
4 Time and savings deposits at banks	15.7	−9.7	−6.7
5 Money supply plus time deposits ((3) + (4))	11.8	−3.9	−2.5
6 Total member bank deposits—Credit proxy	12.2	−3.0	−4.7
7 Proxy including Euro-dollars	11.7	(2)	−1.7
8 Deposits at savings banks and savings and loans	6.5	5.2	n.a.

Interest rates	Annual yield (weekly averages in per cent)[1]		
	Dec. 1968 high	Jan. 1969 low	Most recent week
Federal Reserve discount rate	5.50	5.50	5.50
Federal funds	6.25	6.27	6.82
3 month—			
Treasury bills	6.21	6.07	6.02
Federal agency	6.38	6.34	6.35
Finance company paper	5.88	6.08	6.38
Euro-dollars	7.33	7.31	8.51
Long-term Govt. bonds	6.04	5.95	6.29
Municipal bonds	4.85	4.82	5.29
Aaa Corporates—new issues	6.92	6.90	7.57
FHA mortgages (FNMA auction gross yields)	7.65	7.66	8.08

n.a. Not available.

[1] All interest rates are weekly averages except those for Federal agencies, municipal bonds, Aaa corporate new issues, and FHA mortgages, which are single-date figures.

[2] Less than $50 million.

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Statements before the Committee on Banking and Currency, House of Representatives, April 18, 1969, concerning one-bank holding companies.

Statement by William McChesney Martin, Jr., Chairman, Board of Governors of the Federal Reserve System.

When I appeared before this committee last September, I reported to you that the Board of Governors was deeply concerned about the rapid increase in formation of one-bank holding companies, and I expressed the view that this development, if unchecked, could affect the whole economic system of the United States. Since that time, encouraging progress has been made toward legislation to regulate one-bank holding companies in the public interest. In weighing different approaches, we should not overlook the very wide area of agreement in Government and in the banking industry on the need for a bill, and on the general outlines it should take. The Board appreciates the prompt action being taken by this committee, and we find much with which we can agree in both H.R. 6778 and H.R. 9385.

Unquestionably there is broad support for the view that bank holding companies should be congenerics, not conglomerates. The Congress took steps years ago, in the Banking Act of 1933, to separate banking from nonbanking businesses, a policy that was reinforced by the Bank Holding Company Act of 1956 as to companies that own two or more banks. Under Section 4 of the 1956 Act, such companies are limited to banking and closely related activities. The Board unanimously agrees that there are sound reasons for separating banking and commerce, and that it is essential, if this policy is to continue, to bring one-bank holding companies under the Holding Company Act.

And all members of the Board agree that public benefits in the form of greater convenience, gains in efficiency, and keener competition should flow from encouraging innovation by one-bank holding companies as well as multibank holding companies in offering services to the public. In determining whether a bank holding company should be authorized to engage in a particular activity, the prospects of realizing such benefits must be weighed against the risks of perverse consequences that led Congress to separate banking from other businesses.

To my mind, the greatest risk is in concentration of economic power. If a holding company combines a bank with a typical business firm, there is a strong possibility that the bank's credit will be more readily available to the customers of the affiliated business than to customers of other businesses not so affiliated. Since credit has become increasingly essential to merchandising, the business firm that can offer an assured line of credit to finance its sales has a very real competitive advantage over one that cannot. In addition to favoring the business firm's customers, the bank might deny credit to competing firms or grant credit to other borrowers only on condition that they agree to do business with the affiliated firm. This is why I feel so strongly that if we allow the line between banking and commerce to be erased, we run the risk of cartelizing our economy. My concern is that just as we have seen the country's largest banks joining the new wave of one-bank holding companies, we could later see the country's business firms clustering about banks in holding company systems in the belief that such an affiliation would be advantageous, or perhaps even necessary to their survival.

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This is, of course, an antitrust problem, not simply a banking problem. But I do not think it follows that it should be left to the antitrust laws rather than the banking laws. I hesitate to comment about an area in which others, particularly Assistant Attorney General McLaren, are more competent to speak. But I see no reason to rely solely on case-by-case litigation under the antitrust laws to prevent affiliations between banks and business where a strong anticompetitive potential exists. In the Bank Holding Company Act, the Banking Act of 1933, and Section 8 of the Clayton Act—to cite a few examples—the Congress has chosen, instead, to prohibit outright particular kinds of affiliations involving banks, largely because of concern over preserving competition.

Considerations of safety and soundness reinforce the policy of separating banking and other businesses. A bank should be insulated from pressures that might lead it to favor customers of affiliated businesses in its credit decisions. Otherwise, the bank might build an unbalanced loan portfolio by discounting an excessive amount of obligations of such customers or a low-quality portfolio by accepting substandard risks to foster sales to such customers. An essential part of the traditions of bank management has been a scrupulous observance of the need for prudence in handling funds entrusted to the banks by its customers; if management were to become oriented toward the different objectives of other businesses, this tradition could be seriously weakened.

Section 23A of the Federal Reserve Act now affords a considerable measure of protection against excessive extensions of credit by a bank directly to any of its affiliates. Broadly speaking, Section 23A limits such credit to 10 per cent of the bank's capital and surplus for any one affiliate, and to 20 per cent for all affiliates. And it requires that credit to affiliates be secured by adequate collateral. But Section 23A does not apply to credit extended to customers of affiliates, and so it is ineffective in protecting against the risks I have been discussing. It probably is not feasible to draft legislation that would deal adequately with the many subtle but powerful pressures that would arise in those areas if banks had many commercial affiliates.

In addition to the effect on competition and on sound banking, we should bear in mind a problem that has appeared from time to time throughout the history of holding companies of all kinds. That is, there is a risk that the management of the holding company may become more interested in obtaining access to larger and larger pools of funds for greater and greater expansion than in the efficient operation of the subsidiaries. Holding companies at times in the past have accepted the lure of operating and of reporting so as to influence the company's current stock price rather than its long run profitability. I am happy to report that holding companies now registered under the Bank Holding Company Act have not engaged in these practices or the kinds of pyramiding and watering of stock that led to the collapse of some earlier holding companies. On the contrary, in general they are soundly capitalized, without unnecessary complexity in their capital structures, and their fixed obligations bear a reasonable relationship to equities. The principal reason, we can assume, is that responsible and capable people have been in control of the registered bank holding companies. But in addition the Board has been able to exercise a healthy influence over the financial structure of these companies in passing upon

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applications under the Act. Prudence suggests that similar precautions should be taken for one-bank holding companies.

Just as there is wide agreement that bank holding companies should not be conglomerates, there is also general acceptance of the view that public benefits may be derived from allowing banks to join holding company systems engaged in what may be called "related" or "congeneric" activities. These terms are hard to define, and they mean different things to different people. But I use them in the sense of services that are functionally related to the activities of banks in such a way that the combination will offer benefits to the public in the form of lower costs or better service. I do not mean to suggest that all such activities should be automatically authorized. Rather, there should be safeguards, which I will return to later, designed to ensure that entry by bank holding companies into these areas will increase competition rather than lessen it.

Combining banks with related businesses may lead to economies of scale in production, distribution, sales, research, and finance. In the production area, economies of scale will depend mainly on the similarity of the services offered, such as servicing a checking account and processing a payroll. People appreciate the convenience of being able to buy insurance on a new car at the same time they arrange for bank financing; combining the two services also may lower sales costs. A research staff, too expensive for a bank alone, can pay dividends when the expenses and services are shared with others in a holding company system. And a holding company may be able to obtain capital less expensively by going to market less frequently than any of its smaller components.

Section 4 of the Bank Holding Company Act prohibits a bank holding company from acquiring shares of any company that is not a bank. There are 10 exceptions to this general prohibition, one of which, Section 4(c) (8), permits acquisition of shares of any company all of whose activities are of a financial, fiduciary, or insurance nature and which the Board, on the basis of a hearing, has determined to be so closely related to the business of banking, or of managing or controlling banks, as to be a proper incident thereto and as to make it unnecessary for the prohibitions of Section 4 of the Act to apply in order to carry out the purposes of the Act.

On the basis of the language of the statute and its legislative history, the Board has interpreted the 4(c)(8) exemption to mean that there must be a direct and significant connection between the proposed activities of the company to be acquired and the business of banking, or of managing and controlling banks, as conducted by the bank holding company or its banking subsidiaries. For example, Section 4(c)(8) has been interpreted to authorize bank holding companies to acquire subsidiaries that issue insurance or act as insurance agents where the insurance is related to the business of subsidiary banks, as shown by percentages of premium income derived from insurance written in connection with bank transactions or for bank customers. In those cases in which the Board has interpreted Section 4(c)(8) as permitting a bank holding company to establish a subsidiary "insurance company," as distinguished from an insurance agency, 100 per cent of the insurance was written in connection with loans by the subsidiary banks. The acquisition by a bank holding company of a subsidiary conducting a general insurance underwriting business is prohibited.

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The Board believes that a bank holding company should be permitted to acquire a subsidiary, subject to regulatory approval and supervision, to engage in "related" activities without showing such a close connection between the business and that of a subsidiary bank. Permissible acquisitions might include, for example, companies engaged in the business of lending funds on their own account; investing in equities, subject to careful limitations, to assist in the economic development of low-income areas or to meet other pressing needs for financing that cannot be met adequately through debt instruments; acting as insurance agent or broker or as insurer in connection with extensions of credit by other subsidiaries of the holding company; providing accounting or data processing services; acting as fiduciary; and acting as travel agent.

Bank holding company acquisition of companies engaged in most of these activities is now permissible to some extent, under Section 4(c)(8) or under other paragraphs of Section 4(c). But Section 4(c)(8) requires that a formal hearing be held before a hearing examiner on each application thereunder, even in the absence of any interest or testimony by anyone other than the applicant. This is a time-consuming and expensive procedure, which should be limited to instances where a hearing is requested by an interested party. And as I mentioned, we believe that Section 4(c)(8) should be amended to eliminate the reference to close relationship of the proposed activity to the business of the subsidiary banks, which we regard as unnecessarily constricting.

I mentioned earlier that expansion of activities by bank holding companies should be subject to safeguards. After it has been decided that a particular activity is "related" or "congeneric," administrative approval should be required before a holding company may establish a subsidiary to engage in the activity. Guidelines governing such approval should take into account the competitive and other factors already specified in the Act as to acquisitions of banks. Approval should be required whether the expansion is by establishing a new company or acquiring an existing one, but it should be recognized that the probability of anticompetitive consequences appears greater in acquisitions of existing concerns than in *de novo* entry. Another reason to favor *de novo* entry over acquisitions of established businesses is that a company newly entering a market to face the competition of those already in it must meet the test of efficiency that such a market imposes. And an applicant proposing an acquisition involving a relatively large amount of nonbank assets should ordinarily bear a greater burden of proving that the acquisition is not contrary to the public interest.

Another safeguard that should accompany expansion of bank holding company activities is a prohibition against so-called "tie-in" arrangements. Where a bank holding company may achieve economies of scale by combining one service with another, an opportunity may also be presented to force sales of one service upon customers who wish to buy the other. We understand that such forced sales are already prohibited by the Sherman Act, but probably not the Clayton Act, since the relevant provision of that Act (Section 3) relates to commodities rather than services. In any event, we believe that any ambiguity as to the applicability of such laws to the services offered by banks and their affiliates should be eliminated. We prefer the language of H.R. 6778 to that of H.R. 9385 on this point, since H.R. 6778 would retain the traditional tests

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of anticompetitive effects and would apply to all insured banks, whether or not they are subsidiaries of holding companies.

I want to say a few words now about the problem of holding companies that have been in existence for some time. The Board recognizes that the Congress in the past has felt that coverage of one-bank holding companies would conflict with the objective of fostering local ownership of small unit banks. Until quite recently, the overwhelmingly majority of one-bank holding companies owned small banks, which were combined with even smaller interests in nonbanking businesses.

When the Bank Holding Company Act was under consideration in the early 1950's, the Board recommended that the principle of limiting the activities of bank holding companies to fields closely related to banking should apply to holding companies that own only one bank as well as to those that own two or more. The Congress disagreed, and exempted one-bank holding companies. Again in 1966, the Congress rejected a House-passed amendment that would have covered one-bank holding companies. The Senate committee report expressed concern over the possibility that "repeal of the exemption would make it more difficult for individuals to continue to hold or to form small independent banks," adding that "repeal of the exemption would, therefore, be likely to result in causing the forced sale of large numbers of banks and in a diminution of competition rather than an increase in competition."

Since then, of course, the situation has changed drastically. No longer is the one-bank exemption a minor exception to a general rule. The assets of one-bank holding company banks now exceed those of the banks covered by the Act. The exemption has become a loophole of such magnitude that unless it is closed there is no possibility of effectively enforcing the Act's retrictions on combining nonbanking businesses with banking through holding companies.

One way to close this loophole without making it more difficult to hold or form small independent banks, and without forcing the sale of large numbers of such banks —the concerns expressed in the Senate committee report in 1966—would be to exempt small holding companies. An exemption for companies with banking assets of less than $30 million and nonbank assets of less than $10 million would not seriously weaken the protection this legislation is designed to provide, while it would recognize that divestiture would be particularly difficult for small, closely-held holding companies. Imposing a smaller limit on nonbanking assets than on banking assets would offer reasonable assurance that this exemption would not be exploited by those whose principal motivations were to advance their interests in nonbanking businesses. At the same time, it must be recognized that there is an element of arbitrariness in drawing a line at $30 million, or any other figure. About 85 per cent of the one-bank holding companies in existence last September 1 had deposits of less than $30 million.

An alternative approach would be to base the exemption not on size but on date of acquisition—a "grandfather" clause. A majority of the members of the Board prefer this approach; it is the approach taken by H.R. 9385. A "grandfather" clause poses administrative problems, particularly in determining whether a "grandfather" company is engaging only in those activities in which it was engaged on the cutoff date. But we can hope that the problems will be

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manageable. And we can see that the larger one-bank holding companies that were in existence for some time before the recent wave of new formations began (generally accepted as July 1, 1968) may legitimately claim that they are entitled to special consideration as well as the small companies.

I come now to the difficult question of where responsibility for regulating one-bank holding companies should be lodged. The Board believes that it would be most effective for one agency (preferably the Board) to administer the Bank Holding Company Act with respect to the holding companies themselves and with respect to the approval of acquisitions by them. Holding companies are not banks. As I mentioned earlier, supervision of holding companies entails considerations that extend well beyond those involved in supervising banks. The proposed changes in Section 4(c)(8) will be breaking new ground. Under the best of circumstances an orderly move into new spheres for holding company activity will be difficult. The development of these new areas by unanimous agreement of three different agencies on complex ground rules is apt to prove slow and cumbersome. And it is hardly the best way to achieve the uniformity needed for competitive equality. The Board believes that the existing precedent established in 1956 under which bank holding companies are supervised by the Board would ensure the greatest efficiency and equity.

Alternatively, and less desirably, authority over one-bank holding companies might be dispersed among the three banking agencies with a requirement that regulations be jointly promulgated as to permitted nonbank lines of activity and containing guidelines as to acquisitions that would be presumed to be against the public interest. These regulations should also be applicable to nonbank acquisitions by multibank holding companies. Such an arrangement would be acceptable to a majority of the Board.

While we believe that vesting in the Board or another Government agency exclusive authority to administer all phases of the Bank Holding Company Act would best serve the interest of administrative efficiency, we recognize that others are more impressed with the arguments for dispersing this authority in the traditional banking pattern. You can judge better than I whether the desire for dispersal is strong enough to block legislation that would vest authority over one-bank holding companies exclusively in the Board. But in view of this possibility, I should point out that most Board members believe that the need for this legislation is too pressing to allow its passage to be jeopardized by considerations of administrative efficiency. It seems clear to the majority of the Board that it would be better to enact a bill incorporating the administrative provisions of H.R. 9385 than to wind up with no bill at all.

Let me now review briefly the Board's recommendations as to other provisions of the two bills.

We favor broadening the tests of control, as both bills would do, to cover situations where control is exercised in fact through ownership of less than 25 per cent of the voting stock. To assist in such determinations, we recommend that you include provisions establishing a rebuttable presumption that control exists where a company (1) owns 10 per cent of the voting shares of two or more banks or (2) owns 5 per cent of the voting shares of three or more banks.

In view of the recent use of the partnership form to bring several banks in Michigan and one in the District of Columbia un-

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der common control, the definition of "company" should be extended to cover partnerships.

H.R. 6778, as we read it, would require a bank that held in its trust department a controlling interest in the stock of another bank to register and file reports under the Act; but such a bank could continue to acquire stocks of other banks in a fiduciary capacity without Board approval, in view of the exemption in Section 3 of the Act, which would be retained. The Board believes that something beyond registration and reporting is needed to assure that acquisitions through trust accounts are not used to avoid the limitations the Act imposes on concentration of banking. Outright repeal of the exemption in Section 3, however, would interfere too drastically with banks' ability to offer needed fiduciary services. We recommend, instead, that the exemption in Section 3 be limited, as to bank stock, to cases where the trustee bank obtains voting instructions from the beneficiary, thus following the precedent established in Section 5144 of the Revised Statutes as to national banks' voting their own stock held in trust.

We also recommend elimination of another exemption in Section 3 of the present Act. It now permits a bank holding company to acquire up to 5 per cent of the stock of a bank without Board approval. Since a holding company may obtain a significant influence over a bank, without actually controlling it, by buying less than 5 per cent of its stock, we believe the purposes of the Act would be better effectuated if every acquisition of bank stock by a holding company required prior approval of the Board. Accordingly, we recommend elimination of the 5 per cent exemption in Section 3.

H.R. 9385 would prohibit any one-bank holding company from retaining any bank acquired after March 1, 1969, unless retention is approved under the new legislation. Such a provision should prove useful in forestalling a possible race to acquire banks before regulatory legislation can be enacted.

The provisions of H.R. 9385 allowing one-bank holding companies to continue to acquire nonbanking businesses if they divest their bank by June 30, 1971 (with possible extensions to June 30, 1974) seem a reasonable extension of the principle already incorporated in Section 4 of the Act. Section 4 now allows 2 years (with possible extensions up to 5 years) for a holding company to divest either its banks or its nonbanking businesses. Those one-bank holding companies that choose to divest their bank and keep their nonbanking businesses should be allowed to expand while they are in the process of divesting the bank.

H.R. 6778 would repeal the exemption for labor, agricultural, and horticultural organizations in Section 4(c) of the Act; the Board has repeatedly recommended that this be done.

We also recommend that the exemptions in Sections 4(c)(5) and 4(c)(9) be amended as provided in H.R. 9385 so as to preclude the possibility that a bank might establish a holding company to acquire a foreign bank without obtaining Board approval, which would be required under Section 25 of the Federal Reserve Act if the bank made the acquisition directly.

H.R. 6778 would also transfer to the Board jurisdiction over all mergers where the resulting bank is a subsidiary of a holding company. As we did in 1966, the Board favors transfer of such jurisdiction as to holding companies that control two or more banks. H.R. 6778 would also prohibit any merger of a subsidiary bank outside the holding company's home state; we suggest

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that prohibition be relaxed to allow such a merger where necessary to save a failing bank. We recommend against transferring the other matters referred to in H.R. 6778 (reductions in capital of a nonmember insured bank in a holding company system and conversions by a subsidiary national bank to a nonmember insured bank).

Section 2(f) of H.R. 6778 would require insured banks to file quarterly reports with the Securities and Exchange Commission listing securities held in trust accounts. We believe that action in this area should be postponed until the matter can be handled uniformly and comprehensively after SEC completes its current study of the activities of institutional investors.

The remaining provisions of H.R. 6778 prohibit interlocking relationships among insured banks, insurance companies, and securities brokers and dealers. The Board now administers the prohibition against interlocking relationships between a member bank and another bank (Section 8 of the Clayton Act) and between a member bank and a securities company (Section 32 of the Banking Act of 1933). We think limitations on interlocking relationships between competing institutions are salutary and the existing provisions are deficient in a number of respects; for example, we see no reason to limit them to member banks, or to banks in the same town or adjacent towns. We favor expanding the scope of the prohibitions against interlocks to include the classes of institutions set forth in H.R. 6778, although we see no reason to apply such prohibitions to persons engaged exclusively in the brokerage business. We think some agency should be authorized to exempt classes of cases where the risks would be slight, such as where the companies involved are neither actual nor potential competitors. And as to interlocks between a bank and a securities company, we think an exemption (as is now provided in Section 32 of the Banking Act of 1933) should be authorized for classes of relationships that would not result in undue influence of the investment policies of banks or the advice they give their customers regarding investments.

I have dealt with these numerous details in order to be as responsive as I can to the variety of issues posed by the proposed legislation and the developments to which it is addressed. In closing, however, I want to reemphasize the basic purpose of the bill. It would be lamentable if protracted wrangling over the many subsidiary points in this matter bogged down the legislative process. To forestall holding company developments that will be increasingly painful to reverse, we need a law now—as good a one as can reasonably be devised—bearing in mind that it can be revised later if necessary in the light of experience.

I know you gentlemen are aware of these considerations, and I want to express the Board's deep appreciation for the active interest this committee has shown in seeking a timely and constructive solution to what is a complex and pressing problem. For our part, the Board will be glad to do anything it can to facilitate your efforts to move such legislation through the Congress.

Statement by J. L. Robertson, Vice Chairman, Board of Governors of the Federal Reserve System.

I heartily endorse President Nixon's recent statement urging that one-bank holding companies be brought under the Bank Hold-

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ing Company Act of 1956, and largely for the same reasons he voiced—to avoid erosion of the traditional separation of powers between suppliers of money (banks) and users of money (commerce and industry), and to preclude the concentration of economic power in a few hands.

BACKGROUND

Lest we forget the lessons of the past, it is worthwhile to review the historical background. The one-bank holding company device is not new. In the 1920's and early 1930's banks utilized the corporate device as a means by which to engage in forbidden nonbanking activities. This was dramatically disclosed in hearings conducted by the Senate Banking Committee from January 1933 to July 1934—the so-called "Pecora Investigation," after Ferdinand Pecora, Chief Counsel of the Committee.

During that investigation, the heads of the largest New York City banks freely admitted that affiliates had been organized for the avowed purpose of enabling their institutions to engage in operations that were prohibited to the banks themselves. The Committee's Final Report, referring to the use of the holding company device, concluded:

> Possessed with this instrumentality that enabled these banking institutions to conduct a business and indulge in practices which governmental authority through legislative enactment had forbidden to commercial banks, these banking institutions, infected with speculative fervor, indulged in practices and transactions which had the direst consequences.

Even before the Pecora Investigation was completed, provisions of the Banking Act of 1933 required the separation of member banks from securities companies and provided for limited regulation by the Board of Governors of so-called "holding company affiliates" of member banks.

The regulation provided by the 1933 Banking Act proved inadequate. Except that it could not engage in the securities business, a holding company affiliate of a member bank was not precluded from engaging in a variety of nonbanking enterprises; the law required only that the holding company obtain a voting permit from the Board in order to vote the stock of banks controlled by it.

In its 1943 *Annual Report* to Congress, the Board expressed concern over the growth of conglomerate bank holding companies. Among other things, the Board stated:

> Accepted rules of law confine the business of banks to banking and prohibit them from engaging in extraneous businesses such as owning and operating industrial and manufacturing concerns. It is axiomatic that the lender and borrower or potential borrower should not be dominated or controlled by the same management. In the exceptional case, the corporate device has been used to gather under one management many different and varied enterprises wholly unallied and wholly unrelated to the conduct of a banking business.

Two years later, in 1945, the Board recommended a bill to provide for control of bank holding companies, both with respect to their expansion in the banking field and with respect to their interests in nonbanking businesses. During the next 10 years, the Board consistently supported legislation based upon a one-bank definition of a bank holding company. In testifying on one of those bills in 1953, I made this statement regarding the logic of covering one-bank as well as two-bank holding companies:

> If there is merit in the proposal that you should separate banking from nonbanking businesses, it is

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just as important that you do it in a 1-bank case as in a 2-or-more bank case.

For example, if a holding company controls, we will say, the largest bank in the world, and has nonbanking interests, it may be even more important to cover that sort of a situation than one where a holding company has 2 or 3 or 4 little banks and some nonbanking businesses.

Nevertheless, as finally enacted in 1956, the Holding Company Act excluded one-bank holding companies from its coverage.

As a matter of equity and logic, the Board, since 1956, has consistently recommended one-bank holding companies be brought under the law. Only in the past year or so, however, has the need for such action become conspicuously more than a matter of logic. Reminiscent of the situation spotlighted by the Pecora investigation, numerous one-bank holding companies have been organized by banks in recent months solely to enable such banks to engage indirectly in activities in which they cannot engage directly.

GRANDFATHER CLAUSE

Both H.R. 6778 and H.R. 9385 would expand the scope of the Act to cover one-bank holding companies. However, the latter would permit such companies to retain nonbank interests held by them on June 30, 1968. In my opinion, such a "grandfather clause" has no justification—either in logic or from the standpoints of principle and practicality.

Principle. Potential or actual conflicts of interests are present regardless of whether the holding company controls just one bank or controls two or more banks. To illustrate, a few years ago a large nonbanking corporation purchased a $1 billion bank. If that corporation had acquired, instead, two small neighborhood banks with aggregate resources of $30 million, let us say, the Act would have required it to terminate its nonbanking activities and to dispose of the stock of any nonbanking subsidiaries (except to the extent permitted under the exemptions prescribed in Section 4(c) of the Act). Certainly whatever risks to the economy inhere in common corporate ownership of nonbanking subsidiaries and two banking offices with $30 million of resources are *at least* equally significant where a corporation with extensive nonbanking interests also controls one billion-dollar bank with scores of branch offices.

In 1956 Congress required holding companies to divest themselves of nonbank enterprises that had been held long before the first whisper of the idea of governmental regulation of bank holding companies. The reason was the threat of potential evils in common ownership, and that danger is equally present in one-bank holding companies. It might also be noted that in 1966 Congress expanded the Act to cover, for the first time, the Financial General Corporation system and certain trust situations (for example, the duPont Estate). Even though those organizations had expanded their nonbank interests during the preceding decade in reliance on their "exempt" status, Congress required them to divest all nonbank interests, without benefit of any permanent "grandfather" privileges. I can see no reason for adoption of a different policy in 1969.

Practicality. It is questionable whether any effective grandfather clause could be devised. For example, H.R. 9385 would forbid a company within the grandfather clause to engage in any "business or activities" other than those in which it was engaged on the cut-off date—June 30, 1968. I have in mind an existing corporation that owns more

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than a 25 per cent interest in a large national bank, and is, therefore, a one-bank holding company. It also is engaged, through subsidiaries, in oil production, refining, and marketing; natural gas production and processing; chemical manufacturing; producing paper board and packaging products. It also owns an office building, a commercial parking lot, and an insurance company. Being engaged in exploration for oil and gas in certain areas of Colombia and Nigeria, would the grandfather clause permit it to engage in exploration in other parts of those countries, or in Ghana or Indonesia? Would its chemical manufacturing company be permitted to develop new products? May its insurance company, which presently engages in life, health, and accident insurance principally in one State, for the holding company's employees, expand into new markets?

If the answer to such questions is affirmative (and a negative answer to some of them would be ludicrous), the grandfather clause actually would constitute a broad exemption permitting holding companies to expand their nonbanking operations. Only if such a company sought to enter a line of commerce totally unrelated to its business last June might there be a problem with the Holding Company Act. On the other hand, if the answers to such questions were negative—that a company could conduct only those precise operations that it was engaged in on the cut-off date, or could engage in such additional business only with prior governmental approval—the situation would become operationally impossible from the standpoint of a company and its subsidiaries and administratively impossible from the standpoint of the Government.

EXPANSION OF POWERS OF BANKS AND HOLDING COMPANIES

I do not wish to imply that I believe banks or holding companies should be kept in a strait jacket. Certainly they should be permitted to offer new services—but such services should be banking services. For example, I believe that it is appropriate for banks to be in the credit card business. The use of credit cards represents a modern method by which credit is extended. Since banks are principally engaged in the business of extending credit, enabling legislation was unnecessary.

However, when Congress has clearly limited the powers of banks, they should not be permitted to circumvent such limitations either through subsidiary corporations or through affiliation in a holding company system. If the limitation is to be removed or modified, it should be by congressional action. Before Congress does act to alter a limitation, it should decide whether the proposed activity is appropriate for banks to engage in directly. If so, the law should be changed in order that they may do so themselves, as well as through a subsidiary or through an affiliate in a holding company.

In other words, I believe that it is undesirable to consider in isolation a proposed expansion of the types of activities in which a *holding company* may engage—which H.R. 9385 would do under a broad delegation of authority by the Congress to the supervisory agencies. Consideration should be given at the same time to whether the powers of banks should be expanded directly or through subsidiary corporations. The desirable procedure, from my point of view, for effecting any expansion of the business of banking that Congress might consider appropriate is to amend Section 5136 of the Revised Statutes relating to the

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powers of national banks. To the extent any such amendment would authorize such banks to invest in stock, it would automatically remove Federal limitations on the investment powers of State member banks and permit holding companies, under Section 4(c)(5) of the Holding Company Act, to invest in stock of the kinds made eligible for investment by national banks.

In determining whether additional banking activities should be permitted, the basic questions should be whether it (1) is part of the evolutionary growth of banking and (2) yields benefits to the public interest in the form of more efficient and economical service. Before extending the powers of banks, Congress should assure itself that there are adequate safeguards against potential evils. This might require accompanying legislation designed to protect against such matters as undue concentration of economic power, anticompetitive tie-in arrangements —which are specifically covered in both bills here under consideration—and a decline in the quality of services or credit. After evaluation of the benefits and risks of a particular activity and the necessary safeguards, those areas in which the considerations favor bank entry should be specified by statute—or, in the alternative, the task could be specifically delegated to an administrative agency, subject to whatever guidelines the Congress considers appropriate.

Generally speaking, I personally do not favor forcing banks into a holding company system as a condition for engaging in an activity. Rather I believe that bank holding companies—like "operations subsidiaries" —should be regarded principally as a convenient alternative organizational arrangement for performing activities that banks may perform themselves. If the activity is not one that banks should be permitted to engage in directly or through a subsidiary corporation, I question whether a bank holding company should be permitted to engage in the activity. As I pointed out last week in St. Louis, banks should not "foray from a protected sanctuary to compete (either directly or via an affiliate) with enterprises which operate in a free-entry environment and which must use banking services." There might be situations, however, where the only reason that an activity is inappropriate for a bank to engage in directly is the undue risk that would be placed on depositors' funds. In those situations I would favor permitting the bank to perform the activity through a wholly-owned subsidiary or an affiliate in a holding company system. Courts ordinarily respect the separateness of corporate entities in the event of insolvency, and accordingly depositors' funds are less at risk when a bank engages in business through subsidiaries and affiliates.

FRAGMENTATION OF ADMINISTRATION OF THE HOLDING COMPANY ACT

If I fail to convince you of anything else, I hope that I can succeed in buttressing what must be your reaction to the provisions of H.R. 9385 by which authority to administer the Holding Company Act would be fragmented among the Board, the Federal Deposit Insurance Corporation, and the Comptroller of the Currency.

Perhaps the most important substantive legislation that the 91st Congress has so far enacted extends the President's authority with respect to reorganization of Federal agencies (P.L. 91–5). In that legislation, "Congress declares that the public interest demands the carrying out" of the following

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purposes (set forth in Section 901 of Title 5 of the United States Code):

(1) to promote the better execution of the laws . . . and the expeditious administration of the public business;

(2) to reduce expenditures and promote economy to the fullest extent consistent with the efficient operation of the Government;

(3) to increase the efficiency of the operations of the Government to the fullest extent practicable;

(4) to group, coordinate, and consolidate agencies and functions of the Government, as nearly as may be, according to major purposes;

(5) to reduce the number of agencies by consolidating those having similar functions under a single head . . . ; and

(6) to eliminate overlapping and duplication of effort.

These are the words of the Congress of the United States. Consistent with the policy of that legislation I have for several years urged the unification of Federal bank supervision in a Federal Banking Commission. As Chairman Martin told you when we were here together last fall to discuss the Board's change of position on "operations subsidiaries" and "loan production offices," I would enjoy making a speech on the Federal Banking Commission, and I would be glad to come back here at any time and do so. Today, I shall limit myself to pointing out that the fragmentation of administration of the Holding Company Act that would result from enactment of H.R. 9385 is a step in exactly the *opposite* direction. It would be contrary to the policy and purposes of the legislation relating to executive reorganization.

The fragmentation in H.R. 9385 is not made unobjectionable by the requirement that three agencies unanimously agree on the types of new activities in which holding companies may engage and by the requirement that the agencies act in accordance with guidelines agreed upon unanimously. The requirement for unanimous agreement as to activities of companies in which holding companies may invest and as to guidelines for approval of such investments would, in my opinion, simply lead to an impasse in many instances, with the result that no action could be taken and the purposes of the legislation could be defeated—or in desperation the agencies would work out a compromise based on the lowest common denominator.

Viewed realistically, a more fundamental shortcoming is that even the best regulations and guidelines are subject to interpretation. Inevitably, one agency would take a more "liberal" view than another. Despite the requirements of unanimity on types of activities, and guidelines, in the end a single agency would have the authority to act. If the applicant were a one-bank holding company and did not like the result, it might convert the bank's charter and try another agency. If the applicant were a plural-bank company, it might be able to shift from the jurisdiction of one agency to another by converting one of its banks from State to national, or vice versa.

In my view it would be unwise for Congress to saddle the bank supervisory agencies with the responsibility of trying to make workable a fragmented administration of the Holding Company Act, such as is proposed in H.R. 9385. In 1963, in testifying before your Subcommittee on Bank Supervision on the proposed unification of Federal bank supervision, I asked: "Why should we continue to muddle along with such an awkward, inefficient, expensive arrangement, rather than adopt a simple and obvious solution that is better in every respect?" Surely Congress does not want to make Federal supervision even more clumsy and ineffective than it is already.

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It has been said that the dispersal of authority among the agencies merely follows the traditional pattern of legislation in the banking field. In fact, however, H.R. 9385 would introduce for the first time a fragmentation of authority for regulation of bank holding companies. Even if one subscribes to tripartite Federal supervision of banks, the division of authority proposed in that bill is not within that pattern. We are concerned here not with supervision of banks but with supervision of bank holding companies—a responsibility that heretofore has been vested in a single agency.

CONCLUSION

To summarize my views on the major issues:

(1) One-bank holding companies should be brought within the Holding Company Act;

(2) There is no justification for a "grandfather clause";

(3) The powers of banks—as well as of holding companies—should be expanded to the extent Congress considers appropriate; and

(4) Administration of the Holding Company Act should continue to be vested in a single agency.

H.R. 6778 is consistent with these views. I recommend its approval with the modifications suggested in the last few pages of Chairman Martin's statement. □

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Record of Policy Actions
of the Federal Open Market Committee

Records of policy actions taken by the Federal Open Market Committee at each meeting, in the form in which they will appear in the Board's Annual Report, are released approximately 90 days following the date of the meeting and are subsequently published in the Federal Reserve BULLETIN.

The record for each meeting includes the votes on the policy decisions made at the meeting as well as a résumé of the basis for the decisions. The summary descriptions of economic and financial conditions are based on the information that was available to the Committee at the time of the meeting, rather than on data as they may have been revised since then.

Policy directives of the Federal Open Market Committee are issued to the Federal Reserve Bank of New York—the Bank selected by the Committee to execute transactions for the System Open Market Account.

Records of policy actions for the meetings held in 1967 were published in the BULLETINS for July 1967 through March 1968.

Records for the meetings held in 1968 were published in the BULLETINS for April 1968 through March 1969.

The record for the meeting held on January 14, 1969, follows:

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MEETING HELD ON JANUARY 14, 1969

Authority to effect transactions in System Account.

According to the preliminary Commerce Department estimates, expansion in real gross national product moderated to an annual rate of 3.8 per cent in the fourth quarter of 1968 from 5.0 per cent in the third quarter and more than 6 per cent in the first half of the year. However, the pace of advance in average prices—as measured by the GNP deflator—increased in the fourth quarter. Staff projections suggested that the rate of expansion in economic activity would slacken further in the first half of 1969.

Growth in consumer spending slowed sharply in the fourth quarter as the increase in disposable income remained moderate and the rate of personal saving rose. Growth in Federal outlays on goods and services continued to slacken. At the same time, the rate of business inventory accumulation increased substantially, and both business spending on plant and equipment and residential construction outlays advanced considerably.

In December retail sales declined markedly—perhaps partly because of an influenza epidemic—and reached their lowest level since the spring of 1968. However, industrial production and nonfarm payroll employment continued to rise rapidly, and the unemployment rate remained at the low level of 3.3 per cent to which it had fallen in November. With tight conditions persisting in labor markets, average wage rates in all major industry groups advanced considerably further.

Average wholesale prices of industrial commodities rose during the month ending in mid-December to a level 2.5 per cent above a year earlier, and an unusually large number of increases in such prices were announced subsequently. The consumer price index advanced substantially further in November and was 4.8 per cent above its year-earlier level—the largest increase in any 12-month period since 1951.

The staff projections for the first half of 1969 suggested that increases in consumer spending would remain moderate—partly because of the effects on disposable income of higher social security taxes and retroactive payments on 1968 income taxes—and that the rate of inventory accumulation would decline as businesses adjusted

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to the slower growth in final sales. It appeared likely that there would be little further rise in Federal outlays, with a sizable surplus emerging in the fiscal position of the Government, and that residential construction activity would be increasingly limited by the reduced availability of mortgage funds. On the other hand, prospects were for continued rapid growth in business capital outlays.

With respect to the U.S. balance of payments, in the last week of December there was an exceptionally large volume both of foreign official transactions that reduced U.S. liquid liabilities and of inflows of private funds, including a sizable volume of funds drawn from the Euro-dollar market by direct-investment affiliates of U.S. corporations. These inflows were large enough to produce a substantial, although probably temporary, surplus in the fourth quarter in the payments balance on the liquidity basis of calculation.[1] The surplus on the official reserve transactions basis was lower in the fourth quarter than in the third, in part because there was a year-end decline in Euro-dollar liabilities of U.S. banks to their foreign branches as a counterpart of the private capital inflows. In early January liabilities to foreign branches increased sharply and interest rates in the Euro-dollar market, which had reached record levels in late 1968, rose further.

For the full year 1968, despite a sharp deterioration in the merchandise trade balance, there was a small surplus in the over-all payments balance on the liquidity basis and a larger one on the official settlements basis; on both bases, substantial deficits had been incurred in 1967. While data were still preliminary and incomplete, it appeared that the elements making for the shift to surplus in 1968 included a heavy volume of foreign private long-term investment in the United States, particularly in equity securities; a reduction in net use of U.S. funds for direct investment abroad that was apparently larger than

[1] The balance on the "liquidity" basis is measured by changes in U.S. reserves and in liquid U.S. liabilities to all foreigners. The balance on the "official reserve transactions" basis (sometimes referred to as the "official settlements" basis) is measured by changes in U.S. reserves and in liquid and certain nonliquid liabilities to foreign official agencies, mainly monetary authorities. The latter balance differs from the former by (1) treating changes in liquid U.S. liabilities to foreigners other than official agencies as ordinary capital flows, and (2) treating changes in certain nonliquid liabilities to foreign monetary authorities as financing items rather than ordinary capital flows.

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the $1 billion required by the Commerce Department guidelines; and a larger net inflow of bank-reported claims than was required under the Federal Reserve guidelines, in contrast to the outflow of 1967. Also affecting the liquidity balance was a substantial volume of special transactions with foreign governments; and affecting the official settlements balance was a large net inflow of liquid funds through foreign branches of U.S. banks and other foreign banks. With respect to U.S. merchandise trade, the surplus for the first 11 months of 1968 totaled only about $300 million, compared with about $3.5 billion for the full year 1967.

On the day of this meeting the Treasury was auctioning $1.75 billion of tax-anticipation bills due in June for payment on January 20. The Treasury was expected to announce around the end of January the terms on which it would refund notes and bonds maturing in mid-February, of which about $5.4 billion were held by the public.

Open market operations since the December 17, 1968, meeting of the Committee had been directed toward attaining firmer conditions in money and short-term credit markets, while taking account of the increase from 5¼ to 5½ per cent in Federal Reserve Bank discount rates announced on the day of that meeting. The System absorbed reserves early in the interval and again near the close. But in the intervening period it supplied reserves to cushion an unduly sharp market reaction to the increase in restraint and to cope with substantial year-end strains. The effective rate on Federal funds fluctuated widely—with some trading at rates as high as 7⅛ per cent, a new record, at the end of December—but was mostly in a range of 6¼ to 6⅝ per cent, considerably above the range of previous weeks. In the single week ending January 1 member bank borrowings averaged $1.3 billion, a 16-year high; and in the 4 weeks ending January 8 they averaged $815 million, compared with an average of $515 million in the preceding 4 weeks. Average excess reserves also increased substantially in the interval, however, so that the rise in net borrowed reserves was relatively moderate.

Interest rates on both short- and long-term Treasury securities rose to new highs in the week following the mid-December meeting of the Committee, and although these yields subsequently declined somewhat, they remained well above earlier levels. The market rate on 3-

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month Treasury bills, for example, advanced from 5.94 per cent on December 16 to a peak of 6.29 per cent on December 24 and then declined irregularly to 6.13 per cent on the day before this meeting. Yields on other short-term market instruments also rose considerably on balance. In markets for corporate and municipal bonds, yields fluctuated in a rather narrow range around the highs reached in mid-December. New-issue volume in December was unusually small for corporate bonds; for municipal bonds, it was below the monthly average for the year largely because of the withdrawal of several scheduled offerings.

Net inflows of deposits to nonbank financial intermediaries slackened somewhat in November and apparently also in December. Yields on home mortgages in the secondary market continued to advance and by early January were close to the high that had been reached in the preceding June.

Since late November most major banks had been offering the maximum permissible rates under Regulation Q for large-denomination negotiable certificates of deposit (CD's) of all maturities. But as short-term market rates of interest continued to rise, CD's became progressively less competitive, and during December and early January there were declines in the volume outstanding—particularly at large money market banks—of considerably greater than seasonal dimensions. However, inflows of consumer-type time and savings deposits remained substantial during much of December, and on the average total time and savings deposits at banks increased at about the relatively rapid rate of November. The money stock expanded in December at an estimated annual rate of about 6 per cent—roughly half the November rate—although it bulged sharply around the turn of the year.

The prime lending rate of commercial banks, which had been raised to 6½ per cent on December 2, was advanced to 6¾ per cent on December 18—the day after the increase in discount rates was announced—and then to a record 7 per cent on January 7. In December, according to preliminary estimates, growth in business loans slowed considerably, as did bank acquisitions of municipal securities. However, the sharp decline in bank holdings of Treasury securities that had occurred in November was not repeated in December. Total

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bank credit, as measured by the bank credit proxy—daily-average member bank deposits [2]—rose from November to December at an annual rate of about 13 per cent, compared with 11 per cent in the previous month and 13 per cent in the second half of 1968. After adjustment for changes in the daily average of U.S. bank liabilities to foreign branches—which increased slightly in November but fell sharply in December—the proxy series expanded at an annual rate of about 11.5 per cent in both months.

Staff projections suggested that if existing Regulation Q ceilings and prevailing money market conditions were maintained there would be further large declines in the volume of CD's outstanding and a marked slowing of inflows of consumer-type time and savings deposits. The average level of the money stock was expected to be considerably higher in January than in December because of the sharp but largely temporary increase in late December and early January. With respect to bank credit, the staff projections suggested that the proxy series would expand in January at an annual rate in the range of zero to 3 per cent. After adjustment for the marked increase in U.S. bank liabilities to foreign branches that had already occurred in early January, growth in the credit proxy was projected in a range of 2 to 5 per cent. For February, prospects were for continued run-offs of CD's and no significant increase in the rate of bank credit growth.

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[2] In recent years the Committee has been making use of daily-average statistics on total member bank deposits as a "bank credit proxy"—that is, as the best available measure, although indirect, of developing movements in bank credit. Because they can be compiled on a daily basis with a very short lag, the deposit figures are more nearly current than available bank loan and investment data. Moreover, average deposit figures for a calendar month are much less subject to the influence of single-date fluctuations than are the available month-end data on total bank credit, which represent estimates of loans and investments at all commercial banks on one day—the last Wednesday—of each month. For statistics on daily-average member bank deposits, see the table in the statistical section of the Federal Reserve BULLETIN (on page A-17 of the January 1969 issue). Some brief comments on the relation between the member bank deposit series and the bank credit statistics are given in the note on p. 1460 of the October 1966 BULLETIN.

As indicated in that note, movements in total member bank deposits and in commercial bank credit can diverge for various reasons, including changes in nondeposit liabilities of banks. Because changes in U.S. bank liabilities to foreign branches recently have been an important source of divergence from time to time, an "adjusted" proxy series, taking approximate account of such changes, is now also being calculated for Committee use.

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In the Committee's discussion it was noted that, despite the indications of slowing in the rate of economic expansion, upward pressures on prices persisted and inflationary expectations remained widespread. It also was noted that the recent improvement in the U.S. balance of payments, while encouraging, did not imply that a sustainable equilibrium had been achieved, particularly in view of the marked deterioration in the U.S. trade surplus during 1968.

The Committee agreed that under these circumstances it would be desirable at present to maintain the existing degree of monetary restraint. The fact that the Treasury would be announcing a refunding around the end of January also was mentioned as militating in favor of an unchanged policy. The sharp slowing of growth in bank credit projected for January and February was generally considered to be appropriate, especially in light of the high growth rates of recent months. The view was expressed, however, that it would be undesirable to curtail bank credit drastically for an extended period.

The Committee decided that open market operations should be directed at maintaining the prevailing firm conditions in money and short-term credit markets, with the proviso that operations should be modified—to the extent permitted by the forthcoming Treasury refunding—if bank credit expansion appeared to be deviating significantly in either direction from current projections. Comments were made as to the desirability, on the one hand, of moderating any undue liquidity pressures that might develop and, on the other hand, of also moderating any tendency toward easing of money market conditions that might be brought about by seasonal forces.

The following current economic policy directive was issued to the Federal Reserve Bank of New York:

> The information reviewed at this meeting suggests that expansion in real economic activity has been moderating, with slower growth in consumer outlays but higher rates of business inventory accumulation and capital expenditures. Upward pressures on prices and costs, however, are persisting. Since the mid-December firming of monetary policy, most interest rates have risen further and, with the outstanding volume of large-denomination CD's declining sharply, bank credit expansion has slowed. Growth in the money supply moderated somewhat on average in December from its rapid November pace. The U.S. foreign trade surplus remains very small but near

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the end of the year unusual capital inflows had a markedly favorable effect on the over-all balance of payments. In this situation, it is the policy of the Federal Open Market Committee to foster financial conditions conducive to the reduction of inflationary pressures, with a view to encouraging a more sustainable rate of economic growth and attaining reasonable equilibrium in the country's balance of payments.

To implement this policy, System open market operations until the next meeting of the Committee shall be conducted with a view to maintaining the prevailing firm conditions in money and short-term credit markets; provided, however, that operations shall be modified, to the extent permitted by the forthcoming Treasury refunding, if bank credit expansion appears to be deviating significantly from current projections.

Votes for this action: Messrs. Martin, Brimmer, Daane, Galusha, Hickman, Kimbrel, Maisel, Mitchell, Robertson, Sherrill, and Treiber. Vote against this action: Mr. Morris.

Absent and not voting: Mr. Hayes. (Mr. Treiber voted as his alternate.)

Mr. Morris dissented from this action because he thought the directive as adopted could be consistent with an unduly restrictive monetary policy. In his judgment the current state of the economy called for a substantial moderation of bank credit growth from the 13 per cent rate that had prevailed over the second half of 1968, but not for so sharp a change as was implied by the projections for January and February.

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Law Department

Statutes, regulations, interpretations, and decisions

RESERVES OF MEMBER BANKS

The Board of Governors, effective April 17, 1969, has amended section 204.5 of Regulation D, "Reserves of Member Banks", so as to increase by one-half percentage point the ratio of reserves that must be maintained by a member bank against its demand deposits. The text of the amended section is as follows:

SUPPLEMENT TO REGULATION D

Effective April 17, 1969

SECTION 204.5—SUPPLEMENT

(a) **Reserve percentages.**—Pursuant to the provision of section 19 of the Federal Reserve Act and § 204.2(a) and subject to paragraph (b) of this section, the Board of Governors of the Federal Reserve System hereby prescribes the following reserve balances which each member bank of the Federal Reserve System is required to maintain on deposit with the Federal Reserve Bank of its district:

(1) If not in a reserve city—

(i) 3 per cent of (A) its savings deposits and (B) its time deposits, open account, that constitute deposits of individuals, such as Christmas club accounts and vacation club accounts, that are made under written contracts providing that no withdrawal shall be made until a certain number of periodic deposits have been made during a period of not less than 3 months; plus

(ii) 3 per cent of its other time deposits up to $5 million, plus 6 per cent of such deposits in excess of $5 million; plus

(iii) 12½ per cent of its net demand deposits up to $5 million, plus 13 per cent of such deposits in excess of $5 million.

(2) If in a reserve city (except as to any bank located in such a city which is permitted by the Board of Governors of the Federal Reserve System, pursuant to § 204.2(a)(2), to maintain the reserves specified in subparagraph (1) of this paragraph)—

(i) 3 per cent of (A) its savings deposits and (B) its time deposits, open account, that constitute deposits of individuals, such as Christmas club accounts and vacation club accounts, that are made under written contracts providing that no withdrawal shall be made until a certain number of periodic deposits have been made during a period of not less than 3 months; plus

(ii) 3 per cent of its other time deposits up to $5 million, plus 6 per cent of such deposits in excess of $5 million; plus

(iii) 17 per cent of its net demand deposits up to $5 million, plus 17½ per cent of such deposits in excess of $5 million.

(b) **Currency and coin.** The amount of a member bank's currency and coin shall be counted as reserves in determining compliance with the reserve requirements of paragraph (a) of this section.

MEMBER BANK REPORTS OF CONDITION

The Board of Governors, effective March 18, 1969, has amended Regulation H, "Membership of State Banking Institutions in the Federal Reserve System", and its "Rules Regarding Delegation of Authority" to reflect certain changes in the revised procedure for call reports recently approved by the Board, the Federal Deposit Insurance Corporation, and the Comptroller of the Currency.

Specifically, Reserve Banks are authorized to extend the deadline for publication by State member banks of reports of condition. Normally extensions will be for up to 10 days, but longer

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extensions may be granted in unusual circumstances beyond the reporting bank's control—for example, to permit State member banks with foreign branches to obtain foreign branch deposit data for publication with domestic reports of condition at spring and fall call dates. Also, the amendment to Regulation H permits the published report of condition to differ from the report submitted to the Reserve Bank in certain respects, as specified in the revised Instructions (Form F.R. 105a).

The text of the amendments is as follows:

AMENDMENT TO REGULATION H

Effective March 18, 1969, section 208.9(a)(1) and (3) is amended to read as follows:

SECTION 208.9—PUBLICATION OF REPORTS OF MEMBER BANKS AND THEIR AFFILIATES[9]

(a) **Reports of member banks.** (1) Each report of condition made by a member State bank to its Federal Reserve Bank pursuant to a call therefore by the Board shall be published by such member bank within twenty days from the date the call is issued, unless such time is extended by the Reserve Bank as provided in § 265.2(f)(16) of this chapter (Rules Regarding Delegation of Authority).

* * * * *

(3) The copy of the report for the use of the printer for publication should be prepared on the form supplied or authorized for the purpose by the Federal Reserve Bank. Except as permitted in the Instructions for preparation of reports of condition (Form F.R. 105a), the published information shall agree in every respect with that shown on the face of the report of condition submitted to the Federal Reserve Bank. All signatures shall be the same in the published statement as in the original report submitted to the Federal Reserve Bank, but the signatures may be typewritten or otherwise copied on the report for publication.

* * * * *

NOTE.—Footnote 9 remains unchanged.

RULES REGARDING DELEGATION OF AUTHORITY

AMENDMENT

Effective March 18, 1969, section 265.2(f) is amended by adding subparagraph (16) as follows:

SECTION 265.2—SPECIFIC FUNCTIONS DELEGATED

* * * * *

(f) **Each Federal Reserve Bank** is authorized, as to member banks or other indicated organizations headquartered in its district:

* * * * *

(16) Under § 208.9(a) of this chapter (Regulation H), for good cause shown, to extend the time for publication of reports of condition, such extensions not ordinarily to be for more than 10 days except in very unusual circumstances beyond control of the reporting bank.

OBLIGATIONS ELIGIBLE AS COLLATERAL FOR ADVANCES BY MEMBER BANKS

The Board of Governors, effective April 4, 1969, has amended Regulation A, "Advances and Discounts by Federal Reserve Banks", to eliminate the reference therein authorizing Reserve Banks to make 90-day advances to member banks on the security of certificates of interest issued by the Commodity Credit Corporation in a pool of notes with maturities of not more than nine months evidencing loans made by the Corporation pursuant to a commodity loan program. Simultaneously the Board amended the second paragraph of its interpretation relating to the "Obligations Eligible as Collateral for Advances" (December 1968 BULLETIN page 1012) to add to the list of agency obligations eligible as collateral for advances Commodity Credit Corporation certificates of interest in a price-support loan pool.

The text of the amendments is as follows:

AMENDMENT TO REGULATION A

Effective April 4, 1969, section 201.2(a) is amended to read as follows:

SECTION 201.2—ADVANCES TO MEMBER BANKS

(a) **Advances on obligations or eligible paper.** Reserve Banks may make advances to member banks for not more than 90 days if secured by obligations or other paper eligible under the Federal Reserve Act for discount or purchase by Reserve Banks.

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OBLIGATIONS ELIGIBLE AS COLLATERAL FOR ADVANCES

Effective April 4, 1969, the second paragraph of the Board's interpretation on this subject (December 1968 BULLETIN page 1012) is amended by adding subparagraph (15) as follows:

"Under section 14(b) direct obligations of, and obligations fully guaranteed as to principal and interest by, the United States or any agency thereof are eligible for purchase by Reserve Banks. Following are the principal agency obligations now eligible as collateral for advances:

* * * * *

(15) Commodity Credit Corporation certificates of interest in a price-support loan pool."

TRUTH IN LENDING INTERPRETATIONS OF REGULATION Z

USE OF RANGES OR BRACKETS TO DETERMINE PERIODIC RATE OF FINANCE CHARGE ON OPEN END ACCOUNTS

Section 226.5(a)(1) of Regulation Z, in effect, gives a creditor the option in certain circumstances of stating (1) two or more separate annual percentage rates (e.g., the rate on a \$700 balance might be stated as 18% on balance to \$500 and 12% on balance over \$500), or (2) a single annual percentage rate determined by the "quotient method" resulting from applying the rates to a total balance (e.g., in the example above, an annual percentage rate of 16¼% on a \$700 balance).

Section 226.5(a)(2), which relates to the use of ranges or brackets to compute periodic finance charges, does not prevent a creditor who uses such brackets from exercising the options referred to in section 226.5(a)(1).

OVERSTATEMENT OF ANNUAL PERCENTAGE RATE

Section 226.6(h) of Regulation Z provides that in certain circumstances the disclosure of an annual percentage rate which is greater than that required to be disclosed under the regulation does not in itself constitute a violation of the regulation. Under this section may a disclosure regarding an annual percentage rate (e.g. "the annual percentage rate does not exceed 18%") be preprinted on a contract or periodic statement and comply with disclosure requirements when the actual rate will at times be lower (e.g. 15%) for some transactions?

Section 226.5 specifies the methods which shall be employed in determining annual percentage rates. Section 226.6(h) is not intended to provide an alternative to these requirements, but is merely to provide appropriate relief to a creditor who overstates accidentally. Any disclosure of an annual percentage rate whether preprinted or otherwise which overstates the annual percentage rate determined in accordance with section 226.5 other than through inadvertence does not comply with requirements.

TRANSITION PERIOD—USING EXISTING FORMS, SUITABLY ALTERED OR SUPPLEMENTED

Section 226.6(k) of Regulation Z provides that, in some circumstances, if a creditor has been unable to obtain needed new printed forms by July 1, 1969, he may use existing forms until new ones are obtained, but not later than December 31, 1969. In such instances, the existing forms must be suitably altered or supplemented to make necessary disclosures clearly and conspicuously. The requirement that existing forms be supplemented is met by attachments or enclosures.

Also in some instances, creditors encounter unavoidable delays in obtaining necessary equipment or computer programs needed to utilize new printed forms. Such delays can produce problems comparable to those involved in delays in obtaining printed forms. In such a situation, a creditor, under section 226.6(k), may continue to use existing forms until the means of utilizing the new forms are available, but in no event later than December 31, 1969, and subject, of course, to the conditions applicable under section 226.6(k): namely, that the creditor must have taken bona fide steps prior to July 1, 1969, to obtain the necessary equipment or computer programs, and the existing forms must be "altered or supplemented as necessary to assure that all of the items of information the creditor is required to disclose are set forth clearly and conspicuously."

DISCLOSURES IN TRANSACTION INVOLVING MULTIPLE CUSTOMERS

Section 226.6(e) of Regulation Z states the general rule that, except in the case of a rescindable transaction under section 226.9, where there

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are multiple customers in a transaction, the creditor is only required to make disclosures to one of them. However, in determining which customer shall receive disclosures, the creditor may not select a customer who is secondarily liable, such as an endorser, comaker (when designated as surety), guarantor, or a similar party. This does not prohibit the creditor from also furnishing disclosures to such persons who are secondarily liable.

PERIODIC STATEMENTS—FINANCE CHARGE RESULTING FROM MORE THAN ONE PERIODIC RATE

Section 226.7(b)(4) of Regulation Z requires that a periodic statement for open end credit show the amount of any finance charge, and that the statement also itemize and identify that portion of the finance charge that is due to application of one or more periodic rates and that portion due to any other charge such as minimum, fixed, check service, transaction, activity, or similar charge.

This does not require the statement to state separately the portions of a finance charge due to application of two or more periodic rates. For example, if a creditor charges 1½% per month on the first $500 of a balance and 1% per month on amounts over $500, the monthly charge on a $600 balance would be $8.50, which must be shown. However, it would not be necessary to itemize the two components ($7.50 and $1.00) of the $8.50 charge. Under section 226.7(b)(5), the periodic rates that may apply to the account, and the applicable range of balances must, of course, be shown, but this could be preprinted.

ORDERS UNDER BANK MERGER ACT

THE FIDELITY BANK, PHILADELPHIA, PENNSYLVANIA

In the matter of the application of The Fidelity Bank for approval of merger with Trefoil Bank.

ORDER APPROVING MERGER OF BANKS

There has come before the Board of Governors, pursuant to the Bank Merger Act (12 U.S.C. 1828(c)), an application by The Fidelity Bank, Philadelphia, Pennsylvania, a State member bank of the Federal Reserve System, for the Board's prior approval of the merger of that bank with Trefoil Bank, Philadelphia, Pennsylvania, under the charter and title of The Fidelity Bank. Notice of the proposed merger, in form approved by the Board, has been published pursuant to said Act.

Upon consideration of all relevant material in the light of the factors set forth in said Act, including reports furnished by the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Attorney General on the competitive factors involved in the proposed merger,

IT IS HEREBY ORDERED, for the reasons set forth in the Board's Statement of this date, that said application be and hereby is approved, provided that said merger shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Philadelphia pursuant to delegated authority.

Dated at Washington, D.C., this 12th day of March, 1969.

By order of the Board of Governors.

Voting for this action: Chairman Martin and Governors Robertson, Mitchell, Daane, Maisel, Brimmer and Sherrill.

(Signed) ROBERT P. FORRESTAL,
Assistant Secretary.

[SEAL]

STATEMENT

The Fidelity Bank, Philadelphia, Pennsylvania ("Applicant"), with total deposits of about $1.1 billion has applied pursuant to the Bank Merger Act (12 U.S.C. 1828(c)), for the Board's prior approval of the merger of that bank with Trefoil Bank, Philadelphia, Pennsylvania ("Trefoil"), which is a newly organized bank not in operation. The banks would merge under the charter and name of Applicant, which is a member of the Federal Reserve System.

The proposed merger is one step in a plan of corporate reorganization whereby Fidelity Corporation of Pennsylvania, a newly organized Pennsylvania corporation, would become a one-bank holding company. Fidelity Corporation of Pennsylvania presently owns all the stock of Trefoil; upon the merger of Applicant with Trefoil, stock of Fidelity Corporation of Pennsylvania will be exchanged for stock of Applicant.

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Use of a merger transaction in Applicant's plan to form a one-bank holding company would assure to Fidelity Corporation of Pennsylvania the ability to acquire, except for directors' qualifying shares, all the outstanding stock of the banking subsidiary.

Statutory considerations. From the record before the Board, the proposed merger of Applicant and Trefoil—the latter being a bank with no operating history, formed solely to facilitate the corporate reorganization plan described above—would itself have no effect on either competition or the banking convenience and needs of any relevant area. Nor would it appear that the proposal would have any adverse consequences relative to the financial and managerial resources and prospects of Applicant or Trefoil Bank.

Accordingly, and in light of all of the standards set forth in the Bank Merger Act, the Board concludes that the application should be approved.

UNION BANK, LOS ANGELES, CALIFORNIA

In the matter of the application of Union Bank for approval of merger with Oakland Bank of Commerce.

Order Approving Merger of Banks

There has come before the Board of Governors, pursuant to the Bank Merger Act (12 U.S.C. 1828(c)), an application by Union Bank, Los Angeles, California, a State member bank of the Federal Reserve System, for the Board's prior approval of the merger of that bank with Oakland Bank of Commerce, Oakland, California, under the charter and title of Union Bank. Notice of the proposed merger, in form approved by the Board, has been published pursuant to said Act.

Upon consideration of all relevant material in the light of the factors set forth in said Act, including reports furnished by the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Attorney General on the competitive factors involved in the proposed merger.

It is hereby ordered, for the reasons set forth in the Board's Statement of this date, that said application be and hereby is approved, provided that said merger shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order unless such period is extended for good cause by the Board or by the Federal Reserve Bank of San Francisco pursuant to delegated authority.

Dated at Washington, D.C., this 17th day of March, 1969.

By order of the Board of Governors.

Voting for this action: Chairman Martin and Governors Robertson, Maisel, Brimmer, and Sherrill. Absent and not voting: Governors Mitchell and Daane.

(Signed) Robert P. Forrestal,
Assistant Secretary.

[SEAL]

Statement

Union Bank, Los Angeles, California ("Union Bank"), with total deposits of $1,280 million, has applied, pursuant to the Bank Merger Act (12 U.S.C. 1828(c)), for the Board's prior approval of the merger of that bank with the Oakland Bank of Commerce, Oakland, California ("Oakland Bank"), with deposits of $127 million.[1] The banks would merge under the charter and the name of Union Bank, which is a member of the Federal Reserve System. As an incident to the merger, the sole office of Oakland Bank would become a branch of Union Bank, increasing the number of its offices to 17.

Competition. Union Bank, headquartered in Los Angeles, operates 16 banking offices in Southern California and is the seventh largest bank in California, holding 2.9 per cent of total commerical bank deposits in the State. Oakland Bank's only office is in Alameda County. The bank ranks twentieth in size in California, with 0.3 per cent of total deposits. Consummation of the proposal would produce the eighth State-wide banking system, with the resulting bank controlling 3.2 per cent of total commerical bank deposits and operating 17 of the State's approximately 2,900 banking offices.

While there is a heavy concentration of banking resources in the State, the fifth largest bank is more than double the size of the sixth or seventh ranked banks, and the resulting bank would remain the seventh largest bank in California.

Neither bank is dominant in its service area. Oakland Bank's service area includes all of the

[1] Figures are as of October 30, 1968.

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City of Oakland, most of Alameda County, and portions of adjacent Contra Costa County. This area, which is part of the San Francisco Standard Metropolitan Statistical Area, has 16 banks operating 102 offices with estimated deposits of $2 billion. Oakland Bank ranks fourth in its service area, with approximately 6 per cent of that market. Union Bank holds a relatively minor share of deposits in the markets in which it presently operates. In Los Angeles County, the bank ranks fourth of 56 banks, with 8 per cent of total deposits as of June 30, 1966; in Orange County, it was the sixth largest of 22 banks, with 3.4 per cent of total deposits; and in San Diego County, eighth largest of 13 banks, with 1.5 per cent of total deposits.

Approximately 380 miles separate the nearest offices of the two banks, and the amount of loan and deposit business which each bank derives from the area served by the other is minute. Presently, there is almost no competition between the participants. Potentially, however, either bank could enter the service area of the other by either merger or through the establishment of a *de novo* branch. It is unlikely that Oakland Bank would become a competitor in Southern California. The record indicates that it is also unlikely that Union Bank would establish a *de novo* branch in Oakland.

The overall effect of the proposal on competition would be no more than slightly adverse.

Financial and managerial resources and future prospects. The banking factors with respect to Union Bank and Oakland Bank are reasonably satisfactory, and this would also be true of the resulting bank.

Convenience and needs of the communities. Consummation of the proposed merger would have no measurable effect upon the ability of Union Bank to serve its present areas of activity. The entry of Union Bank into the Oakland area through replacement of Oakland Bank by an office of the larger bank, however, would bring to that locality the full-service banking capabilities of Union Bank's regional system. This would be expected to result in particular benefit to the Oakland area, which is undergoing extensive redevelopment, in view of Union Bank's considerable construction finance experience.

Considerations under this factor lend some weight for approval of the proposal.

Summary and conclusion. In the judgment of the Board, the very slight adverse effect on competition that would result from entry of Union Bank into the Oakland area as proposed, would be offset by the availability to the Oakland area of the services of the resulting bank.

Accordingly, the Board concludes that the application should be approved.

CITIZENS TRUST AND SAVINGS BANK, SOUTH HAVEN, MICHIGAN

In the matter of the application of Citizens Trust and Savings Bank for approval of acquisition of assets of The West Michigan Savings Bank.

ORDER DENYING ACQUISITION OF BANK'S ASSETS

There has come before the Board of Governors, pursuant to the Bank Merger Act (12 U.S.C. 1828(c)), an application by Citizens Trust and Savings Bank, South Haven, Michigan, a State member bank of the Federal Reserve System, for the Board's prior approval of its acquisition of assets and assumption of deposit liabilities of The West Michigan Savings Bank, Bangor, Michigan, and, as an incident thereto, Citizens Trust and Savings Bank has applied, under section 9 of the Federal Reserve Act, for the Board's prior approval of the establishment by that bank of a branch at the location of the main office of The West Michigan Savings Bank. Notice of the proposed acquisition of assets and assumption of deposit liabilities, in form approved by the Board, has been published pursuant to said Act.

Upon consideration of all relevant material in the light of the factors set forth in said Act, including reports furnished by the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Attorney General on the competitive factors involved in the proposed transaction,

IT IS HEREBY ORDERED, for the reasons set forth in the Board's Statement of this date, that said applications be and hereby are denied.

Dated at Washington, D.C., this 19th day of March, 1969.

By order of the Board of Governors.

Voting for this action: Chairman Martin and Governors Robertson, Mitchell, Maisel, and Sherrill. Vot-

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ing against this action: Governor Daane. Absent and not voting: Governor Brimmer.

(Signed) ROBERT P. FORRESTAL,
Assistant Secretary.

[SEAL]

STATEMENT

Citizens Trust and Savings Bank, South Haven, Michigan ("Citizens Bank"), with total deposits of $32.6 million, has applied, pursuant to the Bank Merger Act (12 U.S.C. 1828(c)), for the Board's prior approval of its acquisition of assets and assumption of deposit liabilities of The West Michigan Savings Bank, Bangor, Michigan ("Bangor Bank"), which has total deposits of $7.5 million.[1] As an incident to the transaction, the sole office of Bangor Bank would become a branch of Citizens Bank, increasing the number of its offices to five.

Competition. Citizens Bank operates its head office in South Haven (population about 6,150); the bank operates branches in Fennville and Saugatuck, which are, respectively 18 miles northeast and 20 miles north, of South Haven, and a branch at Bloomingdale, which is 19 miles east of South Haven. Bangor Bank's sole office is in Bangor (population about 2,100), 11.5 miles southeast of Citizens Bank's main office and 13 miles southwest of its Bloomingdale branch; there are no banking offices in the intervening area. Industrial plants in Bangor and South Haven employ, respectively about 1000 and 3000 persons. A large portion of the persons employed in these plants reside in outlying areas, with many working in Bangor who reside in the rural sections of Citizens Bank's service area and many working in South Haven who reside in the rural sections of the area served by Bangor Bank. In addition, many residents of the Bangor area shop in South Haven, and Citizens Bank is a convenient alternative source of banking services for them.

Bangor Bank derives about 10 per cent of its deposits and about 10 per cent of its loans from the area served by Citizens Bank. Citizens Bank obtains deposits from the service area of Bangor Bank that equal over 40 per cent of the latter's deposits. The loans Citizens Bank obtains from the service area of Bangor Bank equal over 25 per cent of Bangor Bank's loans.

[1] As of June 29, 1968.

There are only two other banking offices in the combined service area of Bangor Bank and the main office and Bloomingdale branch of Citizens Bank. The First National Bank and Trust Co. of Kalamazoo (total deposits $196 million) operates a branch at Gobles, about five miles east of Bloomingdale; the Van Buren State Bank, Hartford (total deposits $8.5 million), operates a branch at Covert, about eight miles south of South Haven and nine miles west of Bangor. Citizens Bank and Bangor Bank presently hold 67 per cent and 21 per cent, respectively, of the deposits held by the five banking offices in this combined area.

The next closest banking offices to Bangor Bank are five that lie to the south of this combined area: the Lawrence branch (9 miles southeast of Bangor) of The American National Bank and Trust Company of Michigan (total deposits $138 million); the head office of Van Buren State Bank at Hartford (10 miles southwest of Bangor); the head office of The First National Bank of Watervliet (16 miles Southwest of Bangor); The State Bank of Coloma (18 miles southwest of Bangor); and the Paw Paw branch (18 miles southeast of Bangor) of The First National Bank and Trust Company of Kalamazoo. If these five offices are regarded as within the market served by Bangor Bank and the main office and Bloomingdale branch of Citizens Bank, then Citizens Bank, following the acquisition of Bangor Bank, would hold about 40 per cent of area deposits.

The acquisition of Bangor Bank by Citizens Bank would eliminate existing and potential competition between them and enhance the dominant position of Citizens Bank in an area where banking resources are already rather highly concentrated, whether the appropriate market be regarded as the five-bank-office or the ten-bank-office area, described above. The provision of Michigan law that prohibits the establishment of *de novo* branches in a town in which there is already a banking office would further enhance Citizens Bank's dominant position.

The proposed transaction would have a significantly adverse effect on competition.

Financial and managerial resources and prospects. The banking factors with respect to each of the banks are reasonably satisfactory, as they would be with respect to the resulting bank.

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Convenience and needs of the communities. It is contended that the replacement of Bangor Bank by an office of Citizens Bank would benefit the banking convenience and needs of the area presently served by Bangor Bank. Citizens Bank could offer more and better services than Bangor Bank now provides, but the interests of the Bangor community would be better served in the long run if such improvement were forthcoming from a banking organization with a less dominant position in the area. There is no basis for concluding that there are no feasible means for improving the banking services available in the Bangor community other than the amalgamation of Bangor Bank with a major competitor. See *United States* v. *Third National Bank in Nashville,* 390 U.S. 171 (1968).

Summary and conclusion. In the judgment of the Board, the significantly adverse effect of the proposed acquisition on competition would not be clearly outweighed in the public interest by potential benefits for banking convenience and needs.

Accordingly, the Board concludes that the application should be denied.

Dissenting Statement of J. Dewey Daane

On the basis of the record before the Board I would approve this merger. I cannot agree that consummation of this proposal would have any significantly adverse effect on existing competition or in any real sense preclude meaningful potential competition. Little competition now exists between the two institutions. Considering the number and size of banks headquartered outside, but competing within, the Bangor Bank's service area, and the lack of aggressiveness on the part of the Bangor Bank, I am unable to foresee any significant future competition arising between the two banks assuming the Bangor Bank continues its present mode and scope of operation.

Strongly supporting approval of the application, I believe, is the evidence of immediate benefits that will accrue to the banking public in the Bangor area from the likely immediate infusion in the Bangor Bank of aggressive operational policies and practices. In particular, the institution of a more liberal lending policy and more competitive rates of interest on time and savings deposits would make Bangor Bank a far more viable competitor.

In my judgment, absent approval of this proposal, there is no reasonable alternative for securing the aforementioned benefits. Any conclusion that alternative merger or acquisition proposals are available to the Bangor Bank is purely conjectural and non-supportive of a denial action.

ORDERS UNDER SECTION 3 OF BANK HOLDING COMPANY ACT

COMMERCE BANCSHARES, INC., KANSAS CITY, MISSOURI

In the matter of the application of Commerce Bancshares, Inc., Kansas City, Missouri, for approval of acquisition of 80 per cent or more of the voting shares of The Citizens National Bank of Kirksville, Kirksville, Missouri.

Order Approving Application under Bank Holding Company Act

There has come before the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)), and section 222.3(a) of Federal Reserve Regulation Y (12 CFR 222.3(a)), an application by Commerce Bancshares, Inc., Kansas City, Missouri, a registered bank holding company, for the Board's prior approval of the acquisition of 80 per cent or more of the voting shares of The Citizens National Bank of Kirksville, Kirksville, Missouri.

As required by section 3(b) of the Act, the Board notified the Comptroller of the Currency of the application and requested his views and recommendation. The Comptroller recommended approval of the application.

Notice of receipt of the application was published in the Federal Register on December 3, 1968 (33 Federal Register 17933), providing an opportunity for interested persons to submit comments and views with respect to the proposed transaction. A copy of the application was forwarded to the United States Department of Justice for its consideration. Time for filing comments and views has expired and all those received have been considered by the Board.

It is hereby ordered, for the reasons set forth in the Board's Statement of this date, that said application be and hereby is approved, provided that the application so approved shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order unless such period is extended for good cause by the

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Board or by the Federal Reserve Bank of Kansas City pursuant to delegated authority.

Dated at Washington, D.C., this 10th day of March, 1969.

By order of the Board of Governors.

Voting for this action: Chairman Martin and Governors Robertson, Maisel, Brimmer, and Sherrill. Absent and not voting: Governors Mitchell and Daane.

(Signed) ROBERT P. FORRESTAL,
Assistant Secretary.

[SEAL]

In the matter of the application of Commerce Bancshares, Inc., Kansas City, Missouri, for approval of acquisition of 80 per cent or more of the voting shares of The Mechanics Bank, St. Joseph, Missouri.

ORDER APPROVING APPLICATION UNDER BANK HOLDING COMPANY ACT

There has come before the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)), and section 222.3(a) of Federal Reserve Regulation Y (12 CFR 222.3(a)), an application by Commerce Bancshares, Inc., Kansas City, Missouri, a registered bank holding company, for the Board's prior approval of the acquisition of 80 per cent or more of the voting shares of The Mechanics Bank, St. Joseph, Missouri.

As required by Section 3(b) of the Act, the Board notified the Commissioner of Finance for the State of Missouri of the application and requested his views and recommendation. The Commissioner responded that he had no objection to approval of the application.

Notice of receipt of the application was published in the Federal Register on December 3, 1968 (33 Federal Register 17934), providing an opportunity for interested persons to submit comments and views with respect to the proposed transaction. A copy of the application was forwarded to the United States Department of Justice for its consideration. Time for filing comments and views has expired and all those received have been considered by the Board.

IT IS HEREBY ORDERED, for the reasons set forth in the Board's Statement of this date, that said application be and hereby is approved, provided that the acquisition so approved shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Kansas City pursuant to delegated authority.

Dated at Washington, D.C., this 18th Day of March, 1969.

By order of the Board of Governors.

Voting for this action: Chairman Martin and Governors Robertson, Maisel, Brimmer, and Sherrill. Absent and not voting: Governors Mitchell and Daane.

(Signed) ROBERT P. FORRESTAL,
Assistant Secretary.

[SEAL]

STATEMENT

Commerce Bancshares, Inc., Kansas City, Missouri ("Applicant"), a registered bank holding company, has applied to the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)), for prior approval of the acquisition of 80 per cent or more of the voting shares of The Citizens National Bank of Kirksville, Kirksville, Missouri ("Citizens Kirksville"), and The Mechanics Bank, St. Joseph, Missouri ("Mechanics Bank"). While each of the applications has been separately considered and is subject to a separate Board Order, because of facts and circumstances common to both applications, this statement contains the Board's findings and conclusions with respect to both.

Views and recommendation of supervisory authorities. As required by section 3(b) of the Act, the Board notified the Comptroller of the Currency of receipt of the application relating to Citizens Kirksville and notified the Commissioner of Finance for the State of Missouri of receipt of the application relating to Mechanics Bank, and requested their views and recommendation thereon. The Commissioner indicated that he had no objection to approval of the Mechanics Bank proposal, and the Comptroller recommended approval of the proposal involving Citizens Kirksville.

Statutory considerations. Section 3(c) of the Act provides that the Board shall not approve an acquisition that would result in a monopoly or would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the

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United States. Nor may the Board approve a proposed acquisition the effect of which, in any section of the country, may be substantially to lessen competition, or to tend to create a monopoly, or which in any other manner would be in restraint of trade, unless the Board finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served. In each case the Board is required to take into consideration the financial and managerial resources and future prospects of the bank holding company and the banks concerned, and convenience and needs of the community to be served.

Competitive effects of the proposed transactions. Applicant, the third largest banking organization in Missouri, controls deposits of $561 million, representing 5.8 per cent of the total deposits held by all banks in the State.[1] Upon completion of the acquisitions proposed, Applicant would control 6.1 per cent of total deposits in the State and would remain the State's third largest banking organization, behind two independent St. Louis Banks. Consummation of the proposals would not significantly affect the present degree of Statewide concentration.

Citizens Kirksville, which has deposits of $8.5 million, is the smallest of three banks located in the City of Kirksville, Adair County, in the northeast corner of the State. Its competitors hold deposits of $14 million and $10 million, respectively.

Mechanics Bank, with deposits of $22.4 million, is the third largest of nine banks located in St. Joseph and the third largest of 10 banks located in Buchanan County, in the northwest section of the State. Three of the St. Joseph banks are subsidiaries of a registered bank holding company and hold, in the aggregate, deposits of $69 million. The largest bank in the area, together with an affiliated bank, hold deposits of $83 million.

Missouri law generally prohibits branching, although one limited-service facility is permitted within one thousand yards of the bank's office. The two banks involved are approximately 150 miles apart, and are located 55 and 85 miles, respectively, from the nearest of Applicant's four present subsidiary banks. It does not appear that any competition exists between the two proposed subsidiary banks or between either of them and present subsidiaries of Applicant. Although Commerce Trust Company, Applicant's lead bank in Kansas City, derives a small number of trust accounts from the Kirksville and St. Joseph areas, such business does not appear indicative of significant competition between that bank and the proposed subsidiaries, particularly in light of the fact that Mechanics Bank has only a relatively small trust department and Citizens Kirksville does not exercise its authorized fiduciary powers. Further, in view of the distances involved and State branching restrictions, it does not appear likely that significant competition with Applicant's present subsidiaries would develop in the future. It is reasonably foreseen that the acquisitions proposed will increase the competitive abilities of the subject banks, without undue adverse effects on the viability or competitive effectiveness of competing banks.

In the light of these facts, the Board concludes that consummation of the proposed acquisitions would not result in a monopoly nor be in any furtherance of any combination, conspiracy, or attempt to monopolize the business of banking in any area. It does not appear that consummation of either or both of the proposals would have the effect of substantially lessening competition or tending to create a monopoly in any section of the country, or would in any manner be in restraint of trade.

Financial and managerial resources and future prospects. The financial condition, management and prospects of Applicant and Mechanics Bank are considered satisfactory. Management of Citizens Kirksville is satisfactory, and its prospects appear favorable. It is in need of additional capital, however, and Applicant has specified firm plans to improve the condition of the bank in that respect, upon consummation of its proposal.

Considerations under this factor are consistent with approval of both applications.

Convenience and needs of the communities involved. Consummation of Applicant's proposals would not affect the convenience or needs of the communities served by its present subsidiaries.

There is no evidence of unserved needs, nor does Applicant suggest that the proposed affiliation will fulfill any unserved needs of the Kirks-

[1] Unless otherwise noted, all banking data are as of June 29, 1968.

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ville or St. Joseph communities. The proposed affiliations, however, would tend to assure the availability of a greater variety and quality of banking services than either of the proposed subsidiary banks could be expected to offer as an independent bank. The Kirksville community would thus be provided with more convenient access to a broad range of banking services, and Mechanics Bank would become a more meaningful alternative to the two dominant banking organizations in the St. Joseph area.

These considerations provide some weight in favor of approval of the applications.

Summary and conclusion. On the basis of all relevant facts contained in the record, and in the light of the factors set forth in section 3(c) of the Act, it is the Board's judgment that the proposed transactions would be in the public interest and that the applications should be approved.

THE B.N.Y. COMPANY, INC., NEW YORK, NEW YORK

In the matter of the application of The B.N.Y. Company, Inc., New York, New York, for approval of action to become a bank holding company through the acquisition of all of the outstanding voting shares of seven banks in the State of New York.

ORDER APPROVING APPLICATION UNDER BANK HOLDING COMPANY ACT

There has come before the Board of Governors, pursuant to section 3(a)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(1)) and section 222.3(a) of Federal Reserve Regulation Y (12 CFR 222.3(a)), an application by The B.N.Y. Company, Inc., New York, New York, for the Board's prior approval of action whereby Applicant would become a bank holding company through the acquisition of all of the outstanding voting shares of the following seven banks located in the State of New York: The Bank of New York, New York City; The County Trust Company, White Plains; Mechanics and Farmers Bank of Albany, Albany; Endicott Bank of New York, Endicott, the successor, by conversion to State charter, of The Endicott National Bank, Endicott; The Exchange Bank of Olean, the successor, by conversion to State charter, of The Exchange National Bank of Olean, Olean; Metropolitan Bank of Syracuse, the successor, by conversion to State charter, of Metropolitan National Bank of Syracuse, Syracuse; and Niagara Frontier Bank of New York, Buffalo, a proposed new bank.

As required by section 3(b) of the Act, the Board gave written notice of receipt of the application to the New York Superintendent of Banks, and requested his views and recommendation thereon. The New York State Banking Board advised the Board of its action, consistent with a recommendation made to it by the Superintendent, approving an application, filed pursuant to the New York Banking Law with respect to the same transaction.

Since three of the banks whose voting shares would be acquired by Applicant are presently national banks, the Board also invited an expression of views by the Comptroller of the Currency. The Comptroller's office responded that it had no comment to offer with respect to the proposal.

Notice of receipt of the application was published in the Federal Register on September 6, 1968 (33 Federal Register 12697), providing an opportunity for interested persons to submit comments and views with respect to the proposal. A copy of the application was forwarded to the United States Department of Justice for its consideration. Time for filing comments and views has expired and all those received have been considered by the Board.

IT IS HEREBY ORDERED, for the reasons set forth in the Board's Statement of this date, that said application be and hereby is approved, provided that the action so approved shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, unless such time shall be extended by the Board or by the Federal Reserve Bank of New York pursuant to delegated authority.

Dated at Washington, D.C., this 24th day of March, 1969.

By order of the Board of Governors.

Voting for this action: Chairman Martin and Governors Mitchell, Daane, Maisel, Brimmer, and Sherrill. Voting against this action: Governor Robertson.

(Signed) ROBERT P. FORRESTAL,
Assistant Secretary.

[SEAL]

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STATEMENT

The B.N.Y. Company, Inc., New York, New York ("Applicant"), has filed with the Board, pursuant to section 3(a)(1) of the Bank Holding Company Act of 1956, an application for approval of action to become a bank holding company through the acquisition of all of the outstanding voting shares of the following seven banks, all located in the State of New York: The Bank of New York, New York City ("Bank of New York"); The County Trust Company, White Plains ("County Trust"); Mechanics and Farmers Bank of Albany, Albany ("Mechanics and Farmers Bank"); Endicott Bank of New York, Endicott ("Endicott Bank"), the successor, by conversion to State charter, of The Endicott National Bank, Endicott; The Exchange Bank of Olean, Olean ("Exchange Bank"), the successor, by conversion to State charter, of The Exchange National Bank of Olean, Olean; Metropolitan Bank of Syracuse, Syracuse ("Metropolitan Bank"), the successor, by conversion to State charter, of Metropolitan National Bank of Syracuse, Syracuse; and Niagara Frontier Bank of New York, Buffalo ("Niagara Bank"), a proposed new bank.

Views and recommendation of supervisory authority. As required by section 3(b) of the Act, notice of receipt of the application was given to, and views and recommendation requested of, the New York State Superintendent of Banks. In view of his coordinate responsibilities under New York law, the Superintendent did not comment directly to the Board. The New York State Banking Board, however, advised the Board of its action, consistent with a recommendation of the Superintendent (a copy of which was also provided to the Board), approving an application with respect to the same transaction pursuant to Article III-A of the New York Banking Law.

Although not required by the Act to request the views and recommendation of the Comptroller of the Currency (since none of the banks whose voting shares would be acquired by Applicant would be national banks), the Board invited an expression of views by the Comptroller, inasmuch as three of the banks involved in the proposal are presently national banks. The Comptroller's office responded that it had no comment to offer on the proposal.

Statutory considerations. Section 3(c) of the Act provides that the Board shall not approve an acquisition that would result in a monopoly or would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States. Nor may the Board approve a proposed acquisition the effect of which, in any section of the country, may be substantially to lessen competition, or to tend to create a monopoly, or which in any other manner would be in restraint of trade, unless the Board finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probably effect of the transaction in meeting the convenience and needs of the community to be served. In each case the Board is required to take into consideration the financial and managerial resources and future prospects of the bank holding company and the banks concerned, and the convenience and needs of the community to be served.

Competitive effect of proposed transaction. Consummation of the present proposal would result in Applicant's becoming the ninth largest banking organization in the State of New York. Applicant's subsidiary banks would operate a total of 78 banking offices [1] located in six of the State's nine Banking Districts, and hold total deposits of $2.2 billion,[2] an amount equal to 2.9 per cent of the total deposits held by all banks in the State. All but $107 million in deposits and 11 offices represent operations of Bank of New York and County Trust.

Bank of New York ($1.3 billion deposits) is the ninth largest bank in New York City and the tenth largest banking organization in the State, accounting for 1.7 per cent of the deposits held by all banks in the State. It conducts a business which is primarily, although not exclusively, wholesale in nature, through eight banking offices located in the Wall Street and mid-town business districts of Manhattan. A substantial portion of its gross operating income derives from its trust activities. The bulk of its loan portfolio (85 per cent) is represented by commercial and industrial loans, loans to financal institutions, loans to brokers and other securities loans, with less than 3 per cent of its portfolio represented by real estate

[1] Includes the proposed office of Niagara Bank.

[2] All banking data are as of June 29, 1968, unless otherwise noted.

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loans and consumer instalment loans. Of its total deposits, about 40 per cent represent large demand deposit accounts (in excess of $100,000) of individuals, partnerships, and corporations, and nearly 20 per cent are deposits of banks, resulting from its widespread domestic and foreign correspondent activities.

County Trust ($781 million deposits) is the largest of seven banks headquartered in Westchester County, and the fifth largest of 12 banks with offices located therein. It has 50 offices located throughout that county, and a total of nine offices in Rockland, Putnam, Sullivan, and Orange Counties. Although considered a full-service bank, its primary emphasis is on providing retail services to its suburban customers. Over half of County Trust's deposits represent savings accounts and relatively small (under $10,000) demand accounts. Real estate loans and consumer instalment loans constitute about three-fourths of its loan portfolio, with only 11 per cent of its portfolio represented by commercial and industrial loans. Its trust department accounts for less than one per cent of its gross operating income.

Mechanics and Farmers Bank ($25 million deposits) operates a main office and one branch in Albany, and one branch in each of the suburban townships of Guilderland and Colonie. It is the smallest of five banks in the City of Albany, the seventh largest of ten banks located in the area it serves (consisting of the City of Albany and its principal suburbs in Albany County, and the western portion of Rensselaer County), and the sixteenth largest of 36 banks in the Fourth Banking District of New York. The three largest banks in Albany range in deposit size from $170 million to $862 million, while the fourth largest, a subsidiary of Empire Shares Corporation, a registered bank holding company, has deposits of $26 million.

Metropolitan Bank ($21 million deposits), which was established in 1964, is the smallest of five banks in the City of Syracuse, where it operates its only office. It is the eleventh largest of 25 banks in the Sixth Banking District. The four larger banks in Syracuse range in deposit size from $166 million to $253 million.

Endicott Bank ($34 million deposits) is the smallest of three banks with offices in Endicott, the smallest of four banks with offices in the "triple cities" area of Binghamton, Endicott, and Johnson City, and the only bank in its area not presently affiliated with a bank holding company. It is the eighth largest of 33 banks in New York's Seventh Banking District. In addition to its main office in Endicott, it operates three branches, located in the suburban towns of Endwell, Vesta, and Apalachin. The three larger competitors of Endicott Bank range in deposit size from $54 million to $215 million.

The only office of Exchange Bank ($27 million deposits) is located in Olean, in New York's Ninth Banking District. Exchange Bank is the second largest of three banks in Olean, and would be the only one of the three Olean banks to be affiliated with a bank holding company.

Niagara Bank, organization of which was recently approved by the New York State Banking Board, would commence business with capital of $4 million and a single office, located in downtown Buffalo in the Ninth Banking District of New York. The establishment of Niagara Bank is contingent upon approval of the present application. Commercial banking in Buffalo and in the Ninth Banking District is highly concentrated, with the three largest banks in Buffalo holding about 80 per cent of the total deposits in the entire district.

Considering first the effect of Applicant's proposal on competition in the upstate areas involved, it does not appear that competition would be adversely affected in any of such areas. Distances separating the four existing upstate banks range from 83 to 165 miles, and no significant competition appears to exist between any two of them, or between any of them and either Bank of New York or County Trust. Exchange Bank and the proposed Niagara Bank are the only upstate subsidiaries located in the same Banking District, and potential competition between those banks is limited by the "home office protection" feature of New York branching law and by the 70 mile distance between the only office of Exchange Bank and the proposed office of Niagara Bank. With respect to the Albany, Syracuse, Endicott, and Buffalo markets, Applicant's proposal could have significant procompetitive effects by providing customers in those areas with a full service alternative to banks which presently dominate those markets, without appreciably increasing barriers to the entry of other potential competitors. The presently high level of concentration in each of those areas may thus eventually be meaningfully reduced through the increased

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ability of the proposed subsidiary banks to compete effectively for business originating in those areas. The proposed acquisition of Exchange Bank, which is a viable and effective competitor within its market, would not have procompetitive effects of the same magnitude as those foreseen in the case of the other four upstate banks; however, Exchange Bank is by no means a dominant institution in its area, and its acquisition by Applicant appears consistent with the preservation of competition in the Olean area.

The proposed affiliation of Bank of New York and County Trust under Applicant's control raises competitive issues which require somewhat closer analysis. Bank of New York is the tenth largest and County Trust the twelfth largest bank within the area encompassed by New York City, Westchester County, and Nassau County. Although neither bank has offices within the immediate area served by the other, County Trust does compete with New York City banks for the business of individuals who reside in its service area and commute to employment in the City, and New York City banks must also be regarded as reasonably convenient banking alternatives for corporations located in Westchester County. In addition, Bank of New York and County Trust could legally branch into each other's immediate service areas and both have the financial ability to do so. These circumstances, however, are in large part offset by the earlier-discussed specialization of the two banks in different areas of banking service. Despite the general competitive ability of each of the banks, and despite the fact that, based on geographical considerations, they would appear to be at least potential competitors, appraisal of the principal service offerings of Bank of New York and County Trust clearly indicates that their affiliation would not eliminate singificant competition between them. Even in the unlikely event that either or both of the banks were to change their traditional patterns of service, the impact of such a change on the overall level of competition would be relatively negligible. Bank of New York and County Trust both face significant competition from several substantially larger banking organizations, and it does not appear that the additional competition which either could provide to the other would result in significantly improved customer alternatives. Therefore, although the elimination of such competition as presently exists between Bank of New York and County Trust, or as could arise in the future, is an adverse consideration with respect to Applicant's proposal, the significance of that consideration does not appear such as to warrant the conclusion that competition in the area served by Bank of New York and County Trust may be substantially lessened, or that any tendency toward monopoly would result.

Two other competitive considerations relating to the proposed affiliation of Bank of New York and County Trust warrant mention. First, the judgment that there is no reasonable probability that Bank of New York would compete significantly with County Trust in the future is not as readily applicable to a holding company system having Bank of New York as its lead bank. Significant competition by such a holding company in the Westchester County market would not appear to require acquisition of the dominant bank in that county, and entry through alternative means could serve to inject new and significant competition into that area. In addition, if County Trust were not a member of Applicant's system, the possibility would exist that, at some future date, it might itself take the lead in the formation of a separate holding company which could be competitive with Applicant and other large organizations in other sections of the State.

A judgment as to the relative significance of those competitive considerations which are adverse to Applicant's proposal and those which are favorable thereto requires an appreciation of the differences between the structure of the upstate markets in New York and that of the New York City area. As is indicated by the earlier discussion of the structures of the Albany, Syracuse, and Buffalo areas, it is typical of the upstate areas that a very limited number of banks exercise a dominant influence over banking in each area and control a preponderance of the deposits originating therein. The largest banks in the State are, of course, concentrated in the New York City area, but, because State law limits branching by such Banks to New York City, Westchester, and Nassau Counties, the extent to which competition by such banks can offset existing concentration in the upstate areas is limited by geographical considerations which make them inconvenient alternatives for any but the largest customers upstate. Bank holding companies, which are not limited by branching restrictions, can, by making available to small upstate subsidiaries the assistance of a viable affiliate, serve to offset to a considerable extent

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the disadvantages to which the upstate subsidiaries are subject in competing with the dominant banks in their areas and, in so doing, can increase banking competition and decrease concentration within such areas. Applicant has consciously undertaken to structure its system in a manner which would maximize the potential benefits to competition in the upstate markets. Except for Exchange Bank, each of the existing proposed upstate subsidiaries is the smallest independent bank in a significant market dominated by a few large banking organizations. In the Buffalo area, the most heavily concentrated major banking market in the State, Applicant's entry would be effected through acquisition of a newly chartered bank. It is Applicant's contention that, with the support of Bank of New York and County Trust, these banks can be developed into significant competitors in their areas. To successfully do so, however, will require considerable management resources and varied banking capabilities and experience, as well as substantial financial resources. Applicant forceibly asserts that neither Bank of New York nor County Trust alone has the range of capabilities or the resources needed for the successful accomplishment of this undertaking while at the same time meeting the needs of its own customers, but that their complementary strengths will enable them, through the proposed holding company, to provide the leadership necessary for its success.

The principal issue is whether the anticompetitive effects of the proposed affiliation of Bank of New York and County Trust are sufficiently serious as to condemn the entire proposal. The Board concludes that they are not. The combined deposits of Bank of New York and County Trust are substantially lower than those held by seven banks located in New York City. Applicant would control only about 3 per cent of the total deposits held by banks in the New York City-Westchester-Nassau County market and, as earlier noted, little existing competition would be eliminated by the proposed affiliation. The possibility of significant future competition between Bank of New York and County Trust also seems remote, except in the event that either or both were to form holding companies not including the other as a subsidiary. The significance of the elimination of such potential competition, insofar as the New York City area is concerned, is minimized by the large number of strong competitors in that market. With respect to the loss of potential competition which could arise in the upstate markets if Bank of New York and County Trust were both to form separate holding companies with upstate affiliates, it would appear that the structure of such companies would likely be different from that of Applicant with respect to the size of the upstate banks which would be included; it is by no means clear that the effects in the upstate markets from such formations would be more competitively desirable than those which would result from Applicant's proposal. On balance, the Board concludes that consummation of Applicant's proposal would have competitive effects in the State of New York and in the upstate markets involved which would promote the public interest, and that these considerations more than offset the adverse implications of the affiliation of Bank of New York and County Trust.

This, it should be clear, is not to suggest that a proposal which may substantially lessen competition or tend to create a monopoly in one area is saved because, in some other area, the competitive effect would be favorable. The Act does not permit a balancing of a substantial loss of competition in one area against a significant increase in competition in another; on the contrary, it requires that an application be denied if its effect may be substantially to lessen competition or to tend to create a monopoly *in any section of the country,* unless the benefits to the community convenience and needs clearly outweigh such anticompetitive effects. But when, as here, the anticompetitive effects of a proposal are not so substantial in any area as to violate the antitrust standard of the Act, it is clearly appropriate, in determining whether the public interest would be served by consummation of the transaction, to view the competitive considerations as consistent with that interest based on the overall effect of the proposal, rather than to condemn the entire proposal because of limited anticompetitive effects in a given area.

For the foregoing reasons, competitive considerations are regarded as consistent with approval of the subject application. Consummation of Applicant's proposal would not result in a monopoly or be in furtherance of any combination, conspiracy, or attempt to monopolize the business of banking in any area, and would not substantially lessen competition or tend to create a monopoly in any section of the country.

Financial and managerial resources and future

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prospects. The projected financial condition of Applicant, a new corporation, is regarded as satisfactory. Its management, which will be drawn principally from Bank of New York and County Trust, is also regarded as satisfactory, and its prospects, based upon those of the subsidiary banks, appear favorable.

Both Bank of New York and County Trust are in excellent financial condition with competent management, and the prospects of both are regarded as favorable regardless of whether the present application is approved.

The financial condition and management of the existing upstate banks are reasonably satisfactory. However, they would likely be benefitted by the greater facility for raising capital and from the additional management depth which Applicant's proposal would provide, and their prospects would be considerably improved as a result of the greater breadth of services which they would be able to offer their customers. Niagara Bank's proposed capital of $4 million appears adequate, its management, which will be drawn from Bank of New York and County Trust, appears competent, and its prospects, as reflected by Applicant's projection that the bank will have about $16 million in deposits after three years of operation, are favorable.

Considerations under the banking factors are consistent with approval of the application as they relate to Applicant, Bank of New York, and County Trust, and weigh in favor of approval as they relate to the proposed upstate subsidiary banks.

Convenience and needs of the communities involved. Applicant's proposal would have no significant effect on the convenience and needs of residents or businesses in New York City or Westchester County. Residents of those areas presently have available a complete range of banking services from several sources; customers of County Trust, however, would be able to obtain, through that bank, somewhat more convenient access to the wholesale type services offered by Bank of New York.

It does not appear that there are any major banking needs in the upstate areas which are not being met by the larger banks located there. However, none of the proposed subsidiary banks presently serves all segments of the banking public, because of limited resources and lack of specialized knowledge. The principal contribution of Applicant's proposal to the convenience and needs of the public would be to make it possible for these banks to offer a much broader range of banking services than they have offered or can offer as independent banks, and to make available to the Buffalo area a new alternative source of banking services.

Considerations under this factor weigh in favor of approval of the application.

Summary and conclusion. On the basis of all relevant facts contained in the record, and in the light of the factors set forth in section 3(c) of the Act, it is the Board's judgment that the proposed transaction would be in the public interest, and that the application should be approved.

Dissenting Statement of Governor Robertson

My dissent from the Board's approval of B.N.Y. Company's formation as a bank holding company relates to my appraisal of the likely adverse impact of the proposal in the New York City Metropolitan area, and takes into consideration the probable, but limited, benefits to the relevant upstate bank markets.

Consummation of Applicant's proposal is not likely to have any significant anticompetitive consequences in the Endicott, Olean, Albany, Syracuse, or Buffalo areas; particularly in the Buffalo area where Applicant will establish a new bank. In one or more of these areas some benefits in the nature of new, improved, or more convenient banking services will undoubtedly result. Thus, were only the upstate communities involved, I could join in the Board's approval action for the reason that, anticompetitive consequences absent, and the likelihood of some benefit to the communities being evidenced, approval would be indicated. However, viewing the application in its entirety in the light of the applicable statutory standards, I am unable to find a resulting beneficial consequence that would warrant approval.

In my judgment, the anticompetitive effects reasonably associated with the proposed affiliation of County Trust Company and the Bank of New York are substantial, and are in no measure outweighed by compensating benefits to their common trade market—New York City, Westchester County, and Nassau County. Both County Trust Company and Bank of New York have given reasons why each would not consider *de novo* entry into the head office area of the other. I am unwill-

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ing to apply these reasons in support of approval action on this application. Rather than approve this proposal, with the resulting elimination of competition between Bank of New York and County Trust, and preclusion of potential competition between them, I would deny the application in order to require each to use its sizable position (Bank of New York—$1.3 billion of deposits; County Trust Company—$781 million of deposits) either to enter *de novo* the areas principally served by the other, or to seek alternative affiliations of a size and in such locale as likely to produce considerably less anticompetitive impact than is to be anticipated from this proposal. Under New York State law, each can merge into and establish *de novo* branches in the head office county of the other. Considering the size of the two banks and their highly qualified and experienced management, either could structure an affiliation that would offer a potential for obtaining the geographic and product market result that each seeks, without the anticompetitive consequence inherent in the subject proposal. Control, as proposed, of the largest bank headquartered in Westchester County and of a $1.3 billion New York City bank should be permitted only upon a clear showing that such affiliation is required in the public interest—that is, that major banking needs within the communities involved are unserved and will remain substantially unserved absent consummation of the proposed affiliation. No evidence was adduced with respect to such unserved need in the New York City area.

In sum, the benefits to the upstate communities that may result from Applicant's formation have no relevant overweighing effect on the significantly adverse competitive consequences I foresee in the New York City-Westchester County area. In this circumstance, the application should be denied.

DENVER U.S. BANCORPORATION, INC., DENVER, COLORADO

In the matter of the application of Denver U.S. Bancorporation, Inc., Denver, Colorado, for approval of the acquisition of 80 per cent or more of the voting shares of Arkansas Valley Bank, Pueblo, Colorado.

ORDER APPROVING APPLICATION UNDER BANK HOLDING COMPANY ACT

There has come before the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)), and section 222.3(a) of Federal Reserve Regulation Y (12 CFR 222.3(a)), an application by Denver U.S. Bancorporation, Inc., Denver, Colorado, a registered bank holding company, for the Board's prior approval of the acquisition of 80 per cent or more of the voting shares of Arkansas Valley Bank, Pueblo, Colorado.

As required by section 3(b) of the Act, the Board gave written notice of receipt of the application to the Colorado State Banking Board, and requested its views and recommendation. The State Banking Boad recommended approval of the application.

Notice of receipt of the application was published in the Federal Register on October 3, 1968 (33 Federal Register 14799), providing an opportunity for interested persons to submit comments and views with respect to the proposed transaction. A copy of the application was forwarded to the Department of Justice for its consideration. Time for filing comments and views has expired and all those received have been considered by the Board.

IT IS HEREBY ORDERED, for the reasons set forth in the Board's Statement of this date, that said application be and hereby is approved, provided that the action so approved shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of the Order, unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Kansas City pursuant to delegated authority.

Dated at Washington, D.C., this 24th day of March, 1969.

By order of the Board of Governors.

Voting for this action: Chairman Martin and Governors Robertson, Mitchell, Daane, and Sherrill. Absent and not voting: Governors Maisel and Brimmer.

(Signed) ROBERT P. FORRESTAL,
Assistant Secretary.

[SEAL]

STATEMENT

Denver U.S. Bancorporation, Inc., Denver, Colorado, ("Applicant"), a registered bank holding company, has applied to the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding

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Company Act of 1956 (12 U.S.C. 1842(a)(3)), for prior approval of the acquisition of 80 per cent or more of the voting shares of Arkansas Valley Bank, Pueblo, Colorado. Applicant controls six subsidiary banks with total deposits aggregating $497 million.[1] Arkansas Valley Bank has total deposits of about $14 million.

Views and recommendation of supervisory authority. As required by section 3(b) of the Act, notice of receipt of the application was given to, and views and recommendation requested of, the Colorado State Banking Board, which recommended approval of the application.

Statutory considerations. Section 3(c) of the Act provides that the Board shall not approve an acquisition that would result in a monopoly or be in furtherance of any combination or conspiracy to monopolize or attempt to monopolize the business of banking in any part of the United States. Nor may the Board approve a proposed acquisition the effect of which, in any section of the country, may be substantially to lessen competition, or to tend to create a monopoly, or which in any other manner would be in restraint of trade, unless the Board finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served. In each case the Board is required to take into consideration the financial and managerial resources and future prospects of the bank holding company and the banks concerned, and the convenience and needs of the community to be served.

Competitive effect of proposed transaction. Applicant, the largest bank holding company in Colorado,[2] and the State's largest banking organization, controls 14.7 per cent of total commercial bank deposits. Arkansas Valley Bank holds .4 per cent of total State deposits, and 11.3 per cent of the deposits in Pueblo.

Arkansas Valley Bank's primary service area encompasses, generally, the City of Pueblo, which is the county seat of Pueblo County, and with a population of 104,000, is the largest city in southern Colorado. The closest population and marketing area of any size is the Colorado Springs area 43 miles to the north. Arkansas Valley Bank ranks fourth in size of total deposits held of the seven commercial banks in Pueblo. The three larger banks hold 80 per cent of total Pueblo deposits, and the three smaller banks combined hold 8.6 per cent. Arkansas Valley Bank's chief competition is with the other banks in the city, which also are the only other banks in Pueblo County.

Consummation of Applicant's proposal would not have a significant effect on State-wide concentration, and would have no effect on concentration in any relevant area within the State. Nor is there reason to believe that the proposed transaction would result in a monopoly or be in furtherance of any combination, conspiracy, or attempt to monopolize the business of banking in any relevant area.

It does not appear that consummation of Applicant's proposal would have any adverse effect on existing or potential competition. Applicant's present subsidiary banks are all located more than 100 miles from Arkansas Valley Bank and there is no significant competition between any of them and Arkansas Valley Bank. Potential competition between Arkansas Valley Bank and Applicant's subsidiaries is limited by distance and by the State's prohibition against branching. While affiliation of Arkansas Valley Bank with Applicant might reasonably be expected to increase the former's competitive effectiveness, this result is viewed by the Board as a desirable one which should not adversely affect the viability of its competitors.

In light of the foregoing considerations, and all the facts of record, the Board concludes that consummation of the proposed transaction would not substantially lessen competition, tend to create a monopoly, nor in any other manner restrain trade in any section of the country.

Financial and managerial resources and future prospects. The financial condition of Applicant and its present subsidiary banks is regarded as reasonably satisfactory, and would be improved by implementation of plans outlined by Applicant for retirement, within the next few months, of all short-term debt of the holding company, and for increasing the capital of two of the subsidiary banks. Management of Applicant and its subsidiary banks is satisfactory, and their prospects appear favorable.

As related to Arkansas Valley Bank, these fac-

[1] Banking data are as of June 29, 1968. The six subsidiary banks include The Poudre Valley National Bank of Fort Collins, Fort Collins, Colorado, whose acquisition by Applicant has been approved this date by the Board.

[2] Giving effect to its proposed acquisition of The Poudre Valley National Bank of Fort Collins. See footnote 1.

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tors are viewed as reasonably satisfactory. However, it is noted that more experienced and greater depth of management is needed in Arkansas Valley Bank, and could be realized upon its acquisition by Applicant. Considerations under this factor are consistent with and weigh toward approval of the application.

Convenience and needs of the communities involved. The major banking requirements of Pueblo appear adequately met by the existing banking structure. However, Applicant's proposal to have Arkansas Valley Bank initiate certain new services and improve existing ones, and, by means of loan participations, to enable Arkansas Valley Bank to attract larger borrowers than it can under its present lending limits, should increase Arkansas Valley Bank's attractiveness as a banking alternative. This prospect, and that of an additional source of expanded banking service, lend support to approval of the application.

Summary and conclusion. On the basis of all the relevant facts contained in the record, and in the light of the factors set forth in section 3(c) of the Act, it is the Board's judgment that the proposed transaction would be in the public interest and that the application should be approved.

DENVER U.S. BANCORPORATION, INC., DENVER, COLORADO

In the matter of the application of Denver U.S. Bancorporation, Inc., Denver, Colorado, for approval of acquisition of 80 per cent or more of the voting shares of The Poudre Valley National Bank of Fort Collins, Fort Collins, Colorado.

ORDER APPROVING APPICATION UNDER BANK HOLDING COMPANY ACT

There has come before the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)), and section 223.(a) of Federal Reserve Regulation Y (12 CFR 222.3(a)), an application by Denver U.S. Bancorporation, Inc., Denver, Colorado, a registered bank holding company, for the Board's prior approval of the acquisition of 80 per cent or more of the voting shares of The Poudre Valley National Bank of Fort Collins, Fort Collins, Colorado.

As required by section 3(b) of the Act, the Board notified the Comptroller of the Currency of the application and requested his views and recommendation. The Comptroller recommended approval of the application.

Notice of receipt of the application was published in the Federal Register on July 11, 1968 (33 Federal Register 9979), providing an opportunity for interested persons to submit comments and views with respect to the proposed transaction. A copy of the application was forwarded to the United States Department of Justice for its consideration. Time for filing comments and views has expired and all those received have been considered by the Board.

IT IS HEREBY ORDERED, for the reasons set forth in the Board's Statement of this date, that said application be and hereby is approved, provided that the application so approved shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Kansas City pursuant to delegated authority.

Dated at Washington, D.C., this 24th day of March, 1969.

By order of the Board of Governors.

Voting for this action: Chairman Martin and Governors Mitchell, Daane, and Sherrill. Voting against this action: Governor Robertson. Absent and not voting: Governors Maisel and Brimmer.

(Signed) ROBERT P. FORRESTAL,
Assistant Secretary.

[SEAL]

STATEMENT

Denver U.S. Bancorporation, Inc., Denver, Colorado ("Applicant"), a registered bank holding company, has applied to the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)), for prior approval of the acquisition of 80 per cent or more of the voting shares of The Poudre Valley National Bank of Fort Collins, Fort Collins, Colorado ("Poudre Bank").

Views and recommendation of supervisory authority. As required by section 3(b) of the Act, the Board notified the Comptroller of the Currency of receipt of the application and requested his views and recommendation thereon. The Comptroller recommended approval of the application.

Statutory considerations. Section 3(c) of the

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Act provides that the Board shall not approve an acquisition that would result in a monopoly or would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States. Nor may the Board approve a proposed acquisition the effect of which, in any section of the country, may be substantially to lessen competition, or to tend to create a monopoly, or which in any other manner would be in restraint of trade, unless the Board finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served. In each case, the Board is required to take into consideration the financial and managerial resources and future prospects of the bank holding company and the banks concerned, and the convenience and needs of the community to be served.

Competitive effect of proposed transaction. Applicant, the second largest banking organization in the State, controls five subsidiary banks, all of which are located in Colorado. Its largest subsidiary bank, Denver United States National Bank, Denver, Colorado, has deposits of $405 million; [1] deposits of the four other subsidiaries aggregate $65 million.[2] Acquisition of Poudre Bank, which has deposits of $27 million, would make Applicant the largest banking organization in the State, with control of almost 15 per cent of the deposits held by all banks located therein, an increase of about .8 per cent in its present share.

Poudre Bank is the second largest of four banks located in Fort Collins, and the second largest of ten banks located in Larimer County. The principal competitors of Poudre Bank are the larger bank in Fort Collins ($44 million deposits), which is a subsidiary of Western Bancorporation, a California-based holding company, and the two smaller, recently established banks in the city, which have deposits of $4 million and $2.6 million, respectively. Little competition is provided by the six outlying banks in Larimer County, which range in deposit size from $1.8 million to about $20 million.

Fort Collins (population 40,000) is located about 65 miles north of Denver, and about 30 miles northwest of Greeley, the site of Applicant's closest subsidiary bank. There appears to be no significant competition between Poudre Bank and any of Applicant's present subsidiary banks. In view of a legal prohibition against branching in Colorado, potential competition would appear to depend upon the development of closer commerical relationships between the Fort Collins and Greeley areas. The existing highway structure in the intermediate area constitutes a barrier to the development of a homogeneous metropolitan area, however, and makes it unlikely that significant competition would develop between Poudre Bank and Applicant's Greeley subsidiary in the foreseeable future. The development of future competition with other subsidiaries of Applicant appears even less likely.

With respect to the effect which the proposed acquisition would have on the three competing banks in Fort Collins, it appears that both Poudre Bank and the larger bank in that city are presently effective, full-service competitors, but that the smaller banks presently compete principally in the area of personal services. It does not appear that any increase in the competitive ability of Poudre Bank as a result of Applicant's proposal would adversely affect the viability or competitive effectiveness of any of the competing banks to any undue extent.

Consummation of the proposal would not result in a monopoly or be in furtherance of any combination, conspiracy or attempt to monopolize, nor would it substantially lessen competition, tend to create a monopoly, or restrain trade in any section of the country.

Financial and managerial resources and future prospects. The financial condition of Applicant and its present subsidiary banks is regarded as reasonably satisfactory, and would be improved by implementation of plans outlined by Applicant for retirement, within the next few months, of all short-term debt of the holding company, and for increasing the capital of two of the subsidiary banks. Management of Applicant and its subsidiary banks is satsifactory, and their prospects appear favorable.

The financial condition of Poudre Bank is

[1] All banking data are as of June 29, 1968, unless otherwise noted.

[2] In addition, the Board has today approved an application by Applicant to acquire voting shares of Arkansas Valley Bank, Pueblo, Colorado, which has total deposits of $14 million. Consummation of both that proposal and the present one would result in Applicant's control of just over 15 per cent of deposits in the State.

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satisfactory, and its management, although somewhat lacking in experience, appears competent. Control of the bank is presently held by a corporation which has been attempting to sell its holding in the bank for about three years.

Consummation of Applicant's proposal would provide Poudre Bank with stability of ownership and management. In that respect, considerations under the banking factors weigh in favor of approval of the application.

Convenience and needs of the communities involved. Consummation of the proposed acquisition will not affect the convenience or needs of customers located in areas served by Applicant's present subsidiaries.

Fort Collins is located in a valley lying immediately east of the Rocky Mountain foothills in north-central Colorado. The city is the seat of Larimer County, the home of Colorado State University, and the commercial and transportation center for the surrounding agricultural region. Banking needs of the community appear to be adequately served by four banks located there, although the two smaller banks in the city offer a much more limited range of services than Poudre Bank and its larger competitor. It is not anticipated that any significant new or improved services will result from Applicant's ownership of Poudre Bank. However, all four banks in the area maintain a relatively high ratio of loans to deposits, an indication of the strong loan demand in the area. Cattle feeder loans are presently being handled through participations with correspondent banks. Although there is no evidence that credit-worthy borrowers are not presently being served, the ability of Applicant to provide the community with increased funds would provide added assurance of a continuing supply of loan funds in the future.

Considerations relating to the convenience and needs of the communities involved are consistent with approval of the application, and provide some weight in support thereof.

Summary and conclusion. On the basis of all relevant facts contained in the record, and in the light of the factors set forth in section 3(c) of the Act, it is the Board's judgment that the proposed transaction would be in the public interest and that the application should be approved.

Dissenting Statement of Governor Robertson

The Board has today approved two applications by Denver U.S. Bancorporation pursuant to which Bancorporation will acquire the Arkansas Valley Bank, Pueblo, and the Poudre Valley National Bank of Fort Collins. I joined in the Board's approval of the Arkansas Valley Bank; however I would deny Applicant's proposal to acquire the Poudre Valley Bank.

The Arkansas Valley Bank, the fourth largest of seven banks in Pueblo, holds 11 per cent of that city's total bank deposits. The three banks larger than it hold 41, 23, and 16 per cent, respectively, of such deposits. The Arkansas Valley Bank will be the only bank holding company subsidiary in the Pueblo area and will be located over 100 miles from the nearest of Applicant's present subsidiary banks. The record satisfactorily establishes that there is no present competition between the proposed subsidiary and any of Applicant's present banks, nor is it reasonably assumed that such competition will develop. Lending some support to approval of the application is the likelihood that Applicant's ownership of the Arkansas Valley Bank will provide that bank with required experienced management personnel. The absence of adverse competitive considerations, and the likelihood of some benefit to the bank, justify approval of this application.

The facts presented with respect to Applicant's proposed acquisition of the Poudre Valley Bank in Fort Collins offer no such justification for approval, but rather, in my judgment, require denial. Poudre Valley Bank controls 35 per cent of the total deposits held by the four banks in Fort Collins, and is second in size to a bank holding company subsidiary which alone controls 57 per cent of such deposits. Following Applicant's acquisition of the Poudre Valley Bank, two holding company banks will control 92 per cent of the total bank deposits in that area. The two remaining banks in Fort Collins, considerably smaller than either of their two larger competitors, hold, respectively, but 3 and 5 per cent of such deposits. Applicant's nearest existing subsidiary to Fort Collins is in Greeley, 30 miles distant. Although little competition presently exists between the Greeley and Fort Collins banks, the relative proximity of their locations and the continued development of the areas between them suggests, in my

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judgment, a very real potential for competition between Applicant's Greeley subsidiary and the Poudre Valley Bank that will be precluded by this proposal. There is nothing in the record before the Board that offsets the anticompetitive considerations above mentioned so as to justify approval of the application. There is no indication of an existing deficiency in the banking services provided by the Fort Collins' banks, either directly or in participation with their correspondent banks. Accordingly, on the basis of the facts presented, and summarized above, I would deny Applicant's proposal with respect to the Poudre Valley Bank.

Regarding both applications discussed, I am constrained to voice again my concern as to the very real threat to the State's banking structure by the continued expansion of Applicant's system and of the other three large Colorado-based holding companies. In slightly over five years the portion of deposits of all banks in the State controlled by bank holding companies has escalated from 7 per cent to approximately 46 per cent if the acquisitions today approved by the Board are included. The recent pattern of bank acquisitions in Colorado reflects expansions of holding company systems beyond the Denver Metropolitan Area into lesser-sized, but nonetheless vital, communities where the measure of adverse competitive impact is less apparent. There is no question in my mind that each approval of an acquisition will trigger similar proposals by competing bank holding companies. This trend, if not curbed, offers no reasonable alternative to smaller independent banks within the State to the acceptance of takeover offers by the large Denver-based bank holding companies or by holding companies now in process of formation.

THE FIRST NATIONAL BANK OF FORT WORTH, FORT WORTH, TEXAS

In the matter of the application of The First National Bank of Fort Worth, Fort Worth, Texas, for approval of acquisition of 24.9 per cent of the voting shares of Great Southwest National Bank of Arlington, Arlington, Texas, a proposed new bank.

ORDER APPROVING APPLICATION UNDER BANK HOLDING COMPANY ACT

There has come before the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)) and section 222.3(a) of Federal Reserve Regulation Y (12 CFR 222.3(a)), an application by The First National Bank of Fort Worth, Fort Worth, Texas, a registered bank holding company, for the Board's prior approval of the acquisition of 24.9 per cent of the voting shares of Great Southwest National Bank of Arlington, Arlington, Texas, a proposed new bank.

As required by section 3(b) of the Act, the Board notified the Comptroller of the Currency of receipt of the application and requested his views and recommendation. The Comptroller recommended approval of the application.

Notice of receipt of the application was published in the Federal Register on December 28, 1968 (33 Federal Register 19967), providing an opportunity for interested persons to submit comments and views with respect to the proposed transaction. A copy of the application was forwarded to the United States Department of Justice for its consideration. Time for filing comments and views has expired and all those received have been considered by the Board.

IT IS HEREBY ORDERED, for the reasons set forth in the Board's Statement of this date, that said application be and hereby is approved, provided that the acquisition so approved shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Dallas, pursuant to delegated authority, and that Great Southwest National Bank of Arlington shall be open for business not later than six months after the date of this Order.

Dated at Washington, D.C., this 27th day of March, 1969.

By order of the Board of Governors.

Voting for this action: Vice Chairman Robertson and Governors Mitchell, Daane, Maisel, and Sherrill. Absent and not voting: Chairman Martin and Governor Brimmer.

(Signed) ROBERT P. FORRESTAL,
Assistant Secretary.

[SEAL]

STATEMENT

The First National Bank of Fort Worth, Fort Worth, Texas ("Applicant"), a registered bank holding company, has applied to the Board of

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Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)), for prior approval of the acquisition of 24.9 per cent of the voting shares of Great Southwest National Bank of Arlington, Arlington, Texas ("Great Southwest"), a proposed new bank.

Applicant is a bank holding company by virtue of section 2(g)(2) of the Act, pursuant to which shares held by three corporations, all of the stock of which is held by trustees for the benefit of Applicant's shareholders or employees, are deemed to be controlled by Applicant. Through these corporations, Applicant controls over 25 per cent of the voting shares of three banks in Fort Worth, Texas, and 24.9 per cent of the voting shares of another Fort Worth bank.[1] The proposed acquisition would also be made by one of these corporations.

Views and recommendation of supervisory authority. As required by section 3(b) of the Act, the Board notified the Comptroller of the Currency of receipt of the application and requested his views and recommendation thereon. The Comptroller replied that preliminary approval had been given by his office to the organization of Great Southwest with the thought that the subject application should be approved.

Statutory considerations. Section 3(c) of the Act provides that the Board shall not approve an acquisition that would result in a monopoly or would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States. Nor may the Board approve a proposed acquisition the effect of which, in any section of the country, may be substantially to lessen competition, or to tend to create a monopoly, or which in any other manner would be in restraint of trade, unless the Board finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served. In each case the Board is required to take into consideration the financial and managerial resources and future prospects of the bank holding company and the banks concerned, and the convenience and needs of the community to be served.

Competitive effect of proposed transaction. Applicant, which holds $349 million in deposits,[2] and the related banks, with aggregate deposits of about $50 million, are all located in Fort Worth, Texas. Applicant is the second largest bank in Fort Worth, and the seventh largest banking organization in the State of Texas.

The proposed site of Great Southwest is the Great Southwest Industrial District, a large and rapidly growing distribution center located within the city limits of Arlington, Texas, about four miles from downtown Arlington and about five miles from downtown Grand Prairie, Texas. The site is located about 18 miles east of Fort Worth, and about the same distance west of Dallas. There are three banks in each of the cities of Arlington and Grand Prairie, the former ranging in deposit size from $5 million to about $35 million, and the latter holding deposits of $5 million to $16 million. Applicant estimates that Great Southwest will have about $5 million in deposits after three years of operation.

A large number of the employees at the Great Southwest Industrial District reside in Dallas or Fort Worth, and a number of the residents of Arlington and Grand Prairie are employed in Dallas or Fort Worth. To some extent, therefore, Applicant and the related banks are alternative sources of banking services for customers which Great Southwest would seek to serve. However, in view of the fact that Great Southwest is a proposed new bank, the establishment of which is contingent upon approval of the present application, no existing or potential competition would be eliminated by consummation of the proposal. Further, it does not appear that the viability or competitive effectiveness of any competing bank would be adversely affected.

In the light of these facts, the Board concludes that consummation of the proposed acquisition would not result in a monopoly or be in furtherance of any combination, conspiracy, or attempt to monopolize the business of banking in any area. It does not appear that the effect of the transaction would be to restrain trade, to substantially lessen competition, or to tend to create a monopoly in any section of the country.

[1] These four banks are hereinafter jointly referred to as "the related banks".

[2] All banking data are as of June 29, 1968, unless otherwise noted.

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Financial and managerial resources and future prospects. The financial condition, management, and prospects of Applicant and the related banks are regarded as satisfactory.

Great Southwest is a proposed new bank, organization of which has received the preliminary approval of the Comptroller of the Currency. Its proposed capital appears adequate, its proposed management appears competent, and its prospects appear favorable.

Considerations relating to the banking factors are regarded as consistent with approval of the application.

Convenience and needs of the communities involved. Banking services adequate to meet the needs of customers in the Southwest Industrial District are presently being provided by banks in Arlington and Grand Prairie, and to some extent by banks in Dallas and Fort Worth. It is likely that larger companies in the area will continue to bank with the large banks in Dallas and Fort Worth. The location of a bank within the Industrial District, however, would be a convenience to employees and smaller firms within the area.

Considerations relating to the convenience and needs of the community which Great Southwest would serve provide some weight in favor of approval of the application.

Summary and conclusion. On the basis of all relevant facts contained in the record, and in the light of the factors set forth in section 3(c) of the Act, it is the Board's judgment that the proposed acquisition would be in the public interest, and that the application should be approved.

SOUTHEAST BANCORPORATION, INC., MIAMI, FLORIDA

In the matter of the application of Southeast Bancorporation, Inc., Miami, Florida, for approval of acquisition of 80 per cent or more of the voting shares of Everglades Bank and Trust Company, Fort Lauderdale, Florida.

Order Approving Application under Bank Holding Act

There has come before the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)), and section 222.3(a) of Federal Reserve Regulation Y (12 CFR 222.3(a)), an application by Southeast Bancorporation, Inc., Miami, Florida, a registered bank holding company, for the Board's prior approval of the acquisition of 80 per cent or more of the voting shares of Everglades Bank and Trust Company, Fort Lauderdale, Florida.

As required by section 3(b) of the Act, the Board notified the Florida Commissioner of Banking of the application and requested his views and recommendation. The Commissioner advised the Board of his action approving the same proposal under provisions of State law.

Notice of receipt of the application was published in the Federal Register on December 13, 1968 (33 Federal Register 18534), providing an opportunity for interested persons to submit comments and views with respect to the proposed transaction. A copy of the application was forwarded to the United States Department of Justice for its consideration. Time for filing comments and views has expired and all those received have been considered by the Board.

It is hereby ordered, for the reasons set forth in the Board's Statement of this date, that said application be and hereby is approved, provided that the application so approved shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Atlanta pursuant to delegated authority.

Dated at Washington, D.C., this 27th day of March, 1969.

By order of the Board of Governors.

Voting for this action: Chairman Martin and Governors Robertson, Mitchell, Daane, and Sherrill. Absent and not voting: Governors Maisel and Brimmer.

(Signed) Robert P. Forrestal,
Assistant Secretary.

[SEAL]

Statement

Southeast Bancorporation, Inc., Miami, Florida ("Applicant"), a registered bank holding company, has applied to the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company of 1956 (12 U.S.C. 1842(a)(3)), for prior approval of the acquisition of 80 per cent or more of the voting shares of Everglades Bank and Trust Company, Fort Lauderdale, Florida ("Everglades Bank").

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Views and recommendation of supervisory authority. As required by section 3(b) of the Act, the Board notified the Florida Commissioner of Banking of receipt of the application and requested his views and recommendation thereon. The Commissioner advised the Board of his action approving the same proposal under provisions of State law.

Statutory considerations. Section 3(c) of the Act provides that the Board shall not approve an acquisition that would result in a monopoly or would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States. Nor may the Board approve a proposed acquisition the effect of which, in any section of the country, may be substantially to lessen competition, or to tend to create a monopoly, or which in any other manner would be in restraint of trade, unless the Board finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served. In each case, the Board is required to take into consideration the financial and managerial resources and future prospects of the bank holding company and the banks concerned, and the conveience and needs of the community to be served.

Competitive effect of proposed transaction. Applicant, the second largest banking organization in Florida, has four subsidiary banks [1] which, in the aggregate, hold $592 million in deposits, an amount equal to six per cent of the total deposits held by all banks located in the State.[2] Acquisition of Everglades Bank, which has $19.3 million in deposits, would increase Applicant's share of State deposits by .1 per cent.

Everglades Bank ranks seventeenth in deposit size among 31 banks in Broward County, and competes principally with four larger banks located in downtown Fort Lauderdale. Although Applicant would be the only bank holding company to have a subsidiary bank in Broward County, several of the banks in that area are affiliated with other banks in the county by reason of common stockholders; considering each such affiliated group as a single banking organization, Evergaldes Bank is the fourteenth largest of 19 banking organizations in the county.

Of Applicant's present subsidiaries, one is located in Tampa (Hillsborough County), 250 miles northwest of Fort Lauderdale, and does not compete to any extent with Broward County banks. The other three subsidiary banks are located 26-28 miles from Everglades Bank in Dade County, which is adjacent to, and south of, Broward County. A number of banks larger than the subject bank are located in the area intervening its location and the location of the present subsidiaries, and Everglades Bank does not compete to any significant extent in Dade County. Of the Dade County subsidiaries, only Applicant's lead bank, First National Bank of Miami, draws an amount of business from Broward County which is competitively significant. Analysis of the business of First National Bank of Miami which originates in Broward County, however, indicates that the bulk of its loan business from that area results from a small number of loans in excess of the legal lending limits of Everglades Bank, and that a large percentage of its deposits from that area are related to those loan transactions. It does not appear, therefore, that significant competition between Everglades Bank and present subsidiaries of Applicant would be eliminated by consummation of Applicant's proposal. Further, in view of a State prohibition against branching, the same locational factors which have limited such competition in the past are likely to prevent the development of significant future competition between Everglades Bank and the present subsidiaries.

Summarizing the competitive effects of the proposed transaction, it does not appear that consummation of Applicant's proposal would result in a significant increase in banking concentration in any area, and no sigificant present or potential competition would be eliminated. Finally, in view of the size of Everglades Bank relative to that of other banks and banking organizations in Broward County, it does not appear that there would be any adverse effect upon the viability or competitive effectiveness of any competing bank.

In light of the foregoing, the Board concludes that consummation of the proposed acquisition

[1] Includes First City Bank of Tampa, acquisition of which by Applicant was approved by the Board in November 1968.

[2] All banking data are as of June 29, 1968, unless otherwise noted.

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would not result in a monopoly or be in furtherance of any combination, conspiracy or attempt to monopolize the business of banking in any area, and would not restrain trade, substantially lessen competition, or tend to create a monopoly in any section of the country.

Financial and managerial resources and future prospects. The financial condition and management of Applicant are satisfactory, and its prospects are favorable. Applicant has indicated its intention to strengthen the capital of two of its subsidiary banks, and, in the light of those plans, the financial condition of the subsidiary banks is also regarded as satisfactory. All of the subisidary banks have competent management, and their prospects appear favorable.

Applicant proposes, in the event its application is approved, to increase the present marginal capital of Everglades Bank. The bank would also benefit from the additional management strength which Applicant could provide. Its prospects, which, in the light of reasonably satisfactory growth in the past, are considered favorable in any event, would be improved by its affiliation with Applicant and as a result of improvements which Applicant contemplates making in its physical facilities.

Considerations under the banking factors provide some weight in favor of approval of the application.

Convenience and needs of the communities involved. Consummation of the proposal would not affect the convenience or needs of customers located in the communities served by Applicant's present subsidiaries.

It appears that the banking needs of the Fort Lauderdale and Broward County areas are presently being adequately served by the banks located there. However, Everglades Bank is located in the southern part of Fort Lauderdale, about 17 blocks south of the downtown area in which its four closest competitors are located, and the convenience of customers in that immediate area would be served by the improved and expanded service offering which Applicant would provide. Evergaldes Bank currently pays a lower rate of interest on savings deposits than any but one other bank in Broward County; it is Applicant's intention, in the event its application is approved, to raise such rate to a competitive level. In addition, it is contemplated that the bank, which currently depends on the part-time services of a local attorney for fiduciary decisions, will have an active trust department staffed by a full-time trust officer and assisted by investment and other technical advice. Also of some significance, in view of the proximity of Everglades Bank to Port Everglades, is the contemplated establishment of an international banking department of the bank.

Considerations relating to community convenience and needs support approval of the application.

Summary and conclusion. On the basis of all relevant facts contained in the record, and in the light of the factors set forth in section 3(c) of the Act, it is the Board's judgment that the proposed acquisition would be in the public interest, and that the application should be approved.

CENTRAL BANKING SYSTEM, INC., OAKLAND, CALIFORNIA

In the matter of the application of Central Banking System, Inc., Oakland, California, for approval of acquisition of 80 per cent or more of the voting shares of Livermore National Bank, Livermore, California.

ORDER APPROVING APPLICATION UNDER BANK HOLDING COMPANY ACT

There has come before the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)) and section 222.3(a) of Federal Reserve Regulation Y (12 CFR 222.3(a)), an application by Central Banking System, Inc., Oakland, California, for the Board's prior approval of the acquisition of 80 per cent or more of the voting shares of Livermore National Bank, Livermore, California.

As required by section 3(b) of the Act, the Board gave written notice of receipt of the application to the Comptroller of the Currency and requested his views and recomendation. The Deputy Comptroller of the Currency recommended approval of the application.

Notice of receipt of the application was published in the Federal Register on September 19, 1968 (33 Federal Register 14196), providing an opportunity for interested persons to submit comments and views with respect to the proposal. A copy of the application was forwarded to the United States Department of Justice for its consideration. Time for filing comments and views

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has expired and all those received have been considered by he Board.

IT IS HEREBY ORDERED, for the reasons set forth in the Board's Statement of this date, that said application be and hereby is approved, provided that the action so approved shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order unless such time shall be extended by the Board, or by the Federal Reserve Bank of San Francisco pursuant to delegated authority.

Dated at Washington, D.C., this 2nd day of April, 1969.

By order of the Board of Governors.

Voting for this action: Chairman Martin and Governors Robertson, Mitchell, Daane, Maisel, Brimmer, and Sherrill.

(Signed) ROBERT P. FORRESTAL,
Assistant Secretary.

[SEAL]

In the matter of the application of Central Banking System, Inc., Oakland, California, for approval of acquisition of 80 per cent or more of the voting shares of Peninsula National Bank of Burlingame, Burlingame, California.

ORDER APPROVED APPLICATION UNDER BANK HOLDING COMPANY ACT

There has come before the Board of Governors, pursuant to section 3(a) (3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)) and section 222.3(a) of Federal Reserve Regulation Y (12 CFR 222.3(a)), an application by Central Banking System, Inc., Oakland, California, for the Board's prior approval of the acquisition of 80 per cent or more of the voting shares of Peninsula National Bank of Burlingame, Burlingame, California.

As required by section 3(b) of the Act, the Board gave written notice of receipt of the application to the Comptroller of the Currency and requested his views and recommendation. The Acting Comptroller of the Currency recommended approval of the application.

Notice of receipt of the application was published in the Federal Register on November 2, 1968 (33 Federal Register 16130), providing an opportunity for interested persons to submit comments and views with respect to the proposal. A copy of the application was forwarded to the United States Department of Justice for its consideration. Time for filing comments and views has expired and all those received have been considered by the Board.

IT IS HEREBY ORDERED, for the reasons set forth in the Board's Statement of this date, that said application be and hereby is approved provided that the action so approved shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order unless such time shall be extended by the Board, or by the Federal Reserve Bank of San Francisco pursuant to delegated authority.

Dated at Washington, D.C., this 2nd day of April 1969.

By order of the Board of Governors.

Voting for this action: Chairman Martin and Governors Robertson, Mitchell, Daane, Maisel, Brimmer, and Sherrill.

(Signed) ROBERT P. FORRESTAL,
Assistant Secretary.

[SEAL]

STATEMENT

Central Banking System, Inc., Oakland, California ("Applicant"), a registered bank holding company, has applied to the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)), for prior approval of the acquisition of 80 per cent or more of the voting shares of (1) Livermore National Bank, Livermore, California ("Livermore Bank") and (2) Peninsula National Bank of Burlingame, Burlingame, California ("Burlingame Bank"). Each of these applications has been considered independently and is subject to a separate Board Order. However, because many of the facts and circumstances involved are common to both applications, this Statement contains the Board's findings and conclusions with respect to both.

Applicant controls two banks, Central Valley National Bank, Oakland, California ("Oakland Bank") with deposits of $191 million, and First National Bank of Fresno, Fresno, California ("Fresno Bank") with deposits of $28 million.[1] Livermore Bank operates one office with total de-

[1] Banking data are as of June 30, 1968, unless otherwise noted, and refer to insured commercial banks.

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posits of less than $6 million. Burlingame Bank operates one office with total deposits of approximately $11 million.

Views and recommendation of supervisory authority. As required by section 3(b) of the Act, notice of receipt of the applications was given to the Comptroller of the Currency and his views and recommendations were requested. He recommended approval of both applications.

Statutory considerations. Section 3(c) of the Act provides that the Board shall not approve an acquisition that would result in a monopoly or would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States. Nor may the Board approve a proposed acquisition the effect of which, in any section of the country, may be substantially to lessen competition, or to tend to create a monopoly, or which in any other manner would be in restraint of trade, unless the Board finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served. In each case the Board is required to take into consideration the financial and managerial resources and future prospects of the bank holding company and the banks concerned, and the convenience and needs of the community to be served.

Competitive effect of the proposed transaction. Applicant, with control of one-half of 1 per cent of the total deposits in California, ranks thirteenth among banking organizations in the State. Livermore Bank is the smallest bank in its primary service area, which is described as having an estimated population of between 60,000 and 70,000 and encompassing the entire Livermore Valley which includes, in addition to Livermore, the City of Pleasanton and the community of Dublin. Six of the nine banking offices located in the relevant market area are offices of large State-wide bank systems. Burlingame Bank is the smallest bank in its primary service area, which Applicant states is the City of Burlingame, a residential and light industrial community with a land area of less than five square miles and approximately 28,000 people. The competitors of Burlingame Bank are offices of four of the largest banks in the State. Acquisition of either or both of the proposed subsidiaries would have but a negligible effect on Applicant's market share and on the degree of concentration of banking resources in any relevant service area.

That no meaningful competition exists between Applicant's present subsidiaries and Livermore Bank is explained principally by the facts that Bank is separated by 23 miles from the nearest office of any of Applicant's subsidiaries, that no primary service area of any banking office of the holding company group overlaps or is contiguous to the primary service area of Livermore Bank, and that several of Applicant's directors combined own or control, directly or indirectly, 36 per cent of the shares of Livermore Bank. In the Board's judgment, there is little likelihood that significant potential competition will develop between Livermore bank and the banks involved in the proposed affiliation. The facts supporting this conclusion, among others, are those above stated, and the fact that the Livermore Bank and the proposed affiliated banks are separated by numerous intervening cities, banking offices, and physical barriers.

Although two offices of Oakland Bank are located about three miles from Burlingame Bank, the facts of record show that the business each bank derives from the service area of the other is not significant. Burlingame Bank is 175 miles from Fresno Bank and 40 miles from Livermore Bank; the San Francisco Bay separates the cities of Burlingame and Livermore.

Acquisition of either or both of the proposed subsidiaries would not eliminate any significant competition between Applicant's present and proposed subsidiaries, nor have any adverse competitive effect on other institutions in the relevant market areas. There appear to be no reasonable likelihood that the acquisitions herein would, in any meaningful way, preclude future competition in any area.

On the record before the Board, it is concluded that consummation of the proposed affiliations would not result in a monopoly nor be in furtherance of any combination or conspiracy to monopolize or attempt to monpolize the business of banking in any relevant area; and would not substantially lessen competition, tend to create a monopoly, nor in any other manner restrain trade in any relevant section of the country.

Financial and managerial resources and future prospects. Applicant became a bank holding company in April 1968. Its management is essentially

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the same as that of Oakland Bank, the lead bank in Applicant's system; and its financial condition and prospects relate directly to these factors in the lead bank.

Oakland Bank has been under its present management since 1964. At periods since that date, certain aspects of the bank's managerial policy and capital position have been, in the Board's judgment, less than satisfactory. However, on the basis of information made available to the Board, particularly the most recent bank examination date prepared by the Comptroller of the Currency —the Federal authority having primary supervisory responsibility over the Oakland Bank—it appears that the factors relating to management and financial resources of the Oakland Bank are improved. Evidencing this fact is the favorable recommendation given the subject proposal by the Comptroller of the Currency.

Managements of the Fresno Bank, Burlingame Bank and Livermore Bank, and their respective financial conditions are considered to be satisfactory.

On the basis of the evidence of record, and taking into consideration the dominant role that the Oakland Bank and its management play in the overall operation of Applicant's system, the Board concludes that Applicant's managerial and financial resources are generally fair and consistent with approval of the application. Applicant's prospects, and those of its present and proposed subsidiaries, appear to be favorbale.

Convenience and needs of the community involved. The areas served by each of the two proposed subsidiaries presently have an adequate number of convenient, full-service banking offices. However, consummation of Applicant's proposal would, with respect to the areas involved, provide an additional source of full-service banking, and contribute to a more vigorous competitive climate in their rspective communities. Considerations under the convenience and needs factor are consistent with and are viewed as somewhat in favor of approval.

Summary and conclusion. On the basis of all the relevant facts contained in the record, and in the light of the factors set forth in section 3(c) of the Act, it is the Board's judgment that the proposed transactions would be in the public interest and that the applications should be approved.

ASSOCIATED BANK SERVICES, INC., GREEN BAY, WISCONSIN

In the matter of the application of Associated Bank Services, Inc., Green Bay, Wisconsin, for approval of action to become a bank holding company through the acquisition of 80 per cent or more of the voting shares of Kellogg-Citizens National Bank of Green Bay, Green Bay; Manitowoc Savings Bank, Manitowoc, and The First National Bank of Neenah, Neenah, all in Wisconsin.

Order Approving Application Under Bank Holding Company Act

There has come before the Board of Governors, pursuant to section 3(a)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(1)) and section 222.3(a) of Federal Reserve Regulation Y (12 CFR 222.3(a)), an application by Associated Bank Services, Inc., Green Bay, Wisconsin, for the Board's prior approval of action whereby Applicant would become a bank holding company through the acquisition of 80 per cent or more of the voting shares of the following three banks in Wisconsin: Kellogg-Citizens National Bank of Green Bay, Green Bay; Manitowoc Savings Bank, Manitowoc, and The First National Bank of Neenah, Neenah.

As required by section 3(b) of the Act, the Board notified the Comptroller of the Currency and the Commissioner of Banks of the State of Wisconsin of receipt of the application and requested their views and recommendations. The Comptroller recommended approval of the application; the Commissioner of Banks advised that he would not disapprove the application.

Notice of receipt of the application was published in the Federal Register on November 27, 1968 (33 Federal Register 17708,) which provided an opportunity for interested persons to submit comments and views with respect to the proposed transaction. A copy of the application was forwarded to the United States Department of Justice for its consideration. The time for filing comments and views has expired and all those received have been considered by the Board.

It is hereby ordered, for the reasons set forth in the Board's Statement of this date, that said application be and hereby is approved, provided that the action so approved shall not be consummated (a) before the thirtieth calendar day following the

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date of this Order or (b) later than three months after the date of this Order, unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Chicago pursuant to delegated authority.

Dated at Washington, D.C., this 3rd day of April, 1969.

By order of the Board of Governors.

Voting for this action: Chairman Martin and Governors Robertson, Mitchell, Daane, Maisel, Brimmer, and Sherrill.

(Signed) ROBERT P. FORRESTAL,
Assistant Secretary.

[SEAL]

STATEMENT

Associated Bank Services, Inc., Green Bay, Wisconsin ("Applicant"), has filed with the Board, pursuant to section 3(a)(1) of the Bank Holding Company Act of 1956, an application of approval of action to become a bank holding company through the acquisition of 80 per cent or more of the voting shares of Kellogg-Citizens National Bank of Green Bay, Green Bay ("Kellogg Bank"); Manitowoc Savings Bank, Manitowoc ("Manitowoc Bank"), and The First National Bank of Neenah, Neenah ("Neenah Bank"), all in Wisconsin.

Views and recommendations of supervisory authorities. As required by section 3(b) of the Act, notice of receipt of the application was given to, and views and recommendations requested of, the Comptroller of the Currency and the Commissioner of Banks of the State of Wisconsin. The Comptroller recommended approval of the application; the Commissioner of Banks advised that he would not disapprove the application.

Statutory considerations. Section 3(c) of the Act provides that the Board shall not approve an acquisition that would result in a monopoly or would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States. Nor may the Board approve a proposed acquisition the effect of which, in any section of the country, may be substantially to lessen competition, or to tend to create a monopoly, or which in any other manner would be in restraint of trade, unless the Board finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probably effect of the transaction in meeting the convenience and needs of the community to be served. In each case, the Board is required to take into consideration the financial and managerial resources and future prospects of the bank holding company and the banks concerned, and the convenience and needs of the community to be served.

Competitive effects of the proposed transaction. Kellogg Bank, with deposits of $88 million, is the sixth largest banking organization in the State and the largest of seven banks in Green Bay. One of these six is an affiliate by common stock ownership with Kellogg Bank. Combined, the affiliated banks hold total deposits of about $95 million, representing 44 per cent of total area deposits. The second largest bank in Green Bay is a subsidiary of The Marine Corporation, the second largest banking organization and holding company in the State. Kellogg Bank serves primarily Green Bay and all or parts of the adjoining towns of Allouez, Ashwaubenon, Howard, and Scott. The other six banks in Green Bay range in deposit size from about $4 million to $47.5 million. Manitowoc Bank's primary service area is the City of Manitowoc. With $40 million in deposits, Manitowoc Bank is the largest bank of three banks in the City, holding approximately 60 per cent of the total deposits therein. The two other banks hold deposits of $19 and $10 million, respectively. Neenah Bank, with deposits of $36 million, is the largest of three banks in Neenah, and the third largest in its primary service area which encompasses the cities of Neenah, Menasha, and Appleton. This area has 11 banks, one of which ($27.4 million deposits) is located in Neenah and is a subsidiary of The Marine Corporation. Neenah Bank, together with a small bank ($3 million deposits) affiliated through common stock ownership, holds 60 per cent of the total deposits of banks in Neenah and 16 per cent of the deposits in its primary service area.

Upon formation, Applicant would control total deposits of $164 million, making it the fourth largest banking organization in the State, with control of 2.1 per cent of the State's total bank deposits. Applicant and the three larger banking organizations, all bank holding companies, would control 31.6 per cent of the deposits in the State, an increase of 2.1 per cent in the total now held by the three largest organizations. Consummation of the proposal would not significantly affect the present degree of State-wide concentration. The

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present levels of concentration in the service areas of the three proposed subsidiary banks would not be affected by Applicant's formation.

The three banks involved in this proposal are located in different counties and operate in three geographically distinct markets—Green Bay, Manitowoc, and Neenah. None of their offices are closer than 35 miles to one another. The banks are, respectively, 115 miles north (Kellogg Bank), 85 miles north (Manitowoc Bank), and 95 miles north-northeast (Neenah Bank) of Milwaukee. Kellogg Bank operates one branch office; the other two banks operate only a head office. The service areas of the three banks do not overlap, and the data presented with respect to the business each institution obtains from the areas served by the others indicate that the competition between and among the three banks is presently insignificant. Considering the distances separating these banks, the fact that Wisconsin law precludes the establishment of a branch by any one of the banks in the immediate service area of the others, and the presence of a substantial number of competing banks in the areas separating the three banks, it appears unlikely that significant competition would develop between or among the three institutions should this application be denied. While the fact that Brown County, in which Kellogg Bank is located, adjoins Manitowoc County (the situs of Manitowoc Bank) suggests a potential for competition between the Kellogg Bank and the Manitowoc Bank, the aforementioned distance separating the banks, the presence of several intervening banks, and the somewhat limited scope and relatively conservative nature of operations of the Manitowoc Bank, make unlikely any significant future competition between the Kellogg Bank and Manitowoc Bank.

In addition to the five nonaffiliated banks located within Kellogg Bank's service area, there are located outside of, but reportedly competing within that area, two smaller banks and the three largest Milwaukee banks, each of which is a lead bank in one of the three largest holding companies in the State. It appears that the banks competing with the Kellogg Bank are well established and that Applicant's operation of the Kellogg Bank would have no significantly adverse effect on their competitive abilities. On the other hand, consummation of this proposal may enable the Kellogg Bank to compete more effectively for large commercial accounts with the large Milwaukee-based banks now serving the area. Manitowoc Bank competes with two banks, approximately one-half and one-fourth its size, respectively, located in its service area, and with two banks located outside of that area. To some extent it also competes with the aforementioned three Milwaukee-based banks for larger local commercial accounts. Neenah Bank competes with 11 banks located within its service area, with a $58 million bank holding company subsidiary in Oshkosh, 12 miles south, and with the above-mentioned three Milwaukee banks. The Board concludes that the proposed affiliation of the three banks under Applicant's ownership would not give any of them a significant competitive advantage over the smaller banks with which each now competes, and, as earlier stated, may reasonably be expected to enable these banks to compete more effectively with the larger banks located both within and outside their service areas.

On the basis of the foregoing, the Board concludes that consummation of Applicant's proposal will not result in a monopoly, nor be in furtherance of any combination, conspiracy, or attempt to monopolize the business of banking in any relevant area, and will not substantially lessen competition, tend to create a monopoly, or restrain trade in any section of the country.

Financial and managerial resources and future prospects. Applicant, a newly formed corporation, has no operating history. Its future prospects are directly related to those of its proposed subsidiary banks. In view of th sound financial condition of the banks, and on the basis of pro forma financial data submitted on behalf of Applicant, its proposed financial structure appears satisfactory and its future prospects favorable. Similarly, the future prospects of the three banks involved are favorable, operating either under their present form of ownership or as subsidiaries of Applicant. Applicant's management, which will be principally composed of certain of the directors and executives of the three proposed subsidiary banks, is viewed as sound. Management of the banks is experienced and is viewed as satisfactory. However, there is convincing evidence that the service rendition of the Manitowoc Bank, particularly its lending practices, is lacking in competitive aggressiveness and vigor. It is reasonably concluded that a more aggressive community service policy will be exhibited by the bank under Applicant's control.

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Considerations relating to the banking factors are consistent with approval of Applicant's proposal, and as they relate to the apparent need for, and likely achievement of, somewhat more vigorous management policies in the Manitowoc Bank lend some weight to approval.

Convenience and needs of the communities involved. Green Bay with a population of 63,000, is an industrially diversified port city in an agricultural-dairy area. Its role as a wholesale manufacturing and distribution point continues to increase in importance. Manitowoc, also a port city on Lake Michigan, with a population of 32,000, is a nationally recognized manufacturing and distribution center. It is also a focal point for farming activity in the area, principally dairying. Neenah, with a population of 18,000, and its twin city, Menasha, with a population of 15,000, are located across from one another on the Fox River in the area of Lake Winnebago. Neenah is also a manufacturing center, principally of paper and paper products. Other local industries produce metal, concrete, and textile products. Surrounding lands are devoted primarily to dairy farming.

Each of the three banks' service areas is experiencing rapid commercial and industrial development, although the Manitowoc area appears to be growing at a lesser rate than the other two. The record reflects that the major banking requirements of the three communities are presently being met by the combined efforts of the banks serving the areas and the large Milwaukee- and Appleton-based banks. Therefore, Applicant's proposal to provide increased and improved banking services through each of the proposed subsidiary banks, if realized, would result not in the provision of new and previously unavailable services, but rather, in more convenient and perhaps more immediate service to the areas involved. With respect to the Manitowoc Bank, it appears that under Applicant's control that bank can be expected to serve better and more effectively, than has previously been the case, the credit demands arising in its area. Applicant's contribution to a generally improved service rendition in each of the banks involved will provide a more meaningful full-banking service alternative to the residents and businesses affected, and, at the same time, will likely assure increased competition for certain types of business to the larger Milwaukee-based bank holding company subsidiaries now serving the areas. In addition, the Neenah Bank could develop as a more viable competitor, particularly with respect to the four bank subsidiaries of the two Appleton-based bank holding companies.

Considerations relating to the convenience and needs of the communities involved are consistent with and lend some weight toward approval of the application.

Summary and conclusion. On the basis of all relevant facts contained in the record, and in light of the factors set forth in section 3(c) of the Act, it is the Board's judgment that the proposed transaction would be in the public interest and that the application should be approved.

FIRST WISCONSIN BANKSHARES CORPORATION, MILWAUKEE, WISCONSIN

In the matter of the application of First Wisconsin Bankshares Corporation, Milwaukee, Wisconsin, for approval of acquisition of 80 per cent or more of the voting shares of The First National Bank of Rice Lake, Rice Lake, Wisconsin.

Order Approving Application Under Bank Holding Company Act

There has come before the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)), and section 222.3(a) of Federal Reserve Regulation Y (12 CFR 222.3(a)), an application by First Wisconsin Bankshares Corporation, Milwaukee, Wisconsin, a registered bank holding company, for the Board's prior approval of the acquisition of 80 per cent or more of the voting shares of The First National Bank of Rice Lake, Rice Lake, Wisconsin.

As required by section 3(b) of the Act, the Board notified the Comptroller of the Currency of the application and requested his views and recommendation. The Comptroller recommended approval of the application.

Notice of receipt of the application was published in the Federal Register on November 2, 1968 (33 Federal Register 16130), providing an opportunity for interested persons to submit comments and views with respect to the proposed transaction. A copy of the application was forwarded to the United States Department of Justice for its consideration. Time for filing

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comments and views has expired and all those received have been considered by the Board.

It is hereby ordered, for the reasons set forth in the Board's Statement of this date, that said application be and hereby is approved, provided that the application so approved shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Chicago pursuant to delegated authority.

Dated at Washington, D.C., this 9th day of April, 1969.

By order of the Board of Governors.

Voting for this action: Chairman Martin and Governors Robertson, Mitchell, Maisel, Brimmer, and Sherrill. Absent and not voting: Governor Daane.

(Signed) Robert P. Forrestal,
Assistant Secretary.

[SEAL]

Statement

First Wisconsin Bankshares Corporation, Milwaukee, Wisconsin ("Applicant"), a registered bank holding company, has applied to the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)), for prior approval of the acquisition of 80 per cent or more of the voting shares of The First National Bank of Rice Lake, Rice Lake, Wisconsin ("First National").

Views and recommendation of supervisory authority. As required by section 3(b) of the Act, the Board notified the Comptroller of the Currency of receipt of the application and requested his views and recommendation thereon. The Comptroller recommended approval of the application.

Statutory considerations. Section 3(c) of the Act provides that the Board shall not approve an acquisition that would result in a monopoly or would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States. Nor may the Board approve a proposed acquisition the effect of which, in any section of the country, may be substantially to lessen competition, or to tend to create a monopoly, or which in any other manner would be in restraint of trade, unless the Board finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served. In each case, the Board is required to take into consideration the financial and managerial resources and future prospects of the bank holding company and the banks concerned, and the convenience and needs of the community to be served.

Competitive effect of proposed transaction. Applicant, which controls 12 banks with total deposits of $1.3 billion,[1] is the largest banking organization in the State of Wisconsin, and accounts for 16.5 per cent of the total deposits held by all banks in the State. The 11 largest banking organizations in the State, which include 8 bank holding companies, control aggregate deposits of about $3 billion, an amount equal to 38.5 per cent of the deposits held by all banks in the State. Consummation of the present proposal would increase the share of such deposits held by Applicant and by large banking organizations to 38.7 per cent.

First National, the only office of which is in Rice Lake, (Barron County), in the northwestern part of Wisconsin, has total deposits of $12.7 million. It is the larger of 2 banks in Rice Lake, and the largest of 11 banks in Barron County. Its largest competitors are the other bank in Rice Lake, which holds deposits of about $7 million, and two banks located 13 miles southwest of Rice Lake in the City of Barron, which have deposits of $6.5 million and $5.5 million, respectively. None of the banks in Barron County is a subsidiary of a bank holding company.

Of Applicant's present subsidiary banks, 7 (accounting for over 95 per cent of the aggregate deposits of Applicant's subsidiaries) are located in the Milwaukee area, and all but 1 are located in the southeastern part of Wisconsin, and are over 200 miles from Rice Lake. One subsidiary, First Wisconsin National Bank of Eau Claire, is located in the northwestern part of the State, about 60 miles from First National. One county intervenes Rice Lake and Eau Claire, and two banks larger than First National are located on the most direct route between the two cities. It therefore does not appear that the present proposal would eliminate any significant competition between First National

[1] Unless otherwise noted, all bank data are as of June 29, 1968, adjusted to reflect all holding company formations and acquisitions approved by the Board to date.

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and Applicant's present subsidiary banks. Further, in view of the restrictive provisions of Wisconsin law with respect to branching, the development of such competition in the future does not appear likely, and potential competition would therefore not be affected.

Although First National is the largest bank within the area which it serves, it does not appear that it has, or would have as a result of the proposed affiliation, any decisive advantage over competing banks. It does not appear that First National has been an aggressive competitor, and any foreseeable change in its posture in this respect as a result of the present proposal is regarded as a favorable consideration, and would not appear to threaten undue adverse effects on competing banks.

Summarizing the competitive effect of Applicant's proposal, it does not appear that the additional deposits which Applicant would control as a result of the proposed acquisition would significantly affect State-wide concentration; the acquisition would represent an expansion by Applicant into a new market, would not eliminate existing or potential competition, and could increase the level of competition in the Barron County area without adversely affecting the viability or competitive effectiveness of other banks in the area.

For the foregoing reasons, the Board concludes that consummation of the proposed acquisition would not result in a monopoly or be in furtherance of any combination, conspiracy, or attempt to monopolize the business of banking in any area, and would not restrain trade, substantially lessen competition, or tend to create a monopoly in any section of the country.

Financial and managerial resources and future prospects. The financial condition and management of Applicant is satisfactory, as are those of its subsidiary banks, and the prospects of Applicant and its subsidiaries are regarded as favorable. The financial condition of First National is satisfactory, and its prospects are generally favorable. The top management of the bank is at or near the usual retirement age, however, and it does not appear that capable replacements are available from its present staff. In part, this lack of depth appears to be a result of a low salary level which the bank has maintained in the past, which is further reflected in an employees' strike which was only recently settled. In meeting its future management needs, First National would be benefitted by Applicant's ability to supply trained personnel, and the bank would also benefit from the expansion and improvement of its services which Applicant indicates would be initiated.

Considerations under the banking factors provide some weight in favor of approval of the application.

Convenience and needs of the communities involved. Consummation of Applicant's proposal would not affect the convenience or needs of customers served by its present subsidiary banks.

Rice Lake (population 7,600) is the largest community in Barron County. The economy of the county is basically agricultural, although some small industries and several plants of major corporations are located in Rice Lake. There is no evidence of major unserved banking needs in the area. It does appear, however, that some larger borrowers in the area cannot be fully accommodated locally, because their needs exceed the legal lending limits of area banks, and there are also indications that First National has not been aggressive in searching out and meeting the banking needs of the area.

A large volume of business is done in the area by non-bank lenders, while First National has maintained a loans-to-deposits ratio of about 40 per cent, which is significantly below that of other Wisconsin banks. Applicant asserts that lending by First National could be expanded by at least $1 million, to the benefit of both the bank and the community. In addition, it is comtemplated that more sophisticated credit analysis techniques and charge-card services would be introduced, that international banking services would be made available to customers of First National (some of whom are presently serving foreign markets), and that trust services would be made available through one of Applicant's other subsidiaries.

Considerations relating to the convenience and needs of the community served by First National provide some weight in favor of approval of the application.

Summary and conclusion. On the basis of all relevant facts contained in the record, and in the light of the factors set forth in section 3(c) of the Act, it is the Board's judgment that the proposed transaction would be in the public interest, and that the application should be approved.

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HAMILTON NATIONAL ASSOCIATES, INCORPORATED, CHATTANOOGA, TENNESSEE

In the matter of the application of Hamilton National Associates, Incorporated, Chattanooga, Tennessee, for approval of acquisition of not less than 80 per cent of the voting shares of The Hamilton National Bank of Chattanooga, Chattanooga, Tennessee.

Order Approving Application Under Bank Holding Company Act

There has come before the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)), and section 222.3(a) of Federal Reserve Regulation Y (12 CFR 222.3(a)), an application by Hamilton National Associates, Incorporated, Chattanooga, Tennessee, a registered bank holding company, for the Board's prior approval of the acquisition of not less than 80 per cent of the voting shares of The Hamilton National Bank of Chattanooga, Chattanooga, Tennessee.

As required by section 3(b) of the Act, the Board notified the Comptroller of the Currency of the application and requested his views and recommendation. The Comptroller recommended approval of the application.

Notice of receipt of the application was published in the Federal Register on February 13, 1969 (34 Federal Register 2161), providing an opportunity for interested persons to submit comments and views with respect to the proposed transaction. A copy of the application was forwarded to the United States Department of Justice for its consideration. Time for filing comments and views has expired and all those received have been considered by the Board.

It is hereby ordered, for the reasons set forth in the Board's Statement of this date, that said application be and hereby is approved, provided that the application so approved shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Atlanta pursuant to delegated authority.

Date dated Washington, D.C., this 9th day of April, 1969.

By order of the Board of Governors.

Voting for this action: Chairman Martin and Governors Robertson, Daane, Maisel, Brimmer, and Sherrill. Absent and not voting: Governor Mitchell.

(Signed) Robert P. Forrestal,
Assistant Secretary.

[SEAL]

Statement

Hamilton National Associates, Incorporated, Chattanooga, Tennessee ("Applicant"), a registered bank holding company, has applied to the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)), for prior approval of the acquisition of not less than 80 per cent of the voting shares of The Hamilton National Bank of Chattanooga, Chattanooga, Tennessee ("Hamilton Bank").

Views and recommendation of supervisory authority. As required by section 3(b) of the Act, the Board notified the Comptroller of the Currency of receipt of the application and requested his views and recommendation thereon. The Comptroller recommended approval of the application.

Statutory considerations. Section 3(c) of the Act provides that the Board shall not approve an acquisition that would result in a monopoly or would be in furtherance of any combination or conspiracy to monopolize the business of banking in any part of the United States. Nor may the Board approve a proposed acquisition the effect of which, in any section of the country, may be substantially to lessen competition, or to tend to create a monopoly, or which in any other manner would be in restraint of trade, unless the Board finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served. In each case the Board is required to take into consideration the financial and managerial resources and future prospects of the bank holding company and the banks concerned, and the convenience and needs of the community to be served.

Competitive effect of the proposed transaction. A close relationship between Applicant and Hamilton Bank, based upon common stock ownership, has existed since Applicant's organization in 1930. Applicant directly owns 22.3 per cent of

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Hamilton Bank, and over 67 per cent of the stock of Applicant and about 47 per cent of the stock of Hamilton Bank is owned by common shareholders.

Applicant, by virtue of its effective control of Hamilton Bank, together with its nine subsidiary banks, is the fifth largest banking organization in Tennessee. It controls approximately $380.5 million in total deposits,[1] representing 5.9 per cent of deposits in the State. Hamilton Bank and seven of Applicant's nine subsidiary banks are located in eastern Tennessee; the other two subsidiary banks are in northwest Georgia.

Hamilton Bank is located in Hamilton County, which comprises its primary service area. It has 16 offices with approximately $224 million in deposits. Only two other banks are located in Hamilton County, one with 12 offices and approximately $178 million in deposits, and the other with eight offices and $62 million deposits. All three are full service banks and are competitive in all respects.

Applicant's nearest subsidiaries to Hamilton Bank are located in Dalton, Georgia, and South Pittsburg, Tennessee. Each of these banks is approximately 28 miles from the nearest office of Hamilton Bank, and none of the present subsidiaries is located in Hamilton County. Competition between Applicant's subsidiaries and Hamilton Bank is negligible, and, in view of the Tennessee law which prohibits branching across county lines, the distance separating Hamilton Bank and the subsidiaries of Applicant, and the number of banks located in the intervening areas, it appears that this would be true even in the absence of the present relationship between Applicant and Hamilton Bank.

In the light of these facts, the Board concludes that consummation of the proposed acquisition would not result in a monopoly nor be in furtherance of any combination, conspiracy, or attempt to monopolize the business of banking in any area. It does not appear that consummation of the proposal would have the effect of substantially lessening competition or tending to create a monopoly in any section of the country, or would in any manner be in restraint of trade.

Financial and managerial resources and future prospects. The financial condition, management, and prospects of Applicant, its present subsidiary banks and Hamilton Bank are satisfactory. Applicant and Hamilton Bank already have common management to a large extent, and no change in that respect is anticipated as a result of the proposed acquisition. The principal change in the operations of Applicant would be that, with Hamilton Bank as a subsidiary, a broader market could be established for Applicant's stock.

Considerations under this factor are consistent with approval of the application, and lend some weight in favor of approval in that Applicant would gain somewhat greater access to capital markets.

Convenience and needs of the communities involved. There is no evidence of unserved needs, nor does Applicant suggest that the proposed affiliation will fulfill any unserved needs of the communities of Hamilton County or the communities served by Applicant's subsidiary banks. Hamilton Bank presently serves as correspondent, loan participant, and management consultant to subsidiaries of Applicant, and, while the present proposal may to some extent facilitate such cooperative efforts and permit some internal economies, no significant changes are anticipated in the services of either Hamilton Bank or the present subsidiaries.

Considerations under this factor are consistent with approval of the application.

Summary and conclusion. On the basis of all relevant facts contained in the record, and in the light of the factors set forth in section 3(c) of the Act, it is the Board's judgment that the proposed transaction would be in the public interest and that the application should be approved.

ORDER UNDER SECTION 4 OF BANK HOLDING COMPANY ACT

In the matter of the application, pursuant to section 4(c)(8) of the Bank Holding Company Act of 1956, by Otto Bremer Company, and Otto Bremer Foundation, both of St. Paul, Minnesota, for determinations re the proposed nonbank subsidiaries, State Agency of Redwood Falls, Inc., American State Agency of Watertown, Inc., Cassabanka Insurance Agency, Inc., Elk Valley Agency, Inc., and Citizens Insurance Agency, Inc.

Order Granting Determinations Under Bank Holding Company Act

Otto Bremer Company and Otto Bremer Foundation, both of St. Paul, Minnesota, both of

[1] All banking data are as of June 29, 1968, unless otherwise noted.

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which are bank holding companies within the meaning of section 2(a) of the Bank Holding Company Act of 1956 (12 U.S.C. § 1841(a)), have filed requests for determinations by the Board of Governors of the Federal Reserve System that the activities planned to be undertaken by five proposed nonbank subsidiaries (State Agency of Redwood Falls, Inc., American State Agency of Watertown, Inc., Cassabanka Insurance Agency, Inc., Elk Valley Agency, Inc., and Citizens Insurance Agency, Inc.) are of the kind described in section 4(c)(8) of the Act (12 U.S.C. § 1843(c)(8) and section 222.4(a) of the Board's Regulation Y (12 CFR § 222.4(a)) so as to make it unnecessary for the prohibitions of section 4(a) of the Act respecting ownership of shares in nonbanking companies, to apply in order to carry out the purposes of the Act.

Pursuant to the requirements of section 4(c)(8) of the Act, and in accordance with the provisions of sections 222.4(a) and 222.5(a) of the Board's Regulation Y (12 CFR §§ 222.4(a) and 222.5(a)), a hearing was held on these matters on August 28, 1968. The hearing examiner filed his report and recommended decision wherein he recommended that the Board decline to make the requested determinations; Applicants filed exceptions and a brief in support thereof. For the reasons set forth in a Statement of this date, and on the basis of the entire record,

IT IS HEREBY ORDERED, that the activities planned to be undertaken by each of the proposed subsidiaries named herinabove are determined to be so closely related to the business of banking or of managing or controlling banks as to be a proper incident thereto and as to make it unnecessary for the prohibitions of section 4(a) of the Bank Holding Company Act of 1956 to apply in order to carry out the purposes of that Act; provided, however, that the determination with respect to each such subsidiary is subject to revocation if the facts upon which it is based change in any material respect.

Dated at Washington, D.C., this 25th day of March, 1969.

By order of the General Counsel of the Board of Governors, acting on behalf of the Board pursuant to delegated authority (12 CFR § 265.2(b)(2)).

(Signed) ROBERT P. FORRESTAL,
Assistant Secretary.

[SEAL]

STATEMENT

Otto Bremer Foundation and Otto Bremer Company, both of St. Paul, Minnesota (sometimes hereinafter referred to as "Applicants"), are bank holding companies within the meaning of section 2(a) of the Bank Holding Company Act of 1956 (12 U.S.C. § 1841(a)) (the "Act"). They have requested the Board to determine that the activities planned to be undertaken by five proposed subsidiaries (State Agency of Redwood Falls, Inc., American State Agency of Watertown, Inc., Cassabanka Insurance Agency, Inc., Elk Valley Agency, Inc., and Citizens Insurance Agency, Inc.) are of the kind described in section 4(c)(8) of the Act (12 U.S.C. § 1843(c)(8)) and section 222.4(a) of the Board's Regulation Y (12 CFR § 222.4(a)), so as to make it unnecessary for the prohibitions of section 4(a)(1) of the Act to apply in order to carry out the purposes of the Act. On July 25, 1968, the Board ordered that a hearing be held on these requests, pursuant to section (4(c)(8) of the Act and sections 222.4(a) and 222.5(a) of the Board's Regulation Y (12 CFR §§ 222.4(a) and 222.5(a)), notice of which was published in the Federal Register on August 2, 1968 (33 F.R. 11038).

The hearing was held in Minneapolis, Minnesota, on August 28, 1968, before a duly selected and designated hearing examiner. Applicants and the Board, the latter appearing in a nonadversary capacity, were represented at the hearing by counsel and were afforded the opportunity to be heard, to examine and cross-examine witnesses, and to file briefs and proposed findings of fact and conclusions of law.

The examiner's report and recommended decision, a copy of which is attached, was filed with the Board on December 31, 1968. The examiner recommended that all five requests be denied. Applicants filed exceptions, together with a supporting brief, to the examiner's report and recommended decision.

Facts. The purpose of each of the five proposed subsidiaries is to place in a separate corporation the general insurance agency business now conducted by each of five of Applicants' subsidiary banks on its respective premises, through its officers or employees acting as agents, and thus to protect the five banks from liabilities arising out of their insurance operations. It is planned that the stock of the proposed insurance subsidi-

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aries will be offered for sale to the respective stockholders of the related banks in the same proportion as they hold stock in the banks[1], and that the officers and directors of each subsidiary will also be officers and directors of the related bank. The insurance now offered by the banks (with minor variations from bank to bank) include some or all of the following types: credit life, health and accident, fire, hail and windstorm, marine, automobile, fidelity, and workmens' compensation. Each of the banks has maintained a general insurance agency operation for at least 30 years.

State Agency of Redwood Falls, Inc. (a Minnesota corporation) would engage exclusively in the business of a general insurance agency on the premises of State Bank of Redwood Falls, Minnesota ("Redwood Bank"). The extent to which the insurance agency business of Redwood Bank is related to its lending activities, or is otherwise derived from customers of banking services, is reflected in the following table with respect to operations in 1967:

Classification	Percentage of gross premiums
Insurance on loan collateral	44
Other insurance for customers	36
Insurance for others	20

American State Agency of Watertown, Inc. (a Minnesota corporation) would engage exclusively in the business of a general insurance agency on the premises of American State Bank of Watertown, Minnesota ("Watertown Bank"). The extent to which the insurance agency business of Watertown Bank is related to its lending activities, and is otherwise derived from customers of banking service, is reflected in the following table with respect to operations in 1967:

Classification	Percentage of gross premiums
Insurance on loan collateral	10
Other insurance for customers	70
Insurance for others	20

Cassabanka Insurance Agency, Inc. (a North Dakota corporation) would engage exclusively in the business of a general insurance agency on the premises of Casselton State Bank, Casselton, North Dakota ("Casselton Bank"). The extent to which the insurance agency business of Casselton Bank is related to its lending activities, and is otherwise derived from customers of banking services, is reflected in the following table with respect to operations from January 1 through July 16, 1968:

Classification	Percentage of gross premiums
Insurance on loan collateral	63
Other insurance for customers	32
Insurance for others	5

Elk Valley Agency, Inc. (a North Dakota corporation) would engage exclusively in the business of a general insurance agency on the premises of Elk Valley State Bank, Larimore, North Dakota ("Elk Valley Bank"). The extent to which the insurance agency business of Elk Valley Bank is related to its lending activities, and is otherwise derived from customers of banking services, is reflected in the following table with respect to operations in 1967:

Classification	Percentage of gross premiums
Insurance on loan collateral	19
Other insurance for customers	81
Insurance for others	0

Citizens Insurance Agency, Inc. (a North Dakota corporation) would engage exclusively in the business of a general insurance agency on the premises of Citizens State Bank, Rugby, North Dakota ("Citizens Bank"). The extent to which the insurance agency business of Citizens Bank is related to its lending activities, and is otherwise derived from customers of banking services, is reflected in the following table with respect to operations for the twelve month-period ending July 31, 1968:

Classification	Percentage of gross premiums
Insurance on loan collateral	14
Other insurance for customers	82
Insurance for others	4

The record shows that it is common practice for State banks in Minnesota and North Dakota to conduct general insurance agency operations. The law in these States prohibits lenders from requiring that insurance be procured from a particular source. Each of Applicants' proposed subsidiaries would carry on a general insurance agency business in all substantial respects as is now conducted by the bank with which the sub-

[1] Applicants would own a majority of the stock of each of the proposed subsidiaries.

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sidiary would be associated. The subsidiaries would have no separate quarters or employees, but each would pay a fee for the use of space on bank premises and for the services of bank personnel.

Discussion. Section 4(a)(1) of the Act forbids a bank holding company to ". . . acquire direct or indirect ownership or control of any voting shares of any company which is not a bank. . . ." By virtue of section 4(c)(8) of the Act and of section 222.4(a) of the Board's Regulation Y, this prohibition does not apply to shares of any company whose activities, "all of which are or are to be a financial, fiduciary, or insurance nature, are so closely related to the business of banking or of managing or controlling banks (as conducted by such bank holding company or its banking subsidiaries) as to be a proper incident thereto and as to make it unecessary for the prohibitions of section 4 of the Act to apply in order to carry out the purpose of the Act."

The hearing examiner, in recommending that the Board issue an order declining to make the requested determinations, concluded that, while all of the activities of the proposed corporations would be of an insurance nature, not all such activities would be so closely related to the business of banking as to be a proper incident thereto within the meaning of section 4(c)(8). In the view of the hearing examiner, to meet the "closely related" and "proper incident" requirements, all of the insurance activities must be related to bank transactions.

The Board had heretofore held, however, that it is not necessary for these purposes that even a majority of an insurance agency company's activities be directly connected with bank transactions. See, *e.g., Bank Shares Incorporated,* 1959 Federal Reserve BULLETIN 954, 957.

The Board heretofore has concluded that, to justify an exemption under section 4(c)(8), it is necessary that there be a direct and significant connection between the contemplated activities of an insurance agency company and the business of banking, or of managing and controlling banks, as conducted by the applicant holding company or its banking subsidiaries. See, *e.g., First Bank Stock Corporation,* 1959 Federal Reserve BULLETIN 917, 930 (application re First Service Agencies, Inc.). The premiums derived fron the insurance activities of Applicants' banks here involved that are directly related to loan transactions of the banks are not insignificant within the purview of prior Board determinations. See, *e.g., Otto Bremer Co.,* 1967 Federal Reserve BULLETIN 1555, 1557. Other factors regarded by the Board as pertinent in showing the requisite statutory relationship, no one of which is decisive, include: the fact of the organizational and physical integration of the insurance agency and bank operations; the fact that a significant portion of the premiums not derived from bank-related transactions is nevertheless derived from insurance written for bank customers; and the fact that similar general insurance agencies are operated in conjunction with many banks in the relevant area. With respect to the latter, the Board has held that the existence of "area practice" tends to negate the presence of "potential evils" that may arise from, or be accentuated by, the operation of bank holding companies, these being the dangers that the general prohibition of section 4(a) of the Act against the ownership of nonbank stock was designed to protect against. See, *e.g., First Bank Stock Corporation, op. cit., supra,* at 930-32. The first two considerations indicate that the insurance agency activities are an adjunct to bank operations and are not an end in themselves, so that it is improbable that the insurance activities will ever be regarded as paramount by the holding company and its banks abused because of such activities.

All of the relevant considerations with respect to Applicants' five proposed general insurance agency subsidiaries are consistent with approval.

Conclusions. It appears that the activities of Applicants' five proposed subsidiaries would be of an insurance nature and so closely related to the business of banking as conducted by Applicants' subsidiary banks as to be a proper incident thereto and as to make it unnecessary for the prohibitions of section 4(a) to apply in order to carry out the purposes of the Bank Holding Company Act. To the extent that they are consistent with this Statement, the Applicants' exceptions to the report and recommended decision of the hearing examiner are sustained.

Accordingly, it is concluded that the applications should be approved. As indicated in the attached Order, if the facts upon which approval of any one of the applications is based should change in any material respect, such approval may be revoked.

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Hearing Examiner's Report and Recommended Decision

The hearing in this matter was held at the Federal Reserve Bank of Minneapolis, Minneapolis, Minnesota, on August 28, 1968, before this Presiding Officer, a Federal Trial Examiner on detail to the Board of Governors of the Federal Reserve System (Board).

Roland D. Graham, Esq., General Counsel of the Federal Reserve Bank of Minneapolis, represented the Board. William S. Fallon, Esq., a member of the Minnesota Bar, represents Otto Bremer Company and Otto Bremer Foundation, American National Bank Building, St. Paul, Minnesota (Petitioners).

Petitioners are registered bank holding companies. (H.R. 22)

These proceedings are conducted pursuant to Section 4(c) (8) of the Bank Holding Company Act of 1956 (70 Stat 133) and Section 222.4(a) of Board Regulation Y (12 CFR 222).

The Bank Holding Company Act (Act), under Section 4(a), prohibits a bank holding company from owning voting shares of any company which is not a bank, but Section 4(c) (8) thereof allows an exemption with respect to shares of any company "all the activities of which . . . are to be of a . . . insurance nature and which the Board . . . on the basis of the (hearing) record . . . has determined to be so closely related to the business of banking (as conducted by banking subsidiaries of Petitioners; 222.4(a) Reg Y) . . . as to be a proper incident thereto and as to make it unnecessary for the prohibitions of this section to apply in order to carry out the purposes of this Act."

By letter dated April 24, 1968 (Petition) Petitioners request Board determinations that the activities of specified proposed corporations (to be "affiliated" with subsidiary banks of Petitioners H. R. 23) are to be of a kind and nature described in 4(c) (8) of the Act and exempt from said acquisition prohibition of the Act. The Petition (Joint X 1) states that said banks now operate unincorporated insurance agencies as departments of said banks and the reason for incorporating such insurance activities of said banks is to insulate the banks from any liability arising out of the operation of said activities by reason of their association with the bank.

Findings of Fact

Based upon the record made at the hearing conducted in this matter, findings of fact are hereby made herein as set forth below.

BHC-83 (State Agency of Redwood Falls, Inc.)

1. State Bank of Redwood Falls (Redwood Bank) has operated an insurance agency since 1937. (H. R. 97)

2. The Vice President of Redwood Bank is the bank's "basic insurance agent" and he conducts the insurance business from his bank desk. Three other bank employees are also licensed and write insurance. (H. R. 98) A separate department is not maintained. (H. R. 99) The insurance agency does business under the trade name "State Agency". (H. R. 99-100)

3. Petitioners own 896⅔ of Redwood Bank's 1000 issued shares (H. R. 100)

4. During calendar 1967 Redwood Bank wrote many types of insurance. Slightly over one half thereof was written in connection with bank loans; slightly over one third came from non-borrowing customers; and, slightly less than one fifth was for non-bank customers. (Pets. X 5)

5. The Redwood Bank plans to incorporate its insurance operation as "State Agency of Redwood Falls, Inc." (Redwood Corporation). (H. R. 104 and 120 and Pets. X 5)

6. Redwood Bank will offer Redwood Corporation stock to Redwood Bank stockholders based on bank ownership. (Pets. X 5)

7. Except for one person, the officers and directors of Redwood Bank will be the officers and directors of Redwood Corporation. (H. R. 110)

8. The president of the Redwood Bank states that after incorporation said bank insurance operation will continue to be run by Redwood Corporation as now conducted—except for the change in name—the identification. (H. R. 113) The agents will be employees of Redwood Corporation; and $100 per month to Redwood Bank will compensate for use of bank employees, equipment and space. (H. R. 114)

9. The proposed Articles of Incorporation of Redwood Corporation state that said corporation will conduct an insurance agency, the officers, agents and employees of which "shall solicit and

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procure applications for and shall sell insurance and policies of insurance". (Pets. X 5)

10. The proposed By-Laws of Redwood Corporation state that its business shall be managed by its Directors, who will elect its officers.

BHC-84 (American State Agency of Watertown, Inc.)
BHC-85 (Cassabanka Insurance Agency, Inc.)
BHC-86 (Elk Valley Agency, Inc.)
BHC-87 (Citizens Insurance Agency, Inc.)

The proposed corporations listed immediately above in the heading for this sub-division, will be referred to hereafter as the "Remaining Proposed Corporations".

The substance of the ten specific findings listed above with respect to BHC-83 are hereby made likewise from the hearing record with respect to each of the remaining cases listed in this sub-division, namely:

1. Each so-called affiliated bank, American State Bank of Watertown, Watertown, Minnesota (BHC-84), Casselton State Bank, Casselton, North Dakota (BHC-85), Elk Valley State Bank, Larimore, North Dakota (BHC-86), and The Citizen State Bank, Rugby, North Dakota (BHC-87) ("Affiliated Banks(s)") is and has been conducting an unincorporated insurance agency.

2. An officer and other employees of the Affiliated Banks are the licensed insurance agents, and the insurance activity is conducted on the premises of the Affiliated Banks by bank employees.

3. The Affiliated Banks are subsidiaries of Petitioners.

4. The Affiliated Banks write many types of insurance, and, in addition to insurance written in connection with and related to loans and other banking business transactions, they write insurance which is not related to the business of banking and an incident thereto, such as various types of unrelated insurance for mere bank depositors, safe deposits box lessees and persons having no other dealings with the Affiliated Banks.

5. The Affiliated Banks plan to incorporate their insurance operations as the Remaining Proposed Corporations.

6. The Affiliated Banks will offer stock of the Remaining Proposed Corporations to stockholders of the Affiliated Banks based on bank ownership.

7. Substantially, the officers and directors of the Affiliated Banks will be the officers and directors of the Remaining Proposed Corporations.

8. After incorporation, the said existing insurance operations conducted by the Affiliated Banks will continue to be run by the Remaining Proposed Corporations, as now conducted. The agents will be employees of the Remaining Proposed Corporations and the Affiliated Banks will receive some compensation for use of bank employees, equipment and space.

9. The proposed Articles of Incorporation of the Remaining Proposed Corporations contain no restrictions and will empower such corporations to conduct general insurance agencies.

10. The proposed By-Laws of the Remaining Proposed Corporations contemplate activities commensurate with corporate powers.

Discussion

The Redwood Bank and the Affiliated Banks will be referred to hereafter individually and collectively as "Subsidiary Bank(s)". The Redwood Corporation and the Remaining Proposed Corporations will be referred to hereafter individually and collectively as "Proposed Corporation(s)".

No determination or approval by the Board regarding the policy or need to incorporate the insurance activities of the Subsidiary Banks, is involved or required in these proceedings. The sole issue in these proceedings for determination by the Board from the hearing record, is whether the Proposed Corporations meet the exemption qualifications and conditions imposed by Congress in Section 4(c) (8) of the Act, namely: whether all activities of the Proposed Corporations are to be of an insurance nature; and, whether all such activities are to be so closely related to the business of banking (conducted by the Subsidiary Banks) as to be a proper incident thereto and so closely so related as to eliminate the need for application of the section 4 prohibitions against non-bank acquisitions, retentions or activities. This determines and resolves whether Petitioners may acquire stock of the Proposed Corporations. Nothing else is involved.

The reference in the Act to the "business of banking" is without qualification and without authority to anyone to limit or expand the normal and accepted meaning of such words. Extracurricular non-banking activities conducted by banks (such as an insurance or any other kind of nonbanking activity, regardless of whether related to

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banking transactions) and the indulgence therein and tolerance thereof by supervisory authorities, conducted for the convenience of bank customers and the community and for the benefit of its stockholders, do not disturb the traditional meaning and common scope of the banking business, particularly as employed clearly and absolutely in the Act. Congress did not impose a vain and superfluous condition when it required the excepted non-banking activities to have close relationship with the banking business. It was following the climate and purpose of the Act. See Senate Report No. 1095, 84th Cong., 1st Session 1955. And clearly, Congress did not incorporate nor contemplate the incorporation of any non-banking business (such as insurance) into or as a part of the banking business. For the exception, the non-banking business must be so closely related to the banking business as to be a proper incident thereto.

The function of a bank (the business of banking) is to mobilize money resources and put them to work by making credit available. The test is whether the act done relates to or is an act in the course of the substitution of credits (which is the essence of the banking function); and whatever is an appropriate and usual incident to this substitution or exchange of credits is of the very essence of the functions and activities of banking. There is a difference between an activity being incidental to the business of banking and an activity which is merely beneficial or helpful to the community and general customers, or profitable to the corporation. The Act requires the activities of the Proposed Corporations to be so closely related to the business of banking as to be a "proper incident" (an accompanying occurance which is adapted to and fitting for the banking act or acts involved) thereto. See "What is The Banking Business", The Business Lawyer, Vol. 21 (1965-66) 537.

The Act states clearly that to allow the requested exemption, the Board must determine from the hearing record that all the activities of each of the Proposed Corporations are to be: 1) of an insurance nature; and 2) so closely related to the business of banking as to be a proper incident thereto and (so closely related to the business of banking) as to eliminate the need to apply the section 4 prohibitions of the Act. In brief, said insurance activities must be accompaniments and complements to the banking business.

The facts are not in dispute. The Proposed Corporations intend to conduct a general insurance agency business, writing all types of insurance for: borrowers from, depositors in and safe deposit box lessees of, the Subsidiary Banks, as well as for the general public. These insurance activities have been and are now conducted by the Subsidiary Banks. During 1967, Elk Valley State Bank did not write for the general public.

The applicable provisions of the Act are clear and unambiguous. Board Regulations implement the Act.

Consistent with the preamble of the Act, Section 4 thereof provides that no bank holding company shall acquire shares of any company which is not a bank, except shares of a company "all" activities of which are to be of an insurance nature and which activities the Board, on the basis of the hearing record, has determined are to be "so closely related to the business of banking" as to be "a proper incident thereto" and so closely related to the business of banking as to make it unnecessary for the section 4 prohibitions to apply in order to carry out the purposes of the Act. Thus, shares of the Proposed Corporations may be acquired by Petitioners provided and only if all the insurance activities of the Proposed Corporations will be so closely related to the business of banking conducted by the Subsidiary Banks as to be a proper incident thereto. The basic identity of each type of business is preserved. The insurance business does not become the banking business; but all the insurance business must be closely related and a proper incident to the business of banking. When a Subsidiary Bank, and if a Proposed Corporation, sells insurance independent of and not related and an incident to a banking business transaction (regardless of who the insured may be—borrower, depositor, lessee, other) it is and will be conducting an independent insurance business which is not related and an incident to the business of banking. The Act exempts the insurance—not the banking business; provided the insurance activity meets the above qualifications and conditions of the Act. The Act does not convert the insurance business into the banking business; nor do the insurance operations of the Subsidiary Banks. The exemption prevails if the insurance activities are closely related to and a proper incident to banking business. This is the exemption.

The proposed findings and conclusions submitted by Counsel for Petitioners and the brief and

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comments submitted by both Counsel are at variance with this decision. These submissions have been considered and must be denied. Respondent urges the Board to allow bank holding companies to acquire shares of corporations conducting a "bank-connected" general insurance agency, whose activities include those not related to the business of banking. This would clearly violate the Act. Respondent beclouds and confuses the true issues with erroneous implications or assumptions and unsupported conclusions, such as the erroneous impression that the Board must approve the proposed incorporations, and the erroneous assumption and unsupported conclusion that by mere bank-connection all the bank conducted insurance activities are assimilated into and become the business of banking or, merely by such bank-connection, all such activities become a proper incident to the business of banking. The clear language and intent of the Act is binding. When language is clear and unambiguous it must be held to mean what it plainly expresses. There is no safer nor better settled canon of interpretation. See Sutherland Statutory Construction, 3rd Edition, Horack, Vol. 2, Section 4702. This decision must be based upon the hearing record in these proceedings and the requirements of the Act.

Conclusions

Based upon the foregoing, conclusions are hereby made herein as set forth below.

1. All the activities of the Proposed Corporations are to be of an insurance nature but such activities will include both those so closely related to the business of banking as to be a proper incident thereto, and also those not related to the business of banking.

2. The Articles of Incorporation and By-laws of the Proposed Corporations empower and authorize the Proposed Corporations to operate independent and unrestricted general insurance agencies.

3. The words "business of banking" are employed in the Act and Board Regulation Y with their normal, customary and accepted meaning, and, applied to this proceeding, mean transactions conducted by the Subsidiary Banks involving the mobilization of money resources and putting money to work by making credit available. In brief, money and credit. The Act requires that all the activities of the Proposed Corporations (which will be of an insurance and not a banking nature) must be so closely related to the business of banking (and, it is emphasized that such insurance activities are not and do not become, in nature, banking activities or business) conducted by the Subsidiary Banks as to be a proper incident thereto. The Act preserves the separate identity of the insurance business, which is never intended to and does not become part of nor lose its identity in, the banking business; but may become a proper incident to the banking business. Mere affiliation or connection of an insurance operation with a banking institution (through, for instance, common ownership, use of common personnel and space) does not convert the nature of either institution nor provide the exemption. The Exemption results from a relationship between the insurance activity and true banking transactions (business of banking) which is so close as to be a proper incident to such banking business. Writing insurance for persons who are bank borrowers, bank depositors or deposit box lessees but which insurance is not related to such loan, deposit or lease transactions, and writing insurance for others doing no business with the Subsidiary Banks, is neither the business of banking in itself nor an insurance activity related to the business of banking.

4. The Act and Board Regulation Y require "all" the activities of the Proposed Corporations (in order to qualify for the bank holding company exemption) to be of an insurance nature (which they will be) and (all such activities) to be so closely related to the true business of banking conducted by the Subsidiary Banks as to be a proper incident thereto (which they will not be). All the activities of the Proposed Corporations will not be related to the business of banking conducted by the Subsidiary Banks, and hence the shares of the Proposed Corporations do not qualify for the exemption available under Section 4(c) (8) of the Act.

5. To authorize Petitioners to acquire shares of the Proposed Corporations the activities of which will be devoted to insurance and will include those not related to the business of banking, would thereby authorize acquisition of shares of companies which are neither banks nor those whose total insurance activities are related to the business of banking, and would therefore violate the clear prohibitions of Section 4 of the Act. Hence, the Petition must be denied and the prohibitions of Section 4 of the Act preserved and

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applied in order to carry out the purposes of the Act.

6. The recommended decision in this case (denying exemption) does not disturb or deal with the manner in which the Subsidiary Banks now or hereafter conduct any of their activities. This is not at issue. The sole issue in this proceeding is whether, from the hearing record, the Proposed Corporations would meet the qualifications and conditions imposed by Congress under Section 4(c) (8) of the Act. As shown above, they would not. Hence, Petitioners cannot be authorized to acquire shares of the Proposed Corporations.

Recommendation

Based on the foregoing, it is recommended that the Board issue forthwith an Order declining to make the determinations requested in the Petition.

(Signed) Leonard J. Ralston,
Presiding Officer.

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Announcements

CHANGES IN THE BOARD'S STAFF

The Board of Governors has announced the appointment of Jerold E. Slocum as Director of the Division of Data Processing, effective April 7, 1969, to assume the position vacated by Lawrence H. Byrne, Jr., who resigned April 4, 1969.

Mr. Slocum had been employed by the Space and Systems Division of Packard-Bell Electronics of Los Angeles, California, as Director of Industrial Products. He joined Packard-Bell in 1959, shortly after his graduation from the University of California.

APPOINTMENT OF DIRECTOR

Mr. Cullen J. Kelly, President of The First National Bank, Midland, Texas, was appointed a director of the El Paso Branch of the Federal Reserve Bank of Dallas on April 10, 1969, to fill the unexpired portion of a term ending December 31, 1970. As a director Mr. Cullen succeeds Robert F. Lockhart.

RESIGNATION OF DIRECTOR

Robert C. Enders, who had served since January 1, 1967, as a Class A director of the Federal Reserve Bank of Philadelphia, resigned effective February 28, 1969. Mr. Enders is President of Bloomsburg Bank-Columbia Trust Company, Bloomsburg, Pennsylvania.

WEEKLY SUMMARY OF BANKING AND CREDIT MEASURES

A new press release, "Weekly Summary of Banking and Credit Measures" (H. 9), has been made available on a regular weekly basis. The first release was Thursday afternoon, April 17. The measures shown include various interest rates and member banks' borrowings and net reserve position; new weekly seasonally adjusted data for total, nonborrowed, and required reserves; and weekly seasonally adjusted figures for bank deposits and the money supply, including newly released data for total member deposits and U.S. Government deposits. All interest rate and reserve figures are for the latest statement week, whereas data for bank deposits and the money supply have a 1-week lag. Requests for this release should be addressed to Publications Services, Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

ADMISSION OF STATE BANKS TO MEMBERSHIP IN THE FEDERAL RESERVE SYSTEM

The following banks were admitted to membership in the Federal Reserve System during the period March 16, 1969, through April 15, 1969:

South Dakota

Onida . . . . Sully County Bank

Washington

Arlington . . . . Bank of Arlington

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National Summary of Business Conditions

Released for publication April 16

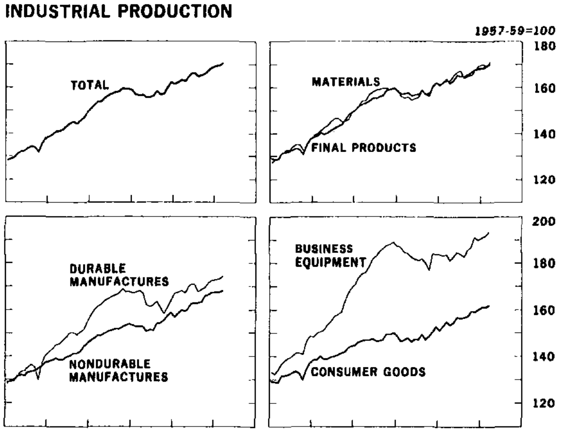
Industrial production, nonfarm employment, and retail sales rose further in March but the unemployment rate edged up. Commercial bank credit declined and the money supply increased moderately further. Time and savings deposits were reduced nominally. Between mid-March and mid-April, yields on U.S. Government notes and bonds declined and yields on corporate and municipal bonds advanced on balance.

INDUSTRIAL PRODUCTION

Industrial production in March rose further to 170.5 per cent of the 1957-59 average—up 0.6 per cent from February and 4.6 per cent from a year earlier. Output of final products and materials increased.

Auto assemblies were at an annual rate of 8.4 million units, the same as in February. Production of household goods and consumer staples rose but output of furniture changed little. Production of industrial and commercial equipment expanded further and output of farm tractors, which had been sharply reduced in December, also rose. Production of iron and steel and most other industrial materials, both durable and nondurable, increased.

INDUSTRIAL PRODUCTION



F.R. indexes, seasonally adjusted. Latest figures: March.

Output of textiles, however, declined again and was down 5 per cent from the December peak.

EMPLOYMENT

Nonfarm payroll employment rose by 145,000 in March but about 30,000 of the increase was due to the return of workers on strike. In most nonmanufacturing industries, employment gains continued strong, with the exception of construction where a large February rise was followed by a decline in March. In manufacturing, moderate employment increases were reported in the capital goods industries. The largest gains were in transportation equipment and petroleum products industries but they reflected mainly return of strikers. The average factory workweek, which dipped in February because of bad weather, recovered in March to 40.6 hours, unchanged from the January level. The unemployment rate was 3.4 per cent in March, up slightly from the 3.3 per cent rate maintained since December 1968. The change was attributable to a small advance in teenage unemployment.

DISTRIBUTION

The value of retail sales in March was up 1 per cent from February and was 6 per cent above a year earlier. Sales at both durable and nondurable goods stores increased. Unit sales of new domestic autos declined 6 per cent in March to an annual rate of 8.2 million units, but picked up in early April.

AGRICULTURE

Growers' March 1 plans called for expansion of acreages of oilseeds and cotton, contraction of acreage in food grains, and no change in feed crops. Altogether these add up to a small net increase in spring-seeded crops which may, given good weather, bring 1969 output close to last year's record. Winter wheat acreage, although down 13 per cent, on April 1 was expected to produce a crop only 7 per cent below that of 1968.

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In the first quarter of 1969, output of red meats and poultry was a little above a year earlier and that of eggs and milk a little below.

COMMODITY PRICES

Average prices of industrial commodities rose an estimated 0.4 per cent further from mid-February to mid-March as widespread advances were led by softwood lumber and gasoline. Price increases for livestock and fresh and dried vegetables accounted for most of a substantial rise in farm products. Since mid-March, industrial prices have increased further; increases have been announced for lead, copper, aluminum and copper mill products, and some paper and chemical items. Trade reports have indicated a downturn in lumber and plywood prices in recent weeks.

BANK CREDIT, DEPOSITS, AND RESERVES

Commercial bank credit declined $800 million in March following substantially reduced growth earlier in the year. Continued liquidation of bank holdings of U.S. Government securities and a decline in total loans more than offset small net acquisitions of municipal and Federal agency issues. Net repayments of security and nonbank financial loans were large and growth in business loans moderated.

The money supply increased $400 million in March, or about the same as the reduced January-February pace. U.S. Government deposits declined following a buildup over the two previous months. Time and savings deposits were reduced only nominally in March following large outflows earlier in the year. Although attrition of large negotiable CD's continued heavy, it was nearly offset by accelerated inflows of consumer-type and savings deposits.

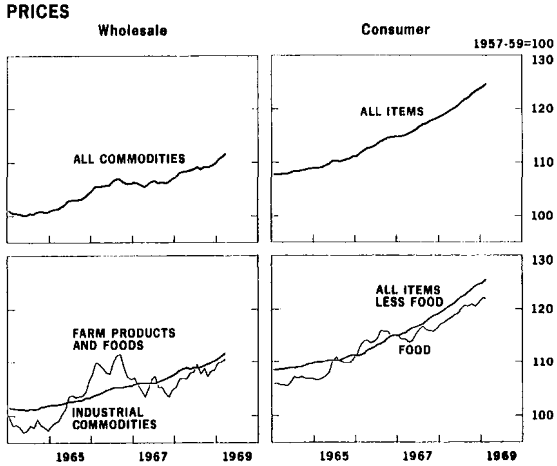
Net borrowed reserves of member banks averaged about $650 million over the four weeks ending March 26 compared with $580 million in February. Borrowings were unchanged but excess reserves dropped. Total and required reserves also declined.

SECURITY MARKETS

Yields on U.S. Government notes and bonds fell on balance between mid-March and mid-April. Rates on most Treasury bills rose over the same period, although the longest bill maturities declined. The 3-month bill was bid at around 6.20 per cent in the middle of April, compared with about 6.00 per cent a month earlier.

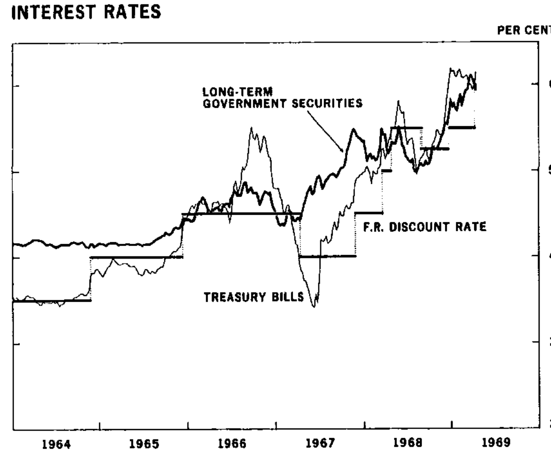
Yields on corporate and municipal bonds advanced further between mid-March and mid-April, although they declined somewhat from the new highs reached in the last half of March. Levels of market interest rates continued to restrain the volume of offerings, especially State and local government bond issues subject to below-market ceiling rates. Stock prices declined on balance in moderate trading volume.

PRICES



Bureau of Labor Statistics. "Farm products and foods" is BLS "Farm products, and processed foods and feeds." Latest figures: Consumer, February; Wholesale, March.

INTEREST RATES



Discount rate, range or level for all F.R. Banks. Weekly average market yields for U.S. Govt. bonds maturing in 10 years or more and for 90-day Treasury bills. Latest figures: week ending Apr. 11.

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Financial and Business Statistics

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U.S. STATISTICS—Continued

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Guide to Tabular Presentation

SYMBOLS AND ABBREVIATIONS

e	Estimated
c	Corrected
p	Preliminary
r	Revised
rp	Revised preliminary
I, II, III, IV	Quarters
n.a.	Not available
n.e.c.	Not elsewhere classified
S.A.	Monthly (or quarterly) figures adjusted for seasonal variation
N.S.A.	Monthly (or quarterly) figures not adjusted for seasonal variation
IPC	Individuals, partnerships, and corporations
SMSA	Standard metropolitan statistical area
A	Assets
L	Liabilities
S	Sources of funds
U	Uses of funds
*	Amounts insignificant in terms of the particular unit (e.g., less than 500,000 when the unit is millions)
....	(1) Zero, (2) no figure to be expected, or (3) figure delayed

GENERAL INFORMATION

Minus signs are used to indicate (1) a decrease, (2) a negative figure, or (3) an outflow.

A heavy vertical rule is used (1) to the right (to the left) of a total when the components shown to the right (left) of it add to that total (totals separated by ordinary rules include more components than those shown), (2) to the right (to the left) of items that are not part of a balance sheet, (3) to the left of memorandum items.

"U.S. Govt. securities" may include guaranteed issues of U.S. Govt. agencies (the flow of funds figures also include not fully guaranteed issues) as well as direct obligations of the Treasury. "State and local govt." also includes municipalities, special districts, and other political subdivisions.

In some of the tables details do not add to totals because of rounding.

The footnotes labeled NOTE (which always appear last) provide (1) the source or sources of data that do not originate in the System; (2) notice when figures are estimates; and (3) information on other characteristics of the data.

TABLES PUBLISHED QUARTERLY, SEMIANNUALLY, OR ANNUALLY, WITH LATEST BULLETIN REFERENCE

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MEMBER BANK RESERVES, FEDERAL RESERVE BANK CREDIT, AND RELATED ITEMS

(In millions of dollars)

Period or date	Factors supplying reserve funds: F.R. Bank credit outstanding: U.S. Govt. securities[1]: Total	Bought outright	Repurchase agreements	Discounts and advances	Float[2]	Total[3]	Gold stock	Treasury currency outstanding	Factors absorbing reserve funds: Currency in circulation	Treasury cash holdings	Deposits, other than member bank reserves, with F.R. Banks: Treasury	Foreign	Other[2]	Other F.R. accounts	Member bank reserves: With F.R. Banks	Currency and coin[4]	Total
Averages of daily figures																	
1929—June	179	179	......	978	61	1,317	4,024	2,018	4,400	210	30	30		376	2,314	......	2,314
1933—June	1,933	1,933	......	250	12	2,208	4,030	2,295	5,455	272	81	164		350	2,211	......	2,211
1939—Dec.	2,510	2,510	......	8	83	2,612	17,518	2,956	7,609	2,402	616	739		248	11,473	......	11,473
1941—Dec.	2,219	2,219	......	5	170	2,404	22,759	3,239	10,985	2,189	592	1,531		292	12,812	......	12,812
1945—Dec.	23,708	23,708	......	381	652	24,744	20,047	4,322	28,452	2,269	625	1,247		493	16,027	......	16,027
1950—Dec.	20,345	20,336	9	142	1,117	21,606	22,879	4,629	27,806	1,290	615	920	353	739	17,391	......	17,391
1960—Dec.	27,248	27,170	78	94	1,665	29,060	17,954	5,396	33,019	408	522	250	495	1,029	16,688	2,595	19,283
1962—Dec.	30,546	30,474	72	305	2,298	33,218	15,978	5,561	35,281	398	587	222	290	1,048	16,932	3,108	20,040
1963—Dec.	33,729	33,626	103	360	2,434	36,610	15,562	5,583	37,603	389	879	160	206	1,215	17,303	3,443	20,746
1964—Dec.	37,126	36,895	231	266	2,423	39,873	15,388	5,401	39,698	595	944	181	186	1,093	17,964	3,645	21,609
1965—Dec.	40,885	40,772	113	490	2,349	43,853	13,799	5,565	42,206	808	683	154	231	389	18,747	3,972	22,719
1966—Dec.	43,760	43,274	486	570	2,383	46,864	13,158	6,284	44,579	1,191	291	164	429	83	19,568	4,262	23,830
1967—Dec.	48,891	48,810	81	238	2,030	51,268	12,436	6,777	47,000	1,428	902	150	451	−204	20,753	4,507	25,260
1968—Mar.	49,511	49,452	59	682	1,599	51,863	11,096	6,798	46,138	1,215	916	165	506	−536	21,354	4,226	25,580
Apr.	50,090	49,943	147	698	1,641	52,509	10,484	6,797	46,642	1,122	738	167	538	−598	21,181	4,365	25,546
May	50,581	50,329	252	759	1,580	52,998	10,452	6,794	46,873	1,073	1,059	159	483	−581	21,179	4,326	25,505
June	51,306	51,160	146	705	1,712	53,813	10,369	6,764	47,486	973	960	181	471	−474	21,350	4,363	25,713
July	52,090	52,041	49	538	1,870	54,573	10,367	6,721	48,089	836	1,026	164	472	−436	21,510	4,491	26,001
Aug.	52,646	52,463	183	568	1,760	55,048	10,367	6,733	48,194	811	963	170	459	−102	21,653	4,416	26,069
Sept.	52,222	52,208	14	515	1,981	54,769	10,367	6,737	48,474	791	611	131	450	−151	21,567	4,510	26,077
Oct.	53,300	53,252	48	427	1,976	55,770	10,367	6,757	48,632	781	1,054	137	461	−312	22,141	4,512	26,653
Nov.	53,388	53,322	66	569	2,160	56,183	10,367	6,790	49,398	769	798	164	439	−491	22,263	4,522	26,785
Dec.	52,529	52,454	75	765	3,251	56,610	10,367	6,810	50,609	756	360	225	458	−1,105	22,484	4,737	27,221
1969—Jan.	52,665	52,622	43	697	3,054	56,476	10,367	6,802	49,784	760	602	189	495	−1,174	22,988	5,075	28,063
Feb.	52,265	52,074	191	824	2,602	55,786	10,367	6,806	49,226	762	641	130	488	−932	22,644	4,647	27,291
Mar.p	52,122	51,987	135	918	2,329	55,439	10,367	6,819	49,439	729	536	152	463	−902	22,208	4,507	26,715
Week ending—																	
1968—Mar. 6	49,077	49,019	58	501	1,729	51,363	11,883	6,797	45,832	1,301	992	152	489	−418	21,695	4,102	25,797
13	49,278	49,166	112	787	1,473	51,595	11,609	6,795	46,205	1,275	1,008	122	478	−474	21,386	4,162	25,548
20	49,840	49,840	......	748	1,668	52,312	10,872	6,801	46,233	1,224	1,059	166	505	−609	21,406	4,266	25,672
27	49,621	49,621	......	597	1,534	51,855	10,484	6,800	46,153	1,129	844	205	465	−597	20,941	4,385	25,326
Apr. 3	49,843	49,634	209	711	1,449	52,103	10,484	6,798	46,358	1,126	537	182	653	−579	21,109	4,354	25,463
10	50,153	49,950	203	661	1,637	52,570	10,484	6,797	46,647	1,119	521	168	582	−555	21,369	4,065	25,434
17	50,219	49,952	267	778	1,804	52,871	10,484	6,799	46,901	1,126	422	148	534	−667	21,691	4,399	26,090
24	49,927	49,927	......	666	1,841	52,490	10,484	6,797	46,608	1,124	1,038	160	487	−594	20,950	4,553	25,503
May 1	50,238	50,103	135	689	1,461	52,458	10,484	6,797	46,481	1,121	1,073	194	490	−601	20,980	4,538	25,518
8	50,617	50,200	417	837	1,467	53,030	10,484	6,796	46,668	1,109	935	148	482	−684	21,652	4,046	25,698
15	50,521	50,069	452	725	1,493	52,819	10,484	6,794	46,920	1,082	1,080	132	499	−698	21,083	4,296	25,379
22	50,549	50,402	147	682	1,861	53,162	10,470	6,795	46,908	1,058	1,228	145	486	−462	21,063	4,316	25,379
29	50,589	50,589	......	777	1,501	52,923	10,384	6,794	46,937	1,053	1,076	165	463	−442	20,849	4,473	25,322
June 5	50,619	50,619	......	772	1,540	52,985	10,382	6,796	47,254	1,042	784	309	477	−742	21,038	4,294	25,332
12	50,899	50,609	290	691	1,576	53,242	10,367	6,794	47,506	1,004	856	157	457	−779	21,203	4,197	25,400
19	50,973	50,850	123	677	1,812	53,537	10,367	6,782	47,574	982	1,072	146	451	−715	21,176	4,421	25,597
26	52,009	51,797	212	820	1,737	54,685	10,367	6,766	47,484	947	1,063	161	481	13	21,669	4,548	26,217
July 3	52,217	52,217	......	506	1,831	54,656	10,367	6,720	47,797	880	1,115	185	522	−136	21,380	4,459	25,839
10	52,282	52,203	79	425	2,026	54,800	10,367	6,724	48,267	837	903	181	490	−392	21,604	4,222	25,826
17	51,994	51,890	104	484	1,914	54,467	10,367	6,727	48,257	831	1,106	155	470	−662	21,404	4,607	26,011
24	51,904	51,904	......	652	2,023	54,637	10,367	6,714	48,002	838	998	142	448	−420	21,710	4,551	26,261
31	52,118	52,084	34	615	1,627	54,466	10,367	6,719	47,851	826	1,033	155	443	−318	21,562	4,624	26,186
Aug. 7	52,483	52,160	323	748	1,645	54,971	10,367	6,726	47,976	824	845	204	475	−274	22,014	4,213	26,227
14	52,518	52,212	306	580	1,636	54,820	10,367	6,730	48,289	811	927	189	449	−313	21,565	4,325	25,890
21	52,788	52,604	184	619	1,982	55,457	10,367	6,734	48,252	808	998	173	467	42	21,816	4,411	26,227
28	52,663	52,663	......	374	1,721	54,810	10,367	6,740	48,190	808	1,084	125	444	51	21,217	4,574	25,791

For notes see opposite page.

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Federal Reserve Bank of St. Louis

MEMBER BANK RESERVES, FEDERAL RESERVE BANK CREDIT, AND RELATED ITEMS—Continued

(In millions of dollars)

Period or date	Factors supplying reserve funds								Factors absorbing reserve funds								
	F.R. Bank credit outstanding						Gold stock	Treasury currency outstanding	Currency in circulation	Treasury cash holdings	Deposits, other than member bank reserves, with F.R. Banks			Other F.R. accounts	Member bank reserves		
	U.S. Govt. securities [1]			Discounts and advances	Float [2]	Total [3]					Treasury	Foreign	Other [2]		With F.R. Banks	Currency and coin [4]	Total
	Total	Bought outright	Repurchase agreements														
Averages of daily figures																	
Week ending—																	
1968—Sept. 4	52,975	52,975	......	454	1,707	55,188	10,367	6,730	48,431	787	938	140	457	101	21,430	4,451	25,881
11	52,341	52,341	......	634	1,904	54,930	10,367	6,733	48,685	787	147	134	446	60	21,771	4,421	26,192
18	51,630	51,630	......	405	2,203	54,288	10,367	6,735	48,567	790	208	128	465	−292	21,525	4,449	25,974
25	51,844	51,844	......	475	2,223	54,592	10,367	6,742	48,325	798	866	123	445	−293	21,437	4,418	25,855
Oct. 2	52,893	52,829	64	541	1,839	55,328	10,367	6,744	48,306	791	1,201	145	449	−257	21,803	4,584	26,387
9	53,063	53,063	......	403	1,963	55,482	10,367	6,749	48,550	786	1,072	156	473	−250	21,812	4,683	26,495
16	53,496	53,397	99	516	2,014	56,133	10,367	6,754	48,764	780	980	132	483	−248	22,366	4,609	26,975
23	53,289	53,232	57	337	2,183	55,868	10,367	6,759	48,702	772	1,043	131	450	−377	22,274	4,199	26,473
30	53,402	53,345	57	495	1,718	55,671	10,367	6,767	48,556	782	1,092	127	438	−382	22,192	4,528	26,720
Nov. 6	53,389	53,294	95	392	1,660	55,498	10,367	6,776	48,806	774	1,079	115	460	−357	21,764	4,590	26,354
13	53,740	53,555	185	675	2,031	56,533	10,367	6,786	49,314	764	1,036	132	432	−331	22,339	4,731	27,070
20	53,502	53,502	......	513	2,678	56,754	10,367	6,792	49,475	765	615	155	443	−189	22,648	4,312	26,960
27	52,945	52,945	......	583	2,280	55,869	10,367	6,801	49,638	776	645	219	420	−839	22,177	4,417	26,594
Dec. 4	53,281	53,252	29	531	2,278	56,147	10,367	6,807	50,077	776	583	225	448	−1,018	22,231	4,628	26,859
11	52,468	52,468	......	434	2,627	55,589	10,367	6,809	50,383	755	191	233	438	−960	21,725	4,736	26,461
18	52,072	52,072	......	575	3,384	56,090	10,367	6,807	50,616	749	70	234	444	−1,247	22,399	4,689	27,088
25	52,232	52,168	64	859	3,735	56,889	10,367	6,812	50,803	754	461	217	445	−1,153	22,541	4,691	27,232
1969—Jan. 1	52,981	52,744	237	1,320	3,761	58,145	10,367	6,809	50,956	740	579	215	560	−1,148	23,419	4,921	28,340
8	53,330	53,142	188	498	3,392	57,306	10,367	6,801	50,472	763	579	217	490	−1,201	23,153	4,802	27,955
15	52,967	52,967	......	687	3,068	56,777	10,367	6,800	50,023	762	563	216	487	−1,156	23,050	5,517	28,567
22	52,487	52,487	......	782	3,136	56,456	10,367	6,801	49,537	763	545	201	485	−1,232	23,326	5,023	28,349
29	51,984	51,984	......	891	2,552	55,476	10,367	6,803	49,153	761	715	132	477	−1,129	22,537	5,035	27,572
Feb. 5	52,061	52,053	8	744	2,542	55,397	10,367	6,806	49,061	766	490	129	502	−993	22,616	4,821	27,437
12	52,220	52,053	167	799	2,610	55,707	10,367	6,807	49,307	761	831	133	477	−1,009	22,382	4,878	27,260
19	52,541	52,108	433	1,044	2,630	56,357	10,367	6,809	49,377	764	669	133	500	−1,014	23,105	4,486	27,591
26	52,229	52,124	105	757	2,669	55,759	10,367	6,813	49,148	763	562	129	483	−793	22,647	4,452	27,099
Mar. 5	52,168	52,055	113	734	2,540	55,511	10,367	6,813	49,157	758	531	125	481	−718	22,357	4,628	26,985
12	52,074	52,040	34	875	2,423	55,427	10,367	6,818	49,459	732	465	156	468	−733	22,064	4,704	26,768
19p	52,188	51,999	189	775	2,517	55,564	10,367	6,816	49,554	725	490	161	486	−978	22,310	4,374	26,684
26p	52,081	51,901	180	963	2,291	55,408	10,367	6,821	49,471	721	615	165	436	−1,029	22,218	4,375	26,593
End of month																	
1969—Jan.	52,127	52,127	......	864	2,885	55,926	10,367	6,799	48,983	754	517	126	528	−971	23,158	4,821	27,979
Feb.	52,295	52,076	219	744	2,780	55,910	10,367	6,716	48,996	725	505	121	482	−691	22,854	4,627	27,481
Mar.p	52,430	52,016	414	1,148	1,491	55,163	10,367	6,828	49,559	715	783	164	498	−950	21,588	4,485	26,073
Wednesday																	
1968—Dec. 4	52,646	[5]52,646	......	121	2,571	55,398	10,367	6,809	50,294	768	649	225	446	−1,016	21,207	4,628	25,835
11	51,413	[5]51,413	......	273	2,645	54,391	10,367	6,805	50,657	749	58	212	426	−1,062	20,524	4,736	25,260
18	51,000	[5]51,000	......	968	3,838	55,861	10,367	6,810	50,789	752	442	228	448	−1,214	21,592	4,691	26,283
25	52,606	52,382	224	332	3,557	56,576	10,367	6,814	51,023	763	168	226	490	−1,141	22,228	4,921	27,149
1969—Jan. 1	52,937	52,937	......	186	3,443	56,624	10,367	6,795	50,961	695	703	216	747	−1,353	21,818	4,921	26,739
8	52,722	[5]52,722	......	180	2,990	55,949	10,367	6,799	50,340	765	762	216	469	−1,184	21,748	4,810	26,558
15	52,187	[5]52,187	......	958	2,782	55,980	10,367	6,801	49,865	767	613	230	511	−1,220	22,381	5,529	27,910
22	52,484	52,484	......	862	2,625	56,021	10,367	6,804	49,406	768	337	196	496	−1,222	23,211	5,024	28,235
29	52,325	52,325	......	928	2,342	55,645	10,367	6,806	49,148	763	498	124	473	−1,123	22,935	5,035	27,970
Feb. 5	52,062	52,001	61	1,154	2,195	55,460	10,367	6,804	49,209	768	414	119	481	−1,004	22,644	4,821	27,465
12	52,062	51,901	161	1,107	2,907	56,162	10,367	6,807	49,480	765	1,163	133	508	−1,106	22,394	4,881	27,275
19	52,327	52,167	160	460	2,345	55,288	10,367	6,812	49,348	763	449	119	474	−779	22,093	4,485	26,578
26	51,947	51,947	......	499	2,592	55,089	10,367	6,815	49,197	767	615	110	492	−846	21,936	4,453	26,389
Mar. 5p	52,076	52,076	......	745	2,637	55,509	10,367	6,815	49,370	742	355	149	498	−730	22,307	4,626	26,933
12p	51,997	51,997	......	731	2,048	54,825	10,367	6,816	49,590	732	420	137	468	−918	21,579	4,703	26,282
19p	52,011	52,011	......	831	2,432	55,358	10,367	6,821	49,614	724	552	159	462	−986	22,021	4,374	26,395
26p	52,015	51,905	110	997	2,055	55,141	10,367	6,826	49,541	715	502	137	448	−1,022	22,013	4,375	26,388

[1] U.S. Govt. securities include Federal agency obligations.
[2] Beginning with 1960 reflects a minor change in concept; see Feb. 1961 BULLETIN, p. 164.
[3] Includes industrial loans and acceptances, when held (industrial loan program discontinued Aug. 21, 1959). For holdings of acceptances on Wed. and end-of-month dates, see subsequent tables on F.R. Banks. See also note 2.
[4] Part allowed as reserves Dec. 1, 1959–Nov. 23, 1960; all allowed thereafter. Beginning with Jan. 1963, figures are estimated except for weekly averages. Beginning Sept. 12, 1968, amount is based on close-of-business figures for reserve period 2 weeks previous to report date.
[5] Reflects securities sold, and scheduled to be bought back, under matched sale/purchase transactions.

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Federal Reserve Bank of St. Louis

RESERVES AND BORROWINGS OF MEMBER BANKS

(In millions of dollars)

Period	All member banks					Reserve city banks									
						New York City					City of Chicago				
	Reserves			Borrowings at F.R. Banks	Free reserves	Reserves			Borrowings at F.R. Banks	Free reserves	Reserves			Borrowings at F.R. Banks	Free reserves
	Total held	Required[1]	Excess			Total held	Required[1]	Excess			Total held	Required[1]	Excess		
1929—June	2,314	2,275	42	974	−932	762	755	7	174	−167	161	161	1	63	−62
1933—June	[2] 2,160	1,797	363	184	179	861	792	69	....	69	211	133	78	....	78
1939—Dec.	11,473	6,462	5,011	3	5,008	5,623	3,012	2,611	....	2,611	1,141	601	540	....	540
1941—Dec.	12,812	9,422	3,390	5	3,385	5,142	4,153	989	....	989	1,143	848	295	....	295
1945—Dec.	16,027	14,536	1,491	334	1,157	4,118	4,070	48	192	−144	939	924	14	....	14
1950—Dec.	17,391	16,364	1,027	142	885	4,742	4,616	125	58	67	1,199	1,191	8	5	3
1960—Dec.	19,283	18,527	756	87	669	3,687	3,658	29	19	10	958	953	4	8	−4
1962—Dec.	20,040	19,468	572	304	268	3,863	3,817	46	108	−62	1,042	1,035	7	18	−11
1963—Dec.	20,746	20,210	536	327	209	3,951	3,895	56	37	19	1,056	1,051	5	26	−21
1964—Dec.	21,609	21,198	411	243	168	4,083	4,062	21	35	−14	1,083	1,086	−3	28	−31
1965—Dec.	22,719	22,267	452	454	−2	4,301	4,260	41	111	−70	1,143	1,128	15	23	−8
1966—Dec.	23,830	23,438	392	557	−165	4,583	4,556	27	122	−95	1,119	1,115	4	54	−50
1967—Dec.	25,260	24,915	345	238	107	5,052	5,034	18	40	−22	1,225	1,217	8	13	−5
1968—Mar.	25,580	25,224	356	671	−315	5,149	5,063	86	99	−13	1,176	1,169	7	66	−59
Apr.	25,546	25,276	270	683	−413	4,993	4,985	8	67	−59	1,159	1,160	−1	104	−105
May	25,505	25,085	420	746	−326	4,905	4,871	34	68	−34	1,163	1,151	12	76	−64
June	25,713	25,362	351	692	−341	5,120	5,029	91	69	22	1,145	1,150	−5	38	−43
July	26,001	25,702	299	525	−226	5,047	5,060	−13	12	−25	1,190	1,181	9	87	−78
Aug.	26,069	25,694	375	565	−190	4,940	4,912	28	192	−164	1,165	1,161	4	2	2
Sept.	26,077	25,694	383	515	−132	4,886	4,868	18	154	−136	1,147	1,143	4	23	−19
Oct.	26,653	26,393	260	427	−167	5,096	5,071	25	65	−40	1,182	1,177	5	9	−4
Nov.	26,785	26,461	324	569	−245	5,022	4,968	54	72	−18	1,153	1,155	−2	7	−9
Dec.	27,221	26,766	455	752	−297	5,157	5,057	100	230	−130	1,199	1,184	15	85	−70
1969—Jan.	28,063	27,846	217	697	−480	5,397	5,392	5	65	−60	1,286	1,287	−1	48	−49
Feb.	27,291	27,063	228	824	−596	5,190	5,194	−4	63	−67	1,259	1,253	6	39	−33
Mar. ^{p}	26,715	26,538	177	918	−742	5,035	5,019	16	65	−49	1,204	1,207	−3	98	−101
Week ending—															
1968—Mar. 6	25,797	25,481	316	500	−184	5,204	5,167	37	1	36	1,237	1,238	−1	96	−97
13	25,548	25,090	458	779	−321	5,094	4,963	131	250	−119	1,149	1,137	12	14	−2
20	25,672	25,258	414	733	−319	5,146	5,108	38	159	−121	1,166	1,170	−4	32	−36
27	25,326	25,165	161	582	−421	5,034	5,044	−10	29	−39	1,165	1,153	12	50	−38
1968—Oct. 2	26,387	26,002	385	541	−156	5,045	4,970	75	154	−79	1,135	1,128	7	....	7
9	26,495	26,270	225	403	−178	5,102	5,149	−47	65	−112	1,130	1,132	−2	....	−2
16	26,975	26,602	373	516	−143	5,279	5,221	58	173	−115	1,251	1,246	5	14	−9
23	26,473	26,474	−1	337	−338	4,958	5,010	−52	36	−88	1,194	1,205	−11	25	−36
30	26,720	26,368	352	495	−143	4,966	4,957	9	12	−3	1,168	1,145	23	....	23
Nov. 6	26,354	26,162	192	392	−200	4,932	4,903	29	46	−17	1,119	1,134	−15	11	−26
13	27,070	26,533	537	675	−138	5,140	5,061	79	129	−50	1,191	1,173	18	....	18
20	26,960	26,731	229	513	−284	5,203	5,123	80	43	37	1,171	1,157	14	....	14
27	26,594	26,409	185	583	−398	4,766	4,821	−55	57	−112	1,128	1,153	−25	10	−35
Dec. 4	26,859	26,380	479	531	−52	5,038	4,862	176	74	−102	1,187	1,155	32	13	19
11	26,461	26,409	52	434	−382	4,823	4,937	−114	86	−200	1,157	1,174	−17	....	−17
18	27,088	26,720	368	575	−207	5,223	5,121	102	104	−2	1,187	1,185	2	45	−43
25	27,232	26,812	420	859	−439	5,122	5,017	105	282	−177	1,175	1,162	13	149	−136
1969—Jan. 1	28,340	27,439	901	1,320	−419	5,571	5,298	273	517	^{c}−244	1,251	1,242	9	188	−179
8	27,955	27,753	202	498	−296	5,365	5,379	−14	....	−14	1,277	1,265	12	55	−43
15	28,567	28,335	232	687	−455	5,638	5,662	−24	136	−160	1,335	1,348	−13	31	−44
22	28,349	28,076	273	782	−509	5,541	5,492	49	86	−37	1,313	1,311	2	110	−108
29	27,572	27,384	188	891	−703	5,144	5,126	18	57	−39	1,243	1,243	....	9	−9
Feb. 5	27,437	27,202	235	744	−509	5,109	5,125	−16	87	−103	1,243	1,245	−2	4	−6
12	27,260	27,039	221	799	−578	5,130	5,166	−36	91	−127	1,281	1,270	11	81	−70
19	27,591	27,228	363	1,044	−681	5,433	5,343	90	64	26	1,274	1,276	−2	29	−31
26	27,099	26,895	204	757	−553	5,191	5,144	47	21	26	1,229	1,228	1	33	−32
Mar. 5	26,985	26,778	207	734	−527	5,079	5,118	−39	111	−150	1,227	1,226	1	34	−33
12	26,768	26,520	248	875	−627	5,086	5,021	65	....	65	1,215	1,218	−3	118	−121
19 ^{p}	26,684	26,628	56	775	−719	4,973	5,071	−98	91	−189	1,232	1,227	5	37	−32
26 ^{p}	26,593	26,359	234	963	−729	4,987	4,909	78	86	−8	1,171	1,178	−7	55	−62

For notes see opposite page.

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RESERVES AND BORROWINGS OF MEMBER BANKS—Continued

(In millions of dollars)

Other reserve city banks					Country banks					Period
Reserves			Borrowings at F.R. Banks	Free reserves	Reserves			Borrowings at F.R. Banks	Free reserves	
Total held	Required[1]	Excess			Total held	Required[1]	Excess			
761	749	12	409	−397	632	610	22	327	−305	1929—June
648	528	120	58	62	441	344	96	126	−30	1933—June
3,140	1,953	1,188	....	1,188	1,568	897	671	3	668	1939—Dec.
4,317	3,014	1,303	1	1,302	2,210	1,406	804	4	800	1941—Dec.
6,394	5,976	418	96	322	4,576	3,566	1,011	46	965	1945—Dec.
6,689	6,458	232	50	182	4,761	4,099	663	29	634	1950—Dec.
7,950	7,851	100	20	80	6,689	6,066	623	40	583	1960—Dec.
8,178	8,100	78	130	−52	6,956	6,515	442	48	394	1962—Dec.
8,393	8,325	68	190	−122	7,347	6,939	408	74	334	1963—Dec.
8,735	8,713	22	125	−103	7,707	7,337	370	55	315	1964—Dec.
9,056	8,989	67	228	−161	8,219	7,889	330	92	238	1965—Dec.
9,509	9,449	61	220	−159	8,619	8,318	301	161	140	1966—Dec.
10,081	10,031	50	105	−55	8,901	8,634	267	80	187	1967—Dec.
10,247	10,212	35	288	−253	9,009	8,780	229	218	11	1968—Mar.
10,298	10,272	26	283	−257	9,097	8,859	238	229	9	Apr.
10,268	10,195	73	262	−189	9,169	8,867	302	340	−38	May
10,275	10,241	34	258	−224	9,172	8,941	231	327	−96	June
10,447	10,392	55	152	−97	9,317	9,070	247	274	−27	July
10,568	10,501	67	161	−94	9,396	9,120	276	210	66	Aug.
10,534	10,473	61	194	−133	9,510	9,210	300	144	156	Sept.
10,758	10,763	−5	186	−191	9,617	9,382	235	167	68	Oct.
10,863	10,847	16	274	−258	9,747	9,491	256	216	40	Nov.
10,990	10,900	90	257	−167	9,875	9,625	250	180	70	Dec.
11,271	11,287	−16	321	−337	10,109	9,880	229	263	−34	1969—Jan.
10,965	10,948	17	420	−403	9,877	9,668	209	302	−93	Feb.
10,743	10,768	−25	449	−475	9,733	9,544	189	306	−117	Mar.p
										Week ending—
10,346	10,308	38	234	−196	9,011	8,768	243	169	74	Mar. 6
10,238	10,172	66	328	−262	9,066	8,818	248	187	61	13
10,202	10,181	21	312	−291	9,158	8,799	359	230	129	20
10,239	10,201	38	237	−199	8,888	8,767	121	266	−145	27
10,620	10,572	48	182	−134	9,587	9,332	255	205	50	Oct. 2
10,647	10,648	−1	232	−233	9,616	9,341	275	106	169	9
10,884	10,821	63	205	−142	9,561	9,314	247	124	123	16
10,742	10,832	−90	107	−197	9,579	9,427	152	169	−17	23
10,904	10,810	94	228	−134	9,682	9,456	226	255	−29	30
10,645	10,721	−76	150	−226	9,658	9,404	254	185	69	Nov. 6
11,054	10,893	161	334	−173	9,685	9,406	279	212	67	13
10,838	10,934	−96	251	−347	9,748	9,517	231	219	12	20
10,900	10,846	54	282	−228	9,800	9,589	211	234	−23	27
10,824	10,788	36	247	−211	9,810	9,575	235	197	38	Dec. 4
10,745	10,772	−27	199	−226	9,736	9,526	210	149	61	11
10,878	10,846	32	230	−198	9,800	9,568	232	196	36	18
10,973	10,942	31	260	−229	9,961	9,691	270	168	102	25
11,405	11,138	267	418	−151	10,113	9,761	352	197	155	1969—Jan. 1
11,226	11,301	−75	220	−295	10,087	9,808	279	223	56	8
11,458	11,463	−5	261	−266	10,136	9,862	274	259	15	15
11,380	11,364	16	372	−356	10,115	9,909	206	214	−8	22
11,078	11,116	−38	457	−495	10,107	9,899	208	368	−160	29
11,090	11,038	52	310	−258	9,995	9,794	201	343	−142	Feb. 5
10,955	10,955	—	350	−350	9,894	9,648	246	277	−31	12
11,038	10,984	54	619	−565	9,846	9,625	221	332	−111	19
10,847	10,868	−21	439	−460	9,832	9,655	177	264	−87	26
10,870	10,844	26	255	−229	9,809	9,590	219	334	−115	Mar. 5
10,762	10,763	−1	489	−490	9,705	9,518	187	268	−81	12
10,814	10,824	−10	372	−382	9,665	9,506	159	275	−116	19p
10,726	10,715	11	532	−521	9,709	9,557	152	290	−138	26p

[1] Beginning Sept. 12, 1968, amount is based on close-of-business figures for reserve period 2 weeks previous to report date.

[2] This total excludes, and that in the preceding table includes, $51 million in balances of unlicensed banks.

NOTE.—Averages of daily figures. Monthly data are averages of daily figures within the calendar month; they are not averages of the 4 or 5 weeks ending on Wed. that fall within the month. Beginning with Jan. 1964, reserves are estimated except for weekly averages.

Total reserves held: Based on figures at close of business through Nov. 1959; thereafter on closing figures for balances with F.R. Banks and opening figures for allowable cash; see also note 3 to preceding table.

Required reserves: Based on deposits as of opening of business each day.

Borrowings at F.R. Banks: Based on closing figures.

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BASIC RESERVE POSITION, AND FEDERAL FUNDS AND RELATED TRANSACTIONS

(In millions of dollars unless otherwise noted)

Reporting banks and week ending—	Basic reserve position					Interbank Federal funds transactions					Related transactions with U.S. Govt. securities dealers		
	Excess reserves [1]	Less—		Net—		Gross transactions		Total 2-way transactions [2]	Net transactions		Loans to dealers [3]	Borrowings from dealers [4]	Net loans
		Borrowings at F.R. Banks	Net interbank Federal funds trans.	Surplus or deficit	Per cent of avg. required reserves	Purchases	Sales		Purchases of net buying banks	Sales of net selling banks			
Total—46 banks													
1969—Feb. 5	50	212	1,016	−1,178	9.9	4,042	3,026	2,137	1,905	889	1,220	92	1,128
12	13	340	2,095	−2,422	20.3	4,701	2,606	1,973	2,727	633	873	141	732
19	131	482	1,515	−1,866	15.4	4.518	3,003	1,973	2,545	1,030	734	171	563
26	153	234	1,022	−1,102	9.3	4,462	3,440	2,151	2,311	1,289	619	184	435
Mar. 5	51	215	1,339	−1,503	12.7	4,684	3,346	2,083	2,602	1,263	841	228	613
12	83	342	2,271	2,530	21.7	5,123	2,852	2,004	3,118	848	674	201	473
19	−32	252	1,934	−2,218	18.9	5,073	3,139	2,045	3,028	1,094	617	267	350
26	72	352	1,655	−1,935	16.9	4,681	3,026	2,027	2,653	999	668	344	324
c in New York City													
Feb. 5	15	73	−309	252	5.4	1,172	1,482	936	236	545	963	78	885
12	−19	91	514	−624	3.3	1,633	1,119	890	743	229	758	129	629
19	83	64	557	−538	11.1	1,756	1,199	975	781	224	651	153	498
26	102	21	187	−106	2.3	1,648	1,461	921	727	541	545	166	379
Mar. 5	17	104	420	−507	10.9	1,693	1,273	863	830	410	738	200	538
12	55	....	1,049	−993	21.8	1,960	911	871	1,089	40	597	146	451
19	−48	84	301	−432	9.4	1,631	1,330	1,041	589	289	541	134	407
26	39	43	469	−473	10.6	1,650	1,182	985	666	197	595	155	440
3 c outside New York City													
1969—Feb. 5	35	139	1,325	−1,429	19.7	2,870	1,545	1,201	1,670	344	257	14	244
12	32	249	1,580	−1,798	24.8	3,067	1,487	1,083	1,984	404	115	12	102
19	48	418	958	−1,328	18.3	2,762	1,804	998	1,764	806	82	17	65
26	51	213	835	−996	14.0	2,814	1,979	1,230	1,583	748	74	18	56
Mar. 5	34	112	918	−996	13.9	2,991	2,073	1,220	1,771	853	103	27	75
12	28	342	1,222	−1,536	21.6	3,163	1,941	1,133	2,029	808	77	56	22
19	16	168	1,633	−1,786	25.0	3,442	1,808	1,003	2,439	806	76	133	+57
26	33	309	1,186	−1,463	20.8	3,030	1,845	1,043	1,988	802	73	189	+116
5 in City of Chicago													
Feb. 5	−2	1	229	−232	20.5	616	387	373	243	14	11	....	11
12	8	71	522	−585	50.5	792	270	270	522	....	....	....	....
19	5	21	519	−535	46.0	776	257	257	519	....	....	....	....
26	4	25	330	−351	31.4	687	358	350	337	8	....	....	....
Mar. 5	6	24	494	−512	45.9	809	315	287	521	27	4	....	4
12	3	100	716	−813	73.5	957	241	194	763	47	....	....	....
19	9	33	935	−959	86.0	1,158	223	198	960	25	17	....	17
26	1	38	812	−849	79.4	1,081	270	258	824	12	11	....	11
33 others													
1969—Feb. 5	37	138	1,096	−1,197	19.6	2,254	1,158	828	1,426	331	247	14	233
12	24	179	1,059	−1,213	19.9	2,276	1,217	813	1,462	404	115	12	102
19	43	397	439	−793	13.0	1,986	1,547	741	1,245	806	82	17	65
26	47	188	505	−646	10.8	2,127	1,621	881	1,246	741	74	18	56
Mar. 5	29	88	424	−484	8.0	2,182	1,758	932	1,250	826	99	27	72
12	25	242	506	−723	12.1	2,206	1,700	939	1,267	761	77	56	22
19	7	135	698	−827	13.7	2,284	1,585	805	1,479	781	59	133	+74
26	32	272	374	−614	10.3	1,949	1,575	785	1,164	790	62	189	+127

[1] Based upon reserve balances, including all adjustments applicable to the reporting period. Prior to Sept. 25, 1968, carryover reserve deficiencies, if any, were deducted. Excess reserves for later periods are net of all carryover reserves.

[2] Derived from averages for individual banks for entire week. Figure for each bank indicates extent to which the bank's weekly average purchases and sales are offsetting.

[3] Federal funds loaned, net funds supplied to each dealer by clearing banks, repurchase agreements (purchases of securities from dealers subject to resale), or other lending arrangements.

[4] Federal funds borrowed, net funds acquired from each dealer by clearing banks, reverse repurchase agreements (sales of securities to dealers subject to repurchase), resale agreements, and borrowings secured by Govt. or other issues.

NOTE.—Weekly averages of daily figures. For description of series and back data, see Aug. 1964 BULLETIN, pp. 944–74.

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FEDERAL RESERVE BANK DISCOUNT RATES

(Per cent per annum)

Federal Reserve Bank	Discounts for and advances to member banks						Advances to all others under last par. Sec. 13[3]		
	Advances and discounts under Secs. 13 and 13a[1]			Advances under Sec. 10(b)[2]					
	Rate on Mar. 31, 1969	Effective date	Previous rate	Rate on Mar. 31, 1969	Effective date	Previous rate	Rate on Mar. 31, 1969	Effective date	Previous rate
Boston	5½	Dec. 18, 1968	5¼	6	Dec. 18, 1968	5¾	6½	Dec. 18, 1968	6¼
New York	5½	Dec. 18, 1968	5¼	6	Dec. 18, 1968	5¾	7	Dec. 18, 1968	6¾
Philadelphia	5½	Dec. 18, 1968	5¼	6	Dec. 18, 1968	5¾	6½	Dec. 18, 1968	6¼
Cleveland	5½	Dec. 18, 1968	5¼	6	Dec. 18, 1968	5¾	7	Dec. 18, 1968	6¾
Richmond	5½	Dec. 18, 1968	5¼	6	Dec. 18, 1968	5¾	6½	Dec. 18, 1968	6¼
Atlanta	5½	Dec. 18, 1968	5¼	6	Dec. 18, 1968	5¾	6½	Dec. 18, 1968	6¼
Chicago	5½	Dec. 18, 1968	5¼	6	Dec. 18, 1968	5¾	6½	Dec. 18, 1968	6¼
St. Louis	5½	Dec. 20, 1968	5¼	6	Dec. 20, 1968	5¾	6½	Dec. 20, 1968	6¼
Minneapolis	5½	Dec. 18, 1968	5¼	6	Dec. 18, 1968	5¾	6½	Dec. 18, 1968	6¼
Kansas City	5½	Dec. 20, 1968	5¼	6	Dec. 20, 1968	5¾	6½	Dec. 20, 1968	6¼
Dallas	5½	Dec. 18, 1968	5¼	6	Dec. 18, 1968	5¾	6½	Dec. 18, 1968	6¼
San Francisco	5½	Dec. 20, 1968	5¼	6	Dec. 20, 1968	5¾	6½	Dec. 20, 1968	6¼

[1] Discounts of eligible paper and advances secured by such paper or by U.S. Govt. obligations or any other obligations eligible for Federal Reserve Bank purchase. Rates shown also apply to advances secured by obligations of Federal intermediate credit banks maturing within 6 months. Maximum maturity: 90 days except that discounts of certain bankers' acceptances and of agricultural paper may have maturities not over 6 months and 9 months, respectively, and advances secured by FICB obligations are limited to 15 days.

[2] Advances secured to the satisfaction of the F.R. Bank. Maximum maturity: 4 months.

[3] Advances to individuals, partnerships, or corporations other than member banks secured by direct obligations of, or obligations fully guaranteed as to principal and interest by, the U.S. Govt. or any agency thereof. Maximum maturity: 90 days.

FEDERAL RESERVE BANK DISCOUNT RATES

(Per cent per annum)

Effective date	Range (or level)—all F.R. Banks	F.R. Bank of N.Y.
In effect Dec. 31, 1941	1 -1½	1
1942		
Apr. 11	1	1
Oct. 15	† ½-1	1
30	† ½	† ½
1946		
Apr. 25	† ½-1	1
May 10	1	1
1948		
Jan. 12	1 -1¼	1¼
19	1¼	1¼
Aug. 13	1¼-1½	1½
23	1½	1½
1950		
Aug. 21	1½-1¾	1¾
25	1¾	1¾
1953		
Jan. 16	1¾-2	2
23	2	2
1954		
Feb. 5	1¾-2	1¾
15	1¾	1¾
Apr. 14	1½-1¾	1¾
16	1½-1¾	1½
May 21	1½	1½
1955		
Apr. 14	1½-1¾	1½
15	1½-1¾	1¾
May 2	1¾	1¾
Aug. 4	1¾-2¼	1¾
5	1¾-2¼	2
12	2 -2¼	2

Effective date	Range (or level)—all F.R. Banks	F.R. Bank of N.Y.
1955—Cont.		
Sept. 9	2 -2¼	2¼
13	2¼	2¼
Nov. 18	2¼-2½	2½
23	2½	2½
1956		
Apr. 13	2½-3	2¾
20	2¾-3	2¾
Aug. 24	2¾-3	3
31	3	3
1957		
Aug. 9	3 -3½	3
23	3½	3½
Nov. 15	3 -3½	3
Dec. 2	3	3
1958		
Jan. 22	2¾-3	3
24	2¾-3	2¾
Mar. 7	2¼-3	2¼
13	2¼-2¾	2¼
21	2¼	2¼
Apr. 18	1¾-2¼	1¾
May 9	1¾	1¾
Aug. 15	1¾-2	1¾
Sept. 12	1¾-2	2
23	2	2
Oct. 24	2 -2½	2
Nov. 7	2½	2½
1959		
Mar. 6	2½-3	3
16	3	3
May 29	3 -3½	3½
June 12	3½	3½
Sept. 11	3½-4	4
18	4	4

Effective date	Range (or level)—all F.R. Banks	F.R. Bank of N.Y.
1960		
June 3	3½-4	4
10	3½-4	3½
14	3½	3½
Aug. 12	3 -3½	3
Sept. 9	3	3
1963		
July 17	3 -3½	3½
26	3½	3½
1964		
Nov. 24	3½-4	4
30	4	4
1965		
Dec. 6	4 -4½	4½
13	4½	4½
1967		
Apr. 7	4 -4½	4
14	4	4
Nov. 20	4 -4½	4½
27	4½	4½
1968		
Mar. 15	4½—5	4½
22	5	5
Apr. 19	5 -5½	5½
26	5½	5½
Aug. 16	5¼-5½	5½
30	5¼	5¼
Dec. 18	5¼-5½	5½
20	5½	5½
In effect Mar. 31, 1969	5½	5½

† Preferential rate of ½ of 1 per cent for advances secured by U.S. Govt. obligations maturing in 1 year or less. The rate of 1 per cent was continued for discounts of eligible paper and advances secured by such paper or by U.S. Govt. obligations with maturities beyond 1 year.

NOTE.—Discount rates under Secs. 13 and 13a (as described in table above). For data before 1942, see *Banking and Monetary Statistics*, 1943, pp. 439–42.

The rate charged by the F.R. Bank of N.Y. on repurchase contracts against U.S. Govt. obligations was the same as its discount rate except in the following periods (rates in percentages): **1955**—May 4–6, 1.65; Aug. 4, 1.85; Sept. 1–2, 2.10; Sept. 8, 2.15; Nov. 10, 2.375; **1956**—Aug. 24–29, 2.75; **1957**—Aug. 22, 3.50; **1960**—Oct. 31–Nov. 17, Dec. 28–29, 2.75; **1961**—Jan. 9, Feb. 6–7, 2.75; Apr. 3–4, 2.50; June 29, 2.75; July 20, 31, Aug. 1–3, 2.50; Sept. 28–29, 2.75; Oct. 5, 2.50; Oct. 23, Nov. 3, 2.75; **1962**—Mar. 20–21, 2.75; **1964**—Dec. 10, 3.85; Dec. 15, 17, 22, 24, 28, 30, 31, 3.875; **1965**—Jan. 4–8, 3.875; **1968**—Apr. 4, 5, 11, 15, 16, 5.125; Apr. 30, 5.75; May 1–3, 6, 9, 13–16, 5.75; June 7, 11–13, 19, 21, 24, 5.75; July 5, 16, 5.625; Aug. 16, 19, 5.25.

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RESERVE REQUIREMENTS OF MEMBER BANKS

(Per cent of deposits)

Dec. 31, 1949, through July 13, 1966

Effective date [1]	Net demand deposits [2]: Central reserve city banks [3]	Net demand deposits [2]: Reserve city banks	Net demand deposits [2]: Country banks	Time deposits (all classes of banks)
In effect Dec. 31, 1949	22	18	12	5
1951—Jan. 11, 16	23	19	13	6
Jan. 25, Feb. 1	24	20	14	....
1953—July 9, 1	22	19	13	....
1954—June 24, 16	21	....	....	5
July 29, Aug. 1	20	18	12	....
1958—Feb. 27, Mar. 1	19½	17½	11½	....
Mar. 20, Apr. 1	19	17	11	....
Apr. 17	18½	....	....	....
Apr. 24	18	16½	....	....
1960—Sept. 1	17½	....	....	....
Nov. 24	....	....	12	....
Dec. 1	16½	....	....	....
1962—July 28	(3)	....	....	....
Oct. 25, Nov. 1	....	....	....	4

Beginning July 14, 1966

Effective date [1]	Net demand deposits [2]: Reserve city banks: Under $5 million	Net demand deposits [2]: Reserve city banks: Over $5 million	Net demand deposits [2]: Country banks: Under $5 million	Net demand deposits [2]: Country banks: Over $5 million	Time deposits [4] (all classes of banks): Savings deposits	Time deposits [4]: Other time deposits: Under $5 million	Time deposits [4]: Other time deposits: Over $5 million
1966—July 14, 21	[5] 16½		[5] 12		[5] 4	[5] 4	5
Sept. 8, 15	....	....	....	....	....	....	6
1967—Mar. 2	....	....	....	....	3½	3½	....
Mar. 16	....	....	....	....	3	3	....
1968—Jan. 11, 18	16½	17	12	12½	....	....	....
In effect Mar. 31, 1969	16½	17	12	12½	3	3	6
Present legal requirement:							
Minimum	10		7		3	3	3
Maximum	22		14		10	10	10

[1] When two dates are shown, the first applies to the change at central reserve or reserve city banks and the second to the change at country banks. For changes prior to 1950 see Board's Annual Reports.

[2] Demand deposits subject to reserve requirements are gross demand deposits minus cash items in process of collection and demand balances due from domestic banks.

[3] Authority of the Board of Governors to classify or reclassify cities as central reserve cities was terminated effective July 28, 1962.

[4] Effective Jan. 5, 1967, time deposits such as Christmas and vacation club accounts became subject to same requirements as savings deposits.

[5] See preceding columns for earliest effective date of this rate.

NOTE.—All required reserves were held on deposit with F.R. Banks June 21, 1917, until Dec. 1959. From Dec. 1959 to Nov. 1960, member banks were allowed to count part of their currency and coin as reserves; effective Nov. 24, 1960, they were allowed to count all as reserves. For further details, see Board's Annual Reports.

MARGIN REQUIREMENTS

(Per cent of market value)

Regulation	Apr. 23, 1955	Jan. 16, 1958	Aug. 5, 1958	Oct. 16, 1958	July 28, 1960	July 10, 1962	Nov. 6, 1963	Mar. 11, 1968	June 8, 1968
Regulation T:									
For credit extended by brokers and dealers on—									
Listed stocks	70	50	70	90	70	50	70	70	80
Listed bonds convertible into stocks	....	....	....	....	....	....	....	50	60
For short sales	70	50	70	90	70	50	70	70	80
Regulation U:									
For credit extended by banks on—									
Stocks	70	50	70	90	70	50	70	70	80
Bonds convertible into listed stocks	....	....	....	....	....	....	....	50	60
Regulation G:									
For credit extended by others than brokers and dealers and banks on—									
Listed stocks	....	....	....	....	....	....	....	70	80
Bonds convertible into listed stocks	....	....	....	....	....	....	....	50	60

NOTE.—Regulations G, T, and U, prescribed in accordance with the *Securities Exchange Act of 1934, limit the amount of credit to purchase and* carry registered equity securities that may be extended on certain securities by prescribing a maximum loan value, which is a specified percentage of the market value at the time of extension of these securities collateralizing the credit; margin requirements are the difference between the market value (100 per cent) and the maximum loan value.

Regulation G and special margin requirements for bonds convertible into stocks were adopted by the Board effective Mar. 11, 1968.

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MAXIMUM INTEREST RATES PAYABLE ON TIME AND SAVINGS DEPOSITS

(Per cent per annum)

Rates Jan. 1, 1962—July 19, 1966

Type of deposit	Effective date			
	Jan. 1, 1962	July 17, 1963	Nov. 24, 1964	Dec. 6, 1965
Savings deposits: [1]				
12 months or more	4	4	4	4
Less than 12 months	3½	3½		
Other time deposits: [2]				
12 months or more	4	4	4½	5½
6 months to 12 months	3½			
90 days to 6 months	2½			
Less than 90 days (30–89 days)	1	1	4	

Rates beginning July 20, 1966

Type of deposit	Effective date		
	July 20, 1966	Sept. 26, 1966	Apr. 19, 1968
Savings deposits	4	4	4
Other time deposits: [2]			
Multiple maturity: [3]			
90 days or more	5	5	5
Less than 90 days (30–89 days)	4	4	4
Single-maturity:			
Less than $100,000	5½	5	5
$100,000 or more:			
30–59 days	5½	5½	5½
60–89 days			5¾
90–179 days			6
180 days and over			6¼

[1] Closing date for the Postal Savings System was Mar. 28, 1966. Maximum rates on postal savings accounts coincided with those on savings deposits.

[2] For exceptions with respect to certain foreign time deposits, see BULLETINS for Oct. 1962, p. 1279; Aug. 1965, p. 1084; and Feb. 1968, p. 167.

[3] Multiple-maturity time deposits include deposits that are automatically renewable at maturity without action by the depositor and deposits that are payable after written notice of withdrawal.

NOTE.—Maximum rates that may be paid by member banks as established by the Board of Governors under provisions of Regulation Q; however, a member bank may not pay a rate in excess of the maximum rate payable by State banks or trust companies on like deposits under the laws of the State in which the member bank is located. Beginning Feb. 1, 1936, maximum rates that may be paid by nonmember insured commercial banks, as established by the FDIC, have been the same as those in effect for member banks.

DEPOSITS, CASH, AND RESERVES OF MEMBER BANKS

(In millions of dollars)

Four weeks ending Jan. 29, 1969

Item	All member banks	Reserve city banks: New York City	Reserve city banks: City of Chicago	Reserve city banks: Other	Country banks
Gross demand—Total	177,823	39,280	7,608	63,216	67,719
Interbank	20,431	7,741	1,410	8,737	2,543
U.S. Govt	3,975	781	264	1,538	1,392
Other	153,415	30,758	5,934	52,941	63,783
Net demand [1]	136,020	24,639	5,707	48,514	57,159
Time	162,740	20,090	6,024	62,622	74,004
Demand balances due from dom. banks	9,507	442	479	2,209	6,377
Currency and coin	5,094	431	88	1,752	2,823
Balances with F.R. Banks	23,016	4,991	1,204	9,684	7,138
Total reserves held	28,110	5,422	1,292	11,285	10,111
Required	*27,887*	*5,415*	*1,292*	*11,311*	*9,870*
Excess	*223*	*7*	....	*−25*	*241*

Four weeks ending Feb. 26, 1969

Item	All member banks	Reserve city banks: New York City	Reserve city banks: City of Chicago	Reserve city banks: Other	Country banks
Gross demand—Total	172,894	39,635	7,352	60,760	65,147
Interbank	19,768	8,005	1,255	8,183	2,325
U.S. Govt	6,053	1,437	376	2,305	1,935
Other	147,073	30,194	5,720	50,272	60,886
Net demand [1]	132,434	24,526	5,572	47,183	55,154
Time	161,803	19,221	5,893	62,073	74,616
Demand balances due from dom. banks	9,051	435	453	2,163	6,000
Currency and coin	4,659	390	74	1,446	2,749
Balances with F.R. Banks	22,688	4,826	1,183	9,536	7,142
Total reserves held	27,347	5,216	1,257	10,982	9,891
Required	*27,091*	*5,195*	*1,255*	*10,961*	*9,680*
Excess	*256*	*21*	*2*	*21*	*211*

[1] Demand deposits subject to reserve requirements are gross demand deposits minus cash items in process of collection and demand balances due from domestic banks.

NOTE.—Averages of daily figures. Balances with F.R. Banks are as of close of business; all other items (excluding total reserves held and excess reserves) are as of opening of business.

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CONSOLIDATED STATEMENT OF CONDITION OF ALL FEDERAL RESERVE BANKS

(In millions of dollars)

Item	Wednesday					End of month		
	1969					1969		1968
	Mar. 26	Mar. 19	Mar. 12	Mar. 5	Feb. 26	Mar. 31	Feb. 28	Mar. 31
Assets								
Gold certificate account	10,025	10,025	10,025	10,025	10,025	10,025	10,025	10,131
Cash	217	221	227	230	232	219	233	442
Discounts and advances:								
Member bank borrowings	997	831	731	745	499	1,148	744	657
Other	....	....	....	....	....	....	....	15
Acceptances:								
Bought outright	49	49	49	51	51	47	51	55
Held under repurchase agreements	25	35	....	....	....	47	40	35
Federal agency obligations—Held under repurchase agreements	5	....	....	....	....	25	20	57
U.S. Govt. securities:								
Bought outright:								
Bills	17,472	17,577	17,645	17,810	17,681	17,583	17,810	16,161
Certificates—Special	....	....	....	....	....	....	....	....
Other	....	....	....	....	....	....	....	....
Notes	30,046	30,046	29,988	29,926	29,926	30,046	29,926	27,168
Bonds	4,387	4,388	4,364	4,340	4,340	4,387	4,340	6,302
Total bought outright	51,905	52,011	51,997	52,076	51,947	52,016	52,076	49,631
Held under repurchase agreements	105	....	....	....	....	389	199	60
Total U.S. Govt. securities	52,010	52,011	51,997	52,076	51,947	52,405	52,275	49,691
Total loans and securities	53,086	52,926	52,777	52,872	52,497	53,672	53,130	50,510
Cash items in process of collection	p8,431	p9,397	p8,700	p9,442	8,618	p7,974	8,404	6,561
Bank premises	113	114	115	114	113	114	113	113
Other assets:								
Denominated in foreign currencies	2,078	2,019	1,935	1,938	2,016	2,059	1,938	1,542
IMF gold deposited[2]	231	231	231	231	231	231	231	241
All other	478	445	412	392	350	502	358	434
Total assets	p74,659	p75,378	p74,422	p75,244	74,082	p74,796	74,432	69,974
Liabilities								
F.R. notes	43,305	43,396	43,391	43,185	43,039	43,324	42,897	40,679
Deposits:								
Member bank reserves	p22,013	p22,021	p21,579	p22,307	21,936	p21,588	22,854	21,133
U.S. Treasurer—General account	502	552	420	355	615	783	505	581
Foreign	137	159	137	149	110	164	121	197
Other:								
IMF gold deposit[2]	231	231	231	231	231	231	231	241
All other	217	232	237	267	261	278	251	462
Total deposits	p23,100	p23,195	p22,604	p23,309	23,153	p23,044	23,962	22,614
Deferred availability cash items	6,376	6,964	6,652	6,805	6,026	6,472	5,624	4,944
Other liabilities and accrued dividends	399	398	404	422	394	433	465	315
Total liabilities	p73,180	p73,953	p73,051	p73,721	72,612	p73,273	72,948	68,552
Capital accounts								
Capital paid in	641	640	638	637	638	643	638	612
Surplus	630	630	630	630	630	630	630	598
Other capital accounts	208	155	103	256	202	250	216	212
Total liabilities and capital accounts	p74,659	p75,378	p74,422	p75,244	74,082	p74,796	74,432	69,974
Contingent liability on acceptances purchased for foreign correspondents	120	119	105	99	100	122	99	100
U.S. Govt. securities held in custody for foreign account	8,011	8,120	8,032	8,017	8,426	8,012	8,062	8,418

Federal Reserve Notes—Federal Reserve Agents' Accounts

Item	Mar. 26	Mar. 19	Mar. 12	Mar. 5	Feb. 26	Mar. 31	Feb. 28	Mar. 31
F.R. notes outstanding (issued to Bank)	46,284	46,322	46,351	46,328	46,412	46,480	46,353	43,367
Collateral held against notes outstanding:								
Gold certificate account	3,522	3,522	3,522	3,522	3,522	3,522	3,522	6,159
Eligible paper	....	....	....	....	....	....	....	....
U.S. Govt. securities	44,970	44,970	44,970	45,040	45,091	44,970	45,090	38,571
Total collateral	48,492	48,492	48,492	48,562	48,613	48,492	48,612	44,730

[1] Reflects securities sold, and scheduled to be bought back, under matched sale-purchase transactions.
[2] See note 1(b) to table at top of p. A-73.

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STATEMENT OF CONDITION OF EACH FEDERAL RESERVE BANK ON MARCH 31, 1969

(In millions of dollars)

Item	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
Assets													
Gold certificate account	10,025	602	2,207	576	870	900	487	1,591	364	222	386	468	1,352
F.R. notes of other banks	908	82	230	60	80	69	128	52	23	15	26	32	111
Other cash	219	11	24	8	26	17	29	20	23	5	17	11	28
Discounts and advances:													
Secured by U.S. Govt. securities	804	33	66	13	27	49	62	315	75	31	38	16	79
Other	344	....	6	....	....	2	34	204	17	58	....	1	22
Acceptances:													
Bought outright	47	....	47	....	....	....	....	....	....	....	....	....	....
Held under repurchase agreements	47	....	47	....	....	....	....	....	....	....	....	....	....
Federal agency obligations—Held under repurchase agreements	25	....	25	....	....	....	....	....	....	....	....	....	....
U.S. Govt. securities:													
Bought outright	52,016	2,672	13,265	2,667	4,015	3,858	2,739	8,570	1,803	987	1,968	2,145	7,327
Held under repurchase agreements	389	....	389	....	....	....	....	....	....	....	....	....	....
Total loans and securities	53,672	2,705	13,845	2,680	4,042	3,909	2,835	9,089	1,895	1,076	2,006	2,162	7,428
Cash items in process of collection	11,042	676	2,064	606	787	818	1,024	1,859	520	367	752	632	937
Bank premises	114	3	10	2	5	11	18	17	8	4	18	9	9
Other assets:													
Denominated in foreign currencies	2,059	99	[1]523	107	183	107	132	305	72	47	89	117	278
IMF gold deposited [2]	231	....	231	....	....	....	....	....	....	....	....	....	....
All other	502	25	129	27	41	37	26	80	18	9	20	21	69
Total assets	78,772	4,203	19,263	4,066	6,034	5,868	4,679	13,013	2,923	1,745	3,314	3,452	10,212
Liabilities													
F.R. notes	44,232	2,562	10,261	2,536	3,604	4,038	2,351	7,889	1,639	759	1,653	1,524	5,416
Deposits:													
Member bank reserves	21,588	901	5,710	939	1,478	944	1,347	3,068	717	602	926	1,269	3,687
U.S. Treasurer—General account	783	1	775	*	1	1	*	1	1	*	*	1	2
Foreign	164	7	[3]60	7	12	7	9	21	5	3	6	8	19
Other:													
IMF gold deposit [2]	231	....	231	....	....	....	....	....	....	....	....	....	....
All other	523	5	304	6	8	34	37	33	10	6	28	16	36
Total deposits	23,289	914	7,080	952	1,499	986	1,393	3,123	733	611	960	1,294	3,744
Deferred availability cash items	9,295	632	1,412	479	763	730	818	1,701	485	332	621	535	787
Other liabilities and accrued dividends	433	21	122	21	32	30	22	69	14	9	16	16	61
Total liabilities	77,249	4,129	18,875	3,988	5,898	5,784	4,584	12,782	2,871	1,711	3,250	3,369	10,008
Capital accounts													
Capital paid in	643	31	163	33	59	33	42	95	22	15	28	37	85
Surplus	630	31	160	33	56	33	40	93	22	14	27	36	85
Other capital accounts	250	12	65	12	21	18	13	43	8	5	9	10	34
Total liabilities and capital accounts	78,772	4,203	19,263	4,066	6,034	5,868	4,679	13,013	2,923	1,745	3,314	3,452	10,212
Contingent liability on acceptances purchased for foreign correspondents	122	6	[4]32	6	11	6	8	18	4	3	5	7	16

Federal Reserve Notes—Federal Reserve Agents' Accounts

Item	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
F.R. notes outstanding (issued to Bank)	46,480	2,658	10,849	2,627	3,858	4,178	2,517	8,164	1,713	784	1,712	1,666	5,754
Collateral held against notes outstanding:													
Gold certificate account	3,522	200	500	300	560	600	....	1,000	180	27	....	155	....
Eligible paper	....	....	....	....	....	....	....	....	....	....	....	....	....
U.S. Govt. securities	44,970	2,531	10,600	2,500	3,400	3,649	2,600	7,650	1,600	785	1,775	1,630	6,250
Total collateral	48,492	2,731	11,100	2,800	3,960	4,249	2,600	8,650	1,780	812	1,775	1,785	6,250

[1] After deducting $1,536 million participations of other F.R. Banks.
[2] See note 2 to table at bottom of page A-73.
[3] After deducting $104 million participations of other F.R. Banks.
[4] After deducting $90 million participations of other F.R. Banks.

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TRANSACTIONS OF THE SYSTEM OPEN MARKET ACCOUNT

(In millions of dollars)

Month	Outright transactions in U.S. Govt. securities by maturity											
	Total			Treasury bills			Others within 1 year			1–5 years		
	Gross purchases	Gross sales	Redemptions	Gross purchases	Gross sales	Redemptions	Gross purchases	Gross sales	Exch., maturity shifts, or redemptions	Gross purchases	Gross sales	Exch. or maturity shifts
1968—Feb.	967	770	100	917	770	100	50	....	7,658	....	....	−8,497
Mar.	1,550	567	305	1,212	567	305	51	....	....	208	....	....
Apr.	1,761	982	167	1,651	982	167	58	....	....	41	....	....
May	1,168	784	....	1,098	784	....	10	....	−3,566	41	....	−73
June	1,894	....	289	1,693	....	289	54	....	308	88	....	−308
July	404	409	65	404	409	65	....	....	....	....	....	....
Aug.	1,111	140	87	1,028	140	87	14	....	−4,778	24	....	142
Sept.	5,515	5,605	115	5,403	5,605	115	31	....	....	31	....	....
Oct.	2,736	2,246	....	2,601	2,246	....	53	....	308	27	....	−308
Nov.	3,602	3,430	150	3,602	3,430	150	....	....	−6,293	....	....	5,586
Dec.	6,100	6,334	180	6,100	6,334	180	....	....	358	....	....	−358
1969—Jan.	4,011	4,590	231	4,011	4,590	231	....	....	....	....	....	....
Feb.	1,234	1,110	175	1,149	1,110	175	23	....	−8,479	33	....	6,095

Month	Outright transactions in U.S. Govt. securities—Continued						Repurchase agreements (U.S. Govt. securities)		Net change in U.S. Govt. securities	Federal agency obligations (net repurchase agreements)	Bankers' acceptances		Net change[1]
	5–10 years			Over 10 years									
	Gross purchases	Gross sales	Exch. or maturity shifts	Gross purchases	Gross sales	Exch. or maturity shifts	Gross purchases	Gross sales			Outright, net	Under repurchase agreements, net	
1968—Feb.	....	....	839	....	....	....	968	1,205	−140	....	−7	−20	−166
Mar.	64	....	....	15	....	....	657	596	739	57	−1	35	830
Apr.	8	....	....	3	....	....	1,832	1,627	815	−45	2	−5	766
May	18	....	3,638	1	....	....	2,488	2,753	119	−12	−1	−30	75
June	50	....	....	10	....	....	1,560	1,560	1,605	....	3	75	1,683
July	....	....	....	....	....	....	1,145	908	166	....	−2	−32	132
Aug.	34	....	4,636	12	....	....	2,497	2,734	647	....	−5	−43	599
Sept.	45	....	....	5	....	....	440	....	235	9	−4	39	280
Oct.	50	....	....	7	....	....	790	1,230	50	−9	9	−39	11
Nov.	....	....	708	....	....	....	980	980	21	....	2	....	23
Dec.	....	....	....	....	....	....	1,369	1,369	−414	....	*	....	−414
1969—Jan.	....	....	....	....	....	....	371	371	−810	....	−8	....	−818
Feb.	24	....	2,384	6	....	....	2,517	2,318	148	20	1	40	209

[1] Net change in U.S. Govt. securities, Federal agency obligations, and bankers' acceptances.

NOTE.—Sales, redemptions, and negative figures reduce System holdings; all other figures increase such holdings.

CONVERTIBLE FOREIGN CURRENCIES HELD BY FEDERAL RESERVE BANKS

(In millions of U.S. dollar equivalent)

End of period	Total	Pounds sterling	Belgian francs	Canadian dollars	Danish kroner	French francs	German marks	Italian lire	Japanese yen	Netherlands guilders	Swiss francs
1967—Dec.	1,604	1,140	45	3	....	1	413	1	1	*	2
1968—Jan.	1,470	1,142	45	253	....	1	25	1	1	*	3
Feb.	1,489	1,152	50	253	....	1	27	1	1	*	4
Mar.	1,542	1,197	50	253	....	1	33	2	1	2	4
Apr.	1,536	1,195	50	256	....	1	26	2	1	2	4
May	1,926	1,544	50	256	....	1	67	2	1	2	4
June	1,009	503	52	132	25	101	134	1	1	57	4
July	1,217	851	52	8	25	151	69	1	1	57	2
Aug.	1,055	601	53	4	25	235	75	1	1	57	3
Sept.	1,281	698	13	4	....	452	75	1	1	33	3
Oct.	1,273	694	124	4	....	378	65	1	1	4	3
Nov.	2,211	1,443	111	4	....	571	75	1	1	4	3
Dec.	2,061	1,444	8	3	....	433	165	1	1	4	3

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MATURITY DISTRIBUTION OF LOANS AND U.S. GOVERNMENT SECURITIES HELD BY FEDERAL RESERVE BANKS

(In millions of dollars)

Item	Wednesday 1969 Mar. 26	Mar. 19	Mar. 12	Mar. 5	Feb. 26	End of month 1969 Mar. 31	Feb. 28	1968 Mar. 31
Discounts and advances—Total	997	831	731	745	499	1,148	744	672
Within 15 days	991	827	728	739	494	1,141	730	656
16 days to 90 days	6	4	3	6	5	7	14	16
91 days to 1 year	....	....	....	....	....	....	....	....
Acceptances—Total	74	84	49	51	51	94	91	90
Within 15 days	34	48	15	18	17	53	55	39
16 days to 90 days	40	36	34	33	34	41	36	51
91 days to 1 year	....	....	....	....	....	....	....	....
U.S. Government securities—Total	52,015	52,011	51,997	52,076	51,947	52,430	52,295	49,748
Within 15 days	2,643	2,683	2,168	2,139	2,598	1,833	1,610	1,264
16 days to 90 days	8,798	8,491	8,765	8,933	8,437	9,508	9,231	11,801
91 days to 1 year	8,054	8,317	8,014	8,029	7,937	8,569	8,479	26,404
Over 1 to 5 years	18,507	18,507	19,049	19,008	19,008	18,507	19,008	7,948
Over 5 years to 10 years	13,376	13,376	13,370	13,350	13,350	13,376	13,350	1,756
Over 10 years	637	637	631	617	617	637	617	575

[1] Holdings under repurchase agreements are classified as maturing within 15 days in accordance with maximum maturity of the agreements.

BANK DEBITS AND DEPOSIT TURNOVER

(Seasonally adjusted annual rates)

Period	Debits to demand deposit accounts[1] (billions of dollars): Total 233 SMSA's	Leading SMSA's: N.Y.	Leading SMSA's: 6 others[2]	Total 232 SMSA's (excl. N.Y.)	226 other SMSA's	Turnover of demand deposits: Total 233 SMSA's	Leading SMSA's: N.Y.	Leading SMSA's: 6 others[2]	Total 232 SMSA's (excl. N.Y.)	226 other SMSA's
1968—Feb.	7,263.9	3,216.8	1,593.3	4,047.1	2,453.8	r60.1	129.2	r56.5	42.1	36.1
Mar.	7,218.7	3,197.9	1,601.6	4,020.8	2,419.2	59.3	128.2	56.5	41.6	35.7
Apr.	7,500.7	3,285.5	1,673.5	4,215.2	2,541.7	59.7	126.7	57.4	42.3	36.2
May	7,614.0	3,370.6	1,722.0	4,243.4	2,521.4	61.0	129.5	58.8	43.0	36.1
June	7,948.5	3,595.0	1,771.0	4,353.5	2,582.5	62.4	131.4	59.5	43.4	36.6
July	8,163.0	3,726.1	1,807.9	4,436.9	2,629.0	64.3	140.3	59.9	43.7	37.0
Aug.	8,521.8	4,079.6	1,825.2	4,442.2	2,617.0	65.2	147.7	60.8	43.7	36.5
Sept.	8,368.4	3,857.8	1,840.2	4,510.6	2,670.4	64.7	144.7	61.3	43.8	36.7
Oct.	8,599.8	3,953.7	1,904.9	4,646.1	2,741.2	66.3	143.1	64.4	45.6	37.7
Nov.	8,540.1	3,925.9	1,904.1	4,614.2	2,710.1	66.5	144.6	63.0	44.9	37.4
Dec.	8,752.9	4,076.8	1,902.4	4,676.1	2,773.7	65.9	147.7	61.1	44.5	37.5
1969—Jan.	8,733.3	3,896.7	2,007.7	4,836.6	2,828.9	64.9	137.0	r66.3	r46.1	r37.7
Feb.	8,832.8	3,929.8	2,047.4	4,903.0	2,855.6	67.8	145.4	67.8	47.4	39.1
Mar.	8,723.3	3,882.8	1,974.3	4,840.5	2,866.2	65.8	143.1	64.5	46.1	38.9

[1] Excludes interbank and U.S. Govt. demand deposit accounts.
[2] Boston, Philadelphia, Chicago, Detroit, San Francisco-Oakland, and Los Angeles-Long Beach.

NOTE.—Total SMSA's includes some cities and counties not designated as SMSA's.
For a description of series, see Mar. 1965 BULLETIN, p. 390.
The data shown here differ from those shown in the Mar. 1965 BULLETIN because they have been revised, as described in the Mar. 1967 BULLETIN, p. 389.

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DENOMINATIONS IN CIRCULATION

(In millions of dollars)

End of period	Total in circulation [1]	Coin and small denomination currency							Large denomination currency						
		Total	Coin	$1 [2]	$2	$5	$10	$20	Total	$50	$100	$500	$1,000	$5,000	$10,000
1939	7,598	5,553	590	559	36	1,019	1,772	1,576	2,048	460	919	191	425	20	32
1941	11,160	8,120	751	695	44	1,355	2,731	2,545	3,044	724	1,433	261	556	24	46
1945	28,515	20,683	1,274	1,039	73	2,313	6,782	9,201	7,834	2,327	4,220	454	801	7	24
1947	28,868	20,020	1,404	1,048	65	2,110	6,275	9,119	8,850	2,548	5,070	428	782	5	17
1950	27,741	19,305	1,554	1,113	64	2,049	5,998	8,529	8,438	2,422	5,043	368	588	4	12
1955	31,158	22,021	1,927	1,312	75	2,151	6,617	9,940	9,136	2,736	5,641	307	438	3	12
1958	32,193	22,856	2,182	1,494	83	2,186	6,624	10,288	9,337	2,792	5,886	275	373	3	9
1959	32,591	23,264	2,304	1,511	85	2,216	6,672	10,476	9,326	2,803	5,913	261	341	3	5
1960	32,869	23,521	2,427	1,533	88	2,246	6,691	10,536	9,348	2,815	5,954	249	316	3	10
1961	33,918	24,388	2,582	1,588	92	2,313	6,878	10,935	9,531	2,869	6,106	242	300	3	10
1962	35,338	25,356	2,782	1,636	97	2,375	7,071	11,395	9,983	2,990	6,448	240	293	3	10
1963	37,692	26,807	3,030	1,722	103	2,469	7,373	12,109	10,885	3,221	7,110	249	298	3	4
1964	39,619	28,100	3,405	1,806	111	2,517	7,543	12,717	11,519	3,381	7,590	248	293	2	4
1965	42,056	29,842	4,027	1,908	127	2,618	7,794	13,369	12,214	3,540	8,135	245	288	3	4
1966	44,663	31,695	4,480	2,051	137	2,756	8,070	14,201	12,969	3,700	8,735	241	286	3	4
1967	47,226	33,468	4,918	2,035	136	2,850	8,366	15,162	13,758	3,915	9,311	240	285	3	4
1968—Feb.	45,846	32,284	4,969	1,895	136	2,665	8,000	14,619	13,563	3,820	9,213	239	284	3	4
Mar.	46,297	32,664	5,049	1,857	136	2,676	8,094	14,852	13,632	3,840	9,261	239	285	3	4
Apr.	46,621	32,938	5,137	1,875	136	2,684	8,104	15,002	13,683	3,857	9,293	240	286	3	4
May	47,202	33,414	5,231	1,883	136	2,727	8,230	15,207	13,787	3,894	9,360	240	286	3	4
June	47,640	33,745	5,309	1,860	136	2,728	8,287	15,424	13,895	3,932	9,430	240	286	3	4
July	47,979	33,963	5,385	1,871	136	2,720	8,261	15,590	14,015	3,971	9,511	240	286	3	4
Aug.	48,353	34,238	5,449	1,863	136	2,728	8,309	15,753	14,115	3,999	9,581	240	287	3	4
Sept.	48,340	34,161	5,498	1,872	136	2,732	8,269	15,654	14,179	4,002	9,641	241	288	3	4
Oct.	48,719	34,421	5,565	1,900	136	2,763	8,336	15,722	14,299	4,028	9,734	241	289	3	4
Nov.	49,989	35,489	5,625	1,957	136	2,862	8,627	16,282	14,500	4,092	9,869	242	290	3	4
Dec.	50,961	36,163	5,691	2,049	136	2,993	8,786	16,508	14,798	4,186	10,068	244	292	3	4
1969—Jan.	48,983	34,401	5,673	1,907	136	2,779	8,257	15,650	14,582	4,090	9,951	244	291	3	4
Feb.	48,996	34,421	5,603	1,895	136	2,784	8,318	15,685	14,576	4,080	9,955	243	291	4	4

[1] Outside Treasury and F.R. Banks. Before 1955 details are slightly overstated because they include small amounts of paper currency held by the Treasury and the F.R. Banks for which a denominational breakdown is not available.

[2] Paper currency only; $1 silver coins reported under coin.

NOTE.—Condensed from Statement of United States Currency and Coin, issued by the Treasury.

KINDS OUTSTANDING AND IN CIRCULATION

(In millions of dollars)

Kind of currency	Total outstanding Feb. 28, 1969	Held in the Treasury			Held by F.R. Banks and Agents	Currency in circulation [1]		
						1969		1968
		As security against gold and silver certificates	Treasury cash	For F.R. Banks and Agents		Feb. 28	Jan. 31	Feb. 29
Gold	10,367	(10,025)	[2]342	....	....	....	....	....
Gold certificates	(10,025)	....	....	[3]10,024	1	....	....	....
Federal Reserve notes	46,354	....	118	....	3,453	42,782	42,700	40,135
Treasury currency—Total	6,716	....	265	....	236	6,214	6,283	5,711
Standard silver dollars	485	....	3	....	....	482	482	482
Silver certificates	....	....	....	....	....	....	....	361
Fractional coin	5,601	....	246	....	234	5,121	5,191	4,487
United States notes	323	....	16	....	2	304	303	296
In process of retirement [4]	307	....	....	....	....	307	307	85
Total—Feb. 28, 1969	[5]63,436	(10,025)	725	10,024	3,691	48,996	....	....
Jan. 31, 1969	[5]64,020	(10,025)	754	10,024	4,260	....	48,983	....
Feb. 29, 1968	[5]61,934	(11,747)	1,265	11,382	3,440	....	....	45,846

[1] Outside Treasury and F.R. Banks. Includes any paper currency held outside the United States and currency and coin held by banks. Estimated totals for Wed. dates shown in table on p. A-5.

[2] Includes $231 million gold deposited by and held for the International Monetary Fund.

[3] Consists of credits payable in gold certificates, the Gold Certificate Fund—Board of Governors, FRS.

[4] Redeemable from the general fund of the Treasury.

[5] Does not include all items shown, as some items represent the security for other items; gold certificates are secured by gold, and silver certificates by standard silver dollars and monetized silver bullion. Duplications are shown in parentheses.

NOTE.—Prepared from Statement of United States Currency and Coin and other data furnished by the Treasury. For explanation of currency reserves and security features, see the Circulation Statement or the Aug. 1961 BULLETIN, p. 936.

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MONEY SUPPLY AND RELATED DATA

(In billions of dollars)

Period	Seasonally adjusted: Money supply: Total	Seasonally adjusted: Money supply: Currency component	Seasonally adjusted: Money supply: Demand deposit component	Seasonally adjusted: Time deposits adjusted [1]	Not seasonally adjusted: Money supply: Total	Not seasonally adjusted: Money supply: Currency component	Not seasonally adjusted: Money supply: Demand deposit component	Not seasonally adjusted: Time deposits adjusted [1]	Not seasonally adjusted: U.S. Govt. demand deposits [1]
1965—Dec.	166.8	36.3	130.5	146.6	172.0	37.1	134.9	145.2	4.6
1966—Dec.	170.4	38.3	132.1	158.1	175.8	39.1	136.7	156.9	3.4
1967—Dec.	181.3	40.4	140.9	183.5	187.1	41.2	145.9	182.0	5.0
1968—Mar.	183.4	41.1	142.2	186.7	182.0	40.7	141.2	187.7	6.6
Apr.	184.3	41.4	143.0	187.1	185.6	41.1	144.5	187.9	4.2
May	186.1	41.6	144.5	187.6	182.5	41.3	141.1	188.4	6.4
June	187.4	42.0	145.4	188.2	185.6	41.9	143.6	188.6	5.4
July	189.4	42.2	147.2	190.4	187.2	42.4	144.8	190.8	5.7
Aug.	190.3	42.6	147.6	193.8	186.9	42.7	144.2	194.4	5.5
Sept.	189.5	42.7	146.7	196.6	188.6	42.7	145.8	196.2	5.9
Oct.	190.2	42.8	147.4	199.5	190.6	42.9	147.7	199.1	6.1
Nov.	191.9	43.2	148.7	201.9	193.4	43.7	149.7	200.7	4.2
Dec.	193.1	43.4	149.6	204.3	199.2	44.3	154.9	202.5	4.8
1969—Jan.	r193.7	43.6	150.1	202.5	r199.5	43.5	155.9	202.1	4.7
Feb.	193.8	43.9	149.9	201.0	r192.4	43.4	149.0	201.6	6.6
Mar. p	194.2	44.1	150.1	200.9	192.7	43.7	149.0	202.0	4.5
Week ending—									
Feb. 5	192.8	43.7	149.1	201.0	195.2	43.4	151.9	201.4	7.3
12	192.9	43.9	149.0	201.0	193.0	43.6	149.4	201.6	7.0
19	194.8	44.0	150.9	201.0	192.3	43.5	148.9	201.6	6.5
26	194.3	43.8	150.5	200.9	190.1	43.2	146.9	201.7	6.4
Mar. 5	193.8	43.8	149.9	200.7	192.4	43.6	148.8	201.7	5.0
12	193.6	44.1	149.5	200.9	192.7	43.9	148.8	202.0	4.0
19	194.0	44.2	149.9	200.7	193.3	43.8	149.4	201.9	4.4
26 p	194.6	44.3	150.4	200.9	191.5	43.6	147.9	201.9	5.6
Apr. 2 p	195.1	44.3	150.8	201.1	193.9	43.7	150.2	202.3	3.5

[1] At all commercial banks.

NOTE.—For revised series beginning Jan. 1963, see June 1968 BULLETIN, pp. A-92—A-97. For monthly data 1947–58, see June 1964 BULLETIN, pp. 679–89; and for data for 1959–62, see Aug. 1967 BULLETIN, pp. 1303–16.

Averages of daily figures. Money supply consists of (1) demand deposits at all commercial banks other than those due to domestic commercial banks and the U.S. Govt., less cash items in process of collection and F.R. float; (2) foreign demand balances at F.R. Banks; and (3) currency outside the Treasury, F.R. Banks, and vaults of all commercial banks. Time deposits adjusted are time deposits at all commercial banks other than those due to domestic commercial banks and the U.S. Govt. Effective June 9, 1966, balances accumulated for payment of personal loans were reclassified for reserve purposes and are excluded from time deposits reported by member banks.

AGGREGATE RESERVES AND MEMBER BANK DEPOSITS

(In billions of dollars)

Period	SA: Member bank reserves [1]: Total	SA: Member bank reserves [1]: Nonborrowed	SA: Member bank reserves [1]: Required	SA: Deposits subject to reserve requirements [2]: Total	SA: Deposits [2]: Time and savings	SA: Deposits [2]: Private demand	SA: Deposits [2]: U.S. Govt. demand	NSA: Member bank reserves [1]: Total	NSA: Member bank reserves [1]: Nonborrowed	NSA: Member bank reserves [1]: Required	NSA: Deposits subject to reserve requirements [2]: Total	NSA: Deposits [2]: Time and savings	NSA: Deposits [2]: Private demand	NSA: Deposits [2]: U.S. Govt. demand
1965—Dec.	22.64	22.15	22.31	236.6	121.2	111.0	4.4	23.23	22.77	22.77	239.0	119.8	115.2	4.0
1966—Dec.	22.90	22.29	22.60	244.6	129.4	111.7	3.5	23.47	22.91	23.08	247.1	127.9	116.1	3.0
1967—Dec.	25.15	24.85	24.91	273.2	149.9	118.6	4.6	25.78	25.54	25.44	275.9	148.1	123.3	4.5
1968—Mar.	25.81	25.14	25.40	278.0	151.2	120.1	6.7	25.58	24.91	25.22	277.1	152.2	119.1	5.8
Apr.	25.62	24.94	25.28	276.9	151.3	120.4	5.2	25.55	24.86	25.28	277.5	152.0	121.7	3.7
May	25.71	24.98	25.24	277.3	151.5	122.1	3.7	25.51	24.76	25.09	276.5	152.3	118.6	5.6
June	25.82	25.12	25.44	278.8	151.8	123.2	3.9	25.71	25.02	25.36	278.3	152.2	121.3	4.8
July	25.92	25.43	25.60	280.9	153.8	124.3	2.7	26.00	25.48	25.70	281.7	154.1	122.6	5.0
Aug.	26.43	25.92	26.05	285.9	156.5	124.6	4.8	26.06	25.50	25.69	283.6	157.2	121.7	4.8
Sept.	26.40	25.95	26.16	287.9	158.9	123.6	5.3	26.32	25.84	26.03	286.7	158.6	123.0	5.2
Oct.	26.61	26.21	26.34	290.9	161.5	124.5	5.0	26.64	26.21	26.40	291.2	161.0	124.8	5.4
Nov.	26.73	26.16	26.52	293.6	163.5	125.4	4.7	26.76	26.19	26.47	292.4	162.3	126.4	3.6
Dec.	26.98	26.14	26.69	296.7	165.8	126.7	4.2	27.17	26.40	26.77	299.7	163.8	131.8	4.1
1969—Jan.	27.19	26.44	27.01	295.1	163.2	126.6	5.3	28.06	27.37	27.85	299.0	162.7	132.1	4.2
Feb.	27.21	26.39	27.01	294.8	161.0	127.2	6.7	27.29	26.47	27.06	293.9	161.8	126.2	5.9
Mar. p	27.04	26.11	26.80	292.5	160.5	127.1	4.8	26.71	25.80	26.53	291.6	161.6	126.0	3.9

[1] Averages of daily figures. Data reflect percentage reserve requirements made effective Jan. 18, 1968. For comparability with past data, Sept. figures reflect required reserves based on current deposits, the method of calculating required reserves that was in effect prior to Sept. 12. Under the revised Regulation D, required reserves henceforth will be based on average deposits with a 2-week lag.

[2] Averages of daily figures. Deposits subject to reserve requirements include total time and savings deposits and net demand deposits as defined by Regulation D. Private demand deposits include all demand deposits except those due to the U.S. Govt., less cash items in process of collection and demand balances due from domestic commercial banks. Effective June 9, 1966, balances accumulated for repayment of personal loans were eliminated from time deposits for reserve purposes. Jan. 1969 data are not comparable with earlier data due to the withdrawal from the system on Jan. 2, 1969, of a large member bank.

NOTE.—Back data for the period 1947 to date may be obtained from the Banking Section, Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, D. C. 20551.

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CONSOLIDATED CONDITION STATEMENT

(In millions of dollars)

Date	Assets									Total assets, net—Total liabilities and capital, net	Liabilities and capital	
	Gold	Treasury currency outstanding	Bank credit								Total deposits and currency	Capital and misc. accounts, net
			Total	Loans, net [1, 2]	U.S. Government securities				Other securities [2]			
					Total	Coml. and savings banks	Federal Reserve Banks	Other [3]				
1947—Dec. 31	22,754	4,562	160,832	43,023	107,086	81,199	22,559	3,328	10,723	188,148	175,348	12,800
1950—Dec. 30	22,706	4,636	171,667	60,366	96,560	72,894	20,778	2,888	14,741	199,008	184,384	14,624
1967—Dec. 30	11,982	6,784	468,943	282,040	117,064	66,752	49,112	1,200	69,839	487,709	444,043	43,670
1968—Mar. 27	10,500	6,800	468,000	279,300	116,300	65,600	49,500	1,200	72,300	485,200	439,200	46,000
Apr. 24	10,500	6,800	469,900	282,300	114,400	64,100	49,300	1,000	73,200	487,100	440,800	46,400
May 29	10,400	6,800	472,400	283,100	116,300	64,700	50,500	1,100	72,900	489,500	441,300	48,200
June 29	10,367	6,708	479,667	289,920	115,818	62,809	52,230	779	73,929	496,742	447,839	48,901
July 31	10,400	6,700	484,600	292,300	117,900	64,700	52,400	800	74,400	501,700	451,700	50,000
Aug. 28	10,400	6,700	485,500	291,100	118,400	65,700	52,600	100	76,000	502,600	451,700	50,900
Sept. 25p	10,400	6,700	492,200	295,400	119,100	66,700	52,400	100	77,700	509,300	457,600	51,700
Oct. 30p	10,400	6,800	497,700	296,300	122,400	68,800	53,600	100	78,900	514,800	463,300	51,500
Nov. 27p	10,400	6,800	499,000	299,400	120,000	66,700	53,200	100	79,700	516,200	464,700	51,500
Dec. 31p	10,400	6,800	512,900	310,500	121,500	68,500	52,900	100	80,900	530,100	482,000	48,100
1969—Jan. 29p	10,400	6,800	503,500	303,700	119,100	66,800	52,300	100	80,600	520,600	468,600	52,000
Feb. 26p	10,400	6,800	501,700	305,500	115,100	63,100	51,900	100	81,100	518,900	465,400	53,400
Mar. 26p	10,400	6,800	502,700	306,600	114,200	62,200	52,000	100	81,900	519,900	465,000	55,000

DETAILS OF DEPOSITS AND CURRENCY

Date	Money supply						Related deposits (not seasonally adjusted)							
	Seasonally adjusted [4]			*Not seasonally adjusted*			*Time*				Foreign, net [7]	*U.S. Government*		
	Total	Currency outside banks	Demand deposits adjusted [5]	Total	Currency outside banks	Demand deposits adjusted [5]	Total	Commercial banks [1]	Mutual savings banks [6]	Postal Savings System [3]		Treasury cash holdings	At coml. and savings banks	At F.R. Banks
1947—Dec. 31	110,500	26,100	84,400	113,597	26,476	87,121	56,411	35,249	17,746	3,416	1,682	1,336	1,452	870
1950—Dec. 30	114,600	24,600	90,000	117,670	25,398	92,272	59,246	36,314	20,009	2,923	2,518	1,293	2,989	668
1967—Dec. 30	181,500	39,600	141,900	191,232	41,071	150,161	242,657	182,243	60,414	....	2,179	1,344	5,508	1,123
1968—Mar. 72	182,600	40,200	142,400	180,000	39,800	140,200	249,500	187,800	61,700	....	2,000	1,100	5,700	1,000
Apr. 24	182,400	40,400	142,000	182,400	40,000	142,400	249,300	187,600	61,700	....	2,000	1,100	4,400	1,600
May 29	183,200	40,800	142,400	181,400	41,100	140,300	250,500	188,500	62,100	....	2,100	1,000	5,400	1,000
June 29	186,700	40,800	145,900	186,562	42,261	144,301	251,913	189,144	62,769	....	2,154	838	5,298	1,074
July 31	186,800	41,300	145,500	186,600	41,400	145,200	254,800	192,100	62,700	....	2,200	800	6,100	1,100
Aug. 28	186,400	41,300	145,100	184,700	41,500	143,200	257,800	194,900	63,000	....	2,000	800	5,300	1,000
Sept. 25p	186,500	41,400	145,100	185,300	41,500	143,800	259,600	196,100	63,500	....	2,100	800	8,900	1,000
Oct. 30p	187,900	41,600	146,300	189,600	41,800	147,800	263,300	199,600	63,700	....	2,100	800	6,400	1,200
Nov. 27p	189,500	42,300	147,200	192,500	43,500	149,000	265,100	201,200	63,900	....	2,400	800	3,600	400
Dec. 31p	198,400	42,600	155,800	206,000	43,500	162,500	266,800	202,200	64,600	....	2,500	800	5,400	700
1969—Jan. 29p	189,400	42,700	146,700	191,900	42,100	149,800	265,500	200,700	64,800	....	2,200	800	7,700	500
Feb. 26p	190,700	42,800	147,900	189,700	42,300	147,500	266,200	201,000	65,200	....	2,100	800	6,000	600
Mar. 26p	192,900	43,200	149,700	190,100	42,800	147,300	267,100	201,300	65,800	....	2,100	700	4,500	500

1 Beginning with data for June 30, 1966, about $1.1 billion in "Deposits accumulated for payment of personal loans" were excluded from "Time deposits" and deducted from "Loans" at all commercial banks. These changes resulted from a change in Federal Reserve regulations. These hypothecated deposits are shown in a table on p. A-23.

2 See note 2 at bottom of p. A-22.

3 After June 30, 1967, Postal Savings System accounts were eliminated from this Statement.

4 Series begin in 1946; data are available only last Wed. of month.

5 Other than interbank and U.S. Govt., less cash items in process of collection.

6 Includes relatively small amounts of demand deposits. Beginning with June 1961, also includes certain accounts previously classified as other liabilities.

7 Reclassification of deposits of foreign central banks in May 1961 reduced this item by $1,900 million ($1,500 million to time deposits and $400 million to demand deposits).

NOTE.—For back figures and descriptions of the consolidated condition statement and the seasonally adjusted series on currency outside banks and demand deposits adjusted, see "Banks and the Monetary System," Section 1 of *Supplement to Banking and Monetary Statistics*, 1962, and BULLETINS for Jan. 1948 and Feb. 1960. Except on call dates, figures are partly estimated and are rounded to the nearest $100 million.

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PRINCIPAL ASSETS AND LIABILITIES AND NUMBER, BY CLASS OF BANK

(Amounts in millions of dollars)

Class of bank and date	Loans and investments: Total	Loans and investments: Loans [1,2]	Securities: U.S. Govt.	Securities: Other [2]	Cash assets [3]	Total assets—Total liabilities and capital accounts [4]	Deposits: Total [3]	Interbank [3]: Demand	Interbank [3]: Time	Other: Demand: U.S. Govt.	Other: Demand: Other	Other: Time [1,5]	Borrowings	Total capital accounts	Number of banks
All banks:															
1941—Dec. 31	61,126	26,615	25,511	8,999	27,344	90,908	81,816	10,982		44,355		26,479	23	8,414	14,826
1945—Dec. 31	140,227	30,361	101,288	8,577	35,415	177,332	165,612	14,065		105,935		45,613	227	10,542	14,553
1947—Dec. 31[6]	134,924	43,002	81,199	10,723	38,388	175,091	161,865	12,793	240	1,346	94,381	53,105	66	11,948	14,714
1967—Dec. 30	424,134	287,543	66,752	69,839	78,924	517,374	455,501	21,883	1,314	5,240	184,139	242,925	5,846	39,371	14,223
1968—Mar. 27	423,870	285,950	65,610	72,310	64,860	502,940	436,290	16,710	1,280	5,320	163,180	249,800	8,150	39,670	14,218
Apr. 24	427,760	290,460	64,140	73,160	64,740	506,710	438,830	17,340	1,230	4,040	166,630	249,590	8,930	39,870	14,215
May 29	429,790	292,180	64,690	72,920	65,980	509,920	439,590	17,340	1,100	5,060	165,260	250,830	9,700	40,220	14,221
June 29	434,415	297,677	62,809	73,929	76,293	525,856	456,874	20,638	1,095	4,977	177,930	252,234	8,196	40,885	14,224
July 31	440,760	301,620	64,740	74,400	70,540	526,100	454,140	19,170	1,310	5,800	172,690	255,170	10,150	40,850	14,219
Aug. 28	443,320	301,640	65,680	76,000	67,930	525,720	451,330	18,020	1,350	4,970	168,800	258,190	11,130	41,030	14,216
Sept. 25p	449,800	305,470	66,680	77,650	70,630	535,240	459,540	19,250	1,410	8,540	170,420	259,920	11,660	41,280	14,209
Oct. 30p	455,130	307,430	68,760	78,940	72,270	542,480	466,410	19,690	1,330	6,070	175,730	263,590	11,660	41,590	14,205
Nov. 27p	457,520	311,120	66,740	79,660	77,130	549,860	471,290	20,500	1,260	3,250	180,900	265,380	13,020	41,760	14,187
Dec. 31p	468,550	319,140	68,480	80,930	83,700	568,980	496,510	24,530	1,230	5,020	198,630	267,100	8,870	42,020	14,179
1969—Jan. 29p	462,930	315,530	66,760	80,640	72,660	551,070	471,510	19,370	1,090	7,380	177,820	265,850	12,830	42,080	14,172
Feb. 26p	462,130	317,910	63,120	81,100	72,380	551,360	468,570	19,570	1,020	5,690	175,740	266,550	13,010	42,450	14,172
Mar. 26p	463,960	319,920	62,160	81,880	72,900	553,970	468,350	19,920	1,000	4,120	175,860	267,450	14,360	42,640	14,172
Commercial banks:															
1941—Dec. 31	50,746	21,714	21,808	7,225	26,551	79,104	71,283	10,982		44,349		15,952	23	7,173	14,278
1945—Dec. 31	124,019	26,083	90,606	7,331	34,806	160,312	150,227	14,065		105,921		30,241	219	8,950	14,011
1947—Dec. 31[6]	116,284	38,057	69,221	9,006	37,502	155,377	144,103	12,792	240	1,343	94,367	35,360	65	10,059	14,181
1967—Dec. 30	359,903	235,954	62,473	61,477	77,928	451,012	395,008	21,883	1,314	5,234	184,066	182,511	5,777	34,384	13,722
1968—Mar. 27	357,910	233,570	61,200	63,140	63,950	434,870	374,490	16,710	1,280	5,320	163,100	188,080	8,150	34,600	13,716
Apr. 24	361,660	237,990	59,840	63,830	63,870	438,550	377,080	17,340	1,230	4,040	166,550	187,920	8,930	34,810	13,714
May 29	363,110	239,300	60,320	63,490	65,100	441,150	377,460	17,340	1,100	5,060	165,180	188,780	9,700	35,110	13,720
June 29	367,560	244,580	58,604	64,376	75,334	456,827	394,004	20,638	1,094	4,970	177,837	189,465	8,131	35,774	13,723
July 31	373,480	248,370	60,530	64,580	69,610	456,670	391,330	19,170	1,310	5,800	172,610	192,440	10,150	35,740	13,717
Aug. 28	375,550	248,050	61,480	66,020	67,020	455,820	388,280	18,020	1,350	4,970	168,720	195,220	11,130	35,850	13,714
Sept. 25p	381,840	251,680	62,540	67,620	69,640	465,040	395,960	19,250	1,410	8,540	170,320	196,440	11,660	36,090	13,707
Oct. 30p	386,950	253,360	64,760	68,830	71,360	472,170	402,660	19,690	1,330	6,070	175,630	199,940	11,660	36,400	13,703
Nov. 27p	388,930	256,640	62,830	69,460	76,220	479,090	407,290	20,500	1,260	3,250	180,800	201,480	13,020	36,500	13,687
Dec. 31p	399,700	264,480	64,640	70,580	82,690	497,850	431,820	24,530	1,230	5,020	198,530	202,510	8,870	36,750	13,679
1969—Jan. 29p	393,510	260,560	62,800	70,150	71,810	479,540	406,580	19,370	1,090	7,380	177,720	201,020	12,830	36,790	13,673
Feb. 26p	392,160	262,550	59,130	70,480	71,490	479,230	403,280	19,570	1,020	5,690	175,640	201,360	13,010	37,100	13,673
Mar. 26p	393,570	264,380	58,180	71,010	72,010	481,390	402,430	19,920	1,000	4,120	175,760	201,630	14,360	37,280	13,673
Member banks:															
1941—Dec. 31	43,521	18,021	19,539	5,961	23,123	68,121	61,717	10,385	140	1,709	37,136	12,347	4	5,886	6,619
1945—Dec. 31	107,183	22,775	78,338	6,070	29,845	138,304	129,670	13,576	64	22,179	69,640	24,210	208	7,589	6,884
1947—Dec. 31	97,846	32,628	57,914	7,304	32,845	132,060	122,528	12,353	50	1,176	80,609	28,340	54	8,464	6,923
1967—Dec. 30	293,120	196,849	46,956	49,315	68,946	373,584	326,033	20,811	1,169	4,631	151,980	147,442	5,370	28,098	6,071
1968—Mar. 27	290,527	194,303	45,510	50,714	56,437	358,402	306,703	15,917	1,129	4,707	133,587	151,363	7,655	28,250	6,049
Apr. 24	293,281	197,820	44,285	51,176	56,320	361,004	308,156	16,534	1,083	3,438	136,258	150,843	8,584	28,424	6,046
May 29	294,364	198,874	44,733	50,757	57,415	363,139	308,378	16,574	955	4,282	135,242	151,325	9,073	28,706	6,041
June 29	297,630	203,016	43,361	51,253	67,130	376,904	322,990	19,644	934	4,126	146,470	151,816	7,684	29,139	6,039
July 31	303,009	206,378	45,057	51,574	61,854	376,785	320,310	18,229	1,146	4,988	141,559	154,388	9,763	29,160	6,026
Aug. 28	304,669	205,850	45,898	52,921	59,497	375,766	317,186	17,088	1,193	4,181	138,031	156,693	10,684	29,240	6,019
Sept. 25p	309,985	208,917	46,755	54,313	61,846	383,685	323,730	18,275	1,246	7,468	139,166	157,575	11,192	29,415	6,010
Oct. 30p	314,164	210,270	48,704	55,190	63,275	389,598	329,287	18,673	1,169	5,226	143,684	160,535	11,153	29,687	6,002
Nov. 27p	315,615	213,092	46,820	55,703	67,675	395,535	333,142	19,462	1,098	2,545	148,083	161,954	12,450	29,739	5,990
Dec. 31p	324,964	220,188	48,184	56,592	73,305	411,899	354,928	23,320	1,069	4,416	163,543	162,580	8,454	29,976	5,978
1969—Jan. 29p	319,249	216,806	46,464	55,979	63,826	395,585	332,284	18,402	927	6,556	145,546	160,853	12,000	29,966	5,972
Feb. 26p	317,925	218,407	43,387	56,131	63,247	394,742	329,130	18,593	860	4,907	144,065	160,705	12,179	30,190	5,967
Mar. 26p	318,742	219,595	42,709	56,438	63,749	396,209	327,685	18,950	842	3,374	143,989	160,530	13,636	30,342	5,967
Mutual savings banks:															
1941—Dec. 31	10,379	4,901	3,704	1,774	793	11,804	10,533	.....	.....	6		10,527	.....	1,241	548
1945—Dec. 31	16,208	4,279	10,682	1,246	609	17,020	15,385	.....	.....	14		15,371	7	1,592	542
1947—Dec. 31[6]	18,641	4,944	11,978	1,718	886	19,714	17,763	.....	1	3	14	17,745	.....	1,889	533
1967—Dec. 30	64,231	51,590	4,280	8,362	996	66,362	60,494	.....	1	7	73	60,414	69	4,987	501
1968—Mar. 27	65,960	52,380	4,410	9,170	910	68,070	61,800	.....	.....	.....	80	61,720	.....	5,070	502
Apr. 24	66,100	52,470	4,300	9,330	870	68,160	61,750	.....	.....	.....	80	61,670	.....	5,060	501
May 29	66,680	52,880	4,370	9,430	880	68,770	62,130	.....	.....	.....	80	62,050	.....	5,110	501
June 29	66,855	53,097	4,205	9,553	959	69,029	62,870	.....	1	7	93	62,769	65	5,111	501
July 31	67,280	53,250	4,210	9,820	930	69,430	62,810	.....	.....	.....	80	62,730	.....	5,110	502
Aug. 28	67,770	53,590	4,200	9,980	910	69,900	63,050	.....	.....	.....	80	62,970	.....	5,180	502
Sept. 25	67,960	53,790	4,140	10,030	990	70,200	63,580	.....	.....	.....	100	63,480	.....	5,190	502
Oct. 30	68,180	54,070	4,000	10,110	910	70,310	63,750	.....	.....	.....	100	63,650	.....	5,190	502
Nov. 27	68,590	54,480	3,910	10,200	910	70,770	64,000	.....	.....	.....	100	63,900	.....	5,260	500
Dec. 31	68,850	54,660	3,840	10,350	1,010	71,130	64,690	.....	.....	.....	100	64,590	.....	5,270	500
1969—Jan. 29	69,420	54,970	3,960	10,490	850	71,530	64,930	.....	.....	.....	100	64,830	.....	5,290	499
Feb. 26r	69,970	55,360	3,990	10,620	890	72,130	65,290	.....	.....	.....	100	65,190	.....	5,350	499
Mar. 26p	70,390	55,540	3,980	10,870	890	72,580	65,920	.....	.....	.....	100	65,820	.....	5,360	499

For notes see p. A-22.

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PRINCIPAL ASSETS AND LIABILITIES AND NUMBER, BY CLASS OF BANK—Continued

(Amounts in millions of dollars)

Class of bank and date	Loans and investments: Total	Loans and investments: Loans [1, 2]	Securities: U.S. Govt.	Securities: Other [2]	Cash assets [3]	Total assets—Total liabilities and capital accounts [4]	Deposits: Total [3]	Interbank [3]: Demand	Interbank [3]: Time	Other: Demand: U.S. Govt.	Other: Demand: Other	Other: Time [1]	Borrowings	Total capital accounts	Number of banks
Reserve city member banks:															
New York City: [7]															
1941—Dec. 31	12,896	4,072	7,265	1,559	6,637	19,862	17,932	4,202	6	866	12,051	807	......	1,648	36
1945—Dec. 31	26,143	7,334	17,574	1,235	6,439	32,887	30,121	4,640	17	6,940	17,287	1,236	195	2,120	37
1947—Dec. 31	20,393	7,179	11,972	1,242	7,261	27,982	25,216	4,453	12	267	19,040	1,445	30	2,259	37
1967—Dec. 30	52,141	39,059	6,027	7,055	18,797	74,609	60,407	7,238	741	1,084	31,282	20,062	1,880	5,715	12
1968—Mar. 27	49,973	37,334	5,151	7,488	14,275	67,903	52,675	5,484	630	1,258	25,667	19,636	2,283	5,740	12
Apr. 24	50,150	37,842	4,734	7,574	13,961	67,654	52,036	5,696	598	575	26,089	19,078	2,809	5,766	12
May 29	50,800	38,737	5,169	6,894	14,573	68,783	52,747	6,135	530	749	26,506	18,827	2,586	5,944	12
June 29	51,361	39,544	5,046	6,771	20,633	75,544	59,329	8,034	513	823	31,125	18,834	2,283	6,022	12
July 31	53,429	40,718	5,675	7,036	16,643	73,553	56,095	6,763	606	1,132	28,299	19,295	3,453	6,081	12
Aug. 28	53,187	39,806	5,855	7,526	16,347	72,977	54,043	5,971	673	720	27,137	19,542	4,108	6,088	12
Sept. 25	54,905	40,729	6,191	7,985	16,669	75,060	56,259	6,776	691	2,198	27,136	19,458	3,605	6,108	12
Oct. 30	54,882	40,488	6,607	7,787	16,975	75,530	56,825	6,757	660	1,042	28,207	20,159	3,438	6,180	12
Nov. 27	55,084	41,429	5,881	7,774	18,243	77,069	57,653	7,363	633	170	28,675	20,812	3,914	6,129	12
Dec. 31	57,201	43,114	5,978	8,109	19,935	81,610	63,923	9,022	608	887	33,318	20,088	2,733	6,202	12
1969—Jan. 29	55,692	42,544	5,560	7,588	18,452	78,065	58,225	7,401	501	1,873	29,314	19,136	3,278	6,119	12
Feb. 26	54,596	42,652	4,495	7,449	17,659	76,545	56,323	7,123	469	924	29,340	18,467	3,299	6,156	12
Mar. 26	53,942	41,875	4,574	7,493	18,680	76,776	55,046	7,588	442	356	28,746	17,914	4,010	6,153	12
City of Chicago: [7, 8]															
1941—Dec. 31	2,760	954	1,430	376	1,566	4,363	4,057	1,035	......	127	2,419	476	......	288	13
1945—Dec. 31	5,931	1,333	4,213	385	1,489	7,459	7,046	1,312	......	1,552	3,462	719	......	377	12
1947—Dec. 31	5,088	1,801	2,890	397	1,739	6,866	6,402	1,217	......	72	4,201	913	......	426	14
1967—Dec. 30	12,744	9,223	1,574	1,947	2,947	16,296	13,985	1,434	21	267	6,250	6,013	383	1,346	10
1968—Mar. 27	12,522	8,903	1,746	1,873	2,815	15,974	12,450	1,128	10	164	5,311	5,837	853	1,323	9
Apr. 24	12,729	9,041	1,879	1,809	2,606	15,959	12,407	1,185	9	134	5,401	5,678	835	1,337	9
May 29	12,534	8,950	1,730	1,854	2,968	16,143	12,425	1,139	8	169	5,479	5,630	826	1,346	9
June 29	12,848	9,248	1,762	1,838	2,647	16,168	12,701	1,220	20	93	5,768	5,600	811	1,362	9
July 31	13,371	9,332	2,071	1,968	3,089	17,120	12,935	1,256	7	231	5,567	5,874	1,271	1,370	9
Aug. 28	13,473	9,381	2,061	2,031	3,033	17,179	12,870	1,230	10	149	5,484	5,997	1,047	1,365	9
Sept. 25	13,334	9,297	2,028	2,009	3,185	17,196	12,760	1,223	11	181	5,326	6,019	1,218	1,395	9
Oct. 30	13,579	9,356	2,222	2,001	3,403	17,666	13,118	1,260	12	253	5,456	6,137	1,134	1,412	9
Nov. 27	13,658	9,573	1,990	2,095	3,218	17,571	13,311	1,287	10	58	5,676	6,280	953	1,416	9
Dec. 31	14,280	10,292	1,859	2,129	3,007	18,110	14,528	1,535	13	257	6,543	6,180	682	1,438	9
1969—Jan. 29	13,935	10,189	1,647	2,099	2,932	17,589	13,376	1,165	18	569	5,722	5,902	885	1,424	9
Feb. 26	13,802	10,030	1,558	2,214	3,128	17,685	13,144	1,246	17	238	5,826	5,817	1,130	1,431	9
Mar. 26	14,146	10,313	1,634	2,199	2,768	17,696	12,789	1,267	17	92	5,775	5,638	1,418	1,435	9
Other reserve city: [7, 8]															
1941—Dec. 31	15,347	7,105	6,467	1,776	8,518	24,430	22,313	4,356	104	491	12,557	4,806	......	1,967	351
1945—Dec. 31	40,108	8,514	29,552	2,042	11,286	51,898	49,085	6,418	30	8,221	24,655	9,760	2	2,566	359
1947—Dec. 31	36,040	13,449	20,196	2,396	13,066	49,659	46,467	5,627	22	405	28,990	11,423	1	2,844	353
1967—Dec. 30	105,724	73,571	14,667	17,487	26,867	136,626	120,485	9,374	310	1,715	53,288	55,798	2,555	10,032	163
1968—Mar. 27	105,064	73,232	13,790	18,042	21,820	130,999	113,620	7,247	393	1,679	46,687	57,614	3,523	10,087	164
Apr. 24	106,175	74,648	13,383	18,144	22,147	132,442	114,208	7,577	380	1,412	47,409	57,430	4,245	10,152	163
May 29	106,505	74,697	13,496	18,312	21,950	132,720	113,758	7,311	321	1,587	46,851	57,688	4,407	10,223	163
June 29	107,654	76,213	13,083	18,358	24,528	136,603	118,123	8,131	300	1,400	50,394	57,898	3,720	10,351	163
July 31	109,510	77,553	13,468	18,489	23,601	137,652	118,508	8,065	437	1,881	49,185	58,940	4,267	10,407	162
Aug. 28	110,559	77,479	13,972	19,108	22,161	136,984	117,523	7,759	414	1,612	47,725	60,013	4,638	10,433	162
Sept. 25	112,559	78,661	14,211	19,687	23,382	140,294	119,750	8,054	448	2,798	48,126	60,324	5,437	10,445	162
Oct. 30	114,861	79,584	15,135	20,142	23,605	142,930	122,205	8,351	395	2,128	49,854	61,477	5,554	10,559	162
Nov. 27	115,027	80,382	14,291	20,354	25,803	145,322	123,321	8,458	353	799	51,832	61,879	6,441	10,572	161
Dec. 31	119,133	83,679	14,994	20,460	27,965	151,836	132,159	10,018	346	1,980	57,232	62,583	4,210	10,701	161
1969—Jan. 29	116,456	82,141	14,167	20,148	23,463	144,460	122,369	7,651	306	2,348	50,142	61,922	6,179	10,743	161
Feb. 26	116,211	83,065	13,151	19,995	23,142	143,969	121,555	8,024	272	2,079	49,549	61,631	6,085	10,773	161
Mar. 26	116,128	83,534	12,738	19,856	23,094	143,928	120,639	7,885	281	1,338	49,751	61,384	6,763	10,878	161
Country member banks: [7, 8]															
1941—Dec. 31	12,518	5,890	4,377	2,250	6,402	19,466	17,415	792	30	225	10,109	6,258	4	1,982	6,219
1945—Dec. 31	35,002	5,596	26,999	2,408	10,632	46,059	43,418	1,207	17	5,465	24,235	12,494	11	2,525	6,476
1947—Dec. 31	36,324	10,199	22,857	3,268	10,778	47,553	44,443	1,056	17	432	28,378	14,560	23	2,934	6,519
1967—Dec. 30	122,511	74,995	24,689	22,826	20,334	146,052	131,156	2,766	96	1,564	61,161	65,569	552	11,005	5,886
1968—Mar. 27	122,968	74,834	24,823	23,311	17,527	143,526	127,958	2,058	96	1,606	55,922	68,276	996	11,100	5,864
Apr. 24	124,227	76,289	24,289	23,649	17,606	144,949	129,505	2,076	96	1,317	57,359	68,657	695	11,169	5,862
May 29	124,525	76,490	24,338	23,697	17,924	145,493	129,448	1,989	96	1,777	56,406	69,180	1,254	11,193	5,857
June 29	125,767	78,011	23,469	24,287	19,321	148,588	132,837	2,258	102	1,811	59,183	69,483	870	11,403	5,855
July 31	126,699	78,775	23,843	24,081	18,521	148,460	132,772	2,145	96	1,744	58,508	70,279	772	11,302	5,843
Aug. 28	127,450	79,184	24,010	24,256	17,956	148,626	132,750	2,128	96	1,700	57,685	71,141	891	11,354	5,836
Sept. 25	129,187	80,230	24,325	24,632	18,610	151,135	134,961	2,222	96	2,291	58,578	71,774	932	11,467	5,827
Oct. 30	130,842	80,842	24,750	25,260	19,292	153,472	137,139	2,305	102	1,803	60,167	72,762	1,027	11,536	5,819
Nov. 27	131,846	81,708	24,658	25,480	20,411	155,573	138,857	2,354	102	1,518	61,900	72,983	1,142	11,622	5,808
Dec. 31	134,350	83,103	25,353	25,894	22,398	160,343	144,318	2,745	102	1,292	66,450	73,729	829	11,635	5,796
1969—Jan. 29	133,166	81,932	25,090	26,144	18,979	155,471	138,314	2,185	102	1,766	60,368	73,893	1,658	11,680	5,790
Feb. 26	133,316	82,660	24,183	26,473	19,318	156,543	138,108	2,200	102	1,666	59,350	74,790	1,665	11,830	5,785
Mar. 26p	134,526	83,873	23,763	26,890	19,207	157,809	139,211	2,210	102	1,588	59,717	75,594	1,445	11,876	5,785

For notes see p. A-22.

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PRINCIPAL ASSETS AND LIABILITIES AND NUMBER, BY CLASS OF BANK—Continued

(Amounts in millions of dollars)

Class of bank and call date	Loans and investments: Total	Loans [1, 2]	Securities: U.S. Govt.	Securities: Other [2]	Cash assets [3]	Total assets—Total liabilities and capital accounts [4]	Deposits: Total [3]	Interbank [3]: Demand	Interbank [3]: Time	Other: Demand: U.S. Govt.	Other: Demand: Other	Other: Time [1, 5]	Borrowings	Total capital accounts	Number of banks
Insured commercial:															
1941—Dec. 31..	49,290	21,259	21,046	6,984	25,788	76,820	69,411	10,654		1,762	41,298	15,699	10	6,844	13,426
1945—Dec. 31..	121,809	25,765	88,912	7,131	34,292	157,544	147,775	13,883		23,740	80,276	29,876	215	8,671	13,297
1947—Dec. 31..	114,274	37,583	67,941	8,750	36,926	152,733	141,851	12,615	54	1,325	92,975	34,882	61	9,734	13,398
1965—Dec. 31..	303,593	200,109	59,120	44,364	60,327	374,051	330,323	18,149	923	5,508	159,659	146,084	4,325	29,827	13,540
1966—Dec. 31..	321,473	217,379	55,788	48,307	68,515	401,409	351,438	19,497	881	4,975	166,689	159,396	4,717	31,609	13,533
1967—Dec. 30..	358,536	235,502	62,094	60,941	77,348	448,878	394,118	21,598	1,258	5,219	182,984	183,060	5,531	33,916	13,510
1968—June 29..	365,955	243,993	58,189	63,772	74,686	454,398	392,801	20,337	1,019	4,951	176,569	189,926	7,913	35,269	13,512
National member:															
1941—Dec. 31..	27,571	11,725	12,039	3,806	14,977	43,433	39,458	6,786		1,088	23,262	8,322	4	3,640	5,117
1945—Dec. 31..	69,312	13,925	51,250	4,137	20,114	90,220	84,939	9,229		14,013	45,473	16,224	78	4,644	5,017
1947—Dec. 31..	65,280	21,428	38,674	5,178	22,024	88,182	82,023	8,375	35	795	53,541	19,278	45	5,409	5,005
1965—Dec. 31..	176,605	118,537	32,347	25,720	36,880	219,744	193,860	12,064	458	3,284	92,533	85,522	2,627	17,434	4,815
1966—Dec. 31..	187,251	129,182	30,355	27,713	41,690	235,996	206,456	12,588	437	3,035	96,755	93,642	3,120	18,459	4,799
1967—Dec. 30..	208,971	139,315	34,308	35,348	46,634	263,375	231,374	13,877	652	3,142	106,019	107,684	3,478	19,730	4,758
1968—June 29..	212,344	143,802	31,627	36,915	44,788	265,497	229,028	12,383	561	2,821	102,093	111,170	5,097	20,503	4,742
State member:															
1941—Dec. 31..	15,950	6,295	7,500	2,155	8,145	24,688	22,259	3,739		621	13,874	4,025	1	2,246	1,502
1945—Dec. 31..	37,871	8,850	27,089	1,933	9,731	48,084	44,730	4,411		8,166	24,168	7,986	130	2,945	1,867
1947—Dec. 31..	32,566	11,200	19,240	2,125	10,822	43,879	40,505	3,978	15	381	27,068	9,062	9	3,055	1,918
1965—Dec. 31..	74,972	51,262	12,645	11,065	15,934	93,640	81,657	5,390	382	1,606	39,598	34,680	1,607	7,492	1,406
1966—Dec. 31..	77,377	54,560	11,569	11,247	19,049	99,504	85,547	6,200	357	1,397	41,464	36,129	1,498	7,819	1,351
1967—Dec. 30..	85,128	58,513	12,649	13,966	22,312	111,188	95,637	6,934	516	1,489	45,961	40,736	1,892	8,368	1,313
1968—June 29..	86,231	60,159	11,734	14,338	22,342	112,352	94,908	7,261	373	1,306	44,377	41,591	2,586	8,636	1,297
Insured nonmember commercial:															
1941—Dec. 31..	5,776	3,241	1,509	1,025	2,668	8,708	7,702	129		53	4,162	3,360	6	959	6,810
1945—Dec. 31..	14,639	2,992	10,584	1,063	4,448	19,256	18,119	244		1,560	10,635	5,680	7	1,083	6,416
1947—Dec. 31..	16,444	4,958	10,039	1,448	4,083	20,691	19,340	262	4	149	12,366	6,558	7	1,271	6,478
1965—Dec. 31..	52,028	30,310	14,137	7,581	7,513	60,679	54,806	695	83	618	27,528	25,882	91	4,912	7,320
1966—Dec. 31..	56,857	33,636	13,873	9,349	7,777	65,921	59,434	709	87	543	28,471	29,625	99	5,342	7,384
1967—Dec. 30..	64,449	37,675	15,146	11,629	8,403	74,328	67,107	786	89	588	31,004	34,640	162	5,830	7,440
1968—June 29..	67,390	40,033	14,836	12,521	7,557	76,561	68,866	693	85	824	30,099	37,164	230	6,142	7,474
Noninsured nonmember commercial:															
1941—Dec. 31..	1,457	455	761	241	763	2,283	1,872	329		1,291		253	13	329	852
1945—Dec. 31..	2,211	318	1,693	200	514	2,768	2,452	181		1,905		365	4	279	714
1947—Dec. 31 [6].	2,009	474	1,280	255	576	2,643	2,251	177	185	18	1,392	478	4	325	783
1965—Dec. 31..	2,455	1,549	418	489	572	3,200	2,113	277	85	17	1,121	612	147	434	263
1966—Dec. 31..	2,400	1,570	367	463	604	3,171	2,073	274	86	17	1,062	633	142	434	233
1967—Dec. 30..	2,638	1,735	370	533	579	3,404	2,172	285	58	15	1,081	733	246	457	211
1968—June 29..	2,829	1,821	407	602	647	3,652	2,438	300	75	20	1,268	775	217	493	211
Nonmember commercial:															
1941—Dec. 31..	7,233	3,696	2,270	1,266	3,431	10,992	9,573	457		5,504		3,613	18	1,288	7,662
1945—Dec. 31..	16,849	3,310	12,277	1,262	4,962	22,024	20,571	425		14,101		6,045	11	1,362	7,130
1947—Dec. 31..	18,454	5,432	11,318	1,703	4,659	23,334	21,591	439	190	167	13,758	7,036	12	1,596	7,261
1965—Dec. 31..	54,483	31,858	14,555	8,070	8,085	63,879	56,919	972	168	635	28,649	26,495	238	5,345	7,583
1966—Dec. 31..	59,257	35,206	14,239	9,812	8,381	69,092	61,506	983	173	560	29,532	30,258	241	5,776	7,617
1967—Dec. 30..	67,087	39,409	15,516	12,162	8,983	77,732	69,279	1,071	147	603	32,085	35,372	408	6,286	7,651
1968—June 29..	70,219	41,853	15,242	13,124	8,204	80,213	71,304	994	160	844	31,367	37,939	447	6,635	7,685

For notes see p. A-22.

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PRINCIPAL ASSETS AND LIABILITIES AND NUMBER, BY CLASS OF BANK—Continued

(Amounts in millions of dollars)

Class of bank and call date	Loans and investments				Cash assets [3]	Total assets—Total liabilities and capital accounts [4]	Deposits						Borrowings	Total capital accounts	Number of banks
	Total	Loans [1, 2]	Securities				Total [3]	Interbank [3]		Other					
			U.S. Govt.	Other [2]				Demand	Time	Demand		Time [1, 5]			
										U.S. Govt.	Other				
Insured mutual savings:															
1941—Dec. 31..	1,693	642	629	421	151	1,958	1,789	......	......	......	......	1,789	......	164	52
1945—Dec. 31..	10,846	3,081	7,160	606	429	11,424	10,363	......	......	12		10,351	1	1,034	192
1947—Dec. 31..	12,683	3,560	8,165	958	675	13,499	12,207	......	1	2	12	12,192	......	1,252	194
1965—Dec. 31..	48,735	39,964	3,760	5,010	904	50,500	45,887	......	1	7	359	45,520	91	3,957	329
1966—Dec. 31..	51,267	42,591	3,324	5,352	847	53,047	48,254	......	1	6	381	47,865	69	4,140	330
1967—Dec. 30..	55,936	45,489	3,111	7,336	881	57,863	52,910	......	1	6	429	52,474	68	4,237	331
1968—June 29..	58,178	46,813	3,039	8,325	833	60,128	54,991	......	1	6	492	54,491	65	4,349	331
Noninsured mutual savings:															
1941—Dec. 31..	8,687	4,259	3,075	1,353	642	9,846	8,744	......	......	6	......	8,738	......	1,077	496
1945—Dec. 31..	5,361	1,198	3,522	641	180	5,596	5,022	......	......	2	......	5,020	6	558	350
1947—Dec. 31 [6]	5,957	1,384	3,813	760	211	6,215	5,556	......	......	1	2	5,553	......	637	339
1965—Dec. 31..	7,526	5,325	1,710	491	113	7,720	6,874	......	......	1	8	6,865	1	706	177
1966—Dec. 31..	7,756	5,705	1,429	621	119	7,961	7,096	......	......	1	19	7,076	......	732	174
1967—Dec. 30..	8,295	6,100	1,169	1,026	115	8,499	7,584	......	......	1	20	7,563	1	749	170
1968—June 29..	8,677	6,283	1,166	1,228	126	8,901	7,879	......	......	1	41	7,838	......	762	170

[1] See table "*Deposits Accumulated at Commercial Banks for Payment of Personal Loans*" and its notes on p. A-23.

[2] Beginning June 30, 1966, loans to farmers directly guaranteed by CCC were reclassified as securities, and Export-Import Bank portfolio fund participations were reclassified from loans to securities. This reduced "Total loans" and increased "Other securities" by about $1 billion. "Total loans" include Federal funds sold, and beginning with June 1967 securities purchased under resale agreements, figures for which are included in "Federal funds sold, etc.," for commercial banks on pp. A-24 and A-25.

[3] Reciprocal balances excluded beginning with 1942.

[4] Includes other assets and liabilities not shown separately.

[5] Figures for mutual savings banks include relatively small amounts of demand deposits. Beginning with June 1961, also include certain accounts previously classified as other liabilities.

[6] Beginning with Dec. 31, 1947, the series was revised; for description, see note 4, p. 587, May 1964 BULLETIN.

[7] Regarding reclassification of New York City and Chicago as reserve cities, see Aug. 1962 BULLETIN, p. 993. For various changes between reserve city and country status in 1960–63, see note 6, p. 587, May 1964 BULLETIN.

[8] Beginning with May 13, 1965, Toledo, Ohio, reserve city banks with total loans and investments of $530 million and total deposits of $576 million were reclassified as country banks. Beginning Jan. 4, 1968, a country bank with deposits of $321 million was reclassified as a reserve city bank. Beginning Feb. 29, 1968, a reserve city bank in Chicago with total deposits of $190 million was reclassified as a country bank.

NOTE.—Data are for all commercial and mutual savings banks in the United States (including Alaska and Hawaii, beginning with 1959). For definition of "commercial banks" as used in this table, and for other banks that are included under member banks, see NOTE, p. 643, May 1964 BULLETIN.

Comparability of figures for classes of banks is affected somewhat by changes in F.R. membership, deposit insurance status, and the reserve classifications of cities and individual banks, and by mergers, etc.

Data for national banks for Dec. 31, 1965, have been adjusted to make them comparable with State bank data.

Figures are partly estimated except on call dates.

For revisions in series before June 30, 1947, see July 1947 BULLETIN, pp. 870–71.

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LOANS AND INVESTMENTS AT COMMERCIAL BANKS

(In billions of dollars)

Period	Seasonally adjusted				Not seasonally adjusted			
	Total[1,2]	Loans[1,2]	Securities		Total[1,2]	Loans[1,2]	Securities	
			U.S. Govt.	Other[2]			U.S. Govt.	Other[2]
1959—Dec. 31	185.9	107.8	57.7	20.5	189.5	110.0	58.9	20.5
1960—Dec. 31	194.5	113.8	59.8	20.8	198.5	116.7	61.0	20.9
1961—Dec. 30	209.6	120.4	65.3	23.9	214.4	123.9	66.6	23.9
1962—Dec. 31	227.9	134.0	64.6	29.2	233.6	137.9	66.4	29.3
1963—Dec. 31	246.2	149.6	61.7	35.0	252.4	153.9	63.4	35.1
1964—Dec. 31	267.2	167.7	60.7	38.7	273.9	172.1	63.0	38.8
1965—Dec. 31	294.4	192.6	57.1	44.8	301.8	197.4	59.5	44.9
1966—Dec. 31	310.5	208.2	53.6	48.7	317.9	213.0	56.2	48.8
1967—Dec. 30	346.5	225.4	59.7	61.4	354.5	230.5	62.5	61.5
1968—Mar. 27	352.5	229.0	59.9	63.6	351.5	227.2	61.2	63.1
Apr. 24	355.2	231.4	60.3	63.4	354.7	231.0	59.8	63.8
May 29	357.3	232.6	61.0	63.6	355.4	231.6	60.3	63.5
June 29	357.8	233.5	60.4	63.9	361.4	238.4	58.6	64.4
July 31	365.9	238.4	63.1	64.4	366.0	240.9	60.5	64.6
Aug. 28	370.4	241.1	63.9	65.5	367.9	240.4	61.5	66.0
Sept. 25	374.8	243.8	64.0	67.0	374.6	244.5	62.5	67.6
Oct. 30	379.6	246.9	64.2	68.5	379.5	245.9	64.8	68.8
Nov. 27	381.6	250.4	61.0	70.2	381.1	248.8	62.8	69.5
Dec. 31	384.5	252.3	61.7	70.5	393.3	258.1	64.6	70.6
1969—Jan. 29p	385.3	253.8	60.4	71.0	384.4	251.5	62.8	70.2
Feb. 26p	386.7	257.9	57.8	71.0	382.9	253.3	59.1	70.5
Mar. 26p	385.9	257.3	57.1	71.5	384.7	255.5	58.2	71.0

1 Adjusted to exclude interbank loans.

2 Beginning June 9, 1966, about $1.1 billion of balances accumulated for payment of personal loans were deducted as a result of a change in Federal Reserve regulations.

Beginning June 30, 1966, CCC certificates of interest and Export-Import Bank portfolio fund participation certificates totaling an estimated $1 billion are included in "Other securities" rather than "Other loans."

NOTE.—For monthly data 1948–68, see Aug. 1968 BULLETIN, pp. A-94—A-97. For a description of the seasonally adjusted series see the following BULLETINS: July 1962, pp. 797–802; July 1966, pp. 950–55; and Sept. 1967, pp. 1511–17.

Data are for last Wed. of month except for June 30 and Dec. 31; data are partly or wholly estimated except when June 30 and Dec. 31 are call dates.

DEPOSITS ACCUMULATED AT COMMERCIAL BANKS FOR PAYMENT OF PERSONAL LOANS

(In millions of dollars)

Class of bank	Dec. 31, 1966	June 30, 1967	Dec. 30, 1967	June 29, 1968	Class of bank	Dec. 31, 1966	June 30, 1967	Dec. 30, 1967	June 29, 1968
All commercial	1,223	1,272	1,283	1,235	All member (cont.)—				
Insured	1,223	1,271	1,283	1,235	Other reserve city	370	389	362	347
National member	729	764	747	744	Country	571	591	617	598
State member	212	217	232	201	All nonmember	283	291	304	290
All member	941	981	979	945	Insured	282	291	304	290
New York City	....	....	....	....	Noninsured	....	....	....	....
City of Chicago	....	....	....	....					

NOTE.—These hypothecated deposits are excluded from "Time deposits" and "Loans" at all commercial banks beginning with June 30, 1966, as follows: in the tables on pp. A-19—A-22; in the table at the top of this page; and in the tables on pp. A-26—A-29 (consumer instalment loans). These changes resulted from a change in the Federal Reserve regulations. See June 1966 BULLETIN, p. 808.

These deposits have not been deducted from "Loans" and "Time deposits" in the table on pp. A-21 and A-22, or from "Loans" and "Time deposits, IPC" in the tables on pp. A-24 and A-25.

Details may not add to totals because of rounding; also, mutual savings banks held $268,000 of these deposits on Dec. 31, 1966; $244,000 on June 30, 1967; $94,000 on Dec. 30, 1967; and $192,000 on June 29, 1968.

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Federal Reserve Bank of St. Louis

LOANS AND INVESTMENTS BY CLASS OF BANK

(In millions of dollars)

Class of bank and call date	Total loans[1] and investments	Federal funds sold, etc.[2]	Other loans[1]: Total[3, 4]	Other loans: Commercial and industrial	Other loans: Agricultural[5]	Other loans: For purchasing or carrying securities: To brokers and dealers	Other loans: For purchasing or carrying securities: To others	Other loans: To financial institutions: Banks	Other loans: To financial institutions: Others	Other loans: Real estate	Other loans: Other, to individuals[3]	Other loans: Other[5]	Investments: U.S. Government securities[6]: Total	Investments: U.S. Government securities: Bills and certificates	Investments: U.S. Government securities: Notes	Investments: U.S. Government securities: Bonds	Investments: State and local govt. securities	Investments: Other securities[5]
Total:[2]																		
1947—Dec. 31..	116,284	......	38,057	18,167	1,660	830	1,220	115	......	9,393	5,723	947	69,221	9,982	6,034	53,205	5,276	3,729
1965—Dec. 31..	306,060	2,103	199,555	71,437	8,212	5,258	3,231	2,158	13,291	49,300	45,468	5,215	59,547	n.a.	n.a.	n.a.	38,655	6,201
1966—Dec. 31..	323,885	2,544	216,405	80,598	8,555	5,821	3,203	2,189	13,302	53,950	47,943	5,183	56,163	n.a.	n.a.	n.a.	41,003	7,769
1967—Dec. 30..	361,186	4,057	233,180	88,443	9,270	6,215	3,780	1,902	12,535	58,525	51,585	5,659	62,473	n.a.	n.a.	n.a.	50,006	11,471
1968—June 29..	368,795	4,813	241,001	91,427	9,979	4,950	3,731	1,944	12,193	61,409	54,221	5,976	58,603	n.a.	n.a.	n.a.	52,635	11,742
All insured:																		
1941—Dec. 31..	49,290	......	21,259	9,214	1,450	614	662	40	......	4,773	4,505		21,046	988	3,159	16,899	3,651	3,333
1945—Dec. 31..	121,809	......	25,765	9,461	1,314	3,164	3,606	49	......	4,677	2,361	1,132	88,912	21,526	16,045	51,342	3,873	3,258
1947—Dec. 31..	114,274	......	37,583	18,012	1,610	823	1,190	114	......	9,266	5,654	914	67,941	9,676	5,918	52,347	5,129	3,621
1965—Dec. 31..	303,593	2,064	198,045	70,887	8,191	5,088	3,172	2,093	13,148	49,026	45,290	5,155	59,120	13,134	13,233	33,858	38,419	5,945
1966—Dec. 31..	321,473	2,461	214,918	80,060	8,536	5,643	3,148	2,131	13,148	53,686	47,770	5,127	55,788	12,080	13,439	31,536	40,761	7,545
1967—Dec. 30..	358,536	3,919	231,583	87,870	9,250	6,017	3,719	1,848	12,394	58,209	51,395	5,606	62,094	13,134	18,624	31,623	49,737	11,204
1968—June 29..	365,955	4,655	239,338	90,873	9,958	4,723	3,668	1,881	12,029	61,112	54,020	5,893	58,189	7,003	22,499	29,956	52,355	11,417
Member, total:																		
1941—Dec. 31..	43,521	......	18,021	8,671	972	594	598	39	......	3,494	3,653		19,539	971	3,007	15,561	3,090	2,871
1945—Dec. 31..	107,183	......	22,775	8,949	855	3,133	3,378	47	......	3,455	1,900	1,057	78,338	19,260	14,271	44,807	3,254	2,815
1947—Dec. 31..	97,846	......	32,628	16,962	1,046	811	1,065	113	......	7,130	4,662	839	57,914	7,803	4,815	45,295	4,199	3,105
1965—Dec. 31..	251,577	1,861	167,939	63,979	5,099	4,915	2,714	2,008	12,475	38,988	36,418	4,832	44,992	9,441	10,106	26,367	32,588	4,198
1966—Dec. 31..	264,627	2,119	181,624	72,553	5,318	5,389	2,660	2,047	12,349	42,384	37,925	4,757	41,924	8,567	9,789	24,609	33,800	5,160
1967—Dec. 30..	294,098	3,438	194,389	79,344	5,702	5,820	3,099	1,754	11,587	45,528	40,454	5,190	46,956	9,633	13,657	24,614	41,520	7,795
1968—June 29..	298,575	4,041	199,920	81,922	6,081	4,525	3,057	1,778	11,259	47,697	42,291	5,464	43,361	4,415	16,294	23,621	43,382	7,871
New York City:																		
1941—Dec. 31..	12,896	......	4,072	2,807	8	412	169	32	......	123	522		7,265	311	1,623	5,331	729	830
1945—Dec. 31..	26,143	......	7,334	3,044	.....	2,453	1,172	26	......	80	287	272	17,574	3,910	3,325	10,339	606	629
1947—Dec. 31..	20,393	......	7,179	5,361	.....	545	267	93	......	111	564	238	11,972	1,642	558	9,772	638	604
1965—Dec. 31..	44,763	412	32,713	18,075	20	2,866	665	1,010	3,471	3,139	2,928	1,340	5,203	1,538	987	2,876	5,879	556
1966—Dec. 31..	46,536	109	35,832	21,214	17	3,109	598	1,025	3,265	3,465	2,799	1,209	4,920	1,871	942	2,286	4,967	708
1967—Dec. 30..	52,141	415	38,644	23,183	13	3,874	831	914	2,990	3,431	3,099	1,285	6,027	1,897	1,962	2,303	6,318	737
1968—June 29..	51,361	556	38,988	24,042	19	2,976	796	1,015	3,118	3,495	3,197	1,309	5,046	847	1,860	2,555	6,034	736
City of Chicago:																		
1941—Dec. 31..	2,760	......	954	732	6	48	52	1	......	22	95		1,430	256	153	1,022	182	193
1945—Dec. 31..	5,931	......	1,333	760	2	211	233	......	......	36	51	40	4,213	1,600	749	1,864	181	204
1947—Dec. 31..	5,088	......	1,801	1,418	3	73	87	......	......	46	149	26	2,890	367	248	2,274	213	185
1965—Dec. 31..	11,455	72	8,147	4,642	32	444	244	188	1,201	577	762	316	1,700	542	273	961	1,400	137
1966—Dec. 31..	11,802	31	8,724	5,311	64	406	222	181	1,161	622	751	273	1,545	353	256	1,004	1,328	174
1967—Dec. 30..	12,744	266	8,958	5,714	46	459	220	162	951	675	754	241	1,574	427	344	853	1,487	459
1968—June 29..	12,848	192	9,056	5,796	39	355	220	173	1,046	693	748	236	1,762	413	508	899	1,564	274
Other reserve city:																		
1941—Dec. 31..	15,347	......	7,105	3,456	300	114	194	4	......	1,527	1,508		6,467	295	751	5,421	956	820
1945—Dec. 31..	40,108	......	8,514	3,661	205	427	1,503	17	......	1,459	855	387	29,552	8,016	5,653	15,883	1,126	916
1947—Dec. 31..	36,040	......	13,449	7,088	225	170	484	15	......	3,147	1,969	351	20,196	2,731	1,901	15,563	1,342	1,053
1965—Dec. 31..	91,997	471	64,646	24,784	1,206	954	1,108	635	5,820	15,056	14,305	1,999	14,354	2,972	3,281	8,432	11,504	1,022
1966—Dec. 31..	96,201	817	69,017	28,090	1,251	1,084	1,079	684	5,748	16,044	14,375	1,968	13,040	2,552	2,673	8,222	12,033	1,294
1967—Dec. 30..	106,086	1,219	72,713	30,609	1,311	881	1,143	578	5,446	16,969	15,047	2,148	14,667	3,140	3,557	8,312	15,376	2,110
1968—June 29..	108,001	1,422	75,138	31,720	1,414	758	1,206	513	5,196	17,861	15,625	2,304	13,083	966	4,329	8,105	16,177	2,180
Country:																		
1941—Dec. 31..	12,518	......	5,890	1,676	659	20	183	2	......	1,823	1,528		4,377	110	481	3,787	1,222	1,028
1945—Dec. 31..	35,002	......	5,596	1,484	648	42	471	4	......	1,881	707	359	26,999	5,732	4,544	16,722	1,342	1,067
1947—Dec. 31..	36,324	......	10,199	3,096	818	23	227	5	......	3,827	1,979	224	22,857	3,063	2,108	17,687	2,006	1,262
1965—Dec. 31..	103,362	905	62,433	16,478	3,840	650	698	174	1,983	20,217	18,423	1,177	23,735	4,389	5,565	14,098	13,805	2,483
1966—Dec. 31..	110,089	1,161	68,051	17,938	3,986	790	761	157	2,175	22,253	20,000	1,307	22,419	3,791	5,917	13,096	15,473	2,985
1967—Dec. 30..	123,127	1,538	74,074	19,839	4,332	607	906	100	2,200	24,453	21,554	1,516	24,689	4,168	7,793	13,147	18,338	4,488
1968—June 29..	126,365	1,871	76,738	20,363	4,610	436	835	77	1,899	25,647	22,721	1,614	23,469	2,188	9,597	12,062	19,607	4,680
Nonmember:																		
1947—Dec. 31..	18,454	......	5,432	1,205	614	20	156	2	......	2,266	1,061	109	11,318	2,179	1,219	7,920	1,078	625
1965—Dec. 31..	54,483	242	31,616	7,458	3,113	343	516	151	817	10,312	9,050	383	14,555	n.a.	n.a.	n.a.	6,067	2,003
1966—Dec. 31..	59,257	425	34,781	8,045	3,237	431	543	142	953	11,566	10,018	427	14,239	n.a.	n.a.	n.a.	7,203	2,609
1967—Dec. 30..	67,087	618	38,791	9,099	3,568	395	681	148	948	12,997	11,131	469	15,516	n.a.	n.a.	n.a.	8,486	3,676
1968—June 29..	70,219	772	41,081	9,506	3,898	425	674	166	935	13,712	11,929	512	15,242	n.a.	n.a.	n.a.	9,252	3,871

[1] Beginning with June 30, 1948, figures for various loan items are shown gross (i.e., before deduction of valuation reserves); they do not *add to the total and are not entirely comparable with prior figures. Total* loans continue to be shown net.

[2] Includes securities purchased under resale agreements. Prior to June 30, 1967, they were in loans—for the most part in loans to banks. Prior to Dec. 1965, Federal funds sold were included with total loans and loans to banks.

[3] See table (and notes) entitled *Deposits Accumulated at Commercial Banks for Payment of Personal Loans*, p. A-23.

[4] Breakdowns of loan, investment, and deposit classifications are not available before 1947; summary figures for earlier dates appear in the preceding table.

[5] Beginning with June 30, 1966, loans to farmers directly guaranteed by CCC were reclassified as "Other securities," and Export-Import Bank portfolio fund participations were reclassified from loans to "Other securities." This increased "Other securities" by about $1 billion.

[6] Beginning with Dec. 31, 1965, components shown at par rather than at book value; they do not add to the total (shown at book value) and are not entirely comparable with prior figures.

For other notes see opposite page.

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RESERVES AND LIABILITIES BY CLASS OF BANK

(In millions of dollars)

Class of bank and call date	Reserves with F.R. Banks	Currency and coin	Balances with domestic banks[7]	Demand deposits adjusted[8]	Demand deposits: Interbank: Domestic[7]	Demand deposits: Interbank: Foreign[9]	Demand deposits: U.S. Govt.	Demand deposits: State and local govt.	Demand deposits: Certified and officers' checks, etc.	Demand deposits: IPC	Time deposits: Interbank	Time deposits: U.S. Govt. and Postal Savings	Time deposits: State and local govt.	Time deposits: IPC[3]	Borrowings	Capital accounts
Total:[3]																
1947—Dec. 31	17,796	2,216	10,216	87,123	11,362	1,430	1,343	6,799	2,581	84,987	240	111	866	34,383	65	10,059
1965—Dec. 31	17,992	4,851	15,300	140,936	16,794	1,632	5,525	14,244	5,978	140,558	1,008	263	12,186	134,247	4,472	30,272
1966—Dec. 31	19,069	5,450	15,870	142,104	17,867	1,904	4,992	15,047	7,051	145,653	967	238	13,462	146,329	4,859	32,054
1967—Dec. 30	20,275	5,931	17,490	153,253	19,853	2,029	5,234	15,564	8,677	159,825	1,316	267	15,892	167,634	5,777	34,384
1968—June 29	20,846	5,190	15,494	147,296	18,632	2,005	4,971	16,284	10,123	151,430	1,094	321	16,522	173,857	8,130	35,774
All insured:																
1941—Dec. 31	12,396	1,358	8,570	37,845	9,823	673	1,762	3,677	1,077	36,544	158	59	492	15,146	10	6,844
1945—Dec. 31	15,810	1,829	11,075	74,722	12,566	1,248	23,740	5,098	2,585	72,593	70	103	496	29,277	215	8,671
1947—Dec. 31	17,796	2,145	9,736	85,751	11,236	1,379	1,325	6,692	2,559	83,723	54	111	826	33,946	61	9,734
1965—Dec. 31	17,992	4,833	14,801	139,601	16,620	1,529	5,508	14,152	5,913	139,594	923	263	12,135	133,686	4,325	29,827
1966—Dec. 31	19,069	5,426	15,348	140,835	17,713	1,784	4,975	14,951	6,956	144,782	881	238	13,414	145,744	4,717	31,609
1967—Dec. 30	20,275	5,916	16,997	151,948	19,688	1,909	5,219	15,471	8,608	158,905	1,258	267	15,836	166,956	5,531	33,916
1968—June 29	20,846	5,170	14,936	145,782	18,468	1,869	4,951	16,198	9,890	150,482	1,019	321	16,456	173,148	7,913	35,269
Member, total:																
1941—Dec. 31	12,396	1,087	6,246	33,754	9,714	671	1,709	3,066	1,009	33,061	140	50	418	11,878	4	5,886
1945—Dec. 31	15,811	1,438	7,117	64,184	12,333	1,243	22,179	4,240	2,450	62,950	64	99	399	23,712	208	7,589
1947—Dec. 31	17,797	1,672	6,270	73,528	10,978	1,375	1,176	5,504	2,401	72,704	50	105	693	27,542	54	8,464
1965—Dec. 31	17,992	3,757	8,957	112,569	15,977	1,477	4,890	10,840	5,386	115,905	840	236	10,041	109,925	4,234	24,926
1966—Dec. 31	19,069	4,249	9,400	112,920	17,051	1,736	4,432	11,406	6,396	120,417	794	213	10,983	118,576	4,618	26,278
1967—Dec. 30	20,275	4,646	10,550	121,530	18,951	1,861	4,631	11,857	7,940	132,184	1,169	235	12,856	135,329	5,370	28,098
1968—June 29	20,846	3,999	9,218	116,269	17,809	1,834	4,127	12,503	9,251	124,716	934	286	13,373	139,102	7,684	29,139
New York City:																
1941—Dec. 31	5,105	93	141	10,761	3,595	607	866	319	450	11,282	6	......	29	778	.....	1,648
1945—Dec. 31	4,015	111	78	15,065	3,535	1,105	6,940	237	1,338	15,712	17	10	20	1,206	195	2,120
1947—Dec. 31	4,639	151	70	16,653	3,236	1,217	267	290	1,105	17,646	12	12	14	1,418	30	2,259
1965—Dec. 31	3,788	310	122	18,190	4,191	1,034	1,271	620	2,937	20,708	522	84	807	17,097	1,987	5,114
1966—Dec. 31	4,062	326	201	18,013	5,105	1,265	1,016	608	3,814	22,113	467	83	918	16,447	1,874	5,298
1967—Dec. 30	4,786	397	476	20,004	5,900	1,337	1,084	890	4,748	25,644	741	70	1,152	18,840	1,880	5,715
1968—June 29	5,013	305	558	18,223	6,709	1,326	824	1,203	6,043	23,879	513	89	1,250	17,496	2,283	6,022
City of Chicago:																
1941—Dec. 31	1,021	43	298	2,215	1,027	8	127	233	34	2,152	......	......	......	476	.....	288
1945—Dec. 31	942	36	200	3,153	1,292	20	1,552	237	66	3,160	......	......	......	719	.....	377
1947—Dec. 31	1,070	30	175	3,737	1,196	21	72	285	63	3,853	......	2	9	902	.....	426
1965—Dec. 31	1,042	73	151	4,571	1,377	59	345	328	126	5,202	39	4	210	4,785	355	1,132
1966—Dec. 31	815	92	136	4,502	1,362	71	310	286	146	5,575	25	1	356	4,541	484	1,199
1967—Dec. 30	1,105	94	151	4,758	1,357	77	267	283	217	5,751	21	2	602	5,409	383	1,346
1968—June 29	926	69	237	4,428	1,160	61	93	277	192	5,300	20	2	509	5,088	811	1,363
Other reserve city:																
1941—Dec. 31	4,060	425	2,590	11,117	4,302	54	491	1,144	286	11,127	104	20	243	4,542	.....	1,967
1945—Dec. 31	6,326	494	2,174	22,372	6,307	110	8,221	1,763	611	22,281	30	38	160	9,563	2	2,566
1947—Dec. 31	7,095	562	2,125	25,714	5,497	131	405	2,282	705	26,003	22	45	332	11,045	1	2,844
1965—Dec. 31	7,700	1,139	2,341	37,703	8,091	330	1,773	3,532	1,180	42,380	206	71	4,960	40,510	1,548	9,007
1966—Dec. 31	8,353	1,326	2,517	37,572	8,249	343	1,633	3,708	1,274	44,022	233	57	5,450	44,204	1,952	9,472
1967—Dec. 30	8,618	1,452	2,805	39,957	8,985	390	1,715	3,542	1,580	48,165	310	80	5,830	50,250	2,555	10,033
1968—June 29	8,806	1,233	2,117	38,667	7,734	397	1,399	3,641	1,674	45,079	300	117	6,219	51,910	3,720	10,351
Country:																
1941—Dec. 31	2,210	526	3,216	9,661	790	2	225	1,370	239	8,500	30	31	146	6,082	4	1,982
1945—Dec. 31	4,527	796	4,665	23,595	1,199	8	5,465	2,004	435	21,797	17	52	219	12,224	11	2,525
1947—Dec. 31	4,993	929	3,900	27,424	1,049	7	432	2,647	528	25,203	17	45	337	14,177	23	2,934
1965—Dec. 31	5,463	2,235	6,344	52,104	2,317	54	1,501	6,360	1,143	47,615	74	77	4,064	47,534	343	9,673
1966—Dec. 31	5,839	2,506	6,545	52,832	2,335	57	1,474	6,805	1,161	48,706	69	71	4,260	53,384	308	10,309
1967—Dec. 30	5,767	2,704	7,117	56,812	2,709	57	1,564	7,142	1,395	52,624	96	83	5,272	60,830	552	11,005
1968—June 29	6,101	2,392	6,305	54,952	2,207	51	1,811	7,382	1,343	50,458	102	78	5,395	64,608	871	11,403
Nonmember:[3]																
1947—Dec. 31	....	544	3,947	13,595	385	55	167	1,295	180	12,284	190	6	172	6,858	12	1,596
1965—Dec. 31	....	1,093	6,343	28,367	817	155	635	3,404	592	24,653	168	27	2,145	24,322	238	5,345
1966—Dec. 31	....	1,201	6,471	29,184	815	167	560	3,641	655	25,237	173	26	2,479	27,753	241	5,776
1967—Dec. 30	....	1,285	6,939	31,723	903	169	603	3,707	737	27,641	147	32	3,035	32,305	408	6,286
1968—June 29	....	1,191	6,275	31,027	823	170	844	3,781	872	26,715	160	35	3,149	34,755	447	6,635

[7] Beginning with 1942, excludes reciprocal bank balances.

[8] Through 1960 demand deposits other than interbank and U.S. Govt., less cash items in process of collection; beginning with 1961, demand deposits other than domestic commercial interbank and U.S. Govt., less cash items in process of collection.

[9] For reclassification of certain deposits in 1961, see note 6, p. 589, May 1964 BULLETIN.

NOTE.—Data are for all commercial banks in the United States. (For definition of "commercial banks" as used in this table and for other banks that are included under member banks, see NOTE, p. 589, May 1964 BULLETIN.) These figures exclude data for banks in U.S. possessions except for member banks. Comparability of figures for classes of banks is affected somewhat by changes in F.R. membership, deposit insurance status, and the reserve classifications of cities and individual banks, and by mergers, etc.

Data for national banks for Dec. 31, 1965, have been adjusted to make them comparable with State bank data.

For other notes see opposite page.

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ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Wednesday	Total loans and investments[1]	Loans[1] net of valuation reserves	Loans[2]														
			Commercial and industrial	Agricultural	For purchasing or carrying securities				To financial institutions				Real estate	Consumer instalment	Foreign govts.	All other	Valuation reserves
					To brokers and dealers		To others		Banks		Nonbank						
					U.S. Govt. securities	Other securities	U.S. Govt. securities	Other securities	Foreign	Domestic commercial	Pers. and sales finan. cos., etc.	Other					
Large banks—Total																	
1968																	
Mar. 6	206,224	143,541	65,154	1,893	1,298	3,776	87	2,444	1,357	2,840	5,104	4,162	29,230	16,376	1,051	11,975	3,206
13	206,279	143,539	65,271	1,899	1,237	3,590	83	2,408	1,348	2,845	5,260	4,176	29,288	16,408	1,068	11,863	3,205
20	207,989	145,504	66,289	1,910	901	3,549	96	2,391	1,368	3,799	5,368	4,219	29,338	16,430	1,113	11,937	3,204
27	206,513	144,609	66,393	1,920	840	3,465	97	2,374	1,386	3,064	5,136	4,263	29,384	16,471	1,059	11,962	3,205
1969																	
Feb. 5	227,827	162,370	73,111	2,005	982	3,917	98	2,753	1,458	4,891	5,669	5,009	32,245	18,709	975	14,042	3,494
12	228,998	163,930	73,364	2,015	778	4,128	120	2,751	1,590	5,581	5,859	5,063	32,296	18,728	1,002	14,149	3,494
19	225,735	162,119	73,590	1,959	397	3,708	101	2,787	1,587	4,892	5,558	5,019	32,423	18,705	1,010	13,877	3,494
26	226,394	163,201	73,727	1,953	584	3,750	99	2,801	1,600	5,625	5,391	5,144	32,472	18,725	1,007	13,817	3,494
Mar. 5	227,976	164,245	74,204	1,954	760	3,883	102	2,802	1,605	5,625	5,551	5,136	32,451	18,708	994	13,968	3,498
12	226,453	163,143	74,520	1,956	594	3,533	105	2,784	1,675	4,795	5,426	5,136	32,505	18,746	996	13,872	3,500
19p	227,124	164,104	75,074	1,961	644	3,449	139	2,790	1,657	5,077	5,416	5,175	32,563	18,731	996	13,932	3,500
26p	226,418	163,488	75,047	1,963	571	3,126	108	2,781	1,642	5,143	5,304	5,053	32,592	18,774	1,032	13,849	3,497
New York City																	
1968																	
Mar. 6	46,498	34,923	21,597	21	505	2,357	17	760	661	563	1,435	1,052	2,942	1,243	728	1,982	940
18	46,712	34,991	21,555	21	552	2,129	12	750	647	785	1,522	1,050	2,954	1,249	745	1,961	941
20	47,829	36,302	22,030	21	413	2,111	12	746	671	1,604	1,568	1,100	2,965	1,251	781	1,970	941
27	47,037	35,453	22,191	20	506	2,010	12	741	681	792	1,388	1,124	2,959	1,250	735	1,985	941
1969																	
Feb. 5	51,874	39,754	24,092	16	671	2,177	10	861	710	1,351	1,679	1,296	3,232	1,449	620	2,637	1,047
12	52,865	40,949	24,117	16	581	2,408	32	855	827	1,922	1,848	1,305	3,224	1,449	646	2,766	1,047
19	51,139	39,961	24,124	16	282	2,055	10	864	801	1,924	1,670	1,290	3,255	1,447	652	2,618	1,047
26	51,359	40,372	24,157	16	441	2,132	10	872	808	2,096	1,628	1,324	3,248	1,448	644	2,595	1,047
Mar. 5	52,227	40,863	24,410	16	496	2,231	12	864	807	2,045	1,733	1,342	3,267	1,445	641	2,602	1,048
12	51,261	40,191	24,576	16	492	2,003	12	849	850	1,539	1,659	1,338	3,276	1,449	639	2,542	1,049
19p	51,554	40,423	24,582	16	511	2,037	45	845	830	1,672	1,642	1,348	3,287	1,450	635	2,571	1,048
26p	50,645	39,550	24,494	15	383	1,794	14	843	803	1,394	1,606	1,278	3,266	1,456	668	2,581	1,045
Outside New York City																	
1968																	
Mar. 6	159,726	108,618	43,557	1,872	793	1,419	70	1,684	696	2,277	3,669	3,110	26,288	15,133	323	9,993	2,266
18	159,567	108,548	43,716	1,878	685	1,461	71	1,658	701	2,060	3,738	3,126	26,334	15,159	323	9,902	2,264
20	160,160	109,202	44,259	1,889	488	1,438	84	1,645	697	2,195	3,800	3,119	26,373	15,179	332	9,967	2,263
27	159,476	109,156	44,202	1,900	334	1,455	85	1,633	705	2,272	3,748	3,139	26,425	15,221	324	9,977	2,264
1969																	
Feb. 5	175,953	122,616	49,019	1,989	311	1,740	88	1,892	748	3,540	3,990	3,713	29,013	17,260	355	11,405	2,447
12	176,133	122,981	49,247	1,999	197	1,720	88	1,896	763	3,659	4,011	3,758	29,072	17,279	356	11,383	2,447
19	174,596	122,158	49,466	1,943	115	1,653	91	1,923	786	2,968	3,888	3,729	29,168	17,258	358	11,259	2,447
26	175,035	122,829	49,570	1,937	143	1,618	89	1,929	792	3,529	3,763	3,820	29,224	17,277	363	11,222	2,447
Mar. 5	175,749	123,382	49,794	1,938	264	1,652	90	1,938	798	3,580	3,818	3,794	29,184	17,263	353	11,366	2,450
12	175,192	122,952	49,944	1,940	102	1,530	93	1,935	825	3,256	3,767	3,798	29,229	17,297	357	11,330	2,451
19p	175,570	123,681	50,492	1,945	133	1,412	94	1,945	827	3,405	3,774	3,827	29,276	17,281	361	11,361	2,452
26p	175,773	123,938	50,553	1,948	188	1,332	94	1,938	839	3,749	3,698	3,775	29,326	17,318	364	11,268	2,452

For notes see p. A-29.

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ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Investments: U.S. Government securities: Total	U.S. Govt. securities: Bills	U.S. Govt. securities: Certificates	U.S. Govt. securities: Notes and bonds maturing—Within 1 yr.	Notes and bonds maturing—1 to 5 yrs.	Notes and bonds maturing—After 5 yrs.	Other securities: Obligations of States and political subdivisions: Tax warrants [3]	Obligations of States and political subdivisions: All other	Other bonds, corp. stocks and securities: Certif. of participation [4]	Other bonds, corp. stocks and securities: Other securities	Cash assets: Total	Cash items in process of collection	Balances with—Domestic banks	Balances with—Foreign banks	Currency and coin	Reserves with F.R. Banks	All other assets	Wednesday
																	Large banks—Total
																	1968
28,169	4,357	......	4,006	14,467	5,339	4,436	25,761	1,412	2,905	46,340	22,575	4,296	220	2,568	16,681	9,263	......Mar. 6
28,155	4,368	......	4,012	14,366	5,409	4,382	25,832	1,425	2,946	45,503	22,248	4,319	199	2,811	15,926	9,236	13
27,596	3,909	......	4,076	14,216	5,395	4,515	26,050	1,420	2,904	44,430	21,448	4,223	213	2,756	15,790	9,234	20
27,065	3,437	......	4,071	14,143	5,414	4,609	26,014	1,342	2,874	44,525	20,975	3,981	204	2,885	16,480	9,599	27
																	1969
27,332	3,747	......	5,149	12,029	6,407	4,832	28,940	1,421	2,932	53,150	28,276	4,675	247	2,743	17,209	10,889	......Feb. 5
26,797	3,232	......	5,157	12,010	6,398	4,784	29,247	1,385	2,855	52,490	27,562	4,607	274	2,959	17,088	10,870	12
25,416	2,485	......	4,757	12,442	5,732	4,705	29,207	1,403	2,885	53,196	28,738	4,706	254	2,933	16,565	10,773	19
25,146	2,295	......	4,799	12,361	5,691	4,637	29,096	1,412	2,902	50,049	26,124	4,313	263	3,035	16,314	10,911	26
25,472	2,656	......	4,877	12,298	5,641	4,843	29,174	1,372	2,870	53,245	29,072	4,622	259	2,665	16,627	11,068	......Mar. 5
25,105	2,397	......	4,861	12,273	5,574	4,793	29,214	1,359	2,839	52,331	28,196	4,402	232	2,911	16,590	10,947	12
24,925	2,259	......	5,010	12,092	5,564	4,796	29,112	1,347	2,840	52,494	28,206	4,628	240	2,904	16,516	10,942	..........p19
24,811	2,219	......	5,127	11,967	5,496	4,866	29,055	1,337	2,861	50,495	26,276	4,305	254	2,974	16,686	10,940	..........p26
																	New York City
																	1968
4,905	932	......	659	2,142	1,172	1,663	4,281	65	661	14,790	9,507	280	117	377	4,509	3,290	......Mar. 6
4,979	994	......	672	2,089	1,224	1,705	4,309	63	665	13,767	8,778	270	103	396	4,220	3,342	18
4,668	707	......	679	2,044	1,238	1,773	4,366	60	660	12,764	8,274	273	115	380	3,722	3,271	20
4,678	735	......	646	2,049	1,248	1,869	4,320	44	673	13,898	8,706	298	103	381	4,410	3,530	27
																	1969
5,139	1,278	......	651	1,831	1,379	1,473	4,663	121	724	18,309	12,977	398	122	377	4,435	4,051	......Feb. 5
4,861	1,000	......	658	1,818	1,385	1,389	4,832	115	719	17,909	12,942	275	151	356	4,185	4,089	12
4,238	517	......	583	1,961	1,177	1,391	4,728	114	707	18,477	13,529	455	129	375	3,989	4,114	19
4,086	402	......	581	1,941	1,162	1,371	4,724	113	693	17,300	12,541	307	134	379	3,939	4,165	26
4,277	611	......	614	1,903	1,149	1,512	4,746	108	721	17,858	13,125	356	130	361	3,886	4,162	......Mar. 5
4,061	459	......	601	1,851	1,150	1,459	4,744	99	707	18,365	13,312	350	112	370	4,221	4,130	12
4,091	471	......	668	1,813	1,139	1,558	4,686	98	698	18,040	13,258	375	112	362	3,933	4,113	..........p19
4,151	516	......	689	1,809	1,137	1,511	4,631	104	698	18,303	12,830	293	126	364	4,690	4,023	..........p26
																	Outside New York City
																	1968
23,264	3,425	......	3,347	12,325	4,167	2,773	21,480	1,347	2,244	31,550	13,068	4,016	103	2,191	12,172	5,973	......Mar. 6
23,176	3,374	......	3,340	12,277	4,185	2,677	21,523	1,362	2,281	31,736	13,470	4,049	96	2,415	11,706	5,894	18
22,928	3,202	......	3,397	12,172	4,157	2,742	21,684	1,360	2,244	31,666	13,174	3,950	98	2,376	12,068	5,963	20
22,387	2,702	......	3,425	12,094	4,166	2,740	21,694	1,298	2,201	30,627	12,269	3,683	101	2,504	12,070	6,069	27
																	1969
22,193	2,469	......	4,498	10,198	5,028	3,359	24,277	1,300	2,208	34,841	15,299	4,277	125	2,366	12,774	6,838	......Feb. 5
21,936	2,232	......	4,499	10,192	5,013	3,395	24,415	1,270	2,136	34,581	14,620	4,332	123	2,603	12,903	6,781	12
21,178	1,968	......	4,174	10,481	4,555	3,314	24,479	1,289	2,178	34,719	15,209	4,251	125	2,558	12,576	6,659	19
21,060	1,893	......	4,218	10,420	4,529	3,266	24,372	1,299	2,209	32,749	13,583	4,006	129	2,656	12,375	6,746	26
21,195	2,045	......	4,263	10,395	4,492	3,331	24,428	1,264	2,149	35,387	15,947	4,266	129	2,304	12,741	6,906	......Mar. 5
21,044	1,938	......	4,260	10,422	4,424	3,334	24,470	1,260	2,132	33,966	14,884	4,052	120	2,541	12,369	6,817	12
20,834	1,788	......	4,342	10,279	4,425	3,238	24,426	1,249	2,142	34,454	14,948	4,253	128	2,542	12,583	6,829	..........p19
20,660	1,703	......	4,438	10,158	4,359	3,355	24,424	1,233	2,163	32,192	13,446	4,012	128	2,610	11,996	6,917	..........p26

For notes see p. A-29

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ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Wednesday	Total unadjusted	Deposits: Demand: Total[5]	Demand: IPC	Demand: States and political subdivisions	Demand: U.S. Govt.	Demand: Domestic commercial banks	Demand: Foreign: Govt., etc.[6]	Demand: Foreign: Commercial banks	Time: Total[7]	Time: IPC: Savings	Time: IPC: Other	Time: States and political subdivisions	Time: Domestic interbank	Time: Foreign: Govt., etc.	Time: Foreign: Commercial banks
Large banks—Total															
1968															
Mar. 6	221,336	116,275	82,289	5,779	4,372	14,304	693	1,649	105,061	48,741	39,862	10,016	841	5,074	301
13	220,986	115,634	84,832	5,362	3,339	13,745	736	1,598	105,352	48,822	39,908	10,186	834	5,069	305
20	221,267	116,379	83,860	5,503	5,504	13,380	795	1,653	104,888	48,912	39,600	10,091	805	4,973	282
27	218,995	113,862	83,176	6,074	3,700	12,530	739	1,628	105,133	49,104	39,693	10,111	780	4,935	288
1969															
Feb. 5	238,794	129,101	90,077	6,708	5,410	15,900	675	1,859	109,693	48,318	44,314	11,311	579	4,656	242
12	237,959	128,447	90,897	6,441	4,426	15,847	677	1,963	109,512	48,307	44,311	11,191	571	4,622	243
19	236,840	127,542	89,457	6,413	5,160	15,653	689	1,910	109,298	48,317	44,161	11,041	592	4,663	240
26	233,958	124,747	89,131	6,272	3,882	14,915	625	1,829	109,211	48,335	44,201	11,025	555	4,592	238
Mar. 5	236,726	127,747	90,577	6,307	3,284	16,485	703	1,894	108,979	48,445	43,997	10,925	562	4,549	234
12	234,060	125,175	91,724	5,848	1,671	15,409	669	1,884	108,885	48,514	43,907	10,867	563	4,539	234
19p	234,427	126,084	90,223	5,750	4,352	15,441	687	1,808	108,343	48,634	43,483	10,691	538	4,509	226
26p	231,735	123,327	89,738	6,252	2,328	15,239	661	1,817	108,408	48,667	43,468	10,713	544	4,522	231
New York City															
1968															
Mar. 6	50,616	32,162	19,629	447	1,053	4,231	545	1,162	18,454	4,723	8,871	879	541	3,193	163
18	49,919	31,379	20,230	339	832	4,166	580	1,106	18,540	4,729	8,890	948	533	3,187	167
20	50,442	32,104	20,341	475	1,650	4,103	620	1,158	18,338	4,741	8,799	923	504	3,140	145
27	49,789	31,390	19,839	577	1,234	3,934	583	1,130	18,399	4,762	8,875	907	482	3,142	148
1969															
Feb. 5	54,868	37,345	21,725	615	1,640	5,639	500	1,332	17,523	4,608	8,516	990	335	2,849	145
12	54,973	37,522	22,036	570	1,348	5,812	521	1,397	17,451	4,611	8,470	976	332	2,838	146
19	54,339	37,146	21,570	517	1,441	5,887	529	1,339	17,193	4,621	8,261	871	358	2,859	145
26	53,339	36,196	21,820	538	896	5,422	469	1,296	17,143	4,626	8,249	866	325	2,857	144
Mar. 5	54,110	37,161	22,024	572	928	5,819	552	1,353	16,949	4,627	8,118	832	330	2,825	141
12	52,932	36,004	22,281	459	158	5,626	516	1,317	16,928	4,639	8,073	848	330	2,823	142
19p	53,147	36,570	22,022	497	1,077	5,644	541	1,250	16,577	4,652	7,798	784	308	2,826	135
26p	52,126	35,547	21,986	523	347	5,871	501	1,274	16,579	4,660	7,785	777	307	2,841	135
Outside New York City															
1968															
Mar. 6	170,720	84,113	62,660	5,332	3,319	10,073	148	487	86,607	44,018	30,991	9,137	300	1,881	138
18	171,067	84,255	64,602	5,023	2,507	9,579	156	492	86,812	44,093	31,018	9,238	301	1,882	138
20	170,825	84,275	63,519	5,028	3,854	9,277	175	495	86,550	44,171	30,801	9,168	301	1,833	137
27	169,206	82,472	63,337	5,497	2,466	8,596	156	498	86,734	44,342	30,818	9,204	298	1,793	140
1969															
Feb. 5	183,926	91,756	68,352	6,093	3,770	10,261	175	527	92,170	43,710	35,798	10,321	244	1,807	97
12	182,986	90,925	68,861	5,871	3,078	10,035	156	566	92,061	43,696	35,841	10,215	239	1,784	97
19	182,501	90,306	67,887	5,896	3,719	9,766	160	571	92,105	43,696	35,900	10,170	234	1,804	95
26	180,619	88,551	67,311	5,734	2,986	9,493	156	533	92,068	43,709	35,952	10,159	230	1,735	94
Mar. 5	182,616	90,586	68,553	5,735	2,356	10,666	151	541	92,030	43,818	35,879	10,093	232	1,724	93
12	181,128	89,171	69,443	5,389	1,513	9,783	153	567	91,957	43,875	35,834	10,019	233	1,716	92
19p	181,280	89,514	68,201	5,253	3,275	9,797	146	558	91,766	43,982	35,685	9,907	230	1,683	91
26p	179,609	87,780	67,752	5,729	1,981	9,368	160	543	91,829	44,007	35,683	9,936	237	1,681	96

For notes see opposite page.

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ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Borrowings		Other liabilities	Capital accounts	Total assets—Total liabilities and capital accounts	Memoranda							Wednesday
From F.R. Banks	From others				Total loans (net) adjusted [8]	Total loans (net) adjusted and investments [8]	Demand deposits adjusted [9]	Large certificates of deposit [10] Total issued	Issued to IPC's	Issued to others	Liabilities of U.S. banks to their foreign branches [11]	
												Large banks—Total
												1968
730	5,986	13,055	20,720	261,827	140,701	203,384	75,024	20,984	13,302	7,682	4,513	Mar. 6
93	5,669	13,584	20,686	261,018	140,694	203,434	76,302	21,020	13,216	7,804	4,805	13
219	6,565	12,949	20,653	261,653	141,705	204,190	76,047	20,529	13,059	7,470	4,430	20
1,206	6,024	13,764	20,648	260,637	141,545	203,449	76,657	20,538	13,097	7,441	4,920	27
												1969
951	10,923	19,092	22,106	291,866	157,479	222,936	79,515	20,603	13,083	7,520	8,567	Feb. 5
885	12,110	19,303	22,101	292,358	158,349	223,417	80,612	20,484	12,975	7,509	8,332	12
281	10,952	19,586	22,045	289,704	157,227	220,843	77,991	20,126	12,659	7,467	8,543	19
260	11,200	19,863	22,073	287,354	157,587	220,780	79,826	19,968	12,592	7,376	8,869	26
538	12,772	20,023	22,230	292,289	158,620	222,351	78,906	19,592	12,311	7,281	9,172	Mar. 5
557	12,250	20,642	22,222	289,731	158,348	221,658	79,897	19,395	12,116	7,279	9,393	12
630	12,399	20,943	22,161	290,560	159,027	222,047	78,085	18,809	11,629	7,180	9,827	19p
701	12,296	20,936	22,185	287,853	158,415	221,295	79,484	18,792	11,596	7,196	9,883	26p
												New York City
												1968
12	1,797	6,622	5,531	64,578	34,360	45,935	17,371	6,589	4,306	2,283	3,619	Mar. 6
....	1,291	7,081	5,530	63,821	34,206	45,927	17,603	6,594	4,278	2,316	3,865	18
10	1,510	6,382	5,520	63,864	34,698	46,225	18,077	6,449	4,359	2,090	3,427	20
168	1,908	7,090	5,510	64,465	34,661	46,245	17,516	6,452	4,403	2,049	3,881	27
												1969
316	2,906	10,218	5,926	74,234	38,403	50,523	17,089	5,357	3,552	1,805	5,944	Feb. 5
194	3,511	10,262	5,923	74,863	39,027	50,943	17,420	5,281	3,484	1,797	5,780	12
....	3,021	10,460	5,910	73,730	38,037	49,215	16,289	5,069	3,270	1,799	5,948	19
....	2,930	10,659	5,896	72,824	38,287	49,274	17,337	4,992	3,243	1,749	6,185	26
95	3,458	10,642	5,942	74,247	38,818	50,182	17,289	4,802	3,093	1,709	6,492	Mar. 5
10	3,549	11,320	5,945	73,756	38,652	49,722	16,908	4,745	3,020	1,725	6,801	12
135	3,145	11,357	5,923	73,707	38,751	49,882	16,591	4,444	2,748	1,696	7,061	19p
....	3,497	11,455	5,893	72,971	38,156	49,251	16,499	4,417	2,720	1,697	7,162	26p
												Outside New York City
												1968
718	4,189	6,433	15,189	197,249	106,341	157,449	57,653	14,395	8,996	5,399	894	Mar. 6
93	4,378	6,503	15,156	197,197	106,488	157,507	58,699	14,426	8,938	5,488	940	18
209	5,055	6,567	15,133	197,789	107,007	157,965	57,970	14,080	8,700	5,380	1,003	20
1,038	4,116	6,674	15,138	196,172	106,884	157,204	59,141	14,086	8,694	5,392	1,039	27
												1969
635	8,017	8,874	16,180	217,632	119,076	172,413	62,426	15,246	9,531	5,715	2,623	Feb. 5
691	8,599	9,041	16,178	217,495	119,322	172,474	63,192	15,203	9,491	5,712	2,552	12
281	7,931	9,126	16,135	215,974	119,190	171,628	61,702	15,057	9,389	5,668	2,595	17
260	8,270	9,204	16,177	214,530	119,300	171,506	62,489	14,976	9,349	5,627	2,684	26
443	9,314	9,381	16,288	218,042	119,802	172,169	61,617	14,790	9,218	5,572	2,680	Mar. 5
547	8,701	9,322	16,277	215,975	119,696	171,936	62,989	14,650	9,096	5,554	2,592	12
495	9,254	9,586	16,238	216,853	120,276	172,165	61,494	14,365	8,881	5,484	2,766	19p
701	8,799	9,481	16,292	214,882	120,259	172,044	62,985	14,375	8,876	5,499	2,721	26p

[1] After deduction of valuation reserves. [2] Individual items shown gross.
[3] Includes short-term notes and bills (less than 1 year to maturity) issued by States and political subdivisions. [4] Federal agencies only.
[5] Includes certified and officers' checks, not shown separately.
[6] Deposits of foreign governments and official institutions, central banks, and international institutions.
[7] Includes U.S. Government and postal savings not shown separately.
[8] Exclusive of loans to domestic commercial banks.
[9] All demand deposits except U.S. Government and domestic commercial banks, less cash items in process of collection.
[10] Issues in denominations of $100,000 or more.

[11] Liabilities to branches are reported gross; because of adjustments and some differences in coverage, these figures are not directly comparable with the other data in this table. For historical data, see Table 19, page A-83.

NOTE.—Beginning June 29, 1966, coverage of series was changed from Weekly Reporting Member Banks to Weekly Reporting Large Commercial Banks (earlier figures for 1966 are comparable with the new series). Also beginning June 29, 1966, detailed breakdown is shown of "All other loans," of "Other securities," and of ownership of time certificates of deposit in denominations of $100,000 or more. For description of revisions, see Aug. 1966 BULLETIN, pp. 1137-40.

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COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Industry	Outstanding					Net change during							
	1969					1969				1968		1968	
	Mar. 26	Mar. 19	Mar. 12	Mar. 5	Feb. 26	Mar.	Feb.	Jan.	I	IV	III	2nd half[p]	1st half
Durable goods manufacturing:													
Primary metals	1,978	1,981	1,971	1,951	1,939	39	4	44	87	−224	168	−56	571
Machinery	5,063	5,041	4,863	4,797	4,695	368	11	75	454	11	22	33	286
Transportation equipment	2,077	2,138	2,069	2,074	2,079	−2	70	89	157	109	−45	64	44
Other fabricated metal products	1,992	1,998	1,958	1,915	1,862	130	60	−48	142	−67	11	−56	210
Other durable goods	2,221	2,242	2,224	2,183	2,180	41	47	−50	38	−67	40	−27	214
Nondurable goods manufacturing:													
Food, liquor, and tobacco	2,370	2,409	2,398	2,429	2,426	−56	−58	−493	−607	570	170	740	−521
Textiles, apparel, and leather	2,428	2,414	2,381	2,358	2,308	120	162	−41	241	−217	128	−89	527
Petroleum refining	1,918	1,908	1,912	1,897	1,903	15	3	297	315	32	85	117	−68
Chemicals and rubber	2,476	2,470	2,452	2,384	2,344	132	10	−149	−7	204	−233	−29	171
Other nondurable goods	1,774	1,783	1,759	1,732	1,680	94	−34	−56	4	−82	52	−30	72
Mining, including crude petroleum and natural gas	4,947	4,963	4,979	4,976	5,012	−65	−86	387	236	116	−147	−31	558
Trade: Commodity dealers	1,310	1,365	1,414	1,387	1,377	−67	24	27	−16	302	−84	218	−497
Other wholesale	3,538	3,542	3,503	3,470	3,432	106	104	−43	167	160	54	214	100
Retail	3,857	3,834	3,800	3,887	3,822	35	233	−447	−179	566	−260	306	204
Transportation	5,324	5,317	5,309	5,271	5,242	82	−53	115	144	272	−59	213	560
Communication	1,075	1,054	1,153	1,177	1,162	−87	21	−38	−104	191	−113	78	102
Other public utilities	2,675	2,660	2,654	2,674	2,721	−46	−91	−59	−196	311	351	662	−207
Construction	3,123	3,108	3,070	3,042	3,044	79	45	81	205	79	65	144	263
Services	6,521	6,510	6,448	6,440	6,376	145	85	315	545	432	1	433	547
All other domestic loans	8,325	8,274	8,211	8,204	8,176	165	347	−80	432	472	9	481	559
Bankers' acceptances	573	553	562	570	580	−7	−54	−94	−155	−30	−53	−83	−392
Foreign commercial and industrial loans	2,551	2,580	2,564	2,564	2,546	5	−23	−25	−43	58	−55	3	−149
Total classified loans	68,116	68,144	67,654	67,382	66,906	1,226	827	−193	1,860	3,198	107	3,305	3,154
Total commercial and industrial loans	75,047	75,074	74,520	74,204	73,727	1,334	834	−246	1,922	6,608	185	3,793	3,362

See NOTE to table below.

"TERM" COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Industry	Outstanding									Net change during—				
	1969			1968						1969	1968			1968
	Mar. 26	Feb. 26	Jan. 29	Dec. 25	Nov. 27	Oct. 30	Sept. 25	Aug. 28	July 31	I	IV	III	II	2nd half
Durable goods manufacturing:														
Primary metals	1,388	1,356	1,354	1,338	1,414	1,417	1,466	1,426	1,393	50	−128	127	227	−1
Machinery	2,429	2,238	2,323	2,261	2,245	2,212	2,338	2,294	2,395	168	−77	59	125	−18
Transportation equipment	1,163	1,127	1,095	1,035	969	909	931	910	902	128	104	23	19	127
Other fabricated metal products	714	709	694	738	714	748	801	798	811	−24	−63	42	67	−21
Other durable goods	1,048	1,051	1,026	1,032	994	991	999	1,003	1,041	16	33	−29	34	4
Nondurable goods manufacturing:														
Food, liquor, and tobacco	708	681	703	775	779	755	849	823	804	−67	−74	28	−55	−46
Textiles, apparel, and leather	622	633	621	629	602	601	588	575	556	−7	41	22	11	63
Petroleum refining	1,528	1,536	1,504	1,212	1,217	1,167	1,228	1,235	1,270	316	−16	2	62	−14
Chemicals and rubber	1,600	1,568	1,583	1,688	1,544	1,544	1,538	1,462	1,516	−88	150	−81	6	69
Other nondurable goods	1,025	1,025	1,059	1,061	1,072	1,083	1,087	1,074	1,073	−36	−26	36	−10	10
Mining, including crude petroleum and natural gas	4,270	4,355	4,442	4,033	3,828	3,829	3,963	3,984	4,042	237	70	−158	74	−88
Trade: Commodity dealers	110	112	114	118	114	114	112	114	115	−8	6	−1	−2	5
Other wholesale	674	628	653	643	613	616	585	603	608	31	58	−49	49	9
Retail	1,154	1,147	1,124	1,135	1,159	1,144	1,114	1,106	1,152	19	21	−30	46	−9
Transportation	4,032	3,972	4,025	3,906	3,744	3,680	3,673	3,688	3,688	126	233	−30	200	203
Communication	437	429	438	441	459	449	472	452	453	−4	−31	26	34	−5
Other public utilities	1,230	1,228	1,245	1,224	1,181	1,077	1,071	1,001	928	6	153	256	105	409
Construction	874	875	863	808	799	782	794	774	779	66	14	25	63	39
Services	2,869	2,816	2,675	2,576	2,517	2,386	2,361	2,329	2,324	293	215	58	74	273
All other domestic loans	1,019	1,885	987	959	957	940	921	903	942	60	38	16	26	54
Foreign commercial and industrial loans	1,824	1,015	1,901	1,919	1,914	1,876	1,881	1,901	1,918	−95	38	−53	−42	−15
Total loans	30,718	30,386	30,429	29,531	28,835	28,320	28,772	28,455	28,710	1,187	759	289	1,113	1,048

NOTE.—About 160 weekly reporting banks are included in this series; these banks classify, by industry, commercial and industrial loans amounting to about 90 per cent of such loans held by all weekly reporting banks and about 70 per cent of those held by all commercial banks.

For description of series see article "Revised Series on Commercial and Industrial Loans by Industry," Feb. 1967 BULLETIN, p. 209.

Commercial and industrial "term" loans are all outstanding loans with an original maturity of more than 1 year and all outstanding loans granted under a formal agreement—revolving credit or standby—on which the original maturity of the commitment was in excess of 1 year.

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BANK RATES ON SHORT-TERM BUSINESS LOANS

Interest rate (per cent per annum)	All sizes		Size of loan (in thousands of dollars)									
			1–9		10–99		100–499		500–999		1,000 and over	
	Feb. 1969	Nov. 1968	Feb. 1969	Nov. 1968	Feb. 1969	Nov. 1968	Feb. 1969	Nov. 1968	Feb. 1969	Nov. 1968	Feb. 1969	Nov. 1968
	Percentage distribution of dollar amount											
Less than 7.00	6.9	76.9	11.7	28.0	10.3	41.3	9.3	65.9	6.6	81.5	5.2	88.9
7.00	38.4	4.7	4.6	10.9	8.6	11.5	19.1	7.0	31.5	5.1	54.0	2.1
7.01–7.49	24.4	8.7	13.6	22.0	13.1	18.2	24.8	11.8	33.2	6.7	24.6	5.7
7.50	7.6	2.7	12.1	11.0	15.3	8.5	11.5	4.7	7.7	1.7	4.5	0.6
7.51–7.99	9.7	2.6	18.7	12.0	20.8	6.7	13.6	3.8	8.1	2.4	6.2	1.0
8.00	5.1	2.1	14.1	7.0	11.1	4.9	7.7	2.5	5.3	1.0	2.7	1.5
8.01–8.49	3.4	0.8	12.7	4.2	8.5	2.9	5.9	1.4	3.5	0.5	1.2	0.2
8.50	1.7	0.5	3.8	1.3	3.3	1.5	3.0	0.9	1.2	0.6	1.1	0.2
Over 8.50	2.7	1.1	8.5	3.5	9.0	4.3	5.3	1.8	2.8	0.8	0.5	0.1
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total loans:												
Dollar (millions)	3,880.5	4,354.9	49.3	56.5	421.6	485.0	793.3	922.3	498.2	638.1	2,118.2	2,252.9
Number (thousands)	32.2	37.1	12.8	14.6	13.6	15.6	4.1	4.8	.8	1.1	.9	1.0
Center	Weighted average rates (per cent per annum)											
35 centers	7.32	6.61	7.73	7.27	7.70	7.14	7.46	6.80	7.29	6.57	7.16	6.40
New York City	7.13	6.40	7.76	7.16	7.65	6.95	7.30	6.59	7.13	6.40	7.06	6.32
7 Other Northeast	7.59	6.95	7.88	7.43	8.03	7.42	7.76	7.04	7.48	6.78	7.18	6.59
8 North Central	7.41	6.69	7.79	7.22	7.81	7.14	7.60	6.87	7.49	6.66	7.26	6.55
7 Southeast	7.01	6.44	7.37	6.98	7.20	6.85	7.09	6.62	6.79	6.42	6.84	5.75
8 Southwest	7.25	6.48	7.56	7.14	7.42	6.93	7.21	6.63	7.23	6.48	7.18	6.10
4 West Coast	7.34	6.62	8.09	7.68	7.81	7.33	7.53	6.83	7.26	6.52	7.18	6.40

NOTE.—Beginning Feb. 1967 the Quarterly Survey of Interest Rates on Business Loans was revised. For description of revised series see pp. 721–27 of the May 1967 BULLETIN.

Bank prime rate was 6 per cent during the period Jan. 1, 1967–Jan. 25, 1967. Changes thereafter to new levels (in per cent) occurred on the following dates:

1967—Jan. 26–27	5½–5¾	1968—Nov. 13	6¼
Mar. 27	5½	Dec. 2	6½
Nov. 20	6	Dec. 18	6¾
1968—Apr. 19	6½	1969—Jan. 7	7
Sept. 25	6–6¼	Mar. 17	7½

MONEY MARKET RATES

(Per cent per annum)

Period	Prime coml. paper, 4- to 6-months [1]	Finance co. paper placed directly, 3- to 6-months [2]	Prime bankers' acceptances, 90 days [1]	Federal funds rate [3]	U.S. Government securities (taxable) [4]						
					3-month bills [5]		6-month bills [5]		9- to 12-month issues		3- to 5-year issues [7]
					Rate on new issue	Market yield	Rate on new issue	Market yield	Bills (market yield) [5]	Other [6]	
1967	5.10	4.89	4.75	4.22	4.321	4.30	4.630	4.61	4.71	4.84	5.07
1968	5.90	5.69	5.75	5.66	5.339	5.33	5.470	5.48	5.45	5.62	5.59
1968—Mar.	5.64	5.40	5.50	5.05	5.144	5.16	5.293	5.33	5.40	5.55	5.77
Apr.	5.81	5.60	5.75	5.76	5.365	5.37	5.480	5.49	5.44	5.63	5.69
May	6.18	5.99	6.04	6.12	5.621	5.65	5.785	5.83	5.83	6.06	5.95
June	6.25	6.04	5.96	6.07	5.544	5.52	5.652	5.64	5.67	6.01	5.71
July	6.19	6.02	5.85	6.02	5.382	5.31	5.480	5.41	5.40	5.68	5.44
Aug.	5.88	5.74	5.66	6.03	5.095	5.08	5.224	5.23	5.15	5.41	5.32
Sept.	5.82	5.61	5.63	5.78	5.202	5.20	5.251	5.26	5.19	5.40	5.30
Oct.	5.80	5.59	5.79	5.92	5.334	5.35	5.401	5.41	5.33	5.44	5.42
Nov.	5.92	5.75	5.97	5.81	5.492	5.45	5.618	5.59	5.51	5.56	5.47
Dec.	6.17	5.86	6.20	6.02	5.916	5.94	6.014	6.05	5.98	6.00	5.99
1969—Jan.	6.53	6.14	6.46	6.30	6.177	6.13	6.312	6.28	6.05	6.26	6.04
Feb.	6.62	6.33	6.47	6.64	6.156	6.12	6.309	6.30	6.19	6.21	6.16
Mar.	6.82	6.38	6.66	6.79	6.080	6.01	6.223	6.16	6.19	6.22	6.33
Week ending—											
1969—Mar. 1	6.75	6.38	6.63	6.61	6.080	6.10	6.258	6.30	6.26	6.26	6.29
8	6.75	6.38	6.68	6.75	6.215	6.11	6.342	6.27	6.30	6.28	6.37
15	6.75	6.38	6.70	6.75	6.049	6.01	6.233	6.16	6.19	6.23	6.34
22	6.88	6.38	6.63	6.82	6.108	6.00	6.221	6.16	6.17	6.19	6.34
29	6.88	6.38	6.63	6.87	5.946	5.94	6.096	6.06	6.10	6.18	6.30

[1] Averages of daily offering rates of dealers.
[2] Averages of daily rates, published by finance companies, for varying maturities in the 90–179 day range.
[3] Seven-day average for week ending Wednesday.
[4] Except for new bill issues, yields are averages computed from daily closing bid prices.
[5] Bills quoted on bank discount rate basis.
[6] Certificates and selected note and bond issues.
[7] Selected note and bond issues.

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BOND AND STOCK YIELDS

(Per cent per annum)

Period	Government bonds				Corporate bonds						Stocks		
	United States (long-term)	State and local			Total[1]	By selected rating		By group			Dividend/price ratio		Earnings/price ratio
		Total[1]	Aaa	Baa		Aaa	Baa	Industrial	Railroad	Public utility	Preferred	Common	Common
1961	3.90	3.60	3.27	4.01	4.66	4.35	5.08	4.54	4.86	4.57	4.66	2.98	4.76
1962	3.95	3.30	3.03	3.67	4.62	4.33	5.02	4.47	4.86	4.51	4.50	3.37	6.06
1963	4.00	3.28	3.06	3.58	4.50	4.26	4.86	4.42	4.65	4.41	4.30	3.17	5.68
1964	4.15	3.28	3.09	3.54	4.57	4.40	4.83	4.52	4.67	4.53	4.32	3.01	5.54
1965	4.21	3.34	3.16	3.57	4.64	4.49	4.87	4.61	4.72	4.60	4.33	3.00	5.87
1966	4.66	3.90	3.67	4.21	5.34	5.13	5.67	5.30	5.37	5.36	4.97	3.40	6.72
1967	4.85	3.99	3.74	4.30	5.82	5.51	6.23	5.74	5.89	5.81	5.34	3.20	5.71
1968	5.25	4.48	4.20	4.88	6.51	6.18	6.94	6.41	6.77	6.49	5.78	3.07	....
1968—Mar.	5.39	4.54	4.28	4.89	6.42	6.11	6.85	6.33	6.67	6.39	5.80	3.34	6.10
Apr.	5.28	4.44	4.13	4.84	6.53	6.21	6.97	6.42	6.79	6.54	5.86	3.12	....
May	5.40	4.59	4.28	4.96	6.60	6.27	7.03	6.49	6.87	6.60	5.92	3.07	....
June	5.23	4.59	4.21	5.06	6.63	6.28	7.07	6.54	6.88	6.60	5.90	3.00	5.80
July	5.09	4.45	4.12	4.91	6.57	6.24	6.98	6.50	6.82	6.53	5.74	3.00	....
Aug.	5.04	4.29	4.00	4.72	6.37	6.02	6.82	6.26	6.72	6.30	5.59	3.09	....
Sept.	5.09	4.45	4.23	4.78	6.35	5.97	6.79	6.24	6.70	6.27	5.63	3.01	5.68
Oct.	5.24	4.49	4.21	4.89	6.43	6.09	6.84	6.35	6.72	6.39	5.76	2.94	....
Nov.	5.36	4.60	4.33	4.98	6.56	6.19	7.01	6.47	6.78	6.58	5.82	2.92	....
Dec.	5.65	4.76	4.50	5.18	6.80	6.45	7.23	6.72	6.97	6.85	5.93	2.93	....
1969—Jan.	5.74	4.89	4.58	5.34	6.89	6.59	7.32	6.78	6.98	7.02	5.93	3.06	....
Feb.	5.86	5.02	4.74	5.44	6.93	6.66	7.30	6.82	6.98	7.05	5.94	3.10	....
Mar.	6.05	5.25	4.97	5.61	7.11	6.85	7.51	7.02	7.16	7.23	6.09	3.17	....
Week ending—													
1968—Dec. 7	5.56	4.68	4.40	5.07	6.69	6.33	7.14	6.63	6.86	6.69	5.81	2.87	....
14	5.55	4.73	4.45	5.15	6.77	6.45	7.18	6.71	6.94	6.87	5.87	2.90	....
21	5.66	4.82	4.57	5.25	6.82	6.48	7.24	6.73	6.99	6.87	5.92	2.91	....
28	5.82	4.82	4.57	5.25	6.88	6.53	7.31	6.77	7.05	6.96	6.02	2.96	....
1969—Jan. 4	5.74	4.82	4.57	5.25	6.91	6.55	7.35	6.79	7.02	7.03	6.01	2.99	....
11	5.78	4.90	4.58	5.35	6.91	6.58	7.35	6.80	6.98	7.03	5.96	3.08	....
18	5.72	4.90	4.58	5.35	6.90	6.59	7.34	6.78	6.98	7.03	5.94	3.06	....
25	5.70	4.90	4.58	5.35	6.89	6.59	7.29	6.75	6.96	7.02	5.91	3.05	....
Feb. 1	5.79	4.95	4.60	5.40	6.87	6.59	7.27	6.74	6.99	6.98	5.89	3.05	....
8	5.88	5.03	4.72	5.45	6.90	6.63	7.29	6.78	6.98	7.02	5.88	3.04	....
15	5.76	5.03	4.72	5.45	6.94	6.66	7.31	6.84	6.99	7.06	5.90	3.03	....
22	5.86	4.97	4.70	5.38	6.93	6.66	7.28	6.83	6.99	7.05	5.93	3.12	....
Mar. 1	5.93	5.06	4.80	5.45	6.94	6.68	7.30	6.85	6.99	7.06	6.03	3.19	....
8	5.95	5.18	4.90	5.55	7.00	6.72	7.39	6.88	7.06	7.12	6.07	3.16	....
15	6.07	5.20	4.92	5.60	7.05	6.75	7.46	6.92	7.13	7.18	6.08	3.18	....
22	6.11	5.30	5.02	5.65	7.18	6.94	7.57	7.11	7.20	7.27	6.09	3.18	....
29	6.07	5.30	5.02	5.65	7.23	6.99	7.63	7.16	7.24	7.35	6.12	3.14	....
Number of issues[2]	9	20	5	5	108	18	30	38	30	40	14	500	500

[1] Includes bonds rated Aa and A, data for which are not shown separately. Because of a limited number of suitable issues, the number of corporate bonds in some groups has varied somewhat. As of Dec. 23, 1967, Aaa-rated railroad bonds are no longer a component of the railroad average or the Aaa composite series.

[2] Number of issues varies over time; figures shown reflect most recent count.

NOTE.—Annual yields are averages of monthly or quarterly data. Monthly and weekly yields are computed as follows: *U.S. Govt. bonds:* Averages of daily figures for bonds maturing or callable in 10 years or more. *State and local govt. bonds:* General obligations only, based on Thurs. figures. *Corporate bonds:* Averages of daily figures. Both of these series are from Moody's Investors Service series.

Stocks: Standard and Poor's Corporate series. Dividend/price ratios are based on Wed. figures; earnings/price ratios are as of end of period. Preferred stock ratio is based on 8 median yields for a sample of noncallable issues—12 industrial and 2 public utility; common stock ratios on the 500 stocks in the price index. Quarterly earnings are seasonally adjusted at annual rates.

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SECURITY PRICES

Period	Bond prices (per cent of par)			Common stock prices										Volume of trading in stocks in thousands of shares	
				New York Stock Exchange									American Stock Exchange total index[1]		
				Standard and Poor's index (1941-43=10)				New York Stock Exchange index (Dec. 31, 1965=50)							
	U.S. Govt. (long-term)	State and local	Corporate AAA	Total	Industrial	Railroad	Public utility	Total	Industrial	Transportation	Utility	Finance		NYSE	AMEX
1966	78.63	102.6	86.1	85.26	91.09	46.34	68.21	46.15	46.19	50.28	45.41	44.25	14.67	7,538	2,741
1967	76.55	100.5	81.8	91.93	99.18	46.72	68.10	50.77	51.97	53.51	45.43	49.82	19.67	10,143	4,508
1968	72.33	93.5	76.4	98.70	107.49	48.84	66.42	55.37	58.00	50.58	44.19	65.85	27.72	12,971	6,353
1968—Mar.	70.98	92.7	76.9	89.09	96.77	41.68	62.62	49.48	51.54	43.29	41.78	52.98	22.21	9,178	3,600
Apr.	72.06	94.7	76.2	95.67	104.42	44.79	63.66	53.23	56.03	46.85	42.46	57.56	24.39	14,779	6,536
May	70.89	92.7	75.3	97.87	107.02	48.00	62.92	54.85	58.04	49.92	42.07	60.43	27.17	13,276	8,142
June	72.58	92.8	75.6	100.53	109.73	51.72	65.21	56.64	59.83	52.86	43.30	64.60	29.20	15,139	7,491
July	73.99	95.3	76.1	100.30	109.16	51.01	67.55	56.41	59.12	51.59	44.69	68.90	29.18	14,266	6,600
Aug.	74.48	95.9	78.1	98.11	106.77	48.80	66.60	55.04	57.59	49.01	44.09	68.19	28.38	10,718	4,778
Sept.	73.95	93.7	78.4	101.34	110.53	51.11	66.77	56.80	59.57	51.94	44.53	71.77	29.75	13,435	6,542
Oct.	72.44	92.7	77.0	103.76	113.29	54.26	66.93	58.32	61.07	55.24	45.22	77.50	30.76	15,112	6,376
Nov.	71.27	91.2	75.7	105.40	114.77	53.74	70.59	59.44	61.97	55.96	47.18	79.55	31.24	14,821	6,789
Dec.	68.47	89.2	73.0	106.48	116.01	55.19	70.54	60.32	63.21	57.30	46.73	79.00	32.96	14,865	8,075
1969—Jan.	67.61	88.0	72.3	102.04	111.00	54.11	68.65	57.82	60.32	56.35	45.64	75.58	32.15	12,122	6,781
Feb.	66.55	86.4	71.8	101.46	110.15	54.78	69.24	57.33	59.61	56.18	45.98	75.26	31.67	11,685	5,801
Mar.	64.90	83.7	70.6	99.30	108.20	50.46	66.07	55.69	58.30	51.52	44.06	70.60	29.92	9,960	4,401
Week ending—															
Mar. 1	65.96	85.5	71.4	98.26	106.71	52.12	67.16	55.32	57.58	53.32	44.56	70.99	30.14	10,654	4,883
8	65.75	84.5	71.3	98.95	107.66	51.34	66.66	55.57	58.03	52.48	44.37	70.20	29.94	9,895	4,507
15	64.75	84.1	71.2	98.75	107.53	50.09	66.23	55.38	57.91	51.29	44.11	69.96	29.73	9,242	3,786
22	64.34	83.1	70.4	99.08	108.01	50.13	65.67	55.55	58.18	51.13	43.88	70.40	29.67	10,042	4,302
29	64.75	83.0	69.4	100.43	109.62	50.29	65.73	56.26	59.07	51.20	43.86	71.84	30.25	10,661	5,009

[1] Begins June 30, 1965, at 10.90. On that day the average price of a share of stock listed on the American Stock Exchange was $10.90.

NOTE.—Annual data are averages of monthly figures. Monthly and weekly data are averages of daily figures unless otherwise noted and are computed as follows: *U.S. Govt. bonds*, derived from average market yields in table at bottom of preceding page on basis of an assumed 3 per cent, 20-year bond. *Municipal and corporate bonds*, derived from average yields as computed by Standard and Poor's Corp., on basis of a 4 per cent, 20-year bond; Wed. closing prices. *Common stocks*, derived from component common stock prices. *Volume of trading*, average daily trading in stocks on the exchanges for a 5½-hour trading day; beginning Jan. 1969 a 4-hour trading day.

TERMS ON CONVENTIONAL FIRST MORTGAGES

Period	New homes						Existing homes					
	Contract rate (per cent)	Fees & charges (per cent)[1]	Maturity (years)	Loan/price ratio (per cent)	Purchase price (thous. of dollars)	Loan amount (thous. of dollars)	Contract rate (per cent)	Fees & charges (per cent)[1]	Maturity (years)	Loan/price ratio (per cent)	Purchase price (thous. of dollars)	Loan amount (thous. of dollars)
1963	5.84	.64	24.0	73.3	22.5	16.3	5.98	.60	19.2	70.8	17.8	12.6
1964	5.78	.57	24.8	74.1	23.7	17.3	5.92	.55	20.0	71.3	18.9	13.4
1965	5.74	.49	25.0	73.9	25.1	18.3	5.87	.55	21.8	72.7	21.6	15.6
1966	6.14	.71	24.7	73.0	26.6	19.2	6.30	.72	21.7	72.0	22.2	15.9
1967	6.33	.81	25.2	73.6	28.0	20.4	6.40	.76	22.5	72.7	24.1	17.4
1968	6.83	.89	25.5	73.9	30.7	22.4	6.90	.83	22.7	73.0	25.6	18.5
1968—Jan.	6.39	.86	25.4	72.9	29.7	21.5	6.57	.82	22.7	73.7	24.9	18.0
Feb.	6.47	.94	25.5	74.5	29.8	21.9	6.58	.81	22.6	73.6	24.5	17.9
Mar.	6.50	.88	25.7	74.3	30.2	22.2	6.59	.79	23.0	73.3	25.4	18.3
Apr.	6.57	.88	25.3	73.4	30.3	21.9	6.64	.80	22.6	72.8	25.1	18.1
May	6.69	.95	25.0	73.2	30.2	21.7	6.81	.87	22.5	73.1	25.3	18.3
June	6.88	.95	25.4	74.4	30.4	22.3	6.97	.86	22.6	73.1	25.2	18.2
July	7.04	.85	25.5	73.7	30.5	22.2	7.10	.83	22.5	72.6	25.7	18.5
Aug.	7.10	.87	25.5	73.6	31.0	22.6	7.12	.85	22.7	73.0	25.6	18.6
Sept.	7.10	.87	25.5	74.2	30.3	22.1	7.11	.82	22.6	72.6	25.4	18.3
Oct.	7.09	.88	25.6	74.5	31.0	22.7	7.09	.84	22.5	72.4	25.5	18.3
Nov.	7.07	.84	25.4	74.1	30.7	22.5	7.07	.82	22.7	72.9	26.2	18.9
Dec.	7.09	.89	25.9	74.0	33.7	24.7	7.09	.85	23.3	73.2	28.1	20.4
1969—Jan.	7.16	.84	25.6	73.6	33.2	24.1	7.18	.86	22.8	72.6	27.9	20.0
Feb.p	7.26	.80	25.6	73.2	32.4	23.5	7.28	.86	22.9	72.8	27.3	19.7

[1] Fees and charges—related to principal mortgage amount—include loan commissions, fees, discounts, and other charges, which provide added income to the lender and are paid by the borrower. They exclude any closing costs related solely to transfer of property ownership.

NOTE.—Compiled by Federal Home Loan Bank Board in cooperation with Federal Deposit Insurance Corporation. Data are weighted averages based on probability sample survey of characteristics of mortgages originated by major institutional lender groups (including mortgage companies) for purchase of single-family homes. Data exclude loans for refinancing, reconditioning, or modernization; construction loans to homebuilders; and permanent loans that are coupled with construction loans to owner-builders. Series beginning 1965, not strictly comparable with earlier data. See also the table on Home-Mortgage Yields, p. A-51.

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STOCK MARKET CREDIT

(In millions of dollars)

End of period	Credit extended to margin customers by— Brokers [1]	Banks [2]	Total	Customers' net debit balances	Customers' net free credit balances	Net credit extended by brokers
1968—Feb.	6,150	2,420	8,570	7,419	2,778	4,641
Mar.	6,190	2,370	8,560	7,248	2,692	4,556
Apr.	6,430	2,350	8,780	7,701	2,979	4,722
May	6,640	2,360	9,000	8,268	3,064	5,204
June	6,690	2,410	9,100	8,728	3,293	5,435
July	6,500	2,420	8,920	8,861	3,269	5,592
Aug.	6,460	2,490	8,950	8,489	2,984	5,505
Sept.	6,390	2,520	8,910	8,723	3,126	5,597
Oct.	6,250	2,560	8,810	8,859	3,407	5,452
Nov.	6,200	2,630	8,830	9,029	3,419	5,610
Dec.	6,200	2,710	8,900	9,790	3,717	6,073
1969—Jan.	5,900	2,750	8,650	9,107	3,597	5,510
Feb.p	5,700	2,810	8,510	9,055	3,645	5,410

1 End of month data. Total amount of credit extended by member firms of the New York Stock Exchange in margin accounts, estimated from reports by a sample of 38 firms.
2 Figures are for last Wed. of month for large commercial banks reporting weekly and represent loans made to others than brokers or dealers for the purpose of purchasing or carrying securities. Excludes loans collateralized by obligations of the U.S. Govt.
NOTE.—Customers' net debit and free credit balances ane end-of-month ledger balances as reported to the New York Stock Exchange by all member firms that carry margin accounts. They exclude balances carried for other member firms of national securities exchanges as well as balances of the reporting firm and of its general partners. Net debit balances are total debt owed by those customers whose combined accounts net to a debit. Free credit balances are in accounts of customers with no unfulfilled commitments to the broker and are subject to withdrawal on demand. Net credit extended by brokers is the difference between customers' net debit and free credit balances since the latter are available for the brokers' use until withdrawn.

REGULATORY STATUS OF MARGIN ACCOUNT DEBT AT BROKERS

(Per cent of total adjusted debt, unless otherwise indicated)

End of period	Adjusted debt/collateral value: Unrestricted — Under 30 per cent (1968 Feb.–May) / Under 20	Unrestricted — 20–29	Restricted — 30–39 per cent	40–49 per cent	50–59 per cent	60 per cent or more	Total adjusted debt (millions of dollars)
1968–Feb.	4.1		56.8	14.4	5.3	19.4	11,870
Mar.	5.9		53.3	15.5	6.1	19.2	11,700
Apr.	19.8		46.1	10.8	4.7	18.7	12,270
May	21.9		45.0	9.4	4.9	18.8	12,820
June	0.8	22.1	47.3	8.5	4.0	17.3	12,590
July	1.2	21.3	43.5	10.4	5.1	18.5	12,060
Aug.	2.7	25.9	37.9	10.1	4.9	18.6	11,900
Sept.	5.4	32.4	29.6	8.8	4.1	19.7	11,910
Oct.	4.3	35.9	27.0	8.9	4.2	19.7	11,540
Nov.	10.6	36.4	21.4	7.6	3.6	20.4	11,460
Dec.	3.8	38.9	20.2	7.5	3.8	26.3	12,060
1969 Jan.	5.9	40.6	20.9	8.1	4.4	20.1	11,080
Feb.p	2.6	38.8	22.9	9.4	5.1	21.1	10,700

NOTE.—Adjusted debt is computed in accordance with requirements set forth in Regulation T and often differs from the same customer's net debit balance mainly because of the inclusion of special miscellaneous accounts in adjusted debt. Collateral in the margin accounts covered by these data now consists exclusively of stocks listed on a national securities exchange. Unrestricted accounts are those in which adjusted debt does not exceed the loan value of collateral; accounts in all classes with higher ratios are restricted.

EQUITY STATUS OF MARGIN ACCOUNT DEBT AT BROKERS

(Per cent of total debt, unless otherwise indicated)

End of period	Total debt (millions of dollars)[1]	Equity class (per cent): 70 or more (1968 Feb.–May) / 80 or more	70–79	60–69	50–59	40–49	Under 40
1968—Feb.	6,150	33.8		38.3	12.0	5.2	10.7
Mar.	6,190	32.1		37.6	14.1	5.3	11.0
Apr.	6,430	48.7		26.4	10.2	4.3	10.4
May	6,640	51.0		24.9	8.6	4.4	11.0
June	6,690	14.9	33.2	28.8	8.2	4.3	10.6
July	6,500	15.4	28.1	30.6	9.5	4.9	11.6
Aug.	6,460	17.3	28.8	28.2	9.1	4.8	11.8
Sept.	6,390	20.0	31.1	25.0	8.1	4.4	11.5
Oct.	6,250	20.9	31.3	23.3	8.7	4.0	11.8
Nov.	6,200	25.5	31.4	19.4	7.4	3.9	12.5
Dec.	6,200	24.0	30.2	19.4	8.0	4.2	14.2
1969—Jan.	5,900	24.4	29.3	20.8	7.9	4.6	13.0
Feb.p	5,700	20.5	28.3	22.6	9.1	5.4	14.1

1 See footnote 1 to table above.
NOTE.—Each customer's equity in his collateral (market value of collateral less net debit balance) is expressed as a percentage of current collateral value.

SPECIAL MISCELLANEOUS ACCOUNT BALANCES AT BROKERS, BY EQUITY STATUS OF ACCOUNTS

(Per cent of total, unless otherwise indicated)

End of period	Net credit status	Equity class of accounts in debit status: 60 per cent or more	Less than 60 per cent	Total balance (millions of dollars)
1968—Feb.	51.1	45.0	3.8	6,080
Mar.	52.5	42.9	4.5	5,820
Apr.	46.3	47.9	5.8	6,030
May	49.6	46.2	4.1	5,370
June	50.0	45.7	4.2	6,150
July	51.7	44.4	3.9	6,000
Aug.	49.8	46.4	3.8	5,780
Sept.	51.0	45.3	3.6	5,840
Oct.	52.9	40.3	5.2	5,640
Nov.	53.2	43.3	3.5	5,550
Dec.	54.4	40.4	5.2	5,690
1969—Jan.	52.7	42.3	5.1	5,650
Feb.p	52.8	41.6	5.6	5,610

NOTE.—Special miscellaneous accounts contain credit balances that may be used by customers as the margin deposit required for additional purchases. Balances may arise as transfers based on loan values of other collateral in the customer's margin account or deposits of cash (usually sales proceeds) occur.

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COMMERCIAL AND FINANCE COMPANY PAPER AND BANKERS' ACCEPTANCES OUTSTANDING

(In millions of dollars)

End of period	Commercial and finance company paper			Dollar acceptances											
				Total	Held by—						Based on—				
					Accepting banks			F.R. Banks		Others	Imports into United States	Exports from United States	Dollar exchange	Goods stored in or shipped between points in—	
	Total	Placed through dealers [1]	Placed directly [2]		Total	Own bills	Bills bought	Own acct.	Foreign corr.					United States	Foreign countries
1963	6,747	1,928	4,819	2,890	1,291	1,031	260	162	92	1,345	567	908	56	41	1,317
1964	8,361	2,223	6,138	3,385	1,671	1,301	370	94	122	1,498	667	999	111	43	1,565
1965	9,058	1,903	7,155	3,392	1,223	1,094	129	187	144	1,837	792	974	27	35	1,564
1966	13,279	3,089	10,190	3,603	1,198	983	215	193	191	2,022	997	829	103	80	1,595
1967	16,635	4,901	11,634	4,317	1,906	1,447	459	164	156	2,090	1,086	989	37	162	2,042
1968—Mar.	18,487	5,832	12,655	4,336	1,884	1,395	490	90	100	2,262	1,125	1,032	36	117	2,027
Apr.	17,509	5,930	11,579	4,430	1,778	1,409	369	87	118	2,447	1,229	1,025	18	116	2,042
May	18,417	5,761	12,656	4,359	1,624	1,282	342	56	132	2,547	1,267	1,007	17	77	1,992
June	18,798	5,822	12,976	4,286	1,677	1,366	311	134	112	2,364	1,338	944	23	55	1,925
July	19,746	6,270	13,476	4,330	1,751	1,410	341	99	128	2,352	1,390	917	42	54	1,927
Aug.	20,734	7,091	13,643	4,418	1,819	1,474	344	51	149	2,399	1,435	932	100	52	1,899
Sept.	20,264	7,737	12,527	4,327	1,714	1,393	321	86	124	2,403	1,420	945	78	46	1,838
Oct.	20,839	7,592	13,247	4,420	1,551	1,280	271	56	119	2,695	1,479	921	80	53	1,887
Nov.	22,220	7,758	14,462	4,389	1,605	1,352	253	58	114	2,612	1,476	922	68	55	1,869
Dec.	20,497	7,201	13,296	4,428	1,544	1,344	200	58	109	2,717	1,423	952	52	68	1,934
1969—Jan.	21,813	7,873	13,940	4,370	1,407	1,211	195	50	104	2,809	1,405	906	93	111	1,854
Feb.	22,865	8,342	14,523	4,420	1,473	1,263	210	91	99	2,757	1,449	859	82	120	1,910

1 As reported by dealers; includes finance company paper as well as other commercial paper sold in the open market.

2 As reported by finance companies that place their paper directly with investors.

MUTUAL SAVINGS BANKS

(Amounts in millions of dollars)

End of period	Loans		Securities			Cash	Other assets	Total assets—Total liabilities and general reserve accts.	Deposits [2]	Other liabilities	General reserve accounts	Mortgage loan commitments [3] classified by maturity (in months)			
	Mortgage	Other	U.S. Govt.	State and local govt.	Corporate and other [1]							3 or less	3–9	Over 9	Total
1941	4,787	89	3,592	1,786		829	689	11,772	10,503	38	1,231	n.a.	n.a.	n.a.	n.a.
1945	4,202	62	10,650	1,257		606	185	16,962	15,332	48	1,582	n.a.	n.a.	n.a.	n.a.
1960	26,702	416	6,243	672	5,076	874	589	40,571	36,343	678	3,550	n.a.	n.a.	n.a.	1,200
1961	28,902	475	6,160	677	5,040	937	640	42,829	38,277	781	3,771	n.a.	n.a.	n.a.	1,654
1962	32,056	602	6,107	527	5,177	956	695	46,121	41,336	828	3,957	n.a.	n.a.	n.a.	2,548
1963	36,007	607	5,863	440	5,074	912	799	49,702	44,606	943	4,153	n.a.	n.a.	n.a.	2,249
1964	40,328	739	5,791	391	5,099	1,004	886	54,238	48,849	989	4,400	n.a.	n.a.	n.a.	2,820
1965	44,433	862	5,485	320	5,170	1,017	944	58,232	52,443	1,124	4,665	n.a.	n.a.	n.a.	2,697
1966	47,193	1,078	4,764	251	5,719	953	1,024	60,982	55,006	1,114	4,863	n.a.	n.a.	n.a.	2,010
1967	50,311	1,203	4,319	219	8,183	993	1,138	66,365	60,121	1,260	4,984	742	982	799	2,523
1968—Feb.	50,902	1,334	4,405	220	8,672	903	1,156	67,592	60,945	1,575	5,071	627	955	818	2,400
Mar.	51,039	1,341	4,412	229	8,937	914	1,198	68,070	61,615	1,388	5,067	669	1,036	772	2,477
Apr.	51,199	1,267	4,303	221	9,113	871	1,190	68,165	61,554	1,553	5,058	695	906	961	2,561
May	51,402	1,474	4,374	421	9,213	877	1,215	68,768	61,926	1,732	5,110	650	1,069	949	2,669
June	51,621	1,387	4,235	206	9,403	951	1,230	69,034	62,411	1,503	5,120	640	1,051	1,018	2,709
July	51,869	1,385	4,213	205	9,616	924	1,218	69,429	62,607	1,706	5,116	737	1,046	996	2,779
Aug.	52,102	1,489	4,203	201	9,778	912	1,217	69,902	62,851	1,871	5,180	776	1,094	1,058	2,928
Sept.	52,323	1,468	4,139	204	9,827	990	1,253	70,203	63,381	1,628	5,194	889	1,067	1,015	2,971
Oct.	52,636	1,431	3,999	195	9,913	911	1,227	70,312	63,550	1,567	5,195	835	1,144	1,090	3,070
Nov.	52,946	1,532	3,913	200	10,001	914	1,267	70,773	63,800	1,707	5,266	945	1,132	1,125	3,202
Dec. r	53,286	1,407	3,834	194	10,180	996	1,256	71,152	64,507	1,372	5,273	811	1,034	1,166	3,011
1969—Jan. r	53,579	1,426	3,962	195	10,298	835	1,256	71,550	64,747	1,507	5,295	760	1,073	1,186	3,020
Feb.	53,807	1,559	3,989	190	10,429	888	1,269	72,132	65,087	1,692	5,353	711	1,165	1,210	3,085

1 Also includes securities of foreign governments and international organizations and nonguaranteed issues of U.S. Govt. agencies.

2 See note 5, p. A-18.

3 Commitments outstanding of banks in New York State as reported to the Savings Banks Assn. of the State of New York. Data include building loans beginning with Aug. 1967.

NOTE.—National Assn. of Mutual Savings Banks data; figures are estimates for all savings banks in the United States and differ somewhat from those shown elsewhere in the BULLETIN; the latter are for call dates and are based on reports filed with U.S. Govt. and State bank supervisory agencies. Loans are shown net of valuation reserves. Figures for Jan. and June 1968 include one savings and loan that converted to a mutual savings bank.

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LIFE INSURANCE COMPANIES

(In millions of dollars)

End of period	Total assets	Government securities				Business securities			Mort-gages	Real estate	Policy loans	Other assets
		Total	United States	State and local	Foreign [1]	Total	Bonds	Stocks				
Statement value:												
1960	119,576	11,679	6,427	3,588	1,664	51,857	46,876	4,981	41,771	3,765	5,231	5,273
1961	126,816	11,896	6,134	3,888	1,874	55,294	49,036	6,258	44,203	4,007	5,733	5,683
1962	133,291	12,448	6,170	4,026	2,252	57,576	51,274	6,302	46,902	4,107	6,234	6,024
1963	141,121	12,438	5,813	3,852	2,773	60,780	53,645	7,135	50,544	4,319	6,655	6,385
1964	149,470	12,322	5,594	3,774	2,954	63,579	55,641	7,938	55,152	4,528	7,140	6,749
1965	158,884	11,679	5,119	3,530	3,030	67,599	58,473	9,126	60,013	4,681	7,678	7,234
1966	167,022	10,837	4,823	3,114	2,900	69,816	61,061	8,755	64,609	4,883	9,117	7,760
1967	177,361	10,505	4,587	2,976	2,942	75,707	64,920	10,787	67,516	5,186	10,059	8,388
Book value:												
1964	149,470	12,343	5,594	3,785	2,964	62,112	55,735	6,377	55,197	4,534	7,141	8,143
1965	158,884	11,703	5,119	3,546	3,038	65,801	58,532	7,269	60,057	4,686	7,679	8,958
1966	167,022	10,864	4,824	3,131	2,909	68,677	61,141	7,536	64,661	4,888	9,119	8,813
1967	177,361	10,530	4,587	2,993	2,950	73,997	65,015	8,982	67,575	5,188	10,060	10,011
1968—Jan. r	178,173	10,575	4,574	3,001	3,000	74,830	65,804	9,026	67,733	5,209	10,140	9,686
Feb.	178,762	10,584	4,616	2,997	2,971	75,266	66,095	9,171	67,867	5,244	10,258	9,543
Mar.	179,477	10,562	4,582	3,007	2,973	75,760	66,412	9,348	68,055	5,263	10,362	9,475
Apr.	180,411	10,493	4,496	3,016	2,981	76,087	66,661	9,426	68,123	5,303	10,474	9,931
May	181,234	10,584	4,581	3,018	2,985	76,428	66,838	9,590	68,339	5,337	10,599	9,947
June	182,110	10,360	4,365	3,002	2,993	76,987	67,234	9,753	68,508	5,366	10,729	10,160
July	183,094	10,476	4,400	3,038	3,038	77,602	67,659	9,943	68,708	5,424	10,813	10,071
Aug.	183,840	10,491	4,427	3,023	3,041	77,894	67,850	10,044	68,909	5,474	10,925	10,147
Sept.	184,752	10,505	4,443	3,012	3,050	78,176	68,002	10,174	69,024	5,496	11,026	10,525
Oct.	185,701	10,574	4,479	3,025	3,070	78,754	68,411	10,343	69,212	5,510	11,117	10,534
Nov.	186,892	10,531	4,415	3,037	3,079	79,304	68,793	10,511	69,407	5,535	11,197	10,918
Dec.	187,695	10,483	4,365	3,036	3,082	79,403	68,575	10,828	70,071	5,573	11,284	10,881
1969—Jan.	188,972	10,602	4,400	3,048	3,154	80,418	69,350	11,068	70,205	5,620	11,399	10,728

[1] Issues of foreign governments and their subdivisions and bonds of the International Bank for Reconstruction and Development.

NOTE.—Institute of Life Insurance data; figures are estimates for all life insurance companies in the United States.

Year-end figures: Annual statement asset values, with bonds carried on an amortized basis and stocks at year-end market value. *Month-end figures:* Book value of ledger assets. Adjustments for interest due and accrued and for differences between market and book values are not made on each item separately but are included in total, in "other assets."

SAVINGS AND LOAN ASSOCIATIONS

(In millions of dollars)

End of period	Assets				Total assets[2]—Total liabilities	Liabilities					Mortgage loan commit-ments[4]
	Mort-gages	U.S. Govt. securi-ties	Cash	Other[1]		Savings capital	Reserves and undivided profits	Borrowed money[3]	Loans in process	Other	
1960	60,070	4,595	2,680	4,131	71,476	62,142	4,983	2,197	1,186	968	1,359
1961	68,834	5,211	3,315	4,775	82,135	70,885	5,708	2,856	1,550	1,136	1,908
1962	78,770	5,563	3,926	5,346	93,605	80,236	6,520	3,629	1,999	1,221	2,230
1963	90,944	6,445	3,979	6,191	107,559	91,308	7,209	5,015	2,528	1,499	2,614
1964	101,333	6,966	4,015	7,041	119,355	101,887	7,899	5,601	2,239	1,729	2,590
1965	110,306	7,414	3,900	7,960	129,580	110,385	8,704	6,444	2,198	1,849	2,751
1966	114,447	7,771	3,362	8,416	133,996	114,009	9,102	7,464	1,272	2,149	1,517
1967p	121,893	9,244	3,408	9,057	143,602	124,562	9,557	4,739	2,281	2,463	3,631
1968—Feb.	122,548	9,711	2,898	9,314	144,471	124,685	9,556	4,595	2,181	3,454	3,386
Mar.	123,337	9,904	2,943	9,385	145,569	125,960	9,546	4,511	2,300	3,252	3,840
Apr.	124,216	9,761	2,803	9,375	146,155	125,666	9,541	4,806	2,437	3,705	4,051
May	125,173	10,101	2,760	9,691	147,725	126,423	9,536	4,955	2,562	4,249	3,993
June	125,900	9,822	3,006	9,583	148,311	127,917	9,849	5,194	2,592	2,759	3,762
July	126,618	9,700	2,449	9,513	148,280	127,312	9,840	5,276	2,536	3,316	3,918
Aug.	127,492	9,604	2,409	9,615	149,120	127,701	9,834	5,274	2,438	3,873	3,849
Sept.	128,302	9,533	2,528	9,608	149,971	128,834	9,834	5,324	2,422	3,557	3,782
Oct.	129,147	9,605	2,568	9,658	150,978	129,329	9,831	5,335	2,416	4,067	3,856
Nov.	129,879	9,671	2,693	9,890	152,133	129,977	9,834	5,331	2,392	4,599	3,837
Dec.	130,782	9,531	2,964	9,548	152,825	131,620	10,311	5,672	2,444	2,778	3,631
1969—Jan. r	131,404	9,920	2,372	9,527	153,223	131,529	10,318	5,665	2,403	3,308	3,769
Feb.	132,088	10,124	2,518	9,704	154,434	132,139	10,310	5,599	2,469	3,917	4,090

[1] Includes other loans, stock in the Federal home loan banks, other investments, real estate owned and sold on contract, and office buildings and fixtures.

[2] Before 1958 mortgages are net of mortgage-pledged shares. Asset items will not add to total assets, which include gross mortgages with no deductions for mortgage-pledged shares. Beginning with Jan. 1958, no deduction is made for mortgage-pledged shares. These have declined consistently in recent years from a total of $42 million at the end of 1957.

[3] Consists of advances from FHLB and other borrowing.

[4] Commitments data comparable with those shown for mutual savings banks (on preceding page) would include loans in process.

NOTE.—Federal Home Loan Bank Board data; figures are estimates for all savings and loan assns. in the United States. Data beginning with 1954 are based on monthly reports of insured assns. and annual reports of noninsured assns. Data before 1954 are based entirely on annual reports. Data for current and preceding year are preliminary even when revised. Figures for Jan. and June 1968 reflect conversion of one savings and loan assn. to a mutual savings bank. Figures for June 1968 also reflect exclusion of two savings and loan assns. in process of liquidation.

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MAJOR BALANCE SHEET ITEMS OF SELECTED FEDERALLY SPONSORED CREDIT AGENCIES

(In millions of dollars)

End of period	Federal home loan banks						Federal National Mortgage Assn. (secondary market operations)		Banks for cooperatives		Federal intermediate credit banks		Federal land banks	
	Assets			Liabilities and capital										
	Advances to members	Investments	Cash and deposits	Bonds and notes	Member deposits	Capital stock	Mortgage loans (A)	Debentures and notes (L)	Loans to cooperatives (A)	Debentures (L)	Loans and discounts (A)	Debentures (L)	Mortgage loans (A)	Bonds (L)
1961	2,662	1,153	159	1,571	1,180	1,107	2,770	2,453	697	435	1,650	1,585	2,828	2,431
1962	3,479	1,531	173	2,707	1,214	1,126	2,752	2,422	735	505	1,840	1,727	3,052	2,628
1963	4,784	1,906	159	4,363	1,151	1,171	2,000	1,788	840	589	2,099	1,952	3,310	2,834
1964	5,325	1,523	141	4,369	1,199	1,227	1,940	1,601	958	686	2,247	2,112	3,718	3,169
1965	5,997	1,640	129	5,221	1,045	1,277	2,456	1,884	1,055	797	2,516	2,335	4,281	3,710
1966	6,935	2,523	113	6,859	1,037	1,369	4,266	3,800	1,290	1,074	2,924	2,786	4,958	4,385
1967	4,386	2,598	127	4,060	1,432	1,395	5,348	4,919	1,506	1,253	3,411	3,214	5,609	4,904
1968—Feb.	4,348	2,775	95	4,373	1,182	1,412	5,802	5,149	1,595	1,416	3,529	3,336	5,721	4,990
Mar.	4,269	2,720	75	4,125	1,302	1,417	5,659	5,481	1,598	1,316	3,615	3,420	5,793	5,120
Apr.	4,545	2,416	91	4,125	1,271	1,422	6,110	5,650	1,549	1,322	3,728	3,526	5,853	5,120
May	4,719	2,337	97	4,151	1,319	1,425	6,251	5,650	1,482	1,280	3,835	3,640	5,923	5,222
June	4,889	2,832	103	4,701	1,400	1,426	6,387	5,887	1,454	1,207	3,940	3,477	5,973	5,214
July	4,988	2,463	86	4,700	1,189	1,406	6,465	5,550	1,454	1,291	4,031	3,862	6,004	5,214
Aug.	4,997	2,264	68	4,501	1,177	1,401	6,502	5,822	1,450	1,280	3,998	3,871	6,033	5,384
Sept.	5,026	2,283	93	4,501	1,253	1,401	6,562	6,032	1,479	1,280	3,841	3,814	6,064	5,384
Oct.	5,034	2,300	97	4,501	1,287	1,401	6,657	5,923	1,551	1,290	3,753	3,669	6,094	5,423
Nov.	5,040	2,581	81	4,701	1,322	1,402	6,758	6,166	1,583	3,636	3,570	6,107	5,423	5,423
Dec.	5,259	2,375	126	4,701	1,383	1,402	6,872	6,376	1,577	1,334	3,654	3,570	6,126	5,399
1969—Jan.	5,357	2,049	82	4,701	1,111	1,408	7,032	6,604	1,630	1,401	3,719	3,576	6,169	5,432
Feb.	5,298	2,069	82	4,601	1,131	1,434	7,244	7,193	1,680	1,425	n.a.	3,668	6,226	5,432

NOTE.—Data from Federal Home Loan Bank Board, Federal National Mortgage Assn., and Farm Credit Admin. Among the omitted balance sheet items are capital accounts of all agencies, except for stock of home loan banks. Bonds, debentures, and notes are valued at par. They include only publicly offered securities (excluding, for the home loan banks, bonds held within the FHLB System), and are not guaranteed by the U.S. Govt.; for a listing of these securities, see table below. Loans are gross of valuation reserves and represent cost for FNMA and unpaid principal for other agencies.

OUTSTANDING ISSUES OF FEDERALLY SPONSORED AGENCIES, FEBRUARY 28, 1969

Agency, issue, and coupon rate	Amount (millions of dollars)
Federal home loan banks	
Notes:	
Apr. 25, 1969 ... 6¼	326
May 26, 1969 ... 6	300
July 25, 1969 ... 5.75	400
Aug. 25, 1969 ... 6⅝	300
Oct. 27, 1969 ... 6⅝	400
Bonds:	
Mar. 25, 1969 ... 5⅜	300
June 25, 1969 ... 6.30	550
Sept. 25, 1969 ... 6	400
Nov. 25, 1969 ... 6	500
Feb. 25, 1970 ... 6	200
Mar. 25, 1970 ... 6	200
Apr. 27, 1970 ... 6	225
May 25, 1970 ... 5.80	300
Feb. 25, 1971 ... 6.60	200
Federal National Mortgage Association—Secondary market operations	
Discount notes ...	2,543
Debentures:	
Apr. 10, 1969 ... 4 13/20	88
May 12, 1969 ... 4¾	300
June 10, 1969 ... 6.10	250
July 10, 1969 ... 5⅛	250
Dec. 12, 1969 ... 6	550
Feb. 10, 1970 ... 6.60	250
Apr. 10, 1970 ... 4⅜	142
June 10, 1970 ... 6.60	400
Sept. 10, 1970 ... 4⅛	119
Oct. 13, 1970 ... 5¾	400
Mar. 11, 1971 ... 6	350
Aug. 10, 1971 ... 4⅛	64
Federal National Mortgage Association—Cont.	
Debentures:	
Sept. 10, 1971 ... 4½	96
Sept. 10, 1971 ... 5¾	350
Feb. 10, 1972 ... 5⅛	98
June 12, 1972 ... 4⅜	100
June 12, 1973 ... 4¼	146
Oct. 1, 1973 ... 6	250
Feb. 10, 1977 ... 4½	198
Banks for cooperatives	
Debentures:	
Apr. 1, 1969 ... 5.55	r275
May 1, 1969 ... 5.80	r256
June 2, 1969 ... 6.05	r296
July 1, 1969 ... 6.40	246
Aug. 4, 1969 ... 6.60	353
Federal intermediate credit banks	
Debentures:	
Mar. 3, 1969 ... 6.45	428
Apr. 1, 1969 ... 6¼	409
May 1, 1969 ... 5.95	r418
June 2, 1969 ... 5.65	r356
July 1, 1969 ... 5⅝	r293
Aug. 4, 1969 ... 5.80	377
Sept. 2, 1969 ... 6.05	406
Oct. 1, 1969 ... 6.35	492
Nov. 3, 1969 ... 6.60	490
Federal land banks	
Bonds:	
Feb. 15, 1967–72 ... 4⅛	72
Oct. 1, 1967–70 ... 4½	75
Mar. 20, 1969 ... 4⅜	100
Federal land banks—Cont.	
Bonds:	
Apr. 21, 1969 ... 5.60	250
July 15, 1969 ... 4¼	130
July 15, 1969 ... 4⅜	60
July 15, 1969 ... 6.70	200
Sept. 22, 1969 ... 6¼	279
Oct. 20, 1969 ... 4¼	209
Jan. 20, 1970 ... 5¾	209
Feb. 20, 1970 ... 5⅛	82
Feb. 20, 1970 ... 6.30	344
Apr. 1, 1970 ... 3½	83
Apr. 20, 1970 ... 6.20	362
June 22, 1970 ... 6.70	174
July 20, 1970 ... 5⅛	85
July 20, 1970 ... 6	241
Oct. 20, 1970 ... 6.30	223
May 1, 1971 ... 3½	60
Oct. 20, 1971 ... 6.00	447
Feb. 15, 1972 ... 5.70	230
Sept. 15, 1972 ... 3⅞	109
Oct. 23, 1972 ... 5⅞	200
Feb. 20, 1973–78 ... 4⅛	148
Feb. 20, 1974 ... 4½	155
Apr. 21, 1975 ... 4⅜	200
Feb. 24, 1976 ... 5	123
July 20, 1976 ... 5⅜	150
Apr. 20, 1978 ... 5⅛	150
Jan. 22, 1979 ... 5	285
Tennessee Valley Authority	
Short-term notes ...	340
Bonds:	
Nov. 15, 1985 ... 4.40	50
July 1, 1986 ... 4⅝	50
Feb. 1, 1987 ... 4½	45
May 15, 1992 ... 5.70	70
Nov. 13, 1992 ... 6⅜	60

NOTE.—These securities are not guaranteed by the U.S. Govt.; see also note to table above.

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FEDERAL FISCAL OPERATIONS: SUMMARY

(In millions of dollars)

Period	U.S. budget					Means of financing									Memo: Net debt transfer to private ownership[4]
	Receipt-expenditure account		Net lending	Budget outlays[1]	Budget surplus or deficit (−)	Borrowings from the public[4]						Less: Cash and monetary assets		Other means of financing, net[3]	
	Budget receipts	Net expenditures				Public debt securities	Plus: Agency securities	Less: Investments by Govt. accounts: Special Issues	Less: Investments by Govt. accounts: Other	Less: Special notes[2]	Equals: Total borrowing	Treasury operating balance	Other		
Fiscal year:															
1965	116,813	117,182	1,249	118,431	−1,618	5,561	704	2,023	308	−126	4,060	1,231	1,096	−116	....
1966	130,864	130,822	3,832	134,654	−3,790	2,633	4,042	2,470	773	354	3,077	−552	160	321	....
1967	149,562	153,299	5,053	158,352	−8,790	6,330	5,079	5,035	4,001	−482	2,854	−5,222	303	1,017	....
1968	153,676	172,806	6,057	178,862	−25,187	21,352	5,944	3,371	1,949	−1,119	23,095	−397	1,700	3,394	....
Half year:															
1967—July–Dec.	67,181	84,862	1,666	86,527	−19,340	18,442	1,650	1,079	577	−436	18,872	−131	32	375	....
1968—Jan.–June	86,495	87,941	4,393	92,335	−5,841	2,910	4,294	2,292	1,372	−683	4,223	−266	1,668	3,019	....
July–Dec.	82,881	92,186	977	93,163	−10,282	10,450	1,446	−380	1,587	−384	11,076	−598	−105	−1,496	9,853
Month:															
1968—Feb.	r12,094	r13,845	r612	r14,457	r−2,364	5,296	r5	1,312	r236	−220	r3,974	1,667	224	282	....
Mar.	11,870	14,311	611	14,922	−3,053	−2,083	287	−530	104	−20	−1,350	−3,488	564	1,479	....
Apr.	19,045	15,199	479	15,678	3,368	−2,489	1,357	245	273	−19	−1,631	1,099	928	290	....
May	11,711	15,385	856	16,241	−4,529	5,310	120	2,199	450	−5	2,786	−1,226	−925	−408	....
June	19,539	14,374	313	14,687	4,852	r−4,710	894	370	−35	−405	r−3,752	5	1,769	r674	....
July	11,732	13,986	313	14,299	−2,564	r3,500	75	−641	169	−12	r4,059	714	−335	r−1,116	....
Aug.	13,129	16,092	189	16,281	−3,153	3,278	1,369	1,184	639	−15	2,839	−1,420	329	−777	....
Sept.	18,775	16,049	207	16,256	2,518	387	28	−374	31	....	758	4,003	78	806	5,284
Oct.	10,687	16,524	286	16,810	−6,122	2,451	r292	−857	482	−7	3,125	−2,073	−325	593	....
Nov.	12,738	15,070	55	15,125	−2,387	−331	−80	209	230	−165	−686	−3,754	338	−343	....
Dec.	15,820	14,465	−71	14,394	1,427	1,166	−238	99	35	−185	979	1,932	−279	−753	4,565
1969—Jan.	15,845	15,798	−37	15,761	84	1,383	−33	c612	c112	−1,000	1,626	2,504	789	1,583	....
Feb.	14,590	14,361	373	14,734	−144	−648	195	1,159	274	....	−1,887	−2,304	−126	−399	....

End of period	Selected balances										Memo: Debt of Govt.-sponsored corps.—Now private[5]
	Treasury operating balance				Federal securities						
	F.R. Banks	Tax and loan accounts	Gold balance	Total	Public debt securities	Agency securities	Less: Investments of Govt. accounts: Special issues	Less: Investments of Govt. accounts: Other	Less: Special notes[2]	Equals: Total held by public	
Fiscal year:											
1964	939	9,180	120	10,238	311,678	8,632	46,627	12,581	3,581	257,520	7,195
1965	672	10,689	108	11,469	317,215	9,335	48,650	12,888	3,455	261,557	8,309
1966	766	10,050	102	10,917	319,851	13,377	51,120	13,662	3,810	264,637	10,436
1967	1,311	4,272	112	5,695	326,181	18,455	56,155	17,662	3,328	267,491	9,220
1968	1,074	4,113	111	5,298	347,533	24,399	59,526	19,611	2,209	290,586	10,041
Cal. year:											
1967	1,123	4,329	112	5,564	344,663	20,206	57,234	18,223	2,892	286,520	8,994
1968	703	3,885	111	4,700	358,029	15,064	59,146	20,266	1,825	291,855	16,287
Month:											
1968—Feb.	1,197	7,601	110	8,908	351,556	21,741	57,242	18,819	2,658	294,578	9,396
Mar.	581	4,727	111	5,420	349,473	22,027	56,711	18,924	2,638	293,227	9,279
Apr.	1,035	5,372	111	6,519	346,984	23,384	56,957	19,196	2,619	291,596	9,274
May	956	4,225	111	5,293	352,294	23,505	59,156	19,646	2,614	294,383	r9,409
June	1,074	4,113	111	5,298	r347,578	24,399	59,526	19,611	2,209	r290,631	10,041
July	1,113	4,787	111	6,012	351,078	24,474	58,885	19,780	2,197	294,690	10,044
Aug.	916	3,564	111	4,592	354,356	25,843	60,069	20,419	2,182	297,529	9,927
Sept.	1,036	7,448	111	8,595	354,743	20,055	59,695	19,919	2,182	293,001	15,948
Oct.	1,086	5,325	111	6,522	357,194	20,347	58,838	20,401	2,175	296,126	r15,882
Nov.	478	2,179	111	2,768	356,863	20,267	59,047	20,632	2,010	295,441	16,328
Dec.	703	3,885	111	4,700	358,029	15,064	59,146	20,266	1,825	291,855	r21,481
1969—Jan.	517	6,576	111	7,204	359,412	15,031	59,759	20,378	825	293,481	21,840
Feb.	505	4,284	111	4,900	358,764	15,225	60,918	20,652	825	291,595	n.a.

[1] Equals net expenditures plus net lending.

[2] Represents non-interest-bearing public debt securities issued to the International Monetary Fund and international lending organizations. New obligations to these agencies are handled by letters of credit.

[3] Includes accrued interest payable on public debt securities, deposit funds, miscellaneous liability and asset accounts, and seigniorage.

[4] The decrease in Federal securities resulting from conversion to private ownership of govt.-sponsored corporations is shown as a memo item rather than as a repayment of borrowing from the public in the top panel. In the bottom panel, however, these conversions decrease the outstanding amounts of Federal securities held by the public mainly by reductions in agency securities. The Federal National Mortgage Association (FNMA) was converted to private ownership in Sept. 1968 and the Federal Intermediate Credit Banks (FICB) and Banks for Cooperatives in Dec. 1968.

[5] Includes debt of Federal home loan banks, Federal land banks, D. C. Stadium Fund, FNMA (beginning Sept. 1968), FICB, and Banks for Cooperatives (beginning Dec. 1968).

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FEDERAL FISCAL OPERATIONS: DETAIL

(In millions of dollars)

Period	Budget receipts															
	Total	Individual income taxes				Corporation income taxes		Social insurance taxes and contributions					Excise taxes	Cus-toms	Estate and gift	Misc. re-ceipts [3]
		With held	Non-with-held	Re-funds	Net total	Gross re-ceipts	Re-funds	Employment taxes and contributions [1]		Un-empl. insur.	Other net re-ceipts [2]	Net total				
								Pay-roll taxes	Self-empl.							
Fiscal year:																
1965	116,813	36,840	16,820	4,869	48,792	26,131	670	17,359		3,819	1,079	22,256	14,570	1,442	2,716	1,576
1966	130,864	42,811	18,486	5,851	55,446	30,834	761	20,662		3,777	1,127	25,565	13,062	1,767	3,066	1,885
1967	149,562	50,521	18,850	7,845	61,526	34,918	946	26,041	1,776	3,659	1,865	33,347	13,719	1,901	2,978	2,120
1968	153,676	57,301	20,951	9,527	68,726	29,897	1,232	27,679	1,544	3,346	2,051	34,620	14,079	2,038	3,051	2,498
Half year:																
1967—July-Dec.	67,204	27,192	4,150	597	30,747	11,345	542	12,678	105	1,335	965	15,082	7,081	993	1,332	1,165
1968—Jan.-June	86,472	30,109	16,801	8,930	37,979	18,550	690	15,001	1,439	2,011	1,086	19,536	6,998	1,044	1,718	1,333
July-Dec.	82,881	33,712	5,515	475	38,751	15,494	785	14,945	131	1,290	1,179	17,544	7,834	1,213	1,417	1,413
Month:																
1968—Feb.	[r]12,094	[r]5,804	1,100	[r]1,309	[r]5,595	650	[r]77	3,209	119	807	[r]158	[r]4,291	1,068	155	[r]202	[r]207
Mar.	11,870	5,508	697	2,803	3,401	4,439	42	1,919	129	50	158	2,256	1,165	161	236	253
Apr.	19,045	4,045	7,687	2,344	9,388	4,339	97	2,251	859	148	195	3,453	1,101	185	447	229
May	11,711	5,566	539	2,300	3,805	763	113	3,979	173	843	180	5,175	1,309	191	360	220
June	19,539	4,837	2,978	208	7,608	7,419	119	2,499	54	44	206	2,803	1,181	176	239	232
July	11,732	4,560	605	151	5,013	2,259	84	2,093	......	114	204	2,411	1,448	205	232	248
Aug.	13,129	6,200	272	112	6,360	654	116	3,664	......	618	167	4,449	1,175	210	229	168
Sept.	18,775	5,565	3,682	48	9,199	5,133	133	2,273	110	55	213	2,651	1,223	205	229	268
Oct.	10,687	4,981	378	60	5,299	1,496	218	1,939	6	108	204	2,256	1,222	212	242	178
Nov.	12,738	6,339	202	58	6,483	679	120	3,126	......	346	187	3,659	1,354	186	229	267
Dec.	15,820	6,068	376	46	6,397	5,273	114	1,850	15	49	204	2,118	1,412	195	256	284
1969—Jan.	15,845	5,113	5,184	75	10,222	1,665	62	1,688	110	159	218	2,176	1,254	119	277	194
Feb.	14,590	7,254	1,202	1,169	8,456	784	102	3,796	128	773	183	4,880	1,152	144	230	217

Period	Budget outlays														
	Total	Na-tional de-fense [4]	Intl. affairs	Space re-search	Agri-cul-ture	Nat-ural re-sources	Com-merce and transp.	Com-mun. develop. and housing	Educa-tion and man-power	Health and welfare	Vet-erans	Inter-est	Gen-eral govt.	Intra-govt. trans-ac-tions [5]
Fiscal year:														
1965	118,431	49,578	4,340	5,091	4,807	2,063	7,364	288	2,509	27,209	5,722	10,357	2,276	−3,174
1966	134,654	56,785	4,490	5,933	3,679	2,035	7,135	2,644	4,496	31,320	5,920	11,285	2,360	−3,431
1967	158,352	70,081	4,547	5,423	4,376	1,860	7,652	2,616	6,135	37,605	6,897	12,588	2,584	−4,009
1968	178,862	80,516	4,619	4,721	5,944	1,702	8,076	4,076	7,012	43,508	6,882	13,744	2,632	−4,570
1969 [e,6]	183,701	80,999	3,938	4,247	5,448	1,898	8,048	2,313	7,165	48,839	7,692	15,171	2,948	−5,105
1970 [e,6]	195,272	81,542	3,755	3,947	5,181	1,891	8,969	2,772	7,887	54,966	7,724	15,958	3,275	−5,745
Half year:														
1967—July-Dec.	86,527	[e]38,739	......	2,292	......	......	......	......	......	......	......	......	......	......
1968—Jan.-June	92,335	[e]41,784	......	2,429	......	......	......	......	......	......	......	......	......	......
July-Dec.	93,163	[e]39,849	......	2,133	......	......	......	......	......	......	......	......	......	......
Month:														
1968—Feb.	[r]14,457	[e]6,407	......	395	......	......	......	......	......	......	......	......	......	......
Mar.	14,922	[e]6,365	......	410	......	......	......	......	......	......	......	......	......	......
Apr.	15,678	[e]7,093	......	377	......	......	......	......	......	......	......	......	......	......
May	16,241	[e]7,191	......	425	......	......	......	......	......	......	......	......	......	......
June	14,687	[e]7,550	......	450	......	......	......	......	......	......	......	......	......	......
July	14,299	[e]5,897	......	277	......	......	......	......	......	......	......	......	......	......
Aug.	16,281	[e]6,667	......	434	......	......	......	......	......	......	......	......	......	......
Sept.	16,256	[e]6,686	......	342	......	......	......	......	......	......	......	......	......	......
Oct.	16,810	[e]7,057	......	393	......	......	......	......	......	......	......	......	......	......
Nov.	15,125	[e]6,613	......	334	......	......	......	......	......	......	......	......	......	......
Dec.	14,394	[e]6,929	......	353	......	......	......	......	......	......	......	......	......	......
1969—Jan.	15,761	[e]6,895	......	347	......	......	......	......	......	......	......	......	......	......
Feb.	14,734	[e]6,426	......	335	......	......	......	......	......	......	......	......	......	......

[1] Old-age, disability, and hospital insurance, and Railroad Retirement accounts.

[2] Supplementary Medical Insurance premiums and Federal employee retirement contributions.

[3] Deposits of earnings by Federal Reserve Banks and other miscellaneous receipts.

[4] Half year and monthly figures represent Federal Reserve approximation of fiscal year functional classification using available *Monthly Treasury Statement* data.

[5] Consists of government contributions for employee retirement and interest received by trust funds.

[6] Estimates presented in *Jan. 1969 Budget Document*. Breakdowns do not add to totals because special allowances for contingencies and July 1969 Federal pay increase, totaling $100 million for fiscal 1969 and $3,150 million for fiscal 1970, are not included.

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GROSS PUBLIC DEBT, BY TYPE OF SECURITY

(In billions of dollars)

End of period	Total gross public debt [1]	Public issues									Special issues [4]
		Total	Marketable					Con-vert-ible bonds	Nonmarketable		
			Total	Bills	Certifi-cates	Notes	Bonds [2]		Total [3]	Sav-ings bonds & notes	
1941—Dec.	57.9	50.5	41.6	2.0	....	6.0	33.6	....	8.9	6.1	7.0
1946—Dec.	259.1	233.1	176.6	17.0	30.0	10.1	119.5	....	56.5	49.8	24.6
1960—Dec.	290.2	242.5	189.0	39.4	18.4	51.3	79.8	5.7	47.8	47.2	44.3
1961—Dec.	296.2	249.2	196.0	43.4	5.5	71.5	75.5	4.6	48.6	47.5	43.5
1962—Dec.	303.5	255.8	203.0	48.3	22.7	53.7	78.4	4.0	48.8	47.5	43.4
1963—Dec.	309.3	261.6	207.6	51.5	10.9	58.7	86.4	3.2	50.7	48.8	43.7
1964—Dec.	317.9	267.5	212.5	56.5	....	59.0	97.0	3.0	52.0	49.7	46.1
1965—Dec.	320.9	270.3	214.6	60.2	....	50.2	104.2	2.8	52.9	50.3	46.3
1966—Dec.	329.3	273.0	218.0	64.7	5.9	48.3	99.2	2.7	52.3	50.8	52.0
1967—Dec.	344.7	284.0	226.5	69.9	....	61.4	95.2	2.6	54.9	51.7	57.2
1968—Mar.	349.5	289.4	231.7	71.3	....	66.7	93.6	2.5	55.2	51.8	56.7
Apr.	347.0	286.7	228.7	68.6	....	66.5	93.6	2.5	55.4	51.8	57.0
May	352.3	289.7	231.8	69.6	....	71.1	91.1	2.5	55.5	51.9	59.2
June	347.6	284.9	226.6	64.4	....	71.1	91.1	2.5	55.8	51.9	59.5
July	351.1	289.1	231.0	68.9	....	71.1	91.0	2.5	55.6	52.0	58.9
Aug.	354.4	291.1	233.2	69.4	....	75.4	88.4	2.5	55.5	52.0	60.1
Sept.	354.7	291.9	233.6	69.8	....	75.4	88.3	2.5	55.8	52.1	59.7
Oct.	357.2	295.2	236.7	73.0	....	75.3	88.3	2.5	56.1	52.2	58.8
Nov.	356.9	294.8	235.7	73.0	....	76.5	86.2	2.5	56.7	52.3	59.0
Dec.	358.0	296.0	236.8	75.0	....	76.5	85.3	2.5	56.7	52.3	59.1
1969—Jan.	359.4	297.8	238.5	76.8	....	76.5	85.3	2.5	56.8	52.3	59.8
Feb.	358.8	295.9	236.5	76.8	....	78.2	81.5	2.5	56.9	52.3	60.9
Mar.	359.5	296.6	237.3	77.5	....	78.2	81.5	2.5	56.8	52.3	61.1

[1] Includes non-interest-bearing debt (of which $637 million on Mar. 31, 1969, was not subject to statutory debt limitation).
[2] Includes Treasury bonds and minor amounts of Panama Canal and postal saving bonds.
[3] Includes (not shown separately): depositary bonds, retirement plan bonds, foreign currency series, foreign series, and Rural Electrification Administration bonds; before 1954, armed forces leave bonds; before 1956, tax and savings notes; and before Oct. 1965, Series A investment bonds.
[4] Held only by U.S. Govt. agencies and trust funds, and the Federal Home Loan Banks.

NOTE.—Based on Daily Statement of U.S. Treasury. See also second paragraph in NOTE to table below.

OWNERSHIP OF PUBLIC DEBT

(Par value in billions of dollars)

End of period	Total gross public debt	Held by—		Held by private investors									
		U.S. Govt. agencies and trust funds	F.R. Banks	Total	Com-mercial banks	Mutual savings banks	Insur-ance com-panies	Other corpo-rations	State and local govts.	Individuals		Foreign and inter-national [1]	Other misc. inves-tors [2]
										Savings bonds	Other securities		
1939—Dec.	41.9	6.1	2.5	33.4	12.7	2.7	5.7	2.0	.4	1.9	7.5	.2	.3
1946—Dec.	259.1	27.4	23.4	208.3	74.5	11.8	24.9	15.3	6.3	44.2	20.0	2.1	9.3
1960—Dec.	290.2	52.8	27.4	210.0	62.1	6.2	11.8	18.7	18.7	45.6	20.5	13.0	13.5
1961—Dec.	296.2	52.4	28.9	214.8	67.2	6.1	11.3	18.5	19.0	46.4	19.5	13.4	13.5
1962—Dec.	303.5	53.2	30.8	219.5	67.1	6.0	11.5	18.6	20.1	47.0	19.1	15.3	14.8
1963—Dec.	309.3	55.3	33.6	220.5	64.2	5.6	r11.2	18.7	21.1	48.2	20.0	15.9	r15.6
1964—Dec.	317.9	58.4	37.0	222.5	63.9	5.5	r11.0	18.2	21.1	49.1	20.7	16.7	r16.3
1965—Dec.	320.9	59.7	40.8	220.5	60.7	5.3	r10.3	15.8	22.9	49.7	22.4	16.7	r16.7
1966—Dec.	329.3	65.9	44.3	219.2	57.4	4.6	9.5	14.9	r24.9	50.3	24.4	14.5	r18.8
1967—Dec.	344.7	73.1	49.1	222.4	63.8	4.1	8.6	12.2	25.1	51.2	22.9	15.8	18.9
1968—Feb.	351.6	73.4	49.0	229.2	63.7	4.1	8.4	14.8	26.4	51.2	24.0	15.2	21.4
Mar.	349.5	72.9	49.7	226.9	62.0	4.1	8.5	14.1	27.1	51.2	24.0	14.7	21.2
Apr.	347.0	73.1	50.5	223.4	59.8	4.0	8.3	13.6	26.9	51.2	24.0	14.7	20.9
May	352.3	75.7	50.6	226.0	60.8	4.0	8.4	15.6	26.8	51.3	24.1	14.0	20.9
June	347.6	76.0	52.2	219.2	59.8	3.9	8.1	13.0	26.6	51.3	23.0	12.9	20.8
July	351.1	75.6	52.4	223.1	61.2	3.9	8.1	14.3	26.7	51.3	23.4	13.1	21.1
Aug.	354.4	76.9	53.0	224.5	62.1	3.8	8.1	14.5	26.9	r51.4	23.6	13.3	20.9
Sept.	354.7	76.6	53.3	224.9	63.5	3.8	8.1	12.9	26.7	51.3	23.9	13.4	21.3
Oct.	357.2	76.2	53.3	227.7	65.3	3.6	8.1	14.0	26.8	51.4	23.6	13.8	21.0
Nov.	356.9	76.7	53.4	226.9	63.9	3.6	8.0	14.8	26.7	51.5	23.3	15.0	20.2
Dec.	358.0	76.6	52.9	228.5	65.5	3.6	8.0	r14.6	r27.1	51.5	23.7	14.3	r20.1
1969—Jan.	359.4	77.3	52.1	230.0	64.2	3.6	7.9	16.8	27.8	51.5	24.4	11.9	21.8
Feb.	358.8	78.7	52.3	227.8	60.8	3.6	7.8	17.8	28.4	51.5	24.7	12.0	21.1

[1] Consists of investments of foreign balances and international accounts in the United States.
[2] Consists of savings and loan assns., nonprofit institutions, corporate pension trust funds, and dealers and brokers. Also included are certain Govt. deposit accounts and Govt.-sponsored agencies.

NOTE.—Reported data for F.R. Banks and U.S. Govt. agencies and trust funds; Treasury estimates for other groups.

The debt and ownership concepts were altered beginning with the March 1969 BULLETIN. The new concepts (1) exclude guaranteed securities and (2) remove from U.S. Govt. agencies and trust funds and add to other miscellaneous investors the holdings of certain Govt.-sponsored but privately-owned agencies and certain Govt. deposit accounts.

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OWNERSHIP OF MARKETABLE SECURITIES, BY MATURITY

(Par value in millions of dollars)

Type of holder and date	Total	Within 1 year			1–5 years	5–10 years	10–20 years	Over 20 years
		Total	Bills	Other				
All holders:								
1966—Dec. 31	218,025	105,218	64,684	40,534	59,446	28,005	8,433	16,923
1967—Dec. 31	226,476	104,363	69,870	34,493	78,159	18,859	8,417	16,679
1968—Dec. 31	236,812	108,611	75,012	33,599	68,260	35,130	8,396	16,415
1969—Jan. 31	238,543	110,377	76,779	33,598	68,260	35,129	8,394	16,382
Feb. 28	236,535	100,282	76,769	23,513	75,778	35,727	8,392	16,354
U.S Govt. agencies and trust funds:								
1966—Dec. 31	14,591	2,786	1,573	1,213	3,721	2,512	2,093	3,479
1967—Dec. 31	16,601	3,580	2,436	1,144	5,202	2,194	2,115	3,513
1968—Dec. 31	18,098	4,447	2,710	1,737	4,978	3,010	2,124	3,538
1969—Jan. 31	17,883	4,176	2,449	1,727	5,001	3,044	2,124	3,538
Feb. 28	18,115	4,208	2,579	1,629	5,228	3,018	2,123	3,538
Federal Reserve Banks:								
1966—Dec. 31	44,282	35,360	12,296	23,064	7,502	1,007	153	260
1967—Dec. 31	49,112	31,484	16,041	15,443	16,215	858	178	377
1968—Dec. 31	52,937	28,503	18,756	9,747	12,880	10,943	203	408
1969—Jan. 31	52,127	27,693	17,946	9,747	12,880	10,943	203	408
Feb. 28	52,275	19,288	17,993	1,295	19,017	13,352	203	414
Held by private investors:								
1966—Dec. 31	159,152	67,072	50,815	16,257	48,224	24,485	6,187	13,184
1967—Dec. 31	160,763	69,299	51,393	17,906	56,742	15,807	6,124	12,789
1968—Dec. 31	165,777	75,661	53,546	22,115	50,402	21,177	6,069	12,469
1969—Jan. 31	168,533	78,508	56,384	22,124	50,379	21,142	6,067	12,436
Feb. 28	166,145	76,786	56,197	20,589	51,533	19,357	6,067	12,402
Commercial banks:								
1966—Dec. 31	47,182	15,838	8,771	7,067	21,112	9,343	435	454
1967—Dec. 31	52,194	18,451	10,415	8,036	26,370	6,386	485	502
1968—Dec. 31	53,174	18,894	9,040	9,854	23,157	10,035	611	477
1969—Jan. 31	51,757	17,585	8,003	9,582	23,144	9,051	603	475
Feb. 28	49,025	15,720	6,366	9,354	23,332	8,928	577	468
Mutual savings banks:								
1966—Dec. 31	4,532	645	399	246	1,482	1,139	276	990
1967—Dec. 31	4,033	716	440	276	1,476	707	267	867
1968—Dec. 31	3,524	696	334	362	1,117	709	229	773
1969—Jan. 31	3,591	782	426	356	1,102	713	225	769
Feb. 28	3,604	791	468	323	1,184	646	222	760
Insurance companies:								
1966—Dec. 31	8,158	847	508	339	1,978	1,581	1,074	2,678
1967—Dec. 31	7,360	815	440	375	2,056	914	1,175	2,400
1968—Dec. 31	6,857	903	498	405	1,892	721	1,120	2,221
1969—Jan. 31	6,851	899	504	395	1,868	738	1,119	2,227
Feb. 28	6,767	972	576	396	1,861	600	1,143	2,190
Nonfinancial corporations:								
1966—Dec. 31	6,323	4,729	3,396	1,333	1,339	200	6	49
1967—Dec. 31	4,936	3,966	2,897	1,069	898	61	3	9
1968—Dec. 31	5,915	4,146	2,848	1,298	1,163	568	12	27
1969—Jan. 31	6,918	4,996	3,584	1,412	1,320	580	13	10
Feb. 28	7,421	5,437	3,862	1,575	1,431	531	13	8
Savings and loan associations:								
1966—Dec. 31	3,883	782	583	199	1,251	1,104	271	475
1967—Dec. 31	4,575	1,255	718	537	1,767	811	281	461
1968—Dec. 31	4,724	1,184	680	504	1,675	1,069	346	450
1969—Jan. 31	4,887	1,316	765	551	1,697	1,074	346	453
Feb. 28	4,983	1,365	885	480	1,836	979	343	459
State and local governments:								
1966—Dec. 31	15,384	5,545	4,512	1,033	2,165	1,499	1,910	4,265
1967—Dec. 31	14,689	5,975	4,855	1,120	2,224	937	1,557	3,995
1968—Dec. 31	13,426	5,323	4,231	1,092	2,347	805	1,404	3,546
1969—Jan. 31	13,988	5,924	4,809	1,115	2,359	819	1,364	3,522
Feb. 28	14,533	6,462	5,442	1,020	2,520	728	1,359	3,465
All others:								
1966—Dec. 31	73,690	38,685	32,646	6,039	18,896	9,619	2,215	4,275
1967—Dec. 31	72,976	38,121	31,628	6,493	21,951	5,991	2,356	4,555
1968—Dec. 31	78,157	44,515	35,915	8,600	19,051	7,270	2,347	4,975
1969—Jan. 31	80,541	47,006	38,293	8,713	18,889	7,267	2,397	4,980
Feb. 28	79,810	46,039	38,597	7,442	19,370	6,944	2,406	5,051

NOTE.—Direct public issues only. Based on Treasury Survey of Ownership.

Data complete for U.S. Govt. agencies and trust funds and F.R. Banks but for other groups are based on Treasury Survey data. Of total marketable issues held by groups, the proportion held on latest date by those reporting in the Survey and the number of owners surveyed were: (1) about 90 per cent by the 5,816 commercial banks, 499 mutual savings banks, and 754 insurance companies combined; (2) about 50 per cent by the 469 nonfinancial corporations and 488 savings and loan assns.; and (3) about 70 per cent by 503 State and local govts.

"All others," a residual, includes holdings of all those not reporting in the Treasury Survey, including investor groups not listed separately.

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DEALER TRANSACTIONS

(Par value, in millions of dollars)

Period	U.S. Government securities: Total	By maturity: Within 1 year	By maturity: 1–5 years	By maturity: 5–10 years	By maturity: Over 10 years	By type of customer: Dealers and brokers: U.S. Govt. securities	By type of customer: Dealers and brokers: Other	By type of customer: Commercial banks	By type of customer: All other	U.S. Govt. agency securities
1968—Feb.	2,679	2,207	295	150	27	1,019	82	969	609	223
Mar.	2,467	2,132	236	74	25	919	77	863	608	289
Apr.	2,246	1,972	185	60	28	759	75	827	586	227
May	2,247	1,756	295	174	22	719	75	831	622	262
June	2,400	2,006	258	103	33	912	76	847	565	311
July	2,448	2,087	244	75	42	949	87	908	504	280
Aug.	2,214	1,705	228	261	20	849	90	790	485	258
Sept.	2,133	1,820	180	111	22	824	63	762	484	233
Oct.	2,011	1,714	165	108	22	732	72	737	470	290
Nov.	2,506	2,242	152	77	35	859	83	890	674	243
Dec.	2,974	2,318	391	196	70	1,096	111	1,125	642	298
1969—Jan.	2,781	2,423	225	92	41	1,058	116	1,022	585	337
Feb.	2,453	2,095	226	97	37	885	86	916	565	278
Week ending—										
1969—Feb. 5	2,845	2,376	267	171	31	1,051	101	1,102	591	250
12r	2,178	1,893	184	76	25	753	74	807	545	145
19r	2,713	2,308	256	107	42	1,023	97	956	637	302
26r	2,159	1,853	202	65	39	782	82	806	489	348
Mar. 5	2,562	2,249	193	74	47	991	93	941	537	312
12	2,292	2,004	180	63	46	877	103	807	504	284
19	2,190	1,888	193	62	49	807	98	770	516	341
26	2,257	1,938	199	79	40	....	....	....	....	389

NOTE.—The transactions data combine market purchases and sales of U.S. Govt. securities dealers reporting to the F.R. Bank of New York. They do not include allotments of, and exchanges for, new U.S. Govt. securities, redemptions of called or matured securities, or purchases or sales of securities under repurchase agreement, reverse repurchase (resale), or similar contracts. Averages of daily figures based on the number of trading days in the period.

DEALER POSITIONS

(Par value, in millions of dollars)

Period	U.S. Government securities, by maturity: All maturities	Within 1 year	1–5 years	Over 5 years	U.S. Govt. agency securities
1968—Feb.	3,762	3,500	108	153	369
Mar.	2,438	2,211	124	103	361
Apr.	2,981	2,601	236	142	403
May	3,204	2,585	306	312	382
June	3,308	2,826	222	261	576
July	4,420	3,972	159	288	644
Aug.	5,262	4,097	283	881	732
Sept.	5,098	4,043	198	857	687
Oct.	4,137	3,427	130	580	751
Nov.	3,766	2,948	160	659	652
Dec.	4,093	3,606	136	352	615
1969—Jan.	2,918	2,757	0	162	508
Feb.	2,389	2,193	34	161	449
Week ending—					
1969—Jan. 1	3,632	3,247	135	250	601
8	2,661	2,415	83	163	490
15	2,484	2,351	2	131	425
22	3,046	2,889	−19	175	479
29	3,258	3,102	−29	185	619
Feb. 5	3,365	3,289	−66	142	501
12	2,714	2,402	89	224	399
19	1,940	1,742	32	167	418
26	2,112	1,953	34	125	480

NOTE.—The figures include all securities sold by dealers under repurchase contracts regardless of the maturity date of the contract, unless the contract is matched by a reverse repurchase (resale) agreement or delayed delivery sale with the same maturity and involving the same amount of securities. Included in the repurchase contracts are some that more clearly represent investments by the holders of the securities rather than dealer trading positions.

Average of daily figures based on number of trading days in the period.

DEALER FINANCING

(In millions of dollars)

Period	All sources	Commercial banks: New York City	Commercial banks: Elsewhere	Corporations[1]	All other
1968—Feb.	3,799	1,072	1,008	1,071	648
Mar.	2,651	678	643	829	501
Apr.	3,073	794	832	937	510
May	3,162	699	923	844	696
June	3,458	867	879	1,010	702
July	4,341	1,193	1,032	1,415	701
Aug.	5,465	1,431	1,372	1,710	952
Sept.	5,519	1,596	1,894	1,254	775
Oct.	4,518	1,163	1,664	903	788
Nov.	4,191	877	1,199	1,325	791
Dec.	4,431	1,212	886	1,461	871
1969—Jan.	3,100	737	641	1,310	412
Feb.	2,660	417	360	1,311	573
Week ending—					
1969—Jan. 1	3,890	1,159	765	1,223	743
8	3,194	735	718	1,239	502
15	2,831	620	567	1,285	359
22	2,820	592	496	1,346	386
29	3,346	898	708	1,332	407
Feb. 5	3,502	932	670	1,461	439
12	3,033	628	414	1,400	590
19	2,563	202	241	1,298	821
26	1,894	44	233	1,196	422

[1] All business corporations, except commercial banks and insurance companies.

NOTE.—Averages of daily figures based on the number of calendar days in the period. Both bank and nonbank dealers are included. See also NOTE to the opposite table on this page.

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U.S. GOVERNMENT MARKETABLE AND CONVERTIBLE SECURITIES, MARCH 31, 1969

(In millions of dollars)

Issue and coupon rate	Amount	Issue and coupon rate	Amount	Issue and coupon rate	Amount	Issue and coupon rate	Amount
Treasury bills		**Treasury bills—Cont.**		**Treasury notes—Cont.**		**Treasury bonds—Cont.**	
Apr. 3, 1969	2,704	Aug. 31, 1969	1,506	Nov. 15, 1971......5⅜	1,734	Aug. 15, 1972......4	2,579
Apr. 10, 1969	2,708	Sept. 4, 1969	1,101	Feb. 15, 1972......4¾	2,006	Aug. 15, 1973......4	3,894
Apr. 17, 1969	2,703	Sept. 11, 1969	1,100	Apr. 1, 1972......1½	34	Nov. 15, 1973......4⅛	4,350
Apr. 22, 1969†	2,003	Sept. 18, 1969	1,100	May 15, 1972......4¾	5,310	Feb. 15, 1974......4⅛	3,129
Apr. 24, 1969	2,704	Sept. 25, 1969	1,101	Oct. 1, 1972......1½	33	May 15, 1974......4¼	3,586
Apr. 30, 1969	1,501	Sept. 30, 1969	1,501	Apr. 1, 1973......1½	34	Nov. 15, 1974......3⅞	2,241
May 1, 1969	2,701	Oct. 31, 1969	1,502	Aug. 15, 1974......5⅝	10,284	May 15, 1975–85...4¼	1,215
May 8, 1969	2,702	Nov. 30, 1969	1,501	Oct. 1, 1973......1½	26	June 15, 1978–83...3¼	1,564
May 15, 1969	2,699	Dec. 31, 1969	1,500	Nov. 15, 1974......5¾	3,980	Feb. 15, 1980......4	2,599
May 22, 1969	2,705	Jan. 31, 1970	1,000	Feb. 15, 1975......5¾	5,148	Nov. 15, 1980......3½	1,907
May 29, 1969	2,702	Feb. 28, 1970	1,000	May 15, 1975......6	6,760	May 15, 1985......3¼	1,108
May 31, 1969	1,503	Mar. 31, 1970	1,001	Feb. 15, 1976......6¼	3,726	Aug. 15, 1987–92...4¼	3,816
June 5, 1969	2,701					Feb. 15, 1988–93...4	249
June 12, 1969	2,701	**Treasury notes**		**Treasury bonds**		May 15, 1989–94...4⅛	1,559
June 19, 1969	2,702	Apr. 1, 1969.....1½	61	June 15, 1964–69...2½	2,541	Feb. 15, 1990......3½	4,858
June 23, 1969†	6,771	May 15, 1969.....5⅝	4,277	Dec. 15, 1964–69...2½	2,485	Feb. 15, 1995......3	1,549
June 26, 1969	2,705	Aug. 15, 1969.....6	3,366	Mar. 15, 1965–70...2½	2,282	Nov. 15, 1998......3½	4,289
June 30, 1969	1,502	Oct. 1, 1969.....1½	159	Mar. 15, 1966–71...2½	1,222		
July 3, 1969	1,103	Apr. 1, 1970.....1½	88	June 15, 1967–72...2½	1,246		
July 10, 1969	1,102	May 15, 1970.....5⅝	7,794	Sept. 15, 1967–72...2½	1,952		
July 17, 1969	1,101	May 15, 1970.....6⅜	8,759	Dec. 15, 1967–72...2½	2,599		
July 24, 1969	1,097	Oct. 1, 1970.....1½	113	Oct. 1, 1969......4	6,242		
July 31, 1969	2,606	Nov. 15, 1970.....5	7,675	Feb. 15, 1970......4	4,381		
Aug. 7, 1969	1,100	Feb. 15, 1971.....5⅜	2,509	Aug. 15, 1970......4	4,129		
Aug. 14, 1969	1,100	Apr. 1, 1971.....1½	35	Aug. 15, 1971......4	2,806	**Convertible bonds**	
Aug. 21, 1969	1,104	May 15, 1971.....5¼	4,265	Nov. 15, 1971......3⅞	2,760	*Investment Series B*	
Aug. 28, 1969	1,101	Oct. 1, 1971.....1½	72	Feb. 15, 1972......4	2,344	Apr. 1, 1975–80...2¾	2,469

† Tax anticipation series.

NOTE.—Direct public issues only. Based on Daily Statement of U.S. Treasury.

NEW ISSUES OF STATE AND LOCAL GOVERNMENT SECURITIES

(In millions of dollars)

Period	All issues (new capital and refunding)								Total amount delivered[3]	Issues for new capital						
	Total	Type of issue				Type of issuer				Total	Use of proceeds					
		General obligations	Revenue	HAA[1]	U.S. Govt. loans	State	Special district and stat. auth.	Other[2]			Education	Roads and bridges	Utilities[4]	Housing[5]	Veterans' aid	Other purposes
1962	8,845	5,582	2,681	437	145	1,419	2,600	4,825	8,732	8,568	2,963	1,114	1,668	521	125	2,177
1963	10,538	5,855	4,180	254	249	1,620	3,636	5,281	10,496	9,151	3,029	812	2,344	598	....	2,369
1964	10,847	6,417	3,585	637	208	1,628	3,812	5,407	10,069	10,201	3,392	688	2,437	727	120	2,838
1965	11,329	7,177	3,517	464	170	2,401	3,784	5,144	11,538	10,471	3,619	900	1,965	626	50	3,311
1966	11,405	6,804	3,955	325	312	2,590	4,110	4,695	n.a.	11,303	3,738	1,476	1,880	533	....	3,667
1967	14,766	8,985	5,013	477	334	2,842	4,810	7,115	n.a.	14,643	4,473	1,254	2,404	645	....	5,867
1968p	16,571	9,253	6,507	528	282	2,773	5,939	7,837	n.a.	16,465	4,815	1,525	2,828	787	....	6,508
1968—Feb.	1,155	689	452	....	14	152	386	618	n.a.	1,156	478	109	128	7	....	434
Mar.	1,404	593	652	144	15	110	518	777	n.a.	1,394	373	9	132	190	....	690
Apr.	1,318	798	502	....	18	80	581	657	n.a.	1,314	299	128	324	112	....	451
May	1,143	686	251	144	61	222	314	609	n.a.	1,140	402	52	204	161	....	321
June	1,395	694	669	....	32	87	547	764	n.a.	1,396	374	185	259	8	....	570
July	1,469	813	637	....	20	257	597	615	n.a.	1,466	396	114	282	4	....	670
Aug.	1,699	791	755	129	23	264	792	643	n.a.	1,688	488	126	412	133	....	529
Sept.	1,444	1,003	419	....	22	292	353	801	n.a.	1,435	409	152	200	3	....	671
Oct.	2,230	1,437	773	....	20	617	819	791	n.a.	2,227	732	374	407	28	....	686
Nov.	1,021	585	320	111	6	223	324	473	n.a.	997	271	25	115	121	....	465
Dec.	1,115	321	771	....	22	19	408	689	n.a.	1,112	164	45	191	20	....	692
Jan.	1,239	931	296	....	11	546	275	417	n.a.	1,237	354	165	153	4	....	560
Feb.	975	451	375	141	7	144	474	356	n.a.	973	238	222	168	144	....	201

[1] Only bonds sold pursuant to 1949 Housing Act, which are secured by contract requiring the Housing Assistance Administration to make annual contributions to the local authority.

[2] Municipalities, counties, townships, school districts.

[3] Excludes U.S. Govt. loans. Based on date of delivery to purchaser and payment to issuer, which occurs after date of sale.

[4] Water, sewer, and other utilities.

[5] Includes urban redevelopment loans.

NOTE.—The figures in the first column differ from those shown on the following page, which are based on *Bond Buyer* data. The principal difference is in the treatment of U.S. Govt. loans.

Investment Bankers Assn. data; par amounts of long-term issues based on date of sale unless otherwise indicated.

Components may not add to totals due to rounding.

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TOTAL NEW ISSUES

(In millions of dollars)

Period	Gross proceeds, all issues [1]											Proposed use of net proceeds, all corporate issues [6]				
	Total	Noncorporate				Corporate						Total	New capital			Retirement of securities
		U.S. Govt. [2]	U.S. Govt. agency [3]	U.S. State and local [4]	Other [5]	Total	Bonds			Stock			Total	New money [7]	Other purposes	
							Total	Publicly offered	Privately placed	Preferred	Common					
1960	27,541	7,906	1,672	7,230	579	10,154	8,081	4,806	3,275	409	1,664	9,924	9,653	8,758	895	271
1961	35,527	12,253	1,448	8,360	303	13,165	9,420	4,700	4,720	450	3,294	12,885	12,017	10,715	1,302	868
1962	29,956	8,590	1,188	8,558	915	10,705	8,969	4,440	4,529	422	1,314	10,501	9,747	8,240	1,507	754
1963	35,199	10,827	1,168	10,107	887	12,211	10,856	4,713	6,143	343	1,011	12,049	10,523	8,898	1,625	1,526
1964	37,122	10,656	1,205	10,544	760	13,957	10,865	3,623	7,243	412	2,679	13,792	13,038	11,233	1,805	754
1965	40,108	9,348	2,731	11,148	889	15,992	13,720	5,570	8,150	725	1,547	15,801	14,805	13,063	1,741	996
1966	45,015	8,231	6,806	11,089	815	18,074	15,561	8,018	7,542	574	1,939	17,841	17,601	15,806	1,795	241
1967	68,514	19,431	8,180	14,288	1,817	24,798	21,954	14,990	6,964	885	1,959	24,409	24,097	22,233	1,867	312
1968—Jan.	4,556	481	999	1,162	144	1,771	1,449	903	546	46	276	1,732	1,705	1,588	117	27
Feb.	8,072	4,719	550	1,134	61	1,608	1,382	796	585	58	169	1,585	1,568	1,447	121	16
Mar.	5,069	418	1,370	1,363	118	1,799	1,359	766	593	145	295	1,765	1,740	1,592	149	24
Apr.	3,423	404	225	1,277	88	1,428	1,157	719	438	49	221	1,397	1,385	1,210	175	12
May	7,702	3,805	744	1,134	153	1,866	1,566	1,046	521	51	249	1,829	1,825	1,647	177	4
June	4,984	383	779	1,360	52	2,411	2,025	1,340	685	24	361	2,367	2,334	1,944	389	33
July	4,913	417	800	1,422	130	2,143	1,771	1,244	528	85	286	2,097	2,091	1,985	106	6
Aug.	9,821	5,850	580	1,729	230	1,432	1,037	637	400	93	303	1,397	1,394	1,074	320	3
Sept.	3,819	361	250	1,423	228	1,557	1,159	726	433	1	397	1,513	1,497	1,281	216	15
Oct.	6,111	430	1,147	2,260	146	2,129	1,604	1,009	595	25	499	n.a.	n.a.	n.a.	n.a.	n.a.
Nov.	3,294	379	....	1,037	118	1,767	1,301	939	362	41	425	n.a.	n.a.	n.a.	n.a.	n.a.
Dec.	3,812	377	223	1,138	20	2,054	1,572	607	965	19	464	n.a.	n.a.	n.a.	n.a.	n.a.
1969—Jan.	3,812	427	424	1,244	108	2,023	1,570	980	590	67	386	n.a.	n.a.	n.a.	n.a.	n.a.

Period	Proposed uses of net proceeds, major groups of corporate issuers											
	Manufacturing		Commercial and miscellaneous		Transportation		Public utility		Communication		Real estate and financial	
	New capital [8]	Retirement of securities	New capital [8]	Retirement of securities	New capital [8]	Retirement of securities	New capital [8]	Retirement of securities	New capital [8]	Retirement of securities	New capital [8]	Retirement of securities
1960	1,997	79	794	30	672	39	2,754	51	1,036	1	2,401	71
1961	3,691	287	1,109	36	651	35	2,883	106	1,435	382	2,248	22
1962	2,958	228	803	32	543	16	2,341	444	1,276	11	1,825	23
1963	3,272	199	756	53	861	87	1,939	703	733	359	2,962	125
1964	2,772	243	1,024	82	941	32	2,445	280	2,133	36	3,723	80
1965	5,015	338	1,302	79	967	36	2,546	357	847	92	4,128	93
1966	6,855	125	1,356	44	1,939	9	3,570	46	1,978	4	1,902	14
1967	10,774	111	2,211	47	2,016	22	4,741	127	1,955	1	2,399	5
1968—Jan.	537	15	208	11	91	....	417	....	186	....	267	....
Feb.	556	5	142	1	118	....	546	8	147	....	61	2
Mar.	761	1	175	*	192	....	431	17	78	6	102	....
Apr.	353	11	317	*	203	....	178	....	189	1	146	....
May	550	1	175	1	106	2	549	....	103	*	341	1
June	750	5	394	1	154	....	474	27	237	....	326	1
July	818	5	401	2	204	....	236	....	235	....	195	....
Aug.	349	....	212	1	110	....	438	....	92	2	193	....
Sept.	432	3	208	*	108	....	469	....	155	....	125	12
Oct.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Nov.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Dec.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1969—Jan.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

1 Gross proceeds are derived by multiplying principal amounts or number of units by offering price.
2 Includes guaranteed issues.
3 Issues not guaranteed.
4 See NOTE to table at bottom of opposite page.
5 Foreign governments, International Bank for Reconstruction and Development, and domestic nonprofit organizations.
6 *Estimated gross proceeds less cost of flotation.*
7 For plant and equipment and working capital.
8 All issues other than those for retirement of securities.

NOTE.—Securities and Exchange Commission estimates of new issues maturing in more than 1 year sold for cash in the United States.

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NET CHANGE IN OUTSTANDING CORPORATE SECURITIES

(In millions of dollars)

Period	Derivation of change, all issuers											
	All securities			Bonds and notes			Common and preferred stocks					
							New issues		Retirements		Net change	
	New issues	Retire-ments	Net change	New issues	Retire-ments	Net change	Invest. cos.[1]	Other	Invest. cos.[1]	Other	Invest. cos.[1]	Other
1963	15,641	8,711	6,930	10,556	4,979	5,577	3,138	1,948	1,536	2,197	1,602	−249
1964	18,826	8,290	10,536	10,715	4,077	6,637	4,363	3,748	1,895	2,317	2,468	1,431
1965	21,535	10,025	11,511	12,747	4,649	8,098	5,583	3,205	2,134	3,242	3,450	−37
1966	26,327	9,567	16,761	15,629	4,542	11,088	6,529	4,169	2,025	3,000	4,504	1,169
1967	33,303	10,496	22,537	21,299	5,340	15,960	6,987	4,664	2,761	2,397	4,226	2,267
1967—IV	9,414	2,863	6,551	5,349	1,426	3,924	2,446	1,605	747	690	1,699	915
1968—I r	7,719	3,019	4,700	3,997	1,286	2,711	2,491	1,230	821	912	1,633	319
II r	8,395	3,933	4,462	5,124	1,308	3,816	1,846	1,424	1,053	1,572	762	−147
III r	8,236	4,111	4,125	4,732	1,250	3,482	2,084	1,421	949	1,914	1,102	−493
IV	10,942	5,168	5,774	5,528	1,575	3,953	3,432	1,982	1,032	2,561	2,400	−579

Period	Type of issuer											
	Manu-facturing		Commercial and other[2]		Transpor-tation[3]		Public utility		Communi-cation		Real estate and financial[4]	
	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks
1963	1,804	−664	339	−352	316	−19	876	245	438	447	1,806	1,696
1964	1,303	−516	507	−483	317	−30	1,408	476	458	1,699	2,644	2,753
1965	2,606	−570	614	−70	185	−1	1,342	96	644	518	2,707	3,440
1966	4,324	32	616	−598	956	718	2,659	533	1,668	575	864	4,414
1967	7,237	832	1,104	282	1,158	165	3,444	652	1,716	467	1,302	4,178
1967—IV	1,637	270	399	207	214	54	846	277	291	120	537	1,698
1968—I	991	−60	191	112	170	−26	956	309	295	31	109	r1,624
II	1,520	−556	375	371	260	10	848	214	524	33	288	r574
III	1,210	−484	716	−123	300	−62	585	187	491	6	181	r1,119
IV	667	−1,171	960	461	257	−71	1,310	152	269	50	491	2,399

1 Open-end and closed-end companies.
2 Extractive and commercial and misc. companies.
3 Railroad and other transportation companies.
4 Includes investment companies.

NOTE.—Securities and Exchange Commission estimates of cash transactions only. As contrasted with data shown on opposite page, new issues exclude foreign and include offerings of open-end investment cos., sales of securities held by affiliated cos. or RFC, special offerings to employees, and also new stock issues and cash proceeds connected with conversions of bonds into stocks. Retirements include the same types of issues, and also securities retired with internal funds or with proceeds of issues for that purpose shown on opposite page.

OPEN-END INVESTMENT COMPANIES

(In millions of dollars)

Year	Sales and redemption of own shares			Assets (market value at end of period)		
	Sales[1]	Redemp-tions	Net sales	Total[2]	Cash position[3]	Other
1956	1,347	433	914	9,046	492	8,554
1957	1,391	406	984	8,714	523	8,191
1958	1,620	511	1,109	13,242	634	12,608
1959	2,280	786	1,494	15,818	860	14,958
1960	2,097	842	1,255	17,026	973	16,053
1961	2,951	1,160	1,791	22,789	980	21,809
1962	2,699	1,123	1,576	21,271	1,315	19,956
1963	2,460	1,504	952	25,214	1,341	23,873
1964	3,404	1,875	1,528	29,116	1,329	27,787
1965	4,359	1,962	2,395	35,220	1,803	33,417
1966	4,671	2,005	2,665	34,829	2,971	31,858
1967	4,670	2,745	1,927	44,701	2,566	42,135

Month	Sales and redemption of own shares			Assets (market value at end of period)		
	Sales[1]	Redemp-tions	Net sales	Total[2]	Cash position[3]	Other
1968—Feb.	451	260	191	41,533	3,409	38,124
Mar.	557	243	314	42,412	3,919	38,493
Apr.	618	309	309	46,179	3,923	42,256
May	502	366	136	48,054	3,495	44,559
June	535	374	161	48,426	3,273	45,153
July	582	344	237	47,342	3,113	44,229
Aug.	531	309	222	48,470	3,459	45,011
Sept.	494	292	202	51,030	3,747	47,283
Oct.	653	396	257	51,633	3,384	48,249
Nov.	688	313	375	54,860	3,413	51,447
Dec.	653	319	354	52,677	3,187	49,490
1969—Jan.	876	397	479	53,323	3,831	49,492
Feb.	625	379	246	50,512	4,826	45,686

1 Includes contractual and regular single purchase sales, voluntary and contractual accumulation plan sales, and reinvestment of investment income dividends; excludes reinvestment of realized capital gains dividends.
2 Market value at end of period less current liabilities.
3 Cash and deposits, receivables, all U.S. Govt. securities, and other short-term debt securities, less current liabilities.

NOTE.—Investment Company Institute data based on reports of members, which comprise substantially all open-end investment companies registered with the Securities and Exchange Commission. Data reflect newly formed companies after their initial offering of securities.

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SALES, PROFITS, AND DIVIDENDS OF LARGE CORPORATIONS

(In millions of dollars)

Industry	1963	1964	1965	1966	1967	1966	1967				1968[1]		
						IV	I	II	III	IV	I	II	III
Manufacturing													
Total (177 corps.):													
Sales	147,380	158,253	177,237	195,738	201,399	51,991	48,585	51,679	48,317	52,818	53,546	57,780	51,493
Profits before taxes	17,337	18,734	22,046	23,487	20,898	6,126	5,153	5,608	4,232	5,867	6,257	6,937	5,831
Profits after taxes	9,138	10,462	12,461	13,307	12,664	3,466	2,918	3,190	2,381	3,268	3,290	3,425	2,941
Dividends	5,444	5,933	6,527	6,920	6,989	1,965	1,670	1,701	1,721	1,897	1,710	1,734	1,729
Nondurable goods industries (78 corps.):[2]													
Sales	55,372	59,770	64,897	73,643	77,969	19,129	18,743	19,535	19,695	19,996	20,225	21,619	21,243
Profits before taxes	6,333	6,881	7,846	9,181	9,039	2,232	2,153	2,250	2,209	2,427	2,674	2,680	2,823
Profits after taxes	3,646	4,121	4,786	5,473	5,379	1,352	1,319	1,343	1,313	1,431	1,420	1,286	1,459
Dividends	2,265	2,408	2,527	2,729	3,027	723	720	756	770	781	742	741	752
Durable goods industries (99 corps.):[3]													
Sales	92,008	98,482	112,341	122,094	123,429	32,861	29,842	32,144	28,622	32,821	33,322	36,161	30,250
Profits before taxes	11,004	11,853	14,200	14,307	11,822	3,895	3,000	3,358	2,024	3,440	3,583	4,256	3,009
Profits after taxes	5,492	6,341	7,675	7,834	6,352	2,115	1,599	1,847	1,068	1,838	1,870	2,139	1,482
Dividends	3,179	3,525	4,000	4,191	3,964	1,242	950	945	952	1,117	968	973	977
Selected industries:													
Foods and kindred products (25 corps.):													
Sales	14,301	15,284	16,427	19,038	20,134	5,011	4,963	5,060	5,131	4,980	5,142	5,313	5,289
Profits before taxes	1,546	1,579	1,710	1,916	1,967	485	447	482	526	512	496	562	606
Profits after taxes	747	802	896	1,008	1,041	259	236	253	284	268	254	259	313
Dividends	448	481	509	564	583	146	148	144	146	145	150	146	146
Chemical and allied products (20 corps.):													
Sales	14,623	16,469	18,158	20,007	20,561	5,072	4,998	5,163	5,116	5,284	5,436	5,702	5,777
Profits before taxes	2,286	2,597	2,891	3,073	2,731	650	694	700	636	701	761	634	708
Profits after taxes	1,182	1,400	1,630	1,737	1,579	386	396	404	363	416	392	325	379
Dividends	904	924	926	948	960	269	238	235	235	252	236	236	243
Petroleum refining (16 corps.):													
Sales	16,043	16,589	17,828	20,887	23,258	5,530	5,390	5,808	5,985	6,075	6,011	6,677	6,234
Profits before taxes	1,487	1,560	1,962	2,681	3,004	726	684	741	744	835	1,071	1,056	1,085
Profits after taxes	1,204	1,309	1,541	1,898	2,038	495	505	504	489	540	592	485	548
Dividends	608	672	737	817	1,079	209	232	280	286	281	253	255	257
Primary metals and products (34 corps.):													
Sales	22,116	24,195	26,548	28,558	26,532	7,225	6,801	7,040	6,525	6,166	7,150	7,684	5,467
Profits before taxes	2,178	2,556	2,931	3,277	2,487	810	693	670	477	647	663	846	574
Profits after taxes	1,183	1,475	1,689	1,903	1,506	475	395	411	290	410	375	509	336
Dividends	734	763	818	924	892	260	222	214	228	228	224	229	231
Machinery (24 corps.):													
Sales	21,144	22,558	25,364	29,512	32,721	8,100	7,704	7,933	8,090	8,994	8,213	9,022	8,907
Profits before taxes	2,394	2,704	3,107	3,612	3,482	952	868	807	837	970	916	982	1,103
Profits after taxes	1,177	1,372	1,626	1,875	1,789	495	421	417	438	513	443	492	498
Dividends	577	673	774	912	921	244	232	233	227	229	244	244	244
Automobiles and equipment (14 corps.):													
Sales	32,927	35,338	42,712	43,641	42,306	12,149	10,413	11,875	8,354	11,664	12,344	13,582	9,686
Profits before taxes	5,004	4,989	6,253	5,274	3,906	1,567	1,050	1,436	216	1,204	1,515	1,823	649
Profits after taxes	2,387	2,626	3,294	2,877	1,999	826	583	782	62	572	785	842	321
Dividends	1,447	1,629	1,890	1,775	1,567	551	363	365	362	477	362	364	364
Public utility													
Railroad:													
Operating revenue	9,560	9,778	10,208	10,654	10,366	2,718	2,536	2,628	2,529	2,673	2,610	2,757	2,707
Profits before taxes	816	829	980	1,088	391	268	145	163	83	1	125	205	115
Profits after taxes	651	694	816	902	325	244	121	143	78	−17	110	174	108
Dividends	383	438	468	496	539	161	124	156	103	155	114	136	98
Electric power:													
Operating revenue	14,294	15,156	15,816	16,908	17,894	4,246	4,697	4,280	4,406	4,511	5,138	4,580	4,884
Profits before taxes	3,735	3,926	4,213	4,395	4,564	1,041	1,279	1,026	1,161	1,099	1,284	1,018	1,271
Profits after taxes	2,187	2,375	2,586	2,764	2,911	673	799	666	717	729	863	641	764
Dividends	1,567	1,682	1,838	1,932	2,071	505	518	510	509	534	539	555	542
Telephone:													
Operating revenue	9,796	10,550	11,320	12,420	13,311	3,202	3,229	3,312	3,341	3,429	3,486	3,544	3,629
Profits before taxes	2,815	3,069	3,185	3,537	3,694	868	869	923	953	949	971	989	990
Profits after taxes	1,417	1,590	1,718	1,903	1,997	468	472	497	515	513	525	441	493
Dividends	988	1,065	1,153	1,248	1,363	320	334	337	341	351	351	318	396

[1] Manufacturing profits after taxes are partly estimated to reflect a 10 per cent surcharge each quarter.
[2] Includes 17 corporations in groups not shown separately.
[3] Includes 27 corporations in groups not shown separately.

NOTE.—*Manufacturing corporations:* Data are obtained primarily from published reports of companies.
Railroads: Interstate Commerce Commission data for Class I line-haul railroads.
Electric power: Federal Power Commission data for Class A and B electric utilities, except that quarterly figures on operating revenue and profits before taxes are partly estimated by the Federal Reserve to include affiliated nonelectric operations.
Telephone: Data obtained from Federal Communications Commission on revenues and profits for telephone operations of the Bell System Consolidated (including the 20 operating subsidiaries and the Long Lines and General Depts. of American Telephone and Telegraph Co.) and for 2 affiliated telephone companies. Dividends are for the 20 operating subsidiaries and the 2 affiliates.
All series: Profits before taxes are income after all charges and before Federal income taxes and dividends.
Back data available from the Division of Research and Statistics.

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CORPORATE PROFITS, TAXES, AND DIVIDENDS

(In billions of dollars)

Year	Profits before taxes	Income taxes	Profits after taxes	Cash dividends	Undistributed profits	Corporate capital consumption allowances[1]	Quarter	Profits before taxes	Income taxes	Profits after taxes	Cash dividends	Undistributed profits	Corporate capital consumption allowances[1]
1961	50.3	23.1	27.2	13.8	13.5	26.2	1967—I	79.9	32.8	47.1	22.5	24.6	41.9
1962	55.4	24.2	31.2	15.2	16.0	30.1	II	80.3	33.0	47.3	23.2	24.1	42.9
1963	59.4	26.3	33.1	16.5	16.6	31.8	III	80.8	33.2	47.6	23.5	24.1	44.1
1964	66.8	28.3	38.4	17.8	20.6	33.9	IV	85.4	35.1	50.3	22.5	27.9	44.9
1965	77.8	31.3	46.5	19.8	26.7	36.4	1968—I	88.9	39.8	49.1	23.6	25.5	45.7
1966	85.6	34.6	51.0	21.7	29.3	39.7	II	91.8	41.1	50.7	24.4	26.3	46.7
1967	81.6	33.5	48.1	22.9	25.2	43.4	III	92.7	41.5	51.2	25.2	26.0	47.6
1968p	92.3	41.3	51.0	24.6	26.4	47.1	IVp	95.8	42.9	52.9	25.4	27.6	48.5

1 Includes depreciation, capital outlays charged to current accounts, and accidental damages.

NOTE.—Dept. of Commerce estimates. Quarterly data are at seasonally adjusted annual rates.

CURRENT ASSETS AND LIABILITIES OF CORPORATIONS

(In billions of dollars)

End of period	Net working capital	Current assets							Current liabilities				
		Total	Cash	U.S. Govt. securities	Notes and accts. receivable		Inventories	Other	Total	Notes and accts. payable		Accrued Federal income taxes	Other
					U.S. Govt.[1]	Other				U.S. Govt.[1]	Other		
1962	155.6	326.5	43.7	19.6	3.7	144.2	100.7	14.7	170.9	2.0	119.1	15.2	34.5
1963	163.5	351.7	46.5	20.2	3.6	156.8	107.0	17.8	188.2	2.5	130.4	16.5	38.7
1964	170.0	372.2	47.3	18.6	3.4	169.9	113.5	19.6	202.2	2.7	140.3	17.0	42.2
1965	180.7	410.2	50.0	17.0	3.9	190.2	126.9	22.3	229.6	3.1	160.4	19.1	46.9
1966	190.2	443.4	50.1	15.7	4.5	205.1	144.5	23.6	253.2	4.4	176.2	19.1	53.6
1967—I	192.6	443.9	47.3	14.4	4.4	205.1	148.1	24.8	251.4	4.9	173.5	18.6	54.3
II	193.8	444.9	47.7	11.5	4.6	207.5	149.2	24.3	251.1	5.4	177.0	12.7	55.9
III	197.2	452.7	49.1	10.8	4.7	211.5	151.2	25.4	255.4	5.7	178.6	13.5	57.6
IV	201.1	464.0	52.3	12.4	5.1	214.5	153.8	25.9	262.9	5.8	183.6	15.2	58.3
1968—I	206.0	471.4	50.1	14.6	4.8	216.6	156.6	28.7	265.4	6.1	181.9	17.3	60.2
II	209.8	481.9	51.4	13.3	4.7	223.6	159.9	29.1	272.1	6.2	188.0	15.4	62.5
III	210.9	492.2	52.8	12.9	4.8	229.5	163.7	28.6	281.3	6.3	193.8	15.6	65.5
IV	214.4	506.9	56.1	13.9	5.1	235.6	166.2	29.9	292.5	6.4	202.2	17.4	66.4

1 Receivables from, and payables to, the U.S. Govt. exclude amounts offset against each other on corporations' books.

NOTE.—Securities and Exchange Commission estimates; excludes banks, savings and loan assns., insurance companies, and investment companies.

BUSINESS EXPENDITURES ON NEW PLANT AND EQUIPMENT

(In billions of dollars)

Period	Total	Manufacturing		Mining	Transportation		Public utilities	Communications	Other[1]	Total (S.A. annual rate)
		Durable	Nondurable		Railroad	Other				
1962	37.31	7.03	7.65	1.08	.85	2.07	5.48	3.63	9.52	....
1963	39.22	7.85	7.84	1.04	1.10	1.92	5.65	3.79	10.03	....
1964	44.90	9.43	9.16	1.19	1.41	2.38	6.22	4.30	10.83	....
1965	51.96	11.40	11.05	1.30	1.73	2.81	6.94	4.94	11.79	....
1966	60.63	13.99	13.00	1.47	1.98	3.44	8.41	5.62	12.74	....
1967	61.66	13.70	13.00	1.42	1.53	3.88	9.88	5.91	12.34	....
1968	64.08	13.51	12.93	1.42	1.34	4.31	11.54	6.36	12.67	....
1969[2]	72.96	15.48	15.17	1.60	1.73	4.83	13.16	7.44	13.56	....
1967—I	13.59	3.08	3.02	.32	.41	.70	1.84	1.35	2.87	61.65
II	15.61	3.46	3.34	.34	.41	1.12	2.46	1.49	2.99	61.50
III	15.40	3.33	3.15	.37	.35	.98	2.66	1.46	3.09	60.90
IV	17.05	3.82	3.48	.39	.36	1.07	2.92	1.62	3.39	62.70
1968—I	14.25	2.96	2.82	.36	.37	.98	2.33	1.48	2.93	64.75
II	r15.86	3.22	3.28	.36	r.36	1.04	2.97	1.51	3.11	r62.60
III	r16.02	3.37	3.25	.34	r.30	1.12	2.96	1.50	3.18	r63.20
IV	17.95	3.95	3.57	.35	.30	1.18	3.28	1.86	3.46	65.90
1969—I[2] r	15.82	3.33	3.17	.38	.34	1.10	2.73	4.77		71.65
II[2]	17.90	3.78	3.73	.41	.42	1.14	3.42	5.01		70.85

1 Includes trade, service, finance, and construction.
2 Anticipated by business.

NOTE.—Dept. of Commerce and Securities and Exchange Commission estimates for corporate and noncorporate business, excluding agriculture.

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MORTGAGE DEBT OUTSTANDING

(In billions of dollars)

End of period	All properties				Farm			Nonfarm									
			Other holders[2]						1- to 4-family houses[4]			Multifamily and commercial properties[5]			Mortgage type[6]	
	All holders	Financial institutions[1]	U.S. agencies	Individuals and others	All holders	Financial institutions[1]	Other holders[3]	All holders	Total	Finan. institutions[1]	Other holders	Total	Finan. institutions[1]	Other holders	FHA-VA-underwritten	Conventional
1941	37.6	20.7	4.7	12.2	6.4	1.5	4.9	31.2	18.4	11.2	7.2	12.9	8.1	4.8	3.0	28.2
1945	35.5	21.0	2.4	12.1	4.8	1.3	3.4	30.8	18.6	12.2	6.4	12.2	7.4	4.7	4.3	26.5
1964	300.1	241.0	11.4	47.7	18.9	7.0	11.9	281.2	197.6	170.3	27.3	83.6	63.7	19.9	77.2	204.0
1965	325.8	264.6	12.4	48.7	21.2	7.8	13.4	304.6	212.9	184.3	28.7	91.6	72.5	19.1	81.2	223.4
1966p	347.0	280.8	15.8	50.4	23.3	8.4	14.9	323.6	223.6	192.1	31.5	100.0	80.2	19.8	84.1	239.5
1967p	369.8	298.8	18.4	52.5	25.5	9.1	16.3	344.3	236.1	201.8	34.2	108.3	87.9	20.4	88.2	256.1
1966–IIIp	343.3	287.2	15.2	49.9	23.0	8.4	14.6	320.3	221.9	191.1	30.8	98.5	78.7	19.8	83.4	236.9
IVp	347.0	280.8	15.8	50.4	23.3	8.4	14.9	323.6	223.6	192.1	31.5	100.0	80.2	19.8	84.1	239.5
1967–Ip	350.1	282.9	16.4	50.8	23.7	8.5	15.3	326.3	224.9	192.8	32.1	101.5	81.6	19.9	84.4	241.9
IIp	355.8	287.6	16.7	51.5	24.3	8.7	15.6	331.4	227.8	195.3	32.5	103.6	83.6	20.0	85.3	246.1
IIIp	362.8	293.3	17.5	52.0	24.9	8.9	16.0	337.9	232.0	198.7	33.3	105.9	85.7	20.2	86.4	251.5
IVp	369.8	298.8	18.4	52.5	25.5	9.1	16.3	344.3	236.1	201.8	34.2	108.3	87.9	20.4	88.2	256.1
1968–Ip	375.3	302.6	19.6	53.1	26.0	9.3	16.7	349.3	239.3	203.9	35.4	110.0	89.5	20.6	89.4	259.9
IIp	382.5	308.1	20.6	53.9	26.8	9.6	17.1	355.8	243.3	206.8	36.5	112.4	91.7	20.8	90.7	265.1
IIIp	389.4	313.5	21.1	54.8	27.3	9.8	17.5	362.1	247.3	209.9	37.4	114.8	93.8	21.0	92.0	270.1
IVp	396.9	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....

[1] Commercial banks (including nondeposit trust companies but not trust depts.), mutual savings banks, life insurance companies, and savings and loan assns.

[2] U.S. agencies are FNMA, FHA, VA, PHA, Farmers Home Admin., and Federal land banks, and in earlier years, RFC, HOLC, and FFMC. Other U.S. agencies (amounts small or current separate data not readily available) included with "individuals and others."

[3] Derived figures; includes debt held by Federal land banks and farm debt held by Farmers Home Admin.

[4] For multifamily and total residential properties, see p. A-50.

[5] Derived figures; includes small amounts of farm loans held by savings and loan assns.

[6] Data by type of mortgage on nonfarm 1- to 4-family properties alone are shown on second page following.

NOTE.—Based on data from Federal Deposit Insurance Corp., Federal Home Loan Bank Board, Institute of Life Insurance, Depts. of Agriculture and Commerce, Federal National Mortgage Assn., Federal Housing Admin., Public Housing Admin., Veterans Admin., and Comptroller of the Currency.

Figures for first three quarters of each year are F.R. estimates.

MORTGAGE LOANS HELD BY BANKS

(In millions of dollars)

End of period	Commercial bank holdings[1]							Mutual savings bank holdings[2]						
	Total	Residential				Other nonfarm	Farm	Total	Residential				Other nonfarm	Farm
		Total	FHA-insured	VA-guaranteed	Conventional				Total	FHA-insured	VA-guaranteed	Conventional		
1941	4,906	3,292	....	....	....	1,048	566	4,812	3,884	....	....	....	900	28
1945	4,772	3,395	....	....	....	856	521	4,208	3,387	....	....	....	797	24
1964	43,976	28,933	7,315	2,742	18,876	12,405	2,638	40,556	36,487	12,287	11,121	13,079	4,016	53
1965	49,675	32,387	7,702	2,688	21,997	14,377	2,911	44,617	40,096	13,791	11,408	14,897	4,469	52
1966	54,380	34,876	7,544	2,599	24,733	16,366	3,138	47,337	42,242	14,500	11,471	16,272	5,041	53
1967	59,019	37,642	7,709	2,696	27,237	17,931	3,446	50,490	44,641	15,074	11,795	17,722	5,732	117
1968	65,696	41,433	7,926	2,708	30,800	20,505	3,758	53,456	46,748	15,569	12,033	19,146	6,592	117
1966—II	52,306	33,800	7,769	2,654	23,377	15,478	3,028	45,883	41,083	14,047	11,346	15,690	4,747	53
III	53,606	34,469	7,687	2,620	24,162	16,028	3,109	46,622	41,673	14,274	11,413	15,986	4,896	53
IV	54,380	34,876	7,544	2,599	24,733	16,366	3,138	47,337	42,242	14,500	11,471	16,272	5,041	53
1967—I	54,531	34,890	7,444	2,547	24,899	16,468	3,173	48,107	42,879	14,723	11,619	16,537	5,176	52
II	55,731	35,487	7,396	2,495	25,596	16,970	3,274	48,893	43,526	14,947	11,768	16,811	5,316	51
III	57,482	36,639	7,584	2,601	26,454	17,475	3,368	49,732	44,094	15,016	11,785	17,293	5,526	112
IV	59,019	37,642	7,709	2,696	27,237	17,931	3,446	50,490	44,641	15,074	11,795	17,772	5,732	117
1968—I	60,119	38,157	7,694	2,674	27,789	18,396	3,566	51,218	45,171	15,179	11,872	18,120	5,931	116
II	61,967	39,113	7,678	2,648	28,787	19,098	3,756	51,793	45,570	15,246	11,918	18,406	6,108	115
III	r63,779	40,251	7,768	2,657	29,826	19,771	3,757	52,496	46,051	15,367	11,945	18,739	6,329	116
IV	65,696	41,433	7,926	2,708	30,800	20,505	3,758	53,456	46,748	15,569	12,033	19,146	6,592	117

[1] Includes loans held by nondeposit trust companies, but not bank trust depts.

[2] Data for 1941 and 1945, except for totals, are special F.R. estimates.

NOTE.—Second and fourth quarters, Federal Deposit Insurance Corporation series for all commercial and mutual savings banks in the United States and possessions. First and third quarters, estimates based on FDIC data for insured banks for 1962 and part of 1963 and on special F.R. interpolations thereafter. For earlier years, the basis for first- and third-quarter estimates included F.R. commercial bank call report data and data from the National Assn. of Mutual Savings Banks.

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MORTGAGE ACTIVITY OF LIFE INSURANCE COMPANIES

(In millions of dollars)

Period	Loans acquired						Loans outstanding (end of period)					
	Total	Nonfarm				Farm [1]	Total	Nonfarm				Farm
		Total	FHA-insured	VA-guaranteed	Other [1]			Total	FHA-insured	VA-guaranteed	Other	
1945	976	....	....	....	....	....	6,637	5,860	1,394	....	4,466	766
1961	6,785	6,233	1,388	220	4,625	552	44,203	41,033	9,665	6,553	24,815	3,170
1962	7,478	6,859	1,355	469	5,035	619	46,902	43,502	10,176	6,395	26,931	3,400
1963	9,172	8,306	1,598	678	6,030	866	50,544	46,752	10,756	6,401	29,595	3,792
1964	10,433	9,386	1,812	674	6,900	1,047	55,152	50,848	11,484	6,403	32,961	4,304
1965	11,137	9,988	1,738	553	7,697	1,149	60,013	55,190	12,068	6,286	36,836	4,823
1966	10,217	9,223	1,300	467	7,456	994	64,609	59,369	12,351	6,201	40,817	5,240
1967	8,470	7,633	757	444	6,432	837	67,516	61,947	12,161	6,122	43,664	5,569
1968	7,803	7,031	725	337	5,969	772	70,071	64,268	12,015	5,982	46,271	5,803
1968—Jan. [r]	618	545	57	36	452	73	67,733	62,183	12,196	6,136	43,851	5,500
Feb.	527	431	45	25	361	96	67,867	62,292	12,164	6,097	44,031	5,575
Mar.	640	531	52	28	451	109	68,055	62,421	12,137	6,086	44,198	5,634
Apr.	521	435	40	20	375	86	68,123	62,448	12,103	6,067	44,278	5,675
May	648	583	55	23	505	65	68,339	62,634	12,075	6,047	44,512	5,705
June	568	519	53	20	446	49	68,508	62,777	12,047	6,022	44,708	5,731
July	664	612	59	41	512	52	68,708	62,969	12,036	6,046	44,887	5,739
Aug.	616	575	71	30	474	41	68,909	63,154	12,029	6,034	45,091	5,755
Sept.	542	497	58	25	414	45	69,024	63,248	12,003	6,012	45,233	5,776
Oct.	615	578	84	30	464	37	69,212	63,434	12,003	6,002	45,429	5,778
Nov.	623	589	62	29	498	34	69,407	63,627	11,999	5,993	45,635	5,780
Dec.	1,207	1,123	84	29	1,010	84	70,071	64,268	12,015	5,982	46,271	5,803
1969—Jan.	641	589	59	28	502	52	70,205	64,437	12,003	5,974	46,460	5,768

[1] Certain mortgage loans secured by land on which oil drilling or extracting operations in process were classified with farm through June 1959 and with "other" nonfarm thereafter. These loans totaled $38 million on July 31, 1959.

NOTE.—Institute of Life Insurance data. For loans acquired, the monthly figures may not add to annual totals; and for loans outstanding the end-of-Dec. figures may differ from end-of-year figures because (1) monthly figures represent book value of ledger assets, whereas year-end figures represent annual statement asset values, and (2) data for year-end adjustments are more complete.

MORTGAGE ACTIVITY OF SAVINGS AND LOAN ASSOCIATIONS

(In millions of dollars)

Period	Loans made			Loans outstanding (end of period)			
	Total [1]	New home construction	Home purchase	Total [2]	FHA-insured	VA-guaranteed	Conventional
1945	1,913	181	1,358	5,376	....	....	....
1961	17,733	5,212	7,317	68,834	4,167	7,152	57,515
1962	21,153	6,115	8,650	78,770	4,476	7,010	67,284
1963	25,173	7,185	10,055	90,944	4,696	6,960	79,288
1964	24,913	6,638	10,538	101,333	4,894	6,683	89,756
1965	24,192	6,013	10,830	110,306	5,145	6,398	98,763
1966	16,924	3,653	7,828	114,427	5,269	6,157	103,001
1967	20,122	4,243	9,604	121,805	5,791	6,351	109,663
1968	21,983	4,916	11,215	130,782	6,658	7,012	117,112
1968—Feb.	1,474	310	712	122,548	5,850	6,442	110,256
Mar.	1,787	414	850	123,337	5,900	6,476	110,961
Apr.	1,973	480	945	124,216	5,961	6,522	111,733
May	2,106	512	1,050	125,173	6,026	6,559	112,588
June	1,983	430	1,075	125,900	6,079	6,593	113,228
July	1,859	400	1,038	126,618	6,177	6,631	113,810
Aug.	1,995	414	1,156	127,492	6,279	6,689	114,524
Sept.	1,840	396	984	128,302	6,370	6,753	115,179
Oct.	1,949	466	995	129,147	6,459	6,845	115,843
Nov.	1,724	392	868	129,879	6,529	6,919	116,431
Dec.	1,886	407	869	130,782	6,658	7,012	117,112
1969—Jan.	1,592	348	783	131,404	6,748	7,074	117,582
Feb. [p]	1,590	369	771	132,088	6,856	7,129	118,103

[1] Includes loans for repairs, additions and alterations, refinancing, etc., not shown separately.

[2] Beginning with 1958, includes shares pledged against mortgage loans; *beginning with 1966, includes junior liens and real estate sold on contract;* and beginning with 1967, includes downward structural adjustment for change in universe.

NOTE.—Federal Home Loan Bank Board data.

FEDERAL HOME LOAN BANKS

(In millions of dollars)

Period	Advances	Repayments	Advances outstanding (end of period)			Members' deposits
			Total	Short term [1]	Long term [2]	
1945	278	213	195	176	19	46
1961	2,882	2,220	2,662	1,447	1,216	1,180
1962	4,111	3,294	3,479	2,005	1,474	1,213
1963	5,601	4,296	4,784	2,863	1,921	1,151
1964	5,565	5,025	5,325	2,846	2,479	1,199
1965	5,007	4,335	5,997	3,074	2,923	1,043
1966	3,804	2,866	6,935	5,006	1,929	1,036
1967	1,527	4,076	4,386	3,985	401	1,432
1968	2,734	1,861	5,259	4,867	392	1,382
1968—Feb.	101	195	4,348	3,806	542	1,182
Mar.	87	166	4,269	3,733	536	1,302
Apr.	386	111	4,545	4,026	519	1,270
May	282	108	4,719	4,197	522	1,293
June	245	75	4,889	4,408	481	1,382
July	334	235	4,988	4,535	453	1,184
Aug.	198	188	4,997	4,561	437	1,174
Sept.	165	136	5,026	4,603	423	1,251
Oct.	173	164	5,035	4,627	407	1,285
Nov.	155	150	5,040	4,643	397	1,321
Dec.	301	81	5,259	4,867	392	1,382
1969—Jan.	277	179	5,357	4,975	382	1,110
Feb.	120	178	5,298	4,940	358	1,130

[1] Secured or unsecured loans maturing in 1 year or less.

[2] Secured loans, amortized quarterly, having maturities of more than 1 year but not more than 10 years.

NOTE.—Federal Home Loan Bank Board data.

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MORTGAGE DEBT OUTSTANDING ON RESIDENTIAL PROPERTIES

(In billions of dollars)

End of period	All residential			Multifamily[1]		
	Total	Financial institutions	Other holders	Total	Financial institutions	Other holders
1941	24.2	14.9	9.4	5.8	3.6	2.2
1945	24.3	15.7	8.6	5.7	3.5	2.2
1963	211.2	176.7	34.5	29.0	20.7	8.3
1964	231.1	195.4	35.7	33.6	25.1	8.5
1965	250.1	213.2	36.9	37.2	29.0	8.2
1966p	263.8	223.7	40.1	40.1	31.5	8.6
1967p	279.8	236.6	43.2	43.7	34.7	9.0
1966—IIp	258.6	220.1	38.5	39.0	30.5	8.5
IIIp	261.5	222.1	39.4	39.6	31.0	8.6
IVp	263.8	223.7	40.1	40.1	31.5	8.6
1967—Ip	265.7	225.0	40.7	40.8	32.2	8.6
IIp	269.5	228.3	41.2	41.7	32.9	8.8
IIIp	274.6	232.5	42.1	42.6	33.8	8.8
IIIp	279.8	236.6	43.2	43.7	34.7	9.0
1968—Ip	283.5	239.0	44.5	44.2	35.1	9.1
IIp	288.5	242.8	45.7	45.2	36.0	9.2
IIIp	293.3	246.6	46.7	46.1	36.7	9.3

1 Structures of 5 or more units. For 1- to 4-family mortgage debt see second preceding page.

NOTE.—Based on data from same source as for "Mortgage Debt Outstanding" table (second preceding page).

MORTGAGE DEBT OUTSTANDING ON NONFARM 1- to 4-FAMILY PROPERTIES

(In billions of dollars)

End of period	Total	Government-underwritten			Conventional
		Total	FHA-insured	VA-guaranteed[1]	
1945	18.6	4.3	4.1	.2	14.3
1963	182.2	65.9	35.0	30.9	116.3
1964	197.6	69.2	38.3	30.9	128.3
1965	212.9	73.1	42.0	31.1	139.8
1966	223.6	76.1	44.8	31.3	147.6
1967p	236.1	79.9	47.4	32.5	156.1
1966—II	219.6	74.7	43.7	31.0	145.2
III	221.9	75.4	44.4	31.0	146.5
IV	223.6	76.1	44.8	31.3	147.6
1967—Ip	224.9	76.4	45.2	31.2	148.4
IIp	227.8	77.2	45.7	31.5	150.6
IIIp	232.0	78.3	46.6	31.7	153.7
IVp	236.1	79.9	47.4	32.5	156.1
1968—Ip	239.3	81.0	48.1	32.9	158.3
IIp	243.3	82.1	48.7	33.4	161.2
IIIp	247.3	83.2	49.6	33.6	164.1

1 Includes outstanding amount of VA vendee accounts held by private investors under repurchase agreement.

NOTE.—For total debt outstanding, figures are FHLBB and F.R. estimates. For conventional, figures are derived.
Based on data from Federal Home Loan Bank Board, Federal Housing Admin., and Veterans Admin.

GOVERNMENT-UNDERWRITTEN RESIDENTIAL LOANS MADE

(In millions of dollars)

Period	FHA-insured					VA-guaranteed		
	Total	Mortgages: New homes	Mortgages: Existing homes	Projects[1]	Property improvements[2]	Total[3]	Mortgages: New homes	Mortgages: Existing homes
1945	665	257	217	20	171	192	....	....
1963	7,216	1,664	3,905	843	804	3,045	1,272	1,770
1964	8,130	1,608	4,965	895	663	2,846	1,023	1,821
1965	8,689	1,705	5,760	591	634	2,652	876	1,774
1966	7,320	1,729	4,366	583	641	2,600	980	1,618
1967	7,150	1,369	4,516	642	623	3,405	1,143	2,259
1968	8,275	1,572	4,924	1,123	656	3,774	1,430	2,343
1968—Feb.	573	124	312	100	36	280	111	169
Mar.	535	120	314	62	39	267	115	152
Apr.	603	131	340	80	53	265	110	156
May	686	121	374	131	60	280	112	168
June	674	123	371	122	58	241	98	143
July	712	135	438	72	66	327	120	207
Aug.	752	135	460	94	63	341	122	218
Sept.	727	135	453	78	61	322	111	211
Oct.	869	158	549	95	67	360	122	237
Nov.	749	126	473	101	49	377	138	239
Dec.	702	117	409	118	58	365	136	229
1969—Jan.	762	134	474	105	48	369	145	225
Feb.	614	106	388	80	39	296	114	182

1 Monthly figures do not reflect mortgage amendments included in annual totals.
2 Not ordinarily secured by mortgages.
3 Includes a small amount of alteration and repair loans, not shown separately; only such loans in amounts of more than $1,000 need be secured.

NOTE.—Federal Housing Admin. and Veterans Admin. data. FHA-insured loans represent gross amount of insurance written; VA-guaranteed loans, gross amounts of loans closed. Figures do not take into account principal repayments on previously insured or guaranteed loans. For VA-guaranteed loans, amounts by type are derived from data on number and average amount of loans closed.

DELINQUENCY RATES ON HOME MORTGAGES

(Per 100 mortgages held or serviced)

End of period	Loans not in foreclosure but delinquent for—				Loans in foreclosure
	Total	30 days	60 days	90 days or more	
1963	3.30	2.32	.60	.38	.34
1964	3.21	2.35	.55	.31	.38
1965	3.29	2.40	.55	.34	.40
1966	3.40	2.54	.54	.32	.36
1967	3.47	2.66	.54	.27	.32
1968	3.17	2.43	.51	.23	.26
1965—II	3.00	2.18	.52	.30	.38
III	3.20	2.30	.56	.34	.38
IV	3.29	2.40	.55	.34	.40
1966—I	3.02	2.13	.55	.34	.38
II	2.95	2.16	.49	.30	.38
III	3.09	2.25	.52	.32	.36
IV	3.40	2.54	.54	.32	.36
1967—I	3.04	2.17	.56	.31	.38
II	2.85	2.14	.45	.26	.34
III	3.15	2.36	.52	.27	.31
IV	3.47	2.66	.54	.27	.32
1968—I	2.84	2.11	.49	.24	.32
II	2.89	2.23	.44	.22	.28
III	2.93	2.23	.48	.22	.26
IV	3.17	2.43	.51	.23	.26

NOTE.—Mortgage Bankers Association of America data from reports on 1- to 4-family FHA-insured, VA-guaranteed, and conventional mortgages held by more than 400 respondents, including mortgage bankers (chiefly), commercial banks, savings banks, and savings and loan associations.

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GOVERNMENT NATIONAL MORTGAGE ASSOCIATION ACTIVITY

(In millions of dollars)

End of period	Mortgage holdings			Mortgage transactions (during period)		Commitments undisbursed
	Total	FHA-insured	VA-guaranteed	Purchases	Sales	
1965	2,212	1,540	671	156	154	332
1966	2,667	2,062	604	620	....	491
1967	3,348	2,756	592	860	....	1,171
1968	4,220	3,569	651	1,089	1	1,266
1968—Feb.	3,526	2,913	613	97	1	1,159
Mar.	3,635	3,010	626	127	....	1,118
Apr.	3,721	3,087	633	103	....	1,126
May	3,805	3,166	639	103	....	1,135
June	3,880	3,235	646	95	....	1,158
July	3,949	3,298	652	86	....	1,170
Aug.	4,018	3,361	656	86	....	1,205
Sept.	4,063	3,406	657	66	....	1,215
Oct.	4,125	3,468	657	82	....	1,225
Nov.	4,166	3,511	655	58	....	1,248
Dec.	4,220	3,569	651	73	....	1,266
1969—Jan.	4,255	3,607	648	54	....	c1,297
Feb.	4,301	3,657	644	63	....	1,296

NOTE.—Government National Mortgage Assn. data. Data prior to Sept. 1968 relate to Special Assistance and Management and Liquidating portfolios of former FNMA and include mortgages subject to participation pool of Government Mortgage Liquidation Trust, but exclude conventional mortgage loans acquired by former FNMA from the RFC Mortgage Co., the Defense Homes Corp., the Public Housing Admin., and Community Facilities Admin.

FEDERAL NATIONAL MORTGAGE ASSOCIATION ACTIVITY

(In millions of dollars)

End of period	Mortgage holdings			Mortgage transactions (during period)		Commitments undisbursed
	Total	FHA-insured	VA-guaranteed	Purchases	Sales	
1965	2,519	1,864	656	757	47	462
1966	4,396	3,345	1,051	2,081	....	214
1967	5,522	4,048	1,474	1,400	12	501
1968	7,167	5,121	2,046	1,944	....	1,287
1968—Feb.	5,999	4,356	1,643	245	....	335
Mar.	6,165	4,465	1,700	189	....	332
Apr.	6,325	4,570	1,755	186	....	328
May	6,477	4,671	1,806	177	....	477
June	6,623	4,767	1,856	173	....	601
July	6,707	4,820	1,887	108	....	842
Aug.	6,780	4,867	1,913	99	....	1,014
Sept.	6,844	4,909	1,935	89	....	1,085
Oct.	6,943	4,975	1,968	126	....	1,150
Nov.	7,048	5,045	2,003	132	....	1,236
Dec.	7,167	5,121	2,046	146	....	1,287
1969—Jan.	7,334	5,227	2,107	193	....	1,283
Feb.	7,510	5,345	2,165	201	....	1,406

NOTE.—Federal National Mortgage Assn. data. Data prior to Sept. 1968 relate to secondary market portfolio of former FNMA.

HOME-MORTGAGE YIELDS

(Per cent)

Period	Primary market			Secondary market
	FHLBB series (effective rate)		FHA series	Yield on FHA-insured new homes
	New homes	Existing homes	New homes (U.S. average)	
1965	5.81	5.95	5.83	5.47
1966	6.25	6.41	6.40	6.38
1967	6.46	6.52	6.53	6.55
1968	6.97	7.03	7.12	7.21
1968—Mar.	6.64	6.72	6.80	6.83
Apr.	6.71	6.77	6.90	6.94
May	6.84	6.95	7.15	....
June	7.03	7.12	7.25	7.52
July	7.17	7.23	7.30	7.42
Aug.	7.24	7.26	7.30	7.35
Sept.	7.24	7.25	7.30	7.28
Oct.	7.23	7.22	7.25	7.29
Nov.	7.21	7.21	7.30	7.36
Dec.	7.23	7.23	7.40	7.50
1969—Jan.	7.30	7.32	7.55	....
Feb.	p7.39	p7.42	7.60	7.99
Mar.	....	....	....	....

NOTE.—Annual data are averages of monthly figures. The FHA data are based on opinion reports submitted by field offices on prevailing local conditions as of the first of the succeeding month. Yields on FHA-insured mortgages are derived from weighted averages of private secondary market prices for Sec. 203, 30-year mortgages with minimum downpayment and an assumed prepayment at the end of 15 years. Gaps in the data are due to periods of adjustment to changes in maximum permissible contract interest rates. The FHA series on average contract interest rates on conventional first mortgages in primary markets are unweighted and are rounded to the nearest 5 basis points. The FHLBB effective rate series reflects fees and charges as well as contract rates (as shown in the table on conventional first mortgage terms, p. A-33) and an assumed prepayment at end of 10 years.

FEDERAL NATIONAL MORTGAGE ASSOCIATION ACTIVITY UNDER FREE MARKET SYSTEM

Auction date	Mortgage amounts					Implicit yield, by commitment period (in months)		
	Offered	Accepted				3	6	12-18
		Total	By commitment period (in months)					
			3	6	12-18			
	In millions of dollars					In percent		
1969								
Jan. 6	82.1	59.8	16.9	28.4	14.5	7.63	7.66	7.48
13	127.5	57.9	8.1	36.7	13.0	7.67	7.68	7.52
21	124.3	61.4	9.8	39.1	12.5	7.96	7.72	7.54
27	232.9	61.0	8.4	38.6	14.1	7.82	7.86	7.66
Feb. 3	320.6	80.0	5.3	36.0	38.8	7.98	7.99	7.82
10	285.7	102.4	6.8	46.2	49.4	8.01	8.05	7.91
17	226.7	100.9	6.9	38.4	55.6	8.04	8.09	7.95
24	167.2	100.1	11.2	48.7	40.1	8.09	8.14	8.00
Mar. 3	118.9	90.5	11.5	38.1	41.0	8.13	8.17	8.02
10	127.1	84.7	7.5	37.0	40.2	8.14	8.13	8.00
17	132.7	88.5	3.1	45.6	39.8	8.09	8.08	7.95
24	220.9	84.1	3.5	47.4	33.3	8.10	8.09	7.96
Apr. 1	182.9	93.1	4.6	47.2	41.4	8.10	8.11	7.98
7	175.9	102.5	8.2	57.8	36.5	8.12	8.13	8.01
14	....	(100.0)	......	....	......	......	....	......

NOTE.—Implicit secondary market yields are gross—before deduction of 50-basis-point fee paid for mortgage servicing. They reflect the average accepted bid price for Government-underwritten mortgages after adjustment by Federal Reserve to allow for FNMA commitment fees and FNMA stock purchase and holding requirements, assuming a prepayment period of 15 years for 30-year loans. Commitments for 12-18 months are for new homes only.

Total accepted shown in parenthesis for most recent week indicates FNMA announced limit before the "auction" date.

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TOTAL CREDIT

(In millions of dollars)

End of period	Total	Instalment						Noninstalment			
		Total	Auto-mobile paper	Other consumer goods paper	Repair and mod-ernization loans [1]	Personal loans		Total	Single-payment loans	Charge accounts	Service credit
1939	7,222	4,503	1,497	1,620	298	1,088		2,719	787	1,414	518
1941	9,172	6,085	2,458	1,929	376	1,322		3,087	845	1,645	597
1945	5,665	2,462	455	816	182	1,009		3,203	746	1,612	845
1962	63,821	48,720	19,381	12,627	3,298	13,414		15,101	5,456	5,684	3,961
1963	71,739	55,486	22,254	14,177	3,437	15,618		16,253	6,101	5,903	4,249
1964	80,268	62,692	24,934	16,333	3,577	17,848		17,576	6,874	6,195	4,507
1965	90,314	71,324	28,619	18,565	3,728	20,412		18,990	7,671	6,430	4,889
1966	97,543	77,539	30,556	20,978	3,818	22,187		20,004	7,972	6,686	5,346
1967	102,132	80,926	30,724	22,395	3,789	24,018		21,206	8,428	6,968	5,810
1968	113,191	89,890	34,130	24,899	3,925	26,936		23,301	9,138	7,755	6,408
1968—Feb.	100,771	80,233	30,682	21,767	3,708	24,076		20,538	8,484	5,859	6,195
Mar.	100,981	80,474	30,942	21,644	3,688	24,200		20,507	8,529	5,710	6,268
Apr.	102,257	81,328	31,331	21,841	3,697	24,459		20,929	8,636	6,026	6,267
May	103,411	82,312	31,818	22,011	3,746	24,737		21,099	8,663	6,276	6,160
June	104,620	83,433	32,364	22,248	3,769	25,052		21,187	8,674	6,368	6,145
July	105,680	84,448	32,874	22,452	3,808	25,314		21,232	8,695	6,457	6,080
Aug.	107,090	85,684	33,325	22,777	3,857	25,725		21,406	8,774	6,574	6,058
Sept.	107,636	86,184	33,336	22,988	3,881	25,979		21,452	8,868	6,550	6,034
Oct.	108,643	87,058	33,698	23,248	3,910	26,202		21,585	8,943	6,692	5,950
Nov.	110,035	87,953	33,925	23,668	3,931	26,429		22,082	9,024	6,964	6,094
Dec.	113,191	89,890	34,130	24,899	3,925	26,936		23,301	9,138	7,755	6,408
1969—Jan.	112,117	89,492	34,013	24,682	3,886	26,911		22,625	9,038	7,097	6,490
Feb.	111,569	89,380	34,053	24,404	3,875	27,048		22,189	9,050	6,403	6,736

[1] Holdings of financial institutions; holdings of retail outlets are included in "other consumer goods paper."

NOTE.—Consumer credit estimates cover loans to individuals for household, family, and other personal expenditures, except real estate mortgage loans. For back figures and description of the data, see "Consumer Credit," Section 16 (New) of *Supplement to Banking and Monetary Statistics*, 1965, and December 1968 BULLETIN, pp. 983–1003.

INSTALMENT CREDIT

(In millions of dollars)

End of period	Total	Financial institutions						Retail outlets		
		Total	Com-mercial banks	Sales finance cos.	Credit unions	Con-sumer finance [1]	Other [1]	Total	Auto-mobile dealers [2]	Other retail outlets
1939	4,503	3,065	1,079	1,197	132	....	657	1,438	123	1,315
1941	6,085	4,480	1,726	1,797	198	....	759	1,605	188	1,417
1945	2,462	1,776	745	300	102	....	629	686	28	658
1962	48,720	41,878	19,005	11,405	4,875	4,765	1,828	6,842	345	6,497
1963	55,486	47,819	22,023	12,630	5,526	5,582	2,058	7,667	351	7,316
1964	62,692	53,898	25,094	13,605	6,340	6,492	2,367	8,794	329	8,465
1965	71,324	61,533	28,962	15,279	7,324	7,329	2,639	9,791	315	9,476
1966	77,539	66,724	31,319	16,697	8,255	7,663	2,790	10,815	277	10,538
1967	80,926	69,490	32,700	16,838	8,972	8,103	2,877	11,436	285	11,151
1968	89,890	77,457	36,952	18,219	10,178	8,913	3,195	12,433	320	12,113
1968—Feb.	80,233	69,439	32,839	16,713	8,899	8,071	2,917	10,794	286	10,508
Mar.	80,474	69,840	33,082	16,759	8,975	8,091	2,933	10,634	289	10,345
Apr.	81,328	70,600	33,562	16,868	9,109	8,144	2,917	10,728	293	10,435
May	82,312	71,560	34,079	17,010	9,271	8,175	3,025	10,752	298	10,454
June	83,433	72,610	34,585	17,239	9,461	8,302	3,023	10,823	303	10,520
July	84,448	73,573	35,103	17,448	9,574	8,397	3,051	10,875	308	10,567
Aug.	85,684	74,690	35,672	17,670	9,739	8,490	3,119	10,994	313	10,681
Sept.	86,184	75,114	35,923	17,680	9,851	8,530	3,130	11,070	313	10,757
Oct.	87,058	75,871	36,352	17,823	9,962	8,588	3,146	11,187	317	10,870
Nov.	87,953	76,446	36,560	17,960	10,049	8,685	3,192	11,507	319	11,188
Dec.	89,890	77,457	36,952	18,219	10,178	8,913	3,195	12,433	320	12,113
1969—Jan.	89,492	77,360	37,005	18,175	10,101	8,879	3,200	12,132	319	11,813
Feb.	89,380	77,577	37,056	18,219	10,153	8,896	3,253	11,803	319	11,484

[1] Consumer finance companies included with "other" financial institutions until 1950.

[2] Automobile paper only; other instalment credit held by automobile dealers is included with "other retail outlets."

See also NOTE to table above.

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INSTALMENT CREDIT HELD BY COMMERCIAL BANKS

(In millions of dollars)

End of period	Total	Automobile paper		Other consumer goods paper	Repair and modernization loans	Personal loans
		Purchased	Direct			
1939	1,079	237	178	166	135	363
1941	1,726	447	338	309	161	471
1945	745	66	143	114	110	312
1962	19,005	6,184	3,451	2,824	2,261	4,285
1963	22,023	7,381	4,102	3,213	2,377	4,950
1964	25,094	8,691	4,734	3,670	2,457	5,542
1965	28,962	10,209	5,659	4,166	2,571	6,357
1966	31,319	11,024	5,956	4,681	2,647	7,011
1967	32,700	10,927	6,267	5,126	2,629	7,751
1968	36,952	12,213	7,105	6,060	2,719	8,855
1968—Feb.	32,839	10,927	6,345	5,173	2,563	7,831
Mar.	33,082	11,013	6,437	5,199	2,547	7,886
Apr.	33,562	11,161	6,537	5,278	2,562	8,024
May	34,079	11,351	6,658	5,358	2,585	8,127
June	34,585	11,545	6,772	5,443	2,608	8,217
July	35,103	11,744	6,863	5,559	2,639	8,298
Aug.	35,672	11,953	6,924	5,668	2,675	8,452
Sept.	35,923	11,980	6,916	5,743	2,697	8,587
Oct.	36,352	12,143	7,000	5,812	2,716	8,681
Nov.	36,560	12,190	7,063	5,855	2,723	8,729
Dec.	36,952	12,213	7,105	6,060	2,719	8,855
1969—Jan.	37,005	12,160	7,108	6,135	2,692	8,910
Feb.	37,056	12,153	7,117	6,168	2,676	8,942

See NOTE to first table on previous page.

INSTALMENT CREDIT HELD BY OTHER FINANCIAL INSTITUTIONS

(In millions of dollars)

End of period	Total	Automobile paper	Other consumer goods paper	Repair and modernization loans	Personal loans
1939	789	81	24	15	669
1941	957	122	36	14	785
1945	731	54	20	14	643
1962	11,468	2,150	841	824	7,653
1963	13,166	2,498	949	846	8,873
1964	15,199	2,895	1,176	913	10,215
1965	17,292	3,368	1,367	972	11,585
1966	18,708	3,727	1,503	1,020	12,458
1967	19,952	3,993	1,600	1,046	13,313
1968	22,286	4,506	1,877	1,132	14,771
1968—Feb.	19,887	3,962	1,603	1,041	13,281
Mar.	19,999	3,995	1,621	1,042	13,341
Apr.	20,170	4,048	1,636	1,042	13,444
May	20,471	4,123	1,671	1,073	13,604
June	20,786	4,200	1,703	1,077	13,806
July	21,022	4,250	1,730	1,087	13,955
Aug.	21,348	4,323	1,765	1,109	14,151
Sept.	21,511	4,369	1,793	1,115	14,234
Oct.	21,696	4,415	1,829	1,120	14,332
Nov.	21,926	4,455	1,847	1,134	14,490
Dec.	22,286	4,506	1,877	1,132	14,771
1969—Jan.	22,180	4,475	1,877	1,123	14,705
Feb.	22,302	4,502	1,885	1,128	14,787

NOTE.—Institutions represented are consumer finance companies, credit unions, industrial loan companies, mutual savings banks, savings and loan assns., and other lending institutions holding consumer instalment credit.

See also NOTE to first table on previous page.

INSTALMENT CREDIT HELD BY SALES FINANCE COMPANIES

(In millions of dollars)

End of period	Total	Automobile paper	Other consumer goods paper	Repair and modernization loans	Personal loans
1939	1,197	878	115	148	56
1941	1,797	1,363	167	201	66
1945	300	164	24	58	54
1962	11,405	7,251	2,465	213	1,476
1963	12,630	7,922	2,699	214	1,795
1964	13,605	8,285	3,022	207	2,091
1965	15,279	9,068	3,556	185	2,470
1966	16,697	9,572	4,256	151	2,718
1967	16,838	9,252	4,518	114	2,954
1968	18,219	9,986	4,849	74	3,310
1968—Feb.	16,713	9,162	4,483	104	2,964
Mar.	16,759	9,208	4,479	99	2,973
Apr.	16,868	9,292	4,492	93	2,991
May	17,010	9,388	4,528	88	3,006
June	17,239	9,544	4,582	84	3,029
July	17,448	9,709	4,596	82	3,061
Aug.	17,670	9,812	4,663	73	3,122
Sept.	17,680	9,758	4,695	69	3,158
Oct.	17,823	9,823	4,737	74	3,189
Nov.	17,960	9,898	4,778	74	3,210
Dec.	18,219	9,986	4,849	74	3,310
1969—Jan.	18,175	9,951	4,857	71	3,296
Feb.	18,219	9,962	4,867	71	3,319

See NOTE to first table on previous page.

NONINSTALMENT CREDIT

(In millions of dollars)

End of period	Total	Single-payment loans		Charge accounts		Service credit
		Commercial banks	Other financial institutions	Retail outlets	Credit cards[1]	
1939	2,719	625	162	1,414	....	518
1941	3,087	693	152	1,645	....	597
1945	3,203	674	72	1,612	....	845
1962	15,101	4,690	766	5,179	505	3,961
1963	16,253	5,205	896	5,344	559	4,249
1964	17,576	5,950	924	5,587	608	4,507
1965	18,990	6,690	981	5,724	706	4,889
1966	20,004	6,946	1,026	5,812	874	5,346
1967	21,206	7,340	1,088	5,939	1,029	5,810
1968	23,301	7,975	1,163	6,450	1,305	6,408
1968—Feb.	20,538	7,375	1,109	4,842	1,017	6,195
Mar.	20,507	7,416	1,113	4,698	1,012	6,268
Apr.	20,929	7,526	1,110	5,005	1,021	6,267
May	21,099	7,526	1,137	5,254	1,022	6,160
June	21,187	7,546	1,128	5,278	1,090	6,145
July	21,232	7,565	1,130	5,297	1,160	6,080
Aug.	21,406	7,627	1,147	5,329	1,245	6,058
Sept.	21,452	7,719	1,149	5,283	1,267	6,034
Oct.	21,585	7,794	1,149	5,424	1,268	5,950
Nov.	22,082	7,857	1,167	5,670	1,294	6,094
Dec.	23,301	7,975	1,163	6,450	1,305	6,408
1969—Jan.	22,625	7,878	1,160	5,763	1,334	6,490
Feb.	22,189	7,877	1,173	5,087	1,316	6,736

[1] Service station and miscellaneous credit-card accounts and home-heating-oil accounts. Bank credit card accounts outstanding are included in estimates of instalment credit outsanding.

See also NOTE to first table on previous page.

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INSTALMENT CREDIT EXTENDED AND REPAID, BY TYPE OF CREDIT

(In millions of dollars)

Period	Total S.A.[1]	Total N.S.A.	Automobile paper S.A.[1]	Automobile paper N.S.A.	Other consumer goods paper S.A.[1]	Other consumer goods paper N.S.A.	Repair and modernization loans S.A.[1]	Repair and modernization loans N.S.A.	Personal loans S.A.[1]	Personal loans N.S.A.
					Extensions					
1962	....	56,191	....	19,694	....	15,701	....	2,084	....	18,710
1963	....	63,591	....	22,126	....	17,920	....	2,186	....	21,359
1964	....	70,670	....	24,046	....	20,821	....	2,225	....	23,578
1965	....	78,586	....	27,227	....	22,750	....	2,266	....	26,343
1966	....	82,335	....	27,341	....	25,591	....	2,200	....	27,203
1967	....	84,693	....	26,667	....	26,952	....	2,113	....	28,961
1968	....	97,053	....	31,424	....	30,593	....	2,268	....	32,768
1968—Feb.	7,847	6,716	2,559	2,296	2,458	1,925	184	140	2,646	2,355
Mar.	7,903	7,501	2,605	2,565	2,531	2,295	183	161	2,584	2,480
Apr.	7,863	8,219	2,509	2,764	2,597	2,533	189	189	2,568	2,733
May	8,033	8,377	2,590	2,853	2,535	2,520	197	236	2,711	2,768
June	8,003	8,115	2,570	2,735	2,536	2,441	179	194	2,718	2,745
July	8,247	8,738	2,673	2,974	2,622	2,631	195	228	2,757	2,905
Aug.	8,187	8,502	2,684	2,774	2,483	2,531	185	225	2,835	2,972
Sept.	8,416	7,682	2,783	2,354	2,560	2,462	196	199	2,877	2,667
Oct.	8,533	8,687	2,782	2,917	2,645	2,752	202	211	2,904	2,807
Nov.	8,288	8,166	2,681	2,546	2,640	2,739	191	190	2,776	2,691
Dec.	8,277	9,568	2,592	2,489	2,656	3,608	192	163	2,837	3,308
1969—Jan.	8,371	7,557	2,661	2,369	2,654	2,449	179	137	2,877	2,602
Feb.	8,414	6,971	2,716	2,344	2,598	1,985	201	149	2,899	2,493
					Repayments					
1962	....	51,360	....	17,447	....	14,935	....	2,010	....	16,969
1963	....	56,825	....	19,254	....	16,369	....	2,046	....	19,156
1964	....	63,470	....	21,369	....	18,666	....	2,086	....	21,349
1965	....	69,957	....	23,543	....	20,518	....	2,116	....	23,780
1966	....	76,120	....	25,404	....	23,178	....	2,110	....	25,428
1967	....	81,306	....	26,499	....	25,535	....	2,142	....	27,130
1968	....	88,089	....	28,018	....	28,089	....	2,132	....	29,850
1968—Feb.	7,111	6,862	2,275	2,193	2,269	2,275	173	166	2,394	2,228
Mar.	7,281	7,260	2,316	2,305	2,372	2,418	185	181	2,408	2,356
Apr.	7,222	7,365	2,297	2,375	2,340	2,336	176	180	2,409	2,474
May	7,301	7,393	2,327	2,366	2,312	2,350	184	187	2,478	2,490
June	7,287	6,994	2,289	2,189	2,324	2,204	175	171	2,499	2,430
July	7,390	7,723	2,352	2,464	2,374	2,427	181	189	2,483	2,643
Aug.	7,253	7,266	2,327	2,323	2,209	2,206	170	176	2,547	2,561
Sept.	7,701	7,182	2,482	2,343	2,428	2,251	179	175	2,612	2,413
Oct.	7,586	7,813	2,391	2,555	2,451	2,492	177	182	2,567	2,584
Nov.	7,454	7,271	2,363	2,319	2,388	2,319	175	169	2,528	2,464
Dec.	7,502	7,631	2,357	2,284	2,422	2,377	175	169	2,548	2,801
1969—Jan.	7,730	7,955	2,467	2,486	2,442	2,666	173	176	2,648	2,627
Feb.	7,616	7,083	2,468	2,304	2,352	2,263	172	160	2,624	2,356
					Net change in credit outstanding[2]					
1962	....	4,831	....	2,247	....	766	....	74	....	1,741
1963	....	6,766	....	2,872	....	1,551	....	140	....	2,203
1964	....	7,200	....	2,677	....	2,155	....	139	....	2,229
1965	....	8,629	....	3,684	....	2,232	....	150	....	2,563
1966	....	6,215	....	1,937	....	2,413	....	90	....	1,775
1967	....	3,387	....	168	....	1,417	....	−29	....	1,831
1968	....	8,964	....	3,406	....	2,504	....	136	....	2,918
1968—Feb.	736	−146	284	103	189	−350	11	−26	252	127
Mar.	622	241	289	260	159	−123	−2	−20	176	124
Apr.	641	854	212	389	257	197	13	9	159	259
May	732	984	263	487	223	170	13	49	233	278
June	716	1,121	281	546	212	237	4	23	219	315
July	857	1,015	321	510	248	204	14	39	274	262
Aug.	934	1,236	357	451	274	325	15	49	288	411
Sept.	715	500	301	11	132	211	17	24	265	254
Oct.	947	874	391	362	194	260	25	29	337	223
Nov.	834	895	318	227	252	420	16	21	248	227
Dec.	775	1,937	235	205	234	1,231	17	−6	289	507
1969—Jan.	641	−398	194	−117	212	−217	6	−39	229	−25
Feb.	798	−112	248	40	246	−278	29	−11	275	137

[1] Includes adjustments for differences in trading days.
[2] Net changes in credit outstanding are equal to extensions less repayments.

NOTE.—Estimates are based on accounting records and often include financing charges. Renewals and refinancing of loans, purchases and sales of instalment paper, and certain other transactions may increase the amount of extensions and repayments without affecting the amount outstanding.

For back figures and description of the data, see "Consumer Credit," Section 16 (New) of *Supplement to Banking and Monetary Statistics*, 1965, and pp. 983–1003 of the BULLETIN for December 1968.

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INSTALMENT CREDIT EXTENDED AND REPAID, BY HOLDER

(In millions of dollars)

Period	Total		Commercial banks		Sales finance companies		Other financial institutions		Retail outlets	
	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.
	Extensions									
1962	....	56,191	....	20,474	....	11,269	....	14,787	....	9,659
1963	....	63,591	....	23,344	....	12,152	....	16,768	....	11,327
1964	....	70,670	....	25,950	....	12,613	....	18,797	....	13,310
1965	....	78,586	....	29,528	....	13,722	....	20,906	....	14,430
1966	....	82,335	....	30,073	....	14,278	....	21,490	....	16,494
1967	....	84,693	....	30,850	....	13,833	....	22,574	....	17,436
1968	....	97,053	....	36,332	....	15,909	....	25,777	....	19,035
1968—Feb.	7,847	6,716	2,918	2,617	1,282	1,117	2,085	1,835	1,562	1,147
Mar.	7,903	7,501	2,950	2,845	1,337	1,251	2,025	1,964	1,591	1,441
Apr.	7,863	8,219	2,910	3,194	1,290	1,355	2,021	2,099	1,642	1,571
May	8,033	8,377	2,980	3,233	1,332	1,369	2,157	2,241	1,564	1,534
June	8,003	8,115	2,938	3,030	1,302	1,358	2,177	2,231	1,586	1,496
July	8,247	8,738	3,018	3,343	1,366	1,495	2,190	2,307	1,673	1,593
Aug.	8,187	8,502	3,066	3,245	1,289	1,329	2,248	2,344	1,584	1,584
Sept.	8,416	7,682	3,284	2,953	1,349	1,217	2,236	2,043	1,547	1,469
Oct.	8,533	8,687	3,252	3,306	1,367	1,437	2,309	2,246	1,605	1,698
Nov.	8,288	8,166	3,111	2,877	1,411	1,368	2,139	2,139	1,627	1,782
Dec.	8,277	9,568	3,139	3,094	1,362	1,535	2,208	2,571	1,568	2,368
1969—Jan.	8,371	7,557	3,135	2,908	1,381	1,227	2,250	1,977	1,605	1,445
Feb.	8,414	6,971	3,155	2,728	1,419	1,192	2,315	1,972	1,525	1,079
	Repayments									
1962	....	51,360	....	18,468	....	10,200	....	13,455	....	9,237
1963	....	56,825	....	20,326	....	10,927	....	15,070	....	10,502
1964	....	63,470	....	22,971	....	11,638	....	16,764	....	12,097
1965	....	69,957	....	25,663	....	12,048	....	18,813	....	13,433
1966	....	76,120	....	27,716	....	12,860	....	20,074	....	15,470
1967	....	81,306	....	29,469	....	13,692	....	21,330	....	16,815
1968	....	88,089	....	32,080	....	14,528	....	23,443	....	18,038
1968—Feb.	7,111	6,862	2,572	2,488	1,169	1,130	1,888	1,750	1,482	1,494
Mar.	7,281	7,260	2,641	2,602	1,192	1,205	1,885	1,852	1,563	1,601
Apr.	7,222	7,365	2,643	2,714	1,174	1,246	1,887	1,928	1,518	1,477
May	7,301	7,393	2,653	2,716	1,222	1,227	1,939	1,940	1,487	1,510
June	7,287	6,994	2,666	2,524	1,164	1,129	1,957	1,916	1,500	1,425
July	7,390	7,723	2,662	2,825	1,258	1,286	1,942	2,071	1,528	1,541
Aug.	7,253	7,266	2,610	2,676	1,156	1,107	2,023	2,018	1,464	1,465
Sept.	7,701	7,182	2,849	2,702	1,323	1,207	2,026	1,880	1,503	1,393
Oct.	7,586	7,813	2,764	2,877	1,230	1,294	2,052	2,061	1,540	1,581
Nov.	7,454	7,271	2,769	2,669	1,254	1,231	1,950	1,909	1,481	1,462
Dec.	7,502	7,631	2,761	2,702	1,215	1,276	2,019	2,211	1,507	1,442
1969—Jan.	7,730	7,955	2,812	2,855	1,282	1,271	2,082	2,083	1,554	1,746
Feb.	7,616	7,083	2,869	2,677	1,231	1,148	2,066	1,850	1,450	1,408
	Net change in credit outstanding [2]									
1962	....	4,831	....	1,997	....	1,078	....	1,332	....	422
1963	....	6,766	....	3,018	....	1,225	....	1,698	....	825
1964	....	7,200	....	3,065	....	975	....	2,033	....	1,127
1965	....	8,629	....	3,865	....	1,674	....	2,093	....	997
1966	....	6,215	....	2,357	....	1,418	....	1,416	....	1,024
1967	....	3,387	....	1,381	....	141	....	1,244	....	621
1968	....	8,964	....	4,252	....	1,381	....	2,334	....	997
1968—Feb.	736	−146	346	129	113	−13	197	85	80	−347
Mar.	622	241	309	243	145	46	140	112	28	−160
Apr.	641	854	267	480	116	109	134	171	124	94
May	732	984	327	517	110	142	218	301	77	24
June	716	1,121	272	506	138	229	220	315	86	71
July	857	1,015	356	518	108	209	248	236	145	52
Aug.	934	1,236	456	569	133	222	225	326	120	119
Sept.	715	500	435	251	26	10	210	163	44	76
Oct.	947	874	488	429	137	143	257	185	65	117
Nov.	834	895	342	208	157	137	189	230	146	320
Dec.	775	1,937	378	392	147	259	189	360	61	926
1969—Jan.	641	−398	323	53	99	−44	168	−106	51	−301
Feb.	798	−112	286	51	188	44	249	122	75	−329

[1] Includes adjustments for differences in trading days.

[2] Net changes in credit outstanding are equal to extensions less repayments, except in certain months when data for extensions and repayments have been adjusted to eliminate duplication resulting from large transfers of paper. In those months the differences between extensions and repayments for some particular holders do not equal the changes in their outstanding credit. Such transfers do not affect total instalment credit extended, repaid, or outstanding.

See also NOTE to previous table.

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MARKET GROUPINGS

(1957–59 = 100)

Grouping	1957–59 proportion	1967 average[1]	1968											1969	
			Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct. r	Nov. r	Dec. r	Jan. r	Feb. r
Total index	100.00	158.1	162.0	163.0	162.5	164.2	165.8	166.0	164.6	165.1	166.0	167.5	168.7	169.2	169.5
Final products, total	*47.35*	*158.3*	*162.0*	*163.5*	*161.7*	*163.0*	*165.2*	*164.7*	*164.8*	*165.7*	*167.0*	*167.9*	*168.1*	*168.3*	*169.3*
Consumer goods	32.31	148.5	152.9	155.0	153.5	154.6	156.8	156.4	156.8	157.3	159.6	159.2	160.1	161.2	161.3
Equipment, including defense	15.04	179.4	181.6	181.8	179.4	181.1	183.2	182.6	181.9	183.6	183.0	186.5	185.3	183.5	185.7
Materials	52.65	157.8	161.8	162.8	163.1	165.2	166.7	167.4	164.2	165.1	165.7	167.6	169.3	170.1	169.3
Consumer goods															
Automotive products	*3.21*	*149.1*	*162.7*	*173.4*	*168.7*	*178.1*	*180.7*	*180.4*	*177.1*	*175.6*	*178.9*	*181.2*	*177.8*	*176.2*	*172.7*
Autos	1.82	145.7	158.0	172.7	166.8	182.3	183.5	183.7	182.4	177.4	180.3	180.6	174.5	170.6	165.0
Auto parts and allied products	1.39	153.6	168.8	174.4	171.2	172.6	177.1	176.1	170.2	173.2	177.0	182.1	182.2	183.5	182.8
Home goods and apparel	*10.00*	*149.9*	*151.4*	*153.8*	*153.7*	*149.9*	155.7	154.1	155.8	*156.3*	*158.1*	158.6	*157.6*	*161.0*	*159.0*
Home goods	4.59	166.0	171.5	172.9	170.1	170.4	173.4	171.5	174.6	175.9	176.7	178.3	180.0	184.3	182.9
Appliances, TV, and radios	1.81	159.6	162.6	164.8	156.8	156.7	161.6	161.8	168.0	170.4	171.8	171.9	173.2	177.5	178.6
Appliances	1.33	163.2	165.9	168.4	158.9	158.5	165.2	166.5	172.8	175.5	175.1	177.2	181.7	186.8	186.6
TV and home radios	.47	149.2	153.1	154.8	151.0	151.7	151.3	148.5	154.5	156.2	162.5	156.9	149.4	151.5	156.0
Furniture and rugs	1.26	159.6	169.2	169.9	170.1	174.6	174.8	174.5	174.0	175.5	174.2	177.0	180.2	184.3	180.9
Miscellaneous home goods	1.52	178.9	184.0	185.0	185.9	183.1	186.2	180.5	182.9	182.8	184.7	187.0	187.9	192.2	189.6
Apparel, knit goods, and shoes	5.41	136.2	137.3	140.3	139.9	139.5	140.8	139.4	139.8	139.6	142.3	142.0	138.7	141.3	......
Consumer staples	*19.10*	*147.6*	*151.2*	*151.7*	*150.7*	*151.2*	*153.4*	*153.5*	*153.9*	*154.9*	*157.1*	*155.8*	*158.4*	*158.8*	*160.7*
Processed foods	8.43	130.0	130.6	131.3	131.2	131.0	132.2	132.9	132.5	132.5	133.2	132.0	134.7	135.4	137.4
Beverages and tobacco	2.43	137.4	141.8	141.7	139.4	136.6	142.9	139.6	144.7	145.2	145.9	142.3	145.4	144.6	......
Drugs, soap, and toiletries	2.97	182.7	185.9	187.5	186.1	190.0	192.0	192.6	190.6	193.6	199.8	200.4	201.4	203.7	203.9
Newspapers, magazines, and books	1.47	140.1	141.5	142.1	142.1	145.3	143.6	144.2	143.6	140.7	145.8	146.0	147.1	146.3	145.7
Consumer fuel and lighting	3.67	168.9	179.6	179.4	177.3	177.0	180.8	180.8	182.6	186.0	188.7	186.1	190.2	190.0	......
Fuel oil and gasoline	1.20	132.4	135.4	136.2	136.3	140.2	142.8	140.3	138.3	142.6	141.4	140.6	141.3	129.9	138.1
Residential utilities	2.46	186.7	201.2	200.4	197.2	194.9	199.3	200.6	204.2	207.2	211.8	208.3	214.0	219.3	......
Electricity	1.72	199.9	218.4	217.3	212.5	209.0	218.0	219.0	224.0	228.0	233.6	228.0	235.7	242.8	......
Gas	.74	156.2	......	......	......	......	......	......	......	......	......	......	......	......	......
Equipment															
Business equipment	*11.63*	*182.8*	*182.9*	*183.3*	*180.9*	*182.5*	*184.3*	*183.4*	*182.4*	*185.2*	*186.8*	*191.2*	*191.1*	*192.3*	*193.1*
Industrial equipment	6.85	170.2	165.8	167.0	165.9	165.8	168.0	167.5	164.7	167.8	170.2	174.0	174.9	175.4	176.3
Commercial equipment	2.42	200.9	206.1	205.4	204.4	203.6	204.6	202.4	204.6	205.9	207.3	208.7	205.3	209.4	212.2
Freight and passenger equipment	1.76	215.4	230.1	227.8	220.8	231.5	234.0	234.3	233.2	235.6	234.3	247.4	247.2	246.4	244.0
Farm equipment	.61	158.7	146.4	150.6	140.3	145.1	144.2	139.6	145.8	152.9	155.3	152.4	134.0	135.9	......
Defense equipment	*3.41*	......	......	......	......	......	......	......	......	......	......	......	......	......	......
Materials															
Durable goods materials	*26.73*	*151.9*	*155.4*	*156.7*	*157.1*	*159.4*	*160.4*	*159.8*	*153.3*	*153.3*	*155.4*	*157.6*	*159.7*	*161.1*	*160.4*
Consumer durable	3.43	143.9	162.2	160.1	154.6	163.0	166.2	167.7	153.5	166.1	166.5	169.6	161.0	162.2	164.1
Equipment	7.84	184.5	186.7	185.1	181.9	183.6	184.8	185.8	185.3	185.1	184.7	187.7	187.5	187.4	188.4
Construction	9.17	139.6	144.8	145.8	144.4	145.3	145.6	143.7	143.3	145.5	146.3	148.3	152.2	154.5	151.8
Metal materials n.e.c.	6.29	133.5	141.4	140.7	144.5	145.0	143.3	146.6	127.4	122.3	126.6	131.8	140.5	142.9	147.4
Nondurable materials	*25.92*	*163.9*	*168.3*	*169.1*	*169.3*	*171.2*	*173.9*	*175.3*	*175.5*	*177.2*	*176.4*	*177.9*	*179.2*	*179.2*	*178.3*
Business supplies	9.11	152.9	154.1	150.1	152.0	154.5	159.0	157.9	158.4	161.1	162.3	161.7	163.2	164.8	162.6
Containers	3.03	148.5	144.5	142.8	150.9	155.6	158.9	156.0	154.2	163.4	167.4	161.5	164.8	168.2	164.9
General business supplies	6.07	155.1	154.4	153.8	152.6	154.0	159.0	158.8	160.5	160.0	159.8	161.8	162.4	163.1	161.4
Nondurable materials n.e.c.	7.40	202.2	213.9	215.7	214.9	216.4	218.5	223.8	223.6	227.3	228.2	230.3	233.6	231.1	232.0
Business fuel and power	9.41	144.3	149.1	150.8	150.2	151.7	153.2	154.1	154.3	153.3	149.3	152.5	151.9	152.4	151.3
Mineral fuels	6.07	129.2	131.4	134.3	132.6	133.7	136.4	136.9	136.6	134.1	126.0	131.4	130.0	128.7	126.0
Nonresidential utilities	2.86	183.3	194.4	193.6	194.6	197.0	196.7	198.2	200.3	202.8	206.3	205.7	206.7	211.8	......
Electricity	2.32	185.8	199.0	198.3	199.2	202.0	198.9	200.2	202.2	204.8	208.6	207.1	208.1	214.1	......
General industrial	1.03	182.6	193.0	191.8	195.4	197.4	193.7	195.1	197.0	199.3	203.6	202.0	204.2	207.0	......
Commercial and other	1.21	197.0	213.8	213.4	212.1	215.7	213.0	214.8	216.9	220.0	223.6	222.0	222.2	231.2	......
Gas	.54	172.4	......	......	......	......	......	......	......	......	......	......	......	......	......
Supplementary groups of consumer goods															
Automotive and home goods	7.80	159.0	167.9	173.1	169.5	173.6	176.4	175.2	175.6	175.8	177.6	179.5	179.1	180.9	178.7
Apparel and staples	24.51	145.1	148.1	142.9	148.3	148.6	150.6	150.4	150.7	151.5	153.9	152.8	154.1	155.0	......

For notes see page A-59.

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INDUSTRY GROUPINGS

(1957–59 = 100)

Grouping	1957–59 pro-portion	1967 aver-age[1]	1968											1969	
			Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec. r	Jan. r	Feb. r
Total index	100.00	158.1	162.0	163.0	162.5	164.2	165.8	166.0	164.6	165.1	166.0	167.5	168.7	169.2	169.5
Manufacturing, total	86.45	159.7	163.6	164.6	163.7	165.8	167.3	167.4	165.7	166.3	167.8	169.1	170.2	170.4	170.7
Durable	48.07	163.7	167.6	168.2	167.2	169.8	171.0	170.8	167.8	168.7	169.3	171.3	172.4	172.7	173.2
Nondurable	38.38	154.6	158.6	160.0	159.5	160.8	162.7	163.0	163.0	163.3	165.9	166.3	167.4	167.5	167.5
Mining	8.23	123.8	123.9	126.2	127.1	126.9	129.2	130.0	129.4	127.0	120.7	126.4	127.4	126.5	125.2
Utilities	5.32	184.9	199.0	198.0	196.5	196.1	197.9	199.3	202.1	204.8	208.9	206.9	210.1	215.2	218.0
Durable manufactures															
Primary and fabricated metals	12.32	145.3	150.8	151.7	151.2	155.7	156.2	154.7	141.8	141.1	144.5	148.6	152.9	154.7	156.7
Primary metals	6.95	132.5	139.3	140.2	143.3	148.5	148.6	145.8	122.8	120.6	123.1	129.3	135.4	138.0	141.1
Iron and steel	5.45	126.8	137.8	140.8	134.1	146.4	148.4	146.6	112.9	107.3	108.1	115.8	124.6	125.5	132.2
Nonferrous metals and products	1.50	153.2	154.1	151.3	145.5	150.4	150.4	153.6	153.9	166.2	174.0	173.8	180.7	177.2	177.5
Fabricated metal products	5.37	161.9	165.7	166.6	161.4	165.0	166.1	166.2	166.3	167.6	172.2	173.5	175.6	176.3	176.9
Structural metal parts	2.86	158.1	160.9	162.7	156.9	159.8	161.8	159.7	159.1	161.1	165.1	168.3	170.3	170.1	171.6
Machinery and related products	27.98	177.5	181.5	182.3	179.2	181.4	183.5	184.0	184.4	185.6	185.0	186.2	185.6	185.2	185.4
Machinery	14.80	183.4	183.2	183.3	179.4	179.9	181.7	182.7	183.8	186.4	186.1	187.4	188.6	191.4	191.3
Nonelectrical machinery	8.43	183.4	180.6	180.2	176.6	176.9	178.8	179.8	179.1	182.6	183.7	184.4	185.3	187.7	188.2
Electrical machinery	6.37	183.3	186.6	187.3	182.8	184.2	185.5	186.5	190.1	191.4	189.3	191.4	193.0	196.4	195.5
Transportation equipment	10.19	165.7	175.1	177.6	175.3	180.4	182.6	183.2	181.7	180.5	180.4	180.2	176.4	171.4	172.5
Motor vehicles and parts	4.68	146.5	161.1	167.8	164.8	173.6	174.2	174.3	175.4	173.5	177.0	177.7	172.3	167.7	166.7
Aircraft and other equipment	5.26	182.1	186.5	185.4	183.5	185.4	188.6	189.3	185.7	184.7	181.0	179.6	177.0	170.9	173.9
Instruments and related products	1.71	184.8	184.7	183.8	181.4	181.2	181.3	179.2	182.6	184.3	185.8	188.5	189.7	191.6	190.4
Ordnance and accessories	1.28	......	......	......	......	......	......	......	......	......	......	......	......	......	......
Clay, glass, and lumber	4.72	130.7	130.7	128.8	138.0	137.7	137.1	136.2	135.5	138.8	139.9	141.5	144.3	142.9	142.8
Clay, glass, and stone products	2.99	138.7	137.3	131.0	146.1	145.4	145.1	145.2	147.5	150.0	151.8	150.4	151.2	153.7	155.3
Lumber and products	1.73	116.9	119.3	125.0	123.9	122.7	123.4	120.6	114.7	119.4	119.4	126.1	132.3	124.3	121.3
Furniture and miscellaneous	3.05	162.6	166.9	166.9	166.5	169.8	169.5	169.5	170.1	170.9	171.3	172.2	174.2	176.6	175.2
Furniture and fixtures	1.54	167.7	173.0	173.7	174.1	178.9	178.0	177.8	178.6	179.7	180.4	181.7	182.9	186.8	185.6
Miscellaneous manufactures	1.51	157.3	160.7	159.9	158.8	160.6	160.9	161.1	161.4	162.0	162.1	162.5	165.3	166.2	164.7
Nondurable manufactures															
Textiles, apparel, and leather	7.60	139.4	141.9	143.9	142.9	144.1	145.2	144.2	144.1	144.8	146.8	147.5	145.0	143.9	142.0
Textile mill products	2.90	142.0	148.8	149.9	146.3	147.2	148.8	150.9	151.4	152.0	153.3	155.1	153.5	151.8	151.0
Apparel products	3.59	147.6	146.4	148.5	148.9	149.6	151.4	150.4	149.0	149.9	152.1	152.5	149.2	148.8	......
Leather and products	1.11	106.3	109.7	113.7	114.6	118.0	115.8	107.0	109.5	109.3	113.0	111.7	109.2	107.8	......
Paper and printing	8.17	149.6	150.6	152.0	151.6	154.5	155.2	155.6	156.5	156.8	157.7	159.8	159.7	161.7	162.0
Paper and products	3.43	153.6	157.1	159.2	159.5	161.1	162.9	164.1	164.1	166.1	166.7	170.1	169.9	174.6	174.4
Printing and publishing	4.74	146.8	145.9	146.8	145.8	149.8	149.6	149.5	151.1	150.0	151.2	152.3	152.3	152.4	153.0
Newspapers	1.53	134.2	131.4	133.7	130.8	134.4	134.7	134.7	137.7	140.9	138.4	140.8	139.5	141.2	141.7
Chemicals, petroleum, and rubber	11.54	190.0	200.2	201.6	200.9	203.1	206.6	208.2	207.6	207.9	212.8	213.6	216.8	215.3	215.8
Chemicals and products	7.58	203.8	213.8	215.0	215.2	216.6	219.3	222.4	221.0	222.4	227.8	228.7	231.8	233.6	232.7
Industrial chemicals	3.84	236.0	251.8	252.7	256.2	255.5	258.0	264.4	262.7	263.2	268.2	268.0	275.0	276.9	......
Petroleum products	1.97	133.4	135.7	136.1	137.3	139.9	140.6	139.5	140.7	141.9	142.2	141.4	141.2	131.5	140.7
Rubber and plastics products	1.99	193.5	212.3	215.7	209.4	214.3	218.0	222.4	223.1	223.4	225.8	227.5	234.6	229.1	......
Foods, beverages, and tobacco	11.07	131.7	133.1	133.7	133.6	132.9	134.5	134.2	134.4	134.5	136.1	134.9	137.0	138.3	138.7
Foods and beverages	10.25	132.6	133.2	134.5	135.3	134.0	135.5	135.1	135.3	135.4	137.3	136.1	138.8	139.8	140.3
Food manufactures	8.64	130.1	130.7	131.4	131.9	131.9	132.2	132.7	131.5	131.5	133.3	132.8	134.6	136.5	137.5
Beverages	1.61	146.0	146.7	151.2	153.3	145.0	153.1	147.9	155.7	156.0	158.6	153.7	161.6	157.4	......
Tobacco products	.82	120.3	132.1	122.9	112.1	120.0	122.8	123.4	123.1	124.0	120.8	119.9	113.6	119.5	......
Mining															
Coal, oil, and gas	6.80	122.7	123.2	126.0	124.7	125.6	128.1	128.7	127.9	125.8	118.9	124.6	124.2	123.2	120.7
Coal	1.16	120.4	116.8	126.0	124.4	120.4	126.7	126.6	121.3	120.8	86.6	115.9	118.3	115.3	112.4
Crude oil and natural gas	5.64	123.1	124.5	126.0	124.8	126.6	128.4	129.2	129.3	126.8	125.5	126.3	125.4	124.8	122.4
Oil and gas extraction	4.91	131.3	134.8	136.2	134.5	136.8	138.7	139.3	140.2	137.3	135.3	135.1	132.8	131.8	129.3
Crude oil	4.25	126.3	129.7	130.9	128.7	131.2	132.4	134.0	134.8	131.2	129.1	128.6	126.4	125.2	121.9
Gas and gas liquids	.66	163.5	......	......	......	......	......	......	......	......	......	......	......	......	......
Oil and gas drilling	.73	67.9	55.0	56.7	59.1	57.7	59.1	60.7	55.9	55.8	59.5	67.3	75.4	77.2	......
Metal, stone, and earth minerals	1.43	128.9	127.0	127.4	138.3	133.5	134.3	135.8	136.2	132.8	129.2	135.3	143.0	142.1	146.8
Metal mining	.61	120.3	102.8	108.7	139.9	131.4	130.8	134.1	134.5	127.7	125.1	135.1	137.6	140.2	142.8
Stone and earth minerals	.82	135.4	145.0	141.2	137.1	135.0	136.9	137.1	137.5	136.5	132.2	135.5	147.0	143.5	149.7
Utilities															
Electric	4.04	191.8	207.3	206.4	204.9	205.0	207.0	208.2	211.5	214.7	219.3	216.0	219.9	226.3	......
Gas	1.28	163.0	172.8	171.8	170.0	168.4	169.2	171.3	172.6	......	......	......	......	......	......

For notes see p. A-59.

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MARKET GROUPINGS

(1957–59 = 100)

Grouping	1957–59 pro-portion	1967 aver-age[1]	1968 Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.[r]	1969 Jan.[r]	Feb.[r]
Total index	100.00	158.1	162.7	164.6	163.2	165.2	169.4	160.3	163.3	169.5	170.7	169.1	166.3	166.8	169.5
Final products, total	*47.35*	*158.3*	*162.4*	*164.8*	*160.8*	*162.6*	*168.8*	*159.1*	*162.0*	*171.9*	*172.6*	*169.2*	*165.6*	*166.7*	*167.1*
Consumer goods	32.31	148.5	153.4	156.2	151.7	153.7	161.2	149.6	154.2	165.9	167.5	161.7	155.8	159.0	161.1
Equipment, including defense	15.04	179.4	181.7	183.4	180.4	181.6	185.1	179.6	178.6	184.6	183.6	185.4	186.6	183.2	185.6
Materials	52.65	157.8	162.8	164.5	165.4	167.6	169.9	161.3	164.5	167.5	169.0	169.5	166.9	166.9	170.0
Consumer goods															
Automotive products	*3.21*	*149.1*	*171.2*	*183.7*	*178.7*	*189.5*	*194.7*	*148.4*	*101.1*	*170.8*	*197.2*	*198.3*	*185.5*	*185.4*	*181.6*
Autos	1.82	145.7	173.8	193.4	183.5	202.4	208.3	134.1	45.6	165.0	207.4	212.2	192.0	187.7	181.5
Auto parts and allied products	1.39	153.6	167.9	170.8	172.3	172.7	176.7	167.4	174.1	178.4	183.8	180.1	176.9	182.2	181.6
Home goods and apparel	*10.00*	*149.9*	*159.0*	*160.6*	*154.9*	*153.1*	*161.0*	*140.4*	*155.8*	*162.2*	*167.4*	*162.7*	*149.2*	*156.1*	*162.7*
Home goods	4.59	166.0	177.2	177.1	172.5	170.8	177.4	157.1	169.8	183.9	189.5	186.2	178.8	182.8	187.6
Appliances, TV, and radios	1.81	159.6	180.9	176.9	168.7	163.3	171.7	139.8	151.6	180.5	187.5	180.1	161.5	183.1	194.5
Appliances	1.33	163.2	187.9	185.3	180.3	167.4	180.4	149.5	147.8	183.5	186.1	180.7	172.2	191.7	205.3
TV and home radios	.47	149.2	161.1	153.1	135.9	151.7	147.5	112.4	162.2	171.8	191.7	178.2	131.5	158.9	164.1
Furniture and rugs	1.26	159.6	167.2	167.9	165.3	168.0	174.8	166.1	178.0	180.4	183.3	183.5	186.9	180.2	178.7
Miscellaneous home goods	1.52	178.9	181.2	184.8	183.1	182.0	186.2	170.2	184.7	191.0	196.9	195.6	192.6	184.5	186.8
Apparel, knit goods, and shoes	5.41	136.2	143.5	146.6	139.9	138.1	147.1	126.2	144.0	143.8	148.7	142.7	124.1	133.5	......
Consumer staples	*19.10*	*147.6*	*147.4*	*149.2*	*145.5*	*148.1*	*155.8*	*154.6*	*162.3*	*167.0*	*162.6*	*155.0*	*154.3*	*156.1*	*156.9*
Processed foods	8.43	130.0	122.1	123.8	122.8	125.1	132.2	132.2	140.2	152.6	147.9	137.0	132.4	128.6	128.5
Beverages and tobacco	2.43	137.4	129.8	138.5	141.0	146.7	163.7	146.4	156.7	148.9	150.0	135.0	125.9	126.9	......
Drugs, soap, and toiletries	2.97	182.7	185.9	198.4	183.7	192.8	198.7	187.8	196.9	199.4	204.6	201.4	196.8	199.6	203.9
Newspapers, magazines, and books	1.47	140.1	140.9	144.2	142.7	144.9	143.0	142.8	145.3	142.0	145.7	144.1	146.8	145.0	145.1
Consumer fuel and lighting	3.67	168.9	187.6	183.2	169.3	165.7	174.1	188.8	195.5	195.9	176.5	175.0	191.3	206.9	......
Fuel oil and gasoline	1.20	132.4	139.1	134.9	129.3	135.6	141.3	142.8	142.5	142.7	137.7	139.7	144.6	135.3	141.6
Residential utilities	2.46	186.7	......	......	......	......	......	......	......	......	......	......	......	......	......
Electricity	1.72	199.9	232.8	226.4	200.4	188.1	204.9	234.3	248.6	249.1	210.2	205.0	235.7	275.1	......
Gas	.74	156.2	......	......	......	......	......	......	......	......	......	......	......	......	......
Equipment															
Business equipment	*11.63*	*182.8*	*183.0*	*185.7*	*182.7*	*183.6*	*187.4*	*180.2*	*178.6*	*186.6*	*187.0*	*188.3*	*191.3*	*191.2*	*193.0*
Industrial equipment	6.85	170.2	165.0	167.2	165.9	166.0	169.7	165.8	164.2	169.3	169.2	172.4	175.8	175.0	175.4
Commercial equipment	2.42	200.9	204.7	203.6	200.5	201.2	205.2	198.4	204.6	209.0	209.4	211.2	209.8	209.6	210.7
Freight and passenger equipment	1.76	215.4	230.1	238.1	232.9	238.4	243.4	229.6	219.2	238.0	240.2	240.0	239.8	239.0	244.0
Farm equipment	.61	158.7	162.6	170.4	156.7	153.6	152.9	126.8	119.1	143.4	145.7	126.8	131.1	138.3	......
Defense equipment	*3.41*	......	......	......	......	......	......	......	......	......	......	......	......	......	......
Materials															
Durable goods materials	*26.73*	*151.9*	*156.1*	*157.7*	*158.8*	*162.4*	*164.8*	*155.1*	*153.1*	*157.4*	*158.9*	*159.6*	*158.2*	*156.9*	*160.6*
Consumer durable	3.43	143.9	164.6	164.9	159.2	167.9	169.5	153.4	145.8	164.4	169.0	174.7	169.0	167.9	166.6
Equipment	7.84	184.5	188.4	187.1	183.9	184.9	186.6	180.0	179.7	183.2	184.1	187.9	190.3	189.1	190.1
Construction	9.17	139.6	134.7	139.2	143.0	147.5	155.1	149.4	153.3	154.2	153.6	148.0	143.1	137.5	141.2
Metal materials n.e.c.	6.29	133.5	142.7	144.1	150.3	153.0	149.3	133.4	123.7	126.0	129.6	132.9	134.3	139.2	148.7
Nondurable materials	*25.92*	*163.9*	*169.7*	*171.5*	*172.2*	*173.0*	*175.1*	*167.6*	*176.3*	*177.9*	*179.3*	*179.6*	*176.0*	*177.1*	*179.7*
Business supplies	9.11	152.9	150.6	152.9	156.4	1571.	160.6	148.1	158.8	163.0	168.9	165.3	157.7	158.9	161.9
Containers	3.03	148.5	142.8	143.5	156.3	157.2	163.8	152.1	165.0	169.0	175.9	161.1	146.7	159.8	162.9
General business supplies	6.07	155.1	154.4	157.6	156.4	157.1	159.0	146.1	155.7	160.0	165.4	167.5	163.2	158.5	161.4
Nondurable materials n.e.c.	7.40	202.2	218.2	220.0	221.3	221.8	222.9	211.0	221.4	225.0	230.5	232.6	228.9	229.9	236.6
Business fuel and power	9.41	144.3	150.1	151.2	148.9	150.1	151.6	152.4	157.7	155.2	149.2	151.9	152.0	153.1	152.1
Mineral fuels	6.07	129.2	135.6	137.2	134.3	133.8	132.8	130.1	134.9	132.6	126.1	132.7	131.6	130.8	130.2
Nonresidential utilities	2.86	183.3	......	......	......	......	......	......	......	......	......	......	......	......	......
Electricity	2.32	185.8	190.8	191.8	189.8	195.3	202.9	212.2	220.7	216.7	208.3	201.2	203.8	210.6	......
General industrial	1.03	182.6	187.0	190.8	192.9	198.4	197.6	198.0	202.9	202.3	204.0	202.0	202.2	206.0	......
Commercial and other	1.21	197.0	203.1	201.9	196.2	202.1	217.3	235.2	247.3	240.2	222.7	210.9	215.5	225.4	......
Gas	.54	172.4	......	......	......	......	......	......	......	......	......	......	......	......	......
Supplementary groups of consumer goods															
Automotive and home goods	7.80	159.0	174.7	179.8	175.1	178.5	184.5	153.5	141.5	178.5	192.7	191.2	181.5	183.8	185.1
Apparel and staples	24.51	145.1	146.6	148.7	144.2	145.9	153.8	148.3	158.3	161.9	159.5	152.3	147.6	154.3	......

For notes see page A-59.

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INDUSTRY GROUPINGS

(1957–59 = 100)

Grouping	1957–59 proportion	1967 average[1]	1968 Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec. r	1969 Jan. r	Feb. r
Total index	*100.00*	158.1	162.7	164.6	163.2	165.2	169.4	160.3	163.3	169.5	170.7	169.1	166.3	166.8	169.5
Manufacturing, total	*86.45*	*159.7*	*164.2*	*166.4*	*165.1*	*167.4*	*171.6*	*160.4*	*163.0*	*170.5*	*173.4*	*171.4*	*167.5*	*167.3*	*170.7*
Durable	48.07	163.7	168.9	170.5	169.4	172.1	175.4	164.1	160.5	170.6	173.5	174.2	172.6	171.1	173.9
Nondurable	38.38	154.6	158.3	161.2	159.8	161.6	167.0	155.7	166.3	170.5	173.3	168.0	161.2	162.4	166.6
Mining	8.23	123.8	123.7	125.3	127.3	128.6	128.9	127.1	130.7	128.6	122.8	126.8	126.3	124.7	124.6
Utilities	5.32	184.9	......	......	......	......	......	......	......	......	......	......	......	......	......
Durable manufactures															
Primary and fabricated metals	*12.32*	*145.3*	*152.9*	*154.9*	*154.8*	*158.3*	*159.7*	*146.2*	*140.5*	*143.9*	*147.5*	*149.8*	*150.6*	*152.9*	*157.9*
Primary metals	6.95	132.5	147.2	148.9	151.5	153.7	150.8	132.7	117.9	119.4	124.3	129.3	131.3	138.0	147.7
Iron and steel	5.45	126.8	144.7	147.8	148.8	149.3	148.4	131.2	108.4	106.2	109.7	117.0	121.5	128.0	138.8
Nonferrous metals and products	1.50	153.2	156.4	153.0	161.3	169.7	159.7	138.2	152.4	167.4	177.3	173.8	167.0	174.2	180.2
Fabricated metal products	5.37	161.9	160.2	162.6	159.0	164.2	171.1	163.7	169.6	175.6	177.4	176.3	175.6	172.1	171.1
Structural metal parts	2.86	158.1	154.5	156.4	152.2	159.0	165.0	159.7	163.1	167.5	170.1	170.8	172.0	166.7	164.7
Machinery and related products	*27.98*	*177.5*	*184.4*	*185.9*	*182.0*	*184.4*	*187.6*	*175.7*	*169.8*	*185.3*	*188.4*	*190.3*	*188.4*	*186.8*	*188.4*
Machinery	14.80	183.4	185.6	185.8	182.4	182.4	185.8	176.0	177.9	187.0	188.1	189.1	188.4	191.3	193.5
Nonelectrical machinery	8.43	183.4	183.1	185.2	182.2	181.0	183.8	175.3	172.5	180.2	180.4	182.6	185.3	187.7	190.8
Electrical machinery	6.37	183.3	188.8	186.6	182.6	184.1	188.5	176.9	185.0	196.1	198.3	197.6	192.4	196.1	197.1
Transportation equipment	10.19	165.7	179.8	183.9	179.0	185.3	188.0	170.5	150.1	178.3	186.4	188.3	183.8	176.1	177.6
Motor vehicles and parts	4.68	146.5	168.6	178.1	171.3	184.1	188.3	152.0	110.5	170.0	188.9	192.6	181.5	176.9	175.4
Aircraft and other equipment	5.26	182.1	189.3	188.2	184.4	184.7	186.0	184.8	182.4	184.0	181.9	182.3	183.2	172.6	176.5
Instruments and related products	1.71	184.8	183.8	182.9	178.7	179.4	183.1	177.4	184.1	186.3	187.8	190.0	192.0	189.3	189.4
Ordnance and accessories	1.28	......	......	......	......	......	......	......	......	......	......	......	......	......	......
Clay, glass, and lumber	*4.72*	*130.7*	*122.1*	*124.8*	*137.6*	*139.2*	*146.6*	*142.0*	*147.6*	*148.6*	*148.3*	*139.4*	*133.2*	*126.8*	*132.0*
Clay, glass, and stone products	2.99	138.7	125.6	126.4	145.5	148.7	155.1	154.4	159.3	158.6	160.1	150.4	143.2	136.2	139.9
Lumber and products	1.73	116.9	116.3	121.9	123.9	122.7	132.0	120.6	127.3	131.3	127.8	120.4	115.8	110.6	118.3
Furniture and miscellaneous	*3.05*	*162.6*	*162.9*	*163.8*	*162.2*	*165.9*	*170.6*	*164.1*	*175.0*	*177.3*	*180.5*	*180.0*	*177.7*	*169.8*	*170.5*
Furniture and fixtures	1.54	167.7	171.3	171.6	173.5	169.4	179.4	173.4	183.6	185.1	187.3	186.8	189.8	183.1	182.8
Miscellaneous manufactures	1.51	157.3	154.3	155.9	154.8	158.2	161.7	154.7	166.2	169.3	173.5	173.1	165.3	156.2	158.1
Nondurable manufactures															
Textiles, apparel, and leather	*7.60*	*139.4*	*149.7*	*152.4*	*145.8*	*144.3*	*151.1*	*129.0*	*146.9*	*147.6*	*151.6*	*148.0*	*133.2*	*140.8*	*147.4*
Textile mill products	2.90	142.0	152.5	155.1	149.2	151.6	156.2	136.6	152.2	155.0	156.4	157.4	146.6	149.5	153.3
Apparel products	3.59	147.6	157.4	160.4	153.4	148.9	158.2	133.1	152.0	152.9	158.9	152.5	132.0	144.3	......
Leather and products	1.11	106.3	117.3	119.4	112.3	110.9	115.2	96.3	116.6	110.9	115.8	109.5	101.9	107.3	......
Paper and printing	*8.17*	*149.6*	*151.2*	*155.4*	*156.0*	*156.4*	*156.2*	*146.3*	*155.1*	*158.9*	*165.4*	*163.1*	*155.9*	*158.5*	*162.7*
Paper and products	3.43	153.6	161.0	164.0	165.9	163.5	166.6	151.0	164.1	168.6	178.4	177.0	156.3	172.0	178.8
Printing and publishing	4.74	146.8	144.2	149.2	148.8	151.2	148.8	142.9	148.6	151.9	156.1	157.4	155.6	148.7	151.1
Newspapers	1.53	134.2	126.1	137.0	139.3	143.3	135.4	117.2	128.8	140.2	148.5	154.9	143.0	129.9	136.0
Chemicals, petroleum, and rubber	*11.54*	*190.0*	*201.9*	*203.7*	*203.5*	*206.8*	*211.8*	*199.8*	*208.9*	*212.4*	*216.9*	*214.3*	*212.2*	*211.8*	*217.6*
Chemicals and products	7.58	203.8	215.4	217.7	218.9	222.0	224.1	214.7	222.7	225.9	230.4	230.9	227.8	228.6	234.4
Industrial chemicals	3.84	236.0	255.6	255.2	261.3	260.7	259.3	253.8	261.4	265.8	270.9	274.7	275.0	272.7	......
Petroleum products	1.97	133.4	133.0	131.3	131.8	139.9	144.8	146.9	148.2	147.6	143.6	139.6	137.8	127.6	137.9
Rubber and plastics products	1.99	193.5	218.7	222.4	215.9	215.4	225.7	195.7	216.4	230.8	238.2	225.2	226.4	231.4	......
Foods, beverages, and tobacco	*11.07*	*131.7*	*124.2*	*127.2*	*126.8*	*130.0*	*139.1*	*135.1*	*143.4*	*151.1*	*148.5*	*136.9*	*131.2*	*128.6*	*129.4*
Foods and beverages	10.25	132.6	123.6	127.7	128.0	130.5	139.7	137.2	144.2	152.9	149.8	138.0	134.2	129.4	130.2
Food manufactures	8.64	130.1	122.6	124.0	122.9	125.3	132.2	131.9	139.7	151.8	148.0	137.4	132.6	129.0	129.0
Beverages	1.61	146.0	129.1	147.4	155.8	158.1	180.1	165.3	168.6	159.1	159.4	141.4	143.0	131.3	......
Tobacco products	.82	120.3	131.4	121.1	111.9	124.3	131.4	109.2	133.2	128.8	131.6	122.3	92.5	118.2	......
Mining															
Coal, oil, and gas	*6.80*	*122.7*	*126.9*	*128.2*	*125.9*	*125.4*	*124.8*	*122.7*	*126.9*	*124.8*	*119.1*	*125.7*	*125.6*	*125.2*	*124.3*
Coal	1.16	120.4	118.2	127.0	125.3	121.6	118.3	105.2	127.6	127.8	94.4	120.6	116.2	113.0	113.7
Crude oil and natural gas	5.64	123.1	128.7	128.5	126.0	126.2	126.1	126.3	126.7	124.2	124.2	126.7	127.5	127.7	126.5
Oil and gas extraction	4.91	131.3	139.8	139.5	136.4	136.6	136.2	136.0	136.7	133.8	133.5	135.5	135.2	135.0	134.1
Crude oil	4.25	126.3	133.6	133.5	130.8	131.9	131.1	131.3	132.1	128.6	127.8	128.6	127.7	127.1	125.6
Gas and gas liquids	.66	163.5	......	......	......	......	......	......	......	......	......	......	......	......	......
Oil and gas drilling	.73	67.9	54.2	53.7	65.0	55.7	57.9	61.1	59.4	59.2	61.0	67.0	75.2	78.4	75.0
Metal, stone, and earth minerals	*1.43*	*128.9*	*108.4*	*111.6*	*134.1*	*143.7*	*148.4*	*147.7*	*149.1*	*146.9*	*140.2*	*132.1*	*129.5*	*122.2*	*125.9*
Metal mining	.61	120.3	92.5	96.7	130.1	144.5	147.8	143.5	145.3	144.3	133.9	125.6	123.8	123.4	128.5
Stone and earth minerals	.82	135.4	120.2	122.6	137.1	143.1	148.8	150.9	151.9	148.8	144.8	136.9	133.8	121.4	124.1
Utilities															
Electric	4.04	191.8	208.7	206.6	194.3	192.3	203.7	221.6	232.6	230.5	209.1	202.8	217.4	238.1	......
Gas	1.28	163.0	......	......	......	......	......	......	......	......	......	......	......	......	......

[1] Figures shown below, incorrectly labeled 1968 (preliminary) in the March 1969 BULLETIN, are those for 1967, as previously published.

NOTE.—Published groupings include some series and subtotals not shown separately. A description and historical data are available in *Industrial Production—1957–59 Base*. Figures for individual series and subtotals (N.S.A.) are published in the monthly Business Indexes release.

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SELECTED BUSINESS INDEXES

(1957–59 = 100, unless otherwise noted)

Period	Industrial production: Total	Industrial production: Major market groupings: Final products: Total	Final products: Consumer goods	Final products: Equipment	Major market groupings: Materials	Major industry groupings: Mfg.	Major industry groupings: Mining	Major industry groupings: Utilities	Capacity utilization in mfg. (per cent)	Construction contract	Nonagricultural employment—Total [1]	Manufacturing [2]: Employment	Manufacturing [2]: Payrolls	Total retail sales [3]	Prices [4]: Consumer	Prices [4]: Wholesale commodity
1951	81.3	78.6	77.8	78.4	83.8	81.9	91.3	56.4	94.0	63	91.1	106.1	80.2	76	90.5	96.7
1952	84.3	84.3	79.5	94.1	84.3	85.2	90.5	61.2	91.3	67	93.0	106.1	84.5	79	92.5	94.0
1953	91.3	89.9	85.0	100.5	92.6	92.7	92.9	66.8	94.2	70	95.6	111.6	93.6	83	93.2	92.7
1954	85.8	85.7	84.3	88.9	85.9	86.3	90.2	71.8	83.5	76	93.3	101.8	85.4	82	93.6	92.9
1955	96.6	93.9	93.3	95.0	99.0	97.3	99.2	80.2	90.0	91	96.5	105.5	94.8	89	93.3	93.2
1956	99.9	98.1	95.5	103.7	101.6	100.2	104.8	87.9	87.7	92	99.8	106.7	100.2	92	94.7	96.2
1957	100.7	99.4	97.0	104.6	101.9	100.8	104.6	93.9	83.6	93	100.7	104.7	101.4	97	98.0	99.0
1958	93.7	94.8	96.4	91.3	92.7	93.2	95.6	98.1	74.0	102	97.8	95.2	93.5	98	100.7	100.4
1959	105.6	105.7	106.6	104.1	105.4	106.0	99.7	108.0	81.5	105	101.5	100.1	105.1	105	101.5	100.6
1960	108.7	109.9	111.0	107.6	107.6	108.9	101.6	115.6	80.6	105	103.3	99.9	106.7	106	103.1	100.7
1961	109.7	111.2	112.6	108.3	108.4	109.6	102.6	122.3	78.5	108	102.9	95.9	105.4	107	104.2	100.3
1962	118.3	119.7	119.7	119.6	117.0	118.7	105.0	131.4	82.1	120	105.9	99.1	113.8	115	105.4	100.6
1963	124.3	124.9	125.2	124.2	123.7	124.9	107.9	140.0	83.3	132	108.0	99.7	117.9	120	106.7	100.3
1964	132.3	131.8	131.7	132.0	132.8	133.1	111.5	151.3	85.7	137	111.1	101.5	124.3	128	108.1	100.5
1965	143.4	142.5	140.3	147.0	144.2	145.0	114.8	160.9	88.5	143	115.8	106.7	136.6	138	109.9	102.5
1966	156.3	155.5	147.5	172.6	157.0	158.6	120.5	173.9	90.5	145	121.9	113.5	151.7	148	113.1	105.9
1967	158.1	158.3	148.5	179.4	157.8	159.7	123.8	184.9	85.3	153	125.7	113.5	155.0	153	116.3	106.1
1968	......	......	......	......	......	......	......	......	......	173	......	......	......	......	......	......
1968—Feb.	162.0	162.0	152.9	181.6	161.8	163.6	123.9	197.5	[5]p84.9	152	128.7	114.3	162.8	161	119.0	108.0
Mar.	163.0	163.5	155.0	181.8	162.8	164.6	126.2	196.8		169	128.8	114.2	163.8	165	119.5	108.2
Apr.	162.5	161.7	153.5	179.4	163.1	163.7	127.1	195.8		164	129.0	114.6	161.4	162	119.9	108.3
May	164.2	163.0	154.6	181.1	165.2	165.8	126.9	196.1	p84.8	172	129.1	114.7	166.1	165	120.3	108.5
June	165.8	165.2	156.8	183.2	166.7	167.3	129.2	197.9		160	129.5	115.3	167.7	167	120.9	108.7
July	166.0	164.7	156.4	182.6	167.4	167.4	130.0	199.3		187	129.8	115.2	167.2	168	121.5	109.1
Aug.	164.6	164.8	156.8	181.9	164.2	165.7	129.4	202.1	p84.0	192	130.1	114.9	167.8	170	121.9	108.7
Sept.	165.1	165.7	157.3	183.6	165.1	166.3	127.0	204.8		183	130.2	114.9	171.2	169	122.2	109.1
Oct.	166.0	167.0	159.6	183.0	165.7	167.8	120.7	208.9		200	130.8	115.3	172.2	168	122.9	109.1
Nov.	167.5	167.9	159.2	186.5	167.6	169.1	126.4	206.9	p84.2	183	131.3	115.7	173.8	168	123.4	109.6
Dec.	168.7	r168.1	160.1	r185.3	r169.3	r170.2	r127.4	210.1		179	132.0	116.4	175.3	166	123.7	109.8
1969—Jan.	r169.2	r168.3	r161.2	r183.5	r170.1	170.4	r126.5	r215.2		191	r132.6	r116.6	r175.8	170	124.1	110.7
Feb.	169.5	r169.3	r161.3	185.7	169.3	170.7	125.2	218.0	p84.1	205	133.2	117.0	173.9	172	124.6	111.1
Mar.p	170.5	170.2	161.9	188.1	171.0	171.6	128.1	219.0		......	133.5	117.3	177.3	173	......	111.7

[1] Employees only; excludes personnel in the Armed Forces.
[2] Production workers only.
[3] F.R. index based on Census Bureau figures.
[4] Prices are not seasonally adjusted.
[5] Figure is for first quarter 1968.

NOTE.—Data are seasonally adjusted unless otherwise noted.

Construction contracts: F. W. Dodge Co. monthly index of dollar value of total construction contracts, including residential, nonresidential, and heavy engineering; does not include data for Alaska and Hawaii.
Employment and payrolls: Based on Bureau of Labor Statistics data; includes data for Alaska and Hawaii beginning with 1959.
Prices: Bureau of Labor Statistics data.
Capacity utilization: Based on data from Federal Reserve, McGraw-Hill Economics Department, and Department of Commerce.

CONSTRUCTION CONTRACTS

(In millions of dollars)

Type of ownership and type of construction	1967	1968	1968: Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	1969: Jan.	Feb.
Total construction [1]	**54,514**	**61,732**	**3,704**	**5,417**	**4,878**	**6,170**	**5,589**	**5,956**	**6,318**	**5,170**	**6,171**	**4,863**	**4,543**	**4,766**	**4,802**
By type of ownership:															
Public	19,039	19,597	1,041	1,698	1,554	2,036	1,860	2,256	1,924	1,549	1,728	1,558	1,278	1,546	1,572
Private [1]	35,475	42,135	2,664	3,719	3,324	4,135	3,730	3,700	4,394	3,621	4,443	3,305	3,265	3,220	3,230
By type of construction:															
Residential building [1]	21,155	24,838	1,495	2,220	2,312	2,543	2,243	2,287	2,295	2,125	2,408	2,043	1,743	1,746	......
Nonresidential building	20,139	22,512	1,251	1,835	1,522	2,227	2,030	2,414	2,128	1,815	2,370	1,992	1,849	2,145	......
Nonbuilding	13,220	14,382	958	1,362	1,044	1,400	1,316	1,255	1,895	1,230	1,393	828	951	875	......

[1] Because of improved collection procedures, data for 1-family homes beginning Jan. 1968 are not strictly comparable with those for earlier periods. To improve comparability, earlier levels may be raised by approximately 3 per cent for total and private construction, in each case, and by 8 per cent for residential building.

NOTE.—Dollar value of total contracts as reported by the F. W. Dodge Co. does not include data for Alaska or Hawaii. Totals of monthly data exceed annual totals because adjustments—negative—are made into accumulated monthly data after original figures have been published.

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VALUE OF NEW CONSTRUCTION ACTIVITY

(In millions of dollars)

Period	Total	Private							Public				
		Total	Nonfarm residential	Nonresidential					Total	Military	Highway	Conservation & development	Other [2]
				Total	Buildings			Other					
					Industrial	Commercial	Other buildings [1]						
1959	55,305	39,235	24,251	14,984	2,106	3,930	2,823	6,125	16,070	1,465	5,761	1,121	7,723
1960	53,941	38,078	21,706	16,372	2,851	4,180	3,118	6,223	15,863	1,366	5,437	1,175	7,885
1961	55,447	38,299	21,680	16,619	2,780	4,674	3,280	5,885	17,148	1,371	5,854	1,384	8,539
1962 [3]	59,667	41,798	24,292	17,506	2,842	5,144	3,631	5,889	17,869	1,266	6,365	1,524	8,714
1963 [4]	63,423	44,057	26,187	17,870	2,906	4,995	3,745	6,224	19,366	1,189	7,084	1,690	9,403
1964	66,200	45,810	26,258	19,552	3,565	5,396	3,994	6,597	20,390	938	7,133	1,729	10,590
1965	72,319	50,253	26,268	23,985	5,118	6,739	4,735	7,393	22,066	852	7,550	2,019	11,645
1966	75,120	51,120	23,971	27,149	6,679	6,879	5,037	8,554	24,000	769	8,355	2,195	12,681
1967	76,160	50,587	23,736	26,851	6,131	6,982	4,993	8,745	25,573	721	8,538	2,196	14,118
1968	[r]84,692	[r]56,996	[r]28,823	28,173	5,594	8,333	4,873	9,373	[r]27,696	....	....	....	....
1968—Feb.	83,884	55,380	26,754	28,626	5,740	8,328	5,417	9,141	28,504	859	9,839	2,304	15,502
Mar.	83,572	56,055	27,698	28,357	5,528	8,258	5,412	9,159	27,517	734	9,151	2,197	15,435
Apr.	85,299	57,403	29,320	28,083	5,484	8,512	5,100	8,987	27,896	708	9,777	2,085	15,326
May	85,707	57,260	29,628	27,632	5,275	8,111	5,121	9,125	28,447	767	9,895	2,054	15,731
June	82,050	54,981	28,187	26,794	4,852	8,122	4,678	9,142	27,069	660	9,168	2,026	15,215
July	81,658	54,988	27,770	27,218	4,752	8,272	4,623	9,571	26,670	679	9,103	1,763	15,125
Aug.	83,736	56,682	28,325	28,357	5,575	8,641	4,772	9,369	27,054	812	9,181	1,894	15,167
Sept.	[r]85,957	57,444	29,350	28,094	5,492	8,534	4,539	9,529	[r]28,513	787	9,042	1,994	16,690
Oct.	[r]85,931	[r]59,259	[r]29,823	29,436	6,096	8,939	4,680	9,721	[r]26,672	1,028	8,307	2,082	15,255
Nov.	[r]89,141	[r]59,014	[r]30,152	28,862	6,271	8,262	4,716	9,613	[r]30,127	852	10,719	2,029	16,527
Dec.	[r]85,946	[r]58,899	[r]30,937	27,962	5,905	8,046	4,449	9,562	[r]27,047	....	....	....	....
1969—Jan.	89,551	62,648	30,857	31,791	6,800	9,971	5,142	9,878	26,903	....	....	....	....
Feb.	90,370	62,276	30,911	31,365	6,636	9,665	5,422	9,642	28,094	....	....	....	....

[1] Includes religious, educational, hospital, institutional, and other buildings.

[2] Sewer and water, formerly shown separately, now included in "Other."

[3] Beginning July 1962, reflects inclusion of new series affecting most private nonresidential groups.

[4] Beginning 1963, reflects inclusion of new series under "Public" (for State and local govt. activity only).

NOTE.—Monthly data are at seasonally adjusted annual rates. Figures for period shown are Census Bureau estimates.

NEW HOUSING STARTS

(In thousands of units)

Period	Annual rate, S.A. (private only)		Total	By area		By type of ownership					Government-underwritten		
						Private				Public			
	Total	Nonfarm		Metropolitan	Nonmetropolitan	Total	1-family	2-family	Multifamily		Total	FHA	VA
1959	....	....	1,554	1,077	477	1,517	1,234	56	227	37	458	349	109
1960	....	....	1,296	889	407	1,252	995	44	213	44	336	261	75
1961	....	....	1,365	948	417	1,313	974	44	295	52	328	244	83
1962	....	....	1,492	1,054	439	1,463	991	49	422	30	339	261	78
1963	....	....	1,642	1,152	490	1,610	1,021	53	536	32	292	221	71
1964	....	....	1,562	1,093	470	1,529	972	54	505	32	264	205	59
1965	....	....	1,510	1,035	475	1,473	964	51	458	37	246	197	49
1966	....	....	1,196	808	388	1,165	779	35	351	31	195	158	37
1967	....	....	1,322	920	402	1,292	844	41	406	30	232	180	53
1968	....	....	[r]1,548	1,118	[r]430	[r]1,508	899	46	[r]562	40	283	227	56
1968—Feb.	1,537	1,499	87	62	26	85	55	3	26	3	21	17	4
Mar.	1,511	1,479	129	92	37	127	79	4	43	2	24	20	5
Apr.	1,591	1,562	165	119	47	162	98	4	60	3	28	23	5
May	1,364	1,345	145	101	44	141	87	4	50	4	26	20	6
June	1,365	1,348	143	104	39	138	81	5	51	5	25	20	5
July	1,531	1,507	143	101	42	140	86	4	50	3	24	19	5
Aug.	1,518	1,496	141	101	40	137	83	4	50	4	26	21	5
Sept.	1,592	1,570	140	103	37	134	80	4	50	6	23	19	5
Oct.	1,570	1,541	143	101	42	141	86	5	50	3	27	21	5
Nov.	1,733	1,705	130	97	33	127	65	3	59	2	22	18	4
Dec.	1,509	1,492	100	75	25	96	54	3	40	3	21	16	4
1969—Jan.	[p]1,842	[p]1,908	[p]104	80	25	[p]100	51	3	46	[p]4	18	14	4
Feb.	[p]1,700	[p]1,678	[p]95	74	22	[p]91	49	3	39	[p]5	17	13	4

NOTE.—Census Bureau series for period shown except in the case of Government-underwritten data, which are from Federal Housing Admin. and Veterans Admin. and represent units started, based on field office reports of first compliance inspections.

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LABOR FORCE, EMPLOYMENT, AND UNEMPLOYMENT

(In thousands of persons unless otherwise indicated)

Period	Total non-institutional population N.S.A.	Not in the labor force N.S.A.	Total labor force S.A.	Civilian labor force, S.A.					Unemployment rate[2] (per cent) S.A.
				Total	Employed[1]			Unemployed	
					Total	In nonagricultural industries	In agriculture		
1963	125,154	50,583	74,571	71,833	67,762	63,076	4,687	4,070	5.7
1964	127,224	51,394	75,830	73,091	69,305	64,782	4,523	3,786	5.2
1965	129,236	52,058	77,178	74,455	71,088	66,726	4,361	3,366	4.5
1966	131,180	52,288	78,893	75,770	72,895	68,915	3,979	2,875	3.8
1967	133,319	52,527	80,793	77,347	74,371	70,527	3,844	2,975	3.8
1968	135,562	53,291	82,272	78,737	75,920	72,103	3,817	2,817	3.6
1968[3]—Mar.	134,904	53,965	82,137	78,645	75,764	71,786	3,978	2,881	3.7
Apr.	135,059	53,919	81,933	78,427	75,653	71,737	3,916	2,774	3.5
May	135,249	53,479	82,278	78,742	75,932	72,027	3,905	2,810	3.6
June	135,440	50,986	82,486	78,919	76,005	72,156	3,849	2,914	3.7
July	135,639	51,088	82,504	78,917	76,020	72,195	3,825	2,897	3.7
Aug.	135,839	52,047	82,338	78,749	75,973	72,222	3,751	2,776	3.5
Sept.	136,036	53,900	82,438	78,847	76,000	72,349	3,651	2,847	3.6
Oct.	136,221	53,744	82,403	78,800	76,002	72,477	3,525	2,798	3.6
Nov.	136,420	53,718	82,559	79,042	76,388	72,682	3,706	2,654	3.4
Dec.	136,619	54,001	82,868	79,368	76,765	72,923	3,842	2,603	3.3
1969—Jan.	136,802	55,091	83,351	79,874	77,229	73,477	3,752	2,645	3.3
Feb.	136,940	54,361	83,831	80,356	77,729	73,848	3,881	2,627	3.3
Mar.	137,143	54,373	83,999	80,495	77,767	74,035	3,732	2,728	3.4

1 Includes self-employed, unpaid family, and domestic service workers.
2 Per cent of civilian labor force.
3 Beginning Jan. 1967, data not strictly comparable with previous data. Description of changes available from Bureau of Labor Statistics.

NOTE.—Bureau of Labor Statistics. Information relating to persons 16 years of age and over is obtained on a sample basis. Monthly data relate to the calendar week that contains the 12th day; annual data are averages of monthly figures.

EMPLOYMENT IN NONAGRICULTURAL ESTABLISHMENTS, BY INDUSTRY DIVISION

(In thousands of persons)

Period	Total	Manufacturing	Mining	Contract construction	Transportation & public utilities	Trade	Finance	Service	Government
1963	56,702	16,995	635	2,963	3,903	11,778	2,877	8,325	9,225
1964	58,332	17,274	634	3,050	3,951	12,160	2,957	8,709	9,596
1965	60,832	18,062	632	3,186	4,036	12,716	3,023	9,087	10,091
1966	64,034	19,214	627	3,275	4,151	13,245	3,100	9,551	10,871
1967	66,030	19,434	616	3,203	4,271	13,613	3,217	10,060	11,616
1968	68,146	19,740	625	3,259	4,348	14,111	3,357	10,504	12,202
SEASONALLY ADJUSTED									
1968—Mar.	67,656	19,607	609	3,330	4,332	13,999	3,311	10,415	12,053
Apr.	67,755	19,657	632	3,313	4,331	14,009	3,323	10,402	12,088
May	67,792	19,693	631	3,245	4,281	14,049	3,334	10,425	12,134
June	68,039	19,777	632	3,174	4,336	14,086	3,335	10,467	12,232
July	68,170	19,776	638	3,189	4,346	14,117	3,350	10,498	12,256
Aug.	68,314	19,748	638	3,195	4,358	14,181	3,376	10,548	12,270
Sept.	68,382	19,755	639	3,252	4,365	14,222	3,387	10,545	12,217
Oct.	68,701	19,807	591	3,285	4,374	14,298	3,411	10,610	12,325
Nov.	68,955	19,871	637	3,279	4,392	14,326	3,426	10,702	12,322
Dec.	69,310	19,974	638	3,387	4,400	14,271	3,442	10,755	12,443
1969—Jan.	69,620	20,005	644	3,380	4,390	14,442	3,462	10,792	12,505
Feb.p	69,955	20,054	646	3,491	4,418	14,473	3,474	10,849	12,550
Mar.p	70,102	20,118	647	3,428	4,448	14,503	3,483	10,871	12,604
NOT SEASONALLY ADJUSTED									
1968—Mar.	66,713	19,447	594	2,967	4,276	13,658	3,288	10,290	12,193
Apr.	67,422	19,507	626	3,157	4,296	13,910	3,310	10,402	12,214
May	67,724	19,569	631	3,255	4,268	13,959	3,327	10,488	12,227
June	68,724	19,897	647	3,387	4,375	14,139	3,365	10,634	12,280
July	68,327	19,729	652	3,498	4,394	14,112	3,407	10,687	11,848
Aug.	68,508	19,884	653	3,553	4,410	14,141	3,430	10,675	11,762
Sept.	68,923	20,023	646	3,515	4,417	14,208	3,397	10,587	12,130
Oct.	69,292	19,999	593	3,498	4,400	14,328	3,404	10,631	12,439
Nov.	69,585	20,015	639	3,374	4,414	14,561	3,412	10,648	12,522
Dec.	70,123	19,990	637	3,241	4,409	15,124	3,421	10,658	12,643
1969—Jan.	68,525	19,786	629	3,015	4,324	14,217	3,420	10,576	12,558
Feb.p	68,711	19,864	628	2,981	4,338	14,124	3,439	10,665	12,672
Mar.p	69,172	19,952	631	3,054	4,390	14,193	3,459	10,741	12,752

NOTE.—Bureau of Labor Statistics; data include all full- and part-time employees who worked during, or received pay for, the pay period that includes the 12th of the month. Proprietors, self-employed persons, domestic servants, unpaid family workers, and members of the armed forces are excluded.

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PRODUCTION WORKER EMPLOYMENT IN MANUFACTURING INDUSTRIES

(In thousands of persons)

Industry group	Seasonally adjusted				Not seasonally adjusted			
	1968	1969			1968	1969		
	Mar.	Jan.	Feb.p	Mar.p	Mar.	Jan.	Feb.p	Mar.p
Total	14,386	14,692	14,738	14,778	14,248	14,499	14,570	14,633
Durable goods	8,371	8,604	8,616	8,656	8,325	8,530	8,552	8,604
Ordnance and accessories	191	200	198	199	191	202	199	199
Lumber and wood products	528	540	537	537	509	512	513	517
Furniture and fixtures	385	407	411	411	382	405	406	408
Stone, clay, and glass products	463	535	539	536	448	512	512	519
Primary metal industries	1,038	1,042	1,049	1,059	1,040	1,033	1,047	1,060
Fabricated metal products	1,062	1,111	1,118	1,122	1,051	1,103	1,109	1,111
Machinery	1,346	1,360	1,369	1,372	1,357	1,360	1,376	1,382
Electrical equipment and supplies	1,311	1,333	1,344	1,351	1,299	1,338	1,342	1,338
Transportation equipment	1,429	1,439	1,420	1,433	1,445	1,456	1,436	1,449
Instruments and related products	278	283	283	284	277	282	282	283
Miscellaneous manufacturing industries	340	354	348	352	326	327	330	338
Nondurable goods	6,015	6,088	6,122	6,122	5,923	5,969	6,018	6,029
Food and kindred products	1,181	1,203	1,212	1,203	1,101	1,138	1,127	1,121
Tobacco manufactures	74	73	71	71	67	72	68	65
Textile-mill products	867	880	879	876	863	868	872	873
Apparel and related products	1,243	1,258	1,248	1,252	1,254	1,238	1,257	1,263
Paper and allied products	534	556	559	559	528	550	552	553
Printing, publishing, and allied industries	662	673	673	671	661	668	670	670
Chemicals and allied products	607	621	626	625	607	614	621	625
Petroleum refining and related industries	117	73	101	111	114	71	98	109
Rubber and misc. plastic products	422	445	451	453	420	445	449	450
Leather and leather products	308	306	302	301	308	305	304	300

NOTE.—Bureau of Labor Statistics; data cover production and related workers only (full- and part-time) who worked during, or received pay for, the pay period that includes the 12th of the month.

HOURS AND EARNINGS OF PRODUCTION WORKERS IN MANUFACTURING INDUSTRIES

Industry group	Average hours worked (per week; S.A.)				Average weekly earnings (dollars per hour; N.S.A.)				Average hourly earnings (dollars per week; N.S.A.)			
	1968	1969			1968	1969			1968	1969		
	Mar.	Jan.	Feb.p	Mar.p	Mar.	Jan.	Feb.p	Mar.p	Mar.	Jan.	Feb.p	Mar.p
Total	40.7	40.6	40.1	40.6	120.18	126.05	124.49	126.77	2.96	3.12	3.12	3.13
Durable goods	41.4	41.2	40.8	41.3	129.68	136.04	134.39	136.78	3.14	3.31	3.31	3.32
Ordnance and accessories	41.9	40.1	40.4	40.0	133.95	135.34	135.47	134.13	3.22	3.35	3.37	3.37
Lumber and wood products	40.5	40.0	40.9	40.8	100.50	102.56	104.26	106.11	2.50	2.59	2.60	2.62
Furniture and fixtures	40.9	40.7	40.1	40.4	98.42	101.20	100.98	102.40	2.43	2.53	2.55	2.56
Stone, clay, and glass products	41.7	41.9	42.1	42.2	119.19	125.77	126.48	128.13	2.90	3.06	3.07	3.08
Primary metal industries	41.8	41.7	41.6	42.1	146.23	154.66	153.55	156.56	3.49	3.70	3.70	3.71
Fabricated metal products	41.5	41.9	41.1	41.7	128.44	135.38	133.09	136.95	3.11	3.27	3.27	3.30
Machinery	42.1	42.4	42.1	42.4	140.86	148.40	148.54	150.38	3.33	3.50	3.52	3.53
Electrical equipment and supplies	40.2	40.4	39.6	40.3	115.49	122.51	120.38	122.61	2.88	3.04	3.04	3.05
Transportation equipment	42.4	41.4	41.2	41.2	151.62	160.19	155.47	155.86	3.61	3.86	3.82	3.82
Instruments and related products	40.8	40.7	39.8	40.4	119.66	125.15	123.78	125.33	2.94	3.09	3.11	3.11
Miscellaneous manufacturing industries	39.5	39.1	37.7	38.5	98.60	100.62	98.40	100.36	2.49	2.60	2.61	2.60
Nondurable goods	39.8	39.7	39.2	39.6	106.79	111.50	110.48	112.58	2.69	2.83	2.84	2.85
Food and kindred products	40.7	40.7	40.7	40.9	111.08	117.27	116.40	117.68	2.77	2.91	2.91	2.92
Tobacco manufactures	37.9	36.9	38.3	36.2	92.01	92.78	94.84	93.81	2.48	2.57	2.62	2.65
Textile-mill products	41.6	40.8	40.1	40.7	89.84	92.34	90.80	92.75	2.17	2.28	2.27	2.29
Apparel and related products	36.2	36.2	35.3	35.7	80.15	81.40	80.13	83.03	2.19	2.28	2.27	2.30
Paper and allied products	42.7	43.3	42.4	43.3	125.93	135.14	132.30	135.45	2.97	3.15	3.15	3.15
Printing, publishing, and allied industries	38.2	38.2	37.9	38.5	130.64	136.44	136.10	139.76	3.42	3.60	3.61	3.63
Chemicals and allied products	41.6	41.9	41.7	42.1	132.70	140.19	139.44	141.04	3.19	3.37	3.36	3.35
Petroleum refining and related industries	42.2	41.8	42.6	42.8	154.24	152.40	162.18	167.06	3.69	3.69	3.88	3.94
Rubber and misc. plastic products	41.4	41.4	40.6	40.8	117.14	124.73	120.60	121.50	2.85	3.02	3.00	3.00
Leather and leather products	38.7	37.4	35.6	37.2	85.25	87.46	83.41	86.72	2.22	2.32	2.33	2.35

NOTE.—*Bureau of Labor Statistics; data are for production and related workers only.*

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CONSUMER PRICES

(1957–59 = 100)

Period	All items	Food	Housing: Total	Housing: Rent	Housing: Home-ownership	Housing: Fuel oil and coal	Housing: Gas and electricity	Housing: Furnishings and operation	Apparel and upkeep	Transportation	Health and recreation: Total	Health and recreation: Medical care	Health and recreation: Personal care	Health and recreation: Reading and recreation	Health and recreation: Other goods and services
1929	59.7	55.6	....	85.4	....	....	....	....	....	....	....	....	....	....	....
1933	45.1	35.3	....	60.8	....	....	....	....	....	....	....	....	....	....	....
1941	51.3	44.2	61.4	64.3	....	45.2	88.3	....	....	51.2	....	50.6	47.6	57.3	58.2
1945	62.7	58.4	67.5	66.1	....	53.6	86.4	....	....	55.4	....	57.5	63.6	75.0	67.3
1958	100.7	101.9	100.2	100.1	100.4	99.0	100.3	99.9	99.8	99.7	100.3	100.1	100.4	100.8	99.8
1959	101.5	100.3	101.3	101.6	101.4	100.2	102.8	100.7	100.6	103.8	102.8	104.4	102.4	102.4	101.8
1960	103.1	101.4	103.1	103.1	103.7	99.5	107.0	101.5	102.2	103.8	105.4	108.1	104.1	104.9	103.8
1961	104.2	102.6	103.9	104.4	104.4	101.6	107.9	101.4	103.0	105.0	107.3	111.3	104.6	107.2	104.6
1962	105.4	103.6	104.8	105.7	105.6	102.1	107.9	101.5	103.6	107.2	109.4	114.2	106.5	109.6	105.3
1963	106.7	105.1	106.0	106.8	107.0	104.0	107.8	102.4	104.8	107.8	111.4	117.0	107.9	111.5	107.1
1964	108.1	106.4	107.2	107.8	109.1	103.5	107.9	102.8	105.7	109.3	113.6	119.4	109.2	114.1	108.8
1965	109.9	108.8	108.5	108.9	111.4	105.6	107.8	103.1	106.8	111.1	115.6	122.3	109.9	115.2	111.4
1966	113.1	114.2	111.1	110.4	115.7	108.3	108.1	105.0	109.6	112.7	119.0	127.7	112.2	117.1	114.9
1967	116.3	115.2	114.3	112.4	120.2	111.6	108.5	108.2	114.0	115.9	123.8	136.7	115.5	120.1	118.2
1968—Feb.	119.0	117.4	116.9	113.9	123.5	113.8	109.3	111.2	116.6	118.6	127.5	141.9	117.6	123.0	122.1
Mar.	119.5	117.9	117.2	114.2	123.8	113.9	109.3	111.8	117.6	119.0	128.3	142.9	118.4	124.2	122.4
Apr.	119.9	118.3	117.5	114.4	124.0	114.0	109.5	112.2	118.4	119.0	128.8	143.5	119.0	124.9	122.5
May	120.3	118.8	117.8	114.6	124.3	115.3	109.5	112.5	119.5	119.1	129.2	144.0	119.6	125.3	122.6
June	120.9	119.1	118.7	114.9	126.1	115.4	109.4	112.9	119.9	119.7	129.7	144.4	120.1	125.6	123.5
July	121.5	120.0	119.5	115.1	127.8	115.7	109.5	113.1	119.7	119.8	130.2	145.1	120.4	125.9	123.9
Aug.	121.9	120.5	120.1	115.4	128.8	115.7	109.7	113.3	120.3	120.0	130.5	145.5	120.9	126.3	124.2
Sept.	122.2	120.4	120.4	115.7	129.1	115.8	109.3	113.9	122.2	119.5	131.1	146.4	121.5	126.7	124.4
Oct.	122.9	120.9	120.9	116.0	130.0	115.9	109.1	114.2	123.3	120.6	131.9	147.4	122.1	127.5	125.1
Nov.	123.4	120.5	121.7	116.3	131.1	115.9	109.9	114.8	124.0	121.2	132.4	148.2	122.8	128.0	125.4
Dec.	123.7	121.2	122.3	116.7	132.0	116.2	110.0	115.1	124.3	120.2	132.8	149.1	123.4	128.2	125.6
1969—Jan.	124.1	122.0	122.7	116.9	132.7	116.7	110.2	115.2	123.4	120.7	133.3	150.2	123.7	128.4	125.6
Feb.	124.6	121.9	123.3	117.2	133.6	116.9	110.2	115.8	123.9	122.0	133.7	151.3	124.1	128.4	125.8

NOTE.—Bureau of Labor Statistics index for city wage-earners and clerical workers.

WHOLESALE PRICES: SUMMARY

(1957–59 = 100)

Period	All commodities	Farm products	Processed foods and feeds	Industrial commodities: Total	Textiles, etc.	Hides, etc.	Fuel, etc.	Chemicals, etc.	Rubber, etc.	Lumber, etc.	Paper, etc.	Metals, etc.	Machinery and equipment	Furniture, etc.	Nonmetallic minerals	Transportation equipment[1]	Miscellaneous
1958	100.4	103.6	102.5	99.5	98.9	96.0	98.7	100.4	100.1	97.4	100.1	99.1	100.0	100.2	99.9	n.a.	100.6
1959	100.6	97.2	99.9	101.3	100.4	109.1	98.7	100.0	99.7	104.1	101.0	101.2	102.1	100.4	101.2	n.a.	100.8
1960	100.7	96.9	100.0	101.3	101.5	105.2	99.6	100.2	99.9	100.4	101.8	101.3	102.9	100.1	101.4	n.a.	101.7
1961	100.3	96.0	101.6	100.8	99.7	106.2	100.7	99.1	96.1	95.9	98.8	100.7	102.9	99.5	101.8	n.a.	102.0
1962	100.6	97.7	102.7	100.8	100.6	107.4	100.2	97.5	93.3	96.5	100.0	100.0	102.9	98.8	101.8	n.a.	102.4
1963	100.3	95.7	103.3	100.7	100.5	104.2	99.8	96.3	93.8	98.6	99.2	100.1	103.1	98.1	101.3	n.a.	103.3
1964	100.5	94.3	103.1	101.2	101.2	104.6	97.1	96.7	92.5	100.6	99.0	102.8	103.8	98.5	101.5	n.a.	104.1
1965	102.5	98.4	106.7	102.5	101.8	109.2	98.9	97.4	92.9	101.1	99.9	105.7	105.0	98.0	101.7	n.a.	104.8
1966	105.9	105.6	113.0	104.7	102.1	119.7	101.3	97.8	94.8	105.6	102.6	108.3	108.2	99.1	102.6	n.a.	106.8
1967	106.1	99.7	111.7	106.3	102.1	115.8	103.6	98.4	97.0	105.4	104.0	109.5	111.8	101.0	104.3	n.a.	109.2
1968—Feb.	108.0	101.3	113.3	108.3	104.6	116.7	102.5	98.1	99.5	111.6	105.7	113.3	114.1	103.3	106.9	n.a.	111.3
Mar.	108.2	102.1	112.9	108.6	104.6	117.9	102.0	98.6	99.7	113.9	105.2	113.8	114.3	103.6	107.3	n.a.	111.5
Apr.	108.3	102.1	112.8	108.8	104.7	118.3	102.4	98.8	99.7	115.8	105.2	113.3	114.8	103.8	107.4	n.a.	111.8
May	108.5	103.6	113.6	108.6	104.8	118.8	102.4	98.7	99.8	117.0	105.5	111.7	115.0	104.0	107.8	n.a.	111.8
June	108.7	102.5	114.6	108.8	105.2	118.7	103.7	98.5	99.9	117.2	104.7	111.7	115.0	103.9	108.3	n.a.	111.8
July	109.1	103.9	115.9	108.8	105.8	119.5	103.3	98.2	100.7	119.2	104.9	111.4	115.2	104.1	108.4	n.a.	111.5
Aug.	108.7	101.4	114.9	108.9	106.0	119.5	102.6	98.1	100.6	120.5	104.9	111.3	115.4	104.2	108.7	n.a.	111.6
Sept.	109.1	102.8	115.3	109.2	106.5	120.7	102.5	97.9	100.7	122.6	105.1	112.2	115.8	104.4	108.7	n.a.	111.9
Oct.	109.1	101.2	114.4	109.7	107.0	122.3	101.9	97.8	101.0	124.9	105.2	112.5	116.1	104.5	108.9	n.a.	112.0
Nov.	109.6	103.1	114.7	109.9	107.2	122.4	102.0	97.8	101.1	126.8	105.2	112.4	116.6	104.7	109.2	n.a.	112.5
Dec.	109.8	103.3	114.7	r110.2	107.1	122.8	102.2	97.7	101.1	133.5	105.2	112.8	116.7	105.0	109.3	100.0	112.5
1969—Jan.	110.7	104.9	116.0	110.9	107.4	123.5	120.4	97.6	100.0	137.8	106.2	114.4	117.0	105.3	110.6	100.1	112.5
Feb.	111.1	105.0	116.3	111.4	107.2	123.4	102.7	97.8	100.5	144.5	106.8	115.2	117.3	105.4	111.2	100.1	112.5

[1] For transportation equipment, Dec. 1968 = 100.

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WHOLESALE PRICES: DETAIL

(1957-59 = 100)

Group	1968 Feb.	1968 Dec.	1969 Jan.	1969 Feb.
Farm products:				
Fresh and dried produce	112.5	109.3	112.0	108.7
Grains	86.3	80.4	82.5	82.0
Livestock	102.7	104.2	106.1	109.2
Live poultry	87.0	82.9	90.5	94.3
Plant and animal fibers	76.5	69.0	68.8	67.7
Fluid milk	124.6	132.3	131.8	132.6
Eggs	80.0	117.8	122.3	108.1
Hay and seeds	113.0	108.8	111.5	112.4
Other farm products	101.1	107.7	105.9	106.4
Processed foods and feeds:				
Cereal and bakery products	117.4	119.3	119.3	119.3
Meat, poultry, and fish	107.6	107.3	111.1	111.4
Dairy products	124.0	130.4	130.1	130.2
Processed fruits and vegetables	113.8	113.3	113.6	114.5
Sugar and confectionery	113.7	118.8	119.2	119.2
Beverages and beverage materials	108.6	110.6	110.8	111.1
Animal fats and oils	71.0	74.1	84.0	90.3
Crude vegetable oils	93.0	78.0	80.4	83.4
Refined vegetable oils	102.1	90.0	91.5	95.0
Vegetable oil end products	100.2	100.5	101.1	102.9
Miscellaneous processed foods	114.1	118.2	118.2	119.1
Manufactured animal feeds	119.7	118.2	118.2	117.5
Textile products and apparel:				
Cotton products	105.0	105.1	104.8	104.8
Wool products	102.8	104.6	104.7	104.4
Man-made fiber textile products	89.6	92.9	92.8	92.3
Silk yarns	197.2	165.2	160.8	156.4
Apparel	108.8	111.9	112.7	112.7
Textile housefurnishings	111.2	110.2	110.2	107.6
Miscellaneous textile products	110.4	125.3	126.2	127.1
Hides, skins, leather, and products:				
Hides and skins	89.5	106.8	109.2	106.3
Leather	108.9	115.8	116.8	116.5
Footwear	125.5	131.7	132.1	132.2
Other leather products	112.2	113.8	114.2	114.8
Fuels and related products, and power:				
Coal	105.0	112.7	112.7	112.7
Coke	112.0	120.3	120.3	120.3
Gas fuels (Jan. 1958 = 100)	133.3	120.9	124.4	124.0
Electric power (Jan. 1958 = 100)	101.1	102.1	102.0	102.2
Crude petroleum	99.0	99.7	99.7	99.9
Petroleum products, refined	99.5	99.0	98.9	99.5
Chemicals and allied products:				
Industrial chemicals	98.5	97.9	98.1	98.1
Prepared paint	113.2	115.9	118.2	118.2
Paint materials	92.6	91.9	92.0	92.0
Drugs and pharmaceuticals	93.0	93.6	93.4	93.4
Fats and oils, inedible	76.7	69.8	72.2	73.6
Agricultural chemicals and products	100.6	96.4	92.9	92.2
Plastic resins and materials	83.3	80.5	80.8	81.5
Other chemicals and products	108.7	110.3	110.4	111.1
Rubber and products:				
Crude rubber	83.2	86.8	86.4	87.5
Tires and tubes	98.7	99.5	96.3	96.3
Miscellaneous rubber products	106.8	108.3	108.7	109.5
Lumber and wood products:				
Lumber	117.1	142.2	147.9	155.8
Millwork	114.7	123.8	124.8	126.7
Plywood	94.6	128.9	135.0	146.5
Other wood products (Dec. 1966 = 100)	105.9	110.3	111.0	111.2

Group	1968 Feb.	1968 Dec.	1969 Jan.	1969 Feb.
Pulp, paper, and allied products:				
Pulp, paper, and products, excluding building paper and board	106.2	105.6	106.6	107.1
Woodpulp	98.0	98.0	98.0	98.0
Wastepaper	81.8	109.6	107.4	107.8
Paper	111.9	113.4	115.0	115.7
Paperboard	97.3	91.4	92.2	92.6
Converted paper and paperboard	107.0	105.4	106.3	106.8
Building paper and board	91.8	94.8	97.3	98.2
Metals and metal products:				
Iron and steel	105.7	106.1	107.5	108.0
Steelmill products	107.7	109.1	110.4	110.7
Nonferrous metals	131.1	123.5	127.2	128.9
Metal containers	113.4	117.0	117.0	119.4
Hardware	116.6	117.7	118.5	119.0
Plumbing equipment	113.3	115.3	115.8	116.1
Heating equipment	93.8	96.0	96.1	96.3
Fabricated structural metal products	106.4	109.0	109.3	109.4
Miscellaneous metal products	115.3	118.3	119.6	120.4
Machinery and equipment:				
Agricultural machinery and equip.	125.8	130.1	131.2	131.6
Construction machinery and equip.	127.7	132.7	133.5	133.6
Metalworking machinery and equip.	126.6	130.5	131.0	131.1
General purpose machinery and equipment	116.0	118.3	118.5	119.1
Special industry machinery and equipment (Jan. 1961 = 100)	120.1	125.0	125.6	126.6
Electrical machinery and equip.	102.7	103.5	103.5	103.5
Miscellaneous machinery	112.3	115.6	115.7	116.1
Furniture and household durables:				
Household furniture	115.7	119.2	120.7	121.0
Commercial furniture	113.4	117.0	117.0	117.2
Floor coverings	94.8	94.8	95.5	95.5
Household appliances	91.6	92.9	92.6	92.5
Home electronic equipment	81.7	79.8	78.7	78.7
Other household durable goods	123.9	127.3	128.9	129.1
Nonmetallic mineral products:				
Flat glass	107.2	110.0	109.9	110.8
Concrete ingredients	108.5	110.2	112.2	113.5
Concrete products	106.8	109.5	110.7	110.8
Structural clay products excluding refractories	111.9	115.4	115.8	115.9
Refractories	112.4	112.6	112.6	112.6
Asphalt roofing	98.0	96.8	96.8	99.6
Gypsum products	105.1	106.2	106.2	106.2
Glass containers	106.3	110.3	116.1	116.1
Other nonmetallic minerals	103.7	106.8	107.2	107.6
Transportation equipment:				
Motor vehicles and equipment	104.3	106.6	106.5	106.4
Railroad equipment (Jan. 1961 = 100)	105.4	108.5	108.5	108.5
Miscellaneous products:				
Toys, sporting goods, small arms, ammunition	106.6	109.3	110.2	110.1
Tobacco products	114.8	116.5	116.6	116.7
Notions	105.7	100.7	100.7	100.7
Photographic equipment and supplies	114.8	113.2	112.7	112.7
Other miscellaneous products	109.9	112.0	111.2	111.2

NOTE.—Bureau of Labor Statistics indexes as revised in Mar. 1967 to incorporate (1) new weights beginning with Jan. 1967 data and (2) various classification changes. Back data not yet available for some new classifications.

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GROSS NATIONAL PRODUCT

(In billions of dollars)

Item	1929	1933	1941	1950	1964	1965	1966	1967	1968	1967	1968			
										IV	I	II	III	IV
Gross national product	103.1	55.6	124.5	284.8	632.4	684.9	747.6	789.7	860.6	811.0	831.2	852.9	871.0	887.4
Final purchases	*101.4*	*57.2*	*120.1*	*278.0*	*626.6*	*675.3*	*732.8*	*783.6*	*852.9*	*802.7*	*829.1*	*842.1*	*863.5*	*876.8*
Personal consumption expenditures	77.2	45.8	80.6	191.0	401.2	432.8	465.5	492.2	533.8	502.2	519.4	527.9	541.1	546.8
Durable goods	9.2	3.5	9.6	30.5	59.2	66.3	70.5	72.6	82.5	74.2	79.0	81.0	85.1	85.1
Nondurable goods	37.7	22.3	42.9	98.1	178.7	191.1	206.7	215.8	230.3	218.4	226.5	228.2	232.7	233.7
Services	30.3	20.1	28.1	62.4	163.3	175.5	188.3	203.8	221.0	209.6	213.9	218.7	223.4	228.0
Gross private domestic investment	16.2	1.4	17.9	54.1	94.0	108.1	120.8	114.3	127.7	121.8	119.7	127.3	127.1	136.6
Fixed investment	*14.5*	*3.0*	*13.4*	*47.3*	*88.2*	*98.5*	*106.1*	*108.2*	*119.9*	*113.5*	*117.6*	*116.5*	*119.6*	*126.0*
Nonresidential	*10.6*	*2.4*	*9.5*	*27.9*	*61.1*	*71.3*	*81.3*	*83.6*	*90.0*	*85.0*	*88.6*	*87.0*	*90.1*	*94.3*
Structures	5.0	.9	2.9	9.2	21.2	25.5	28.5	27.9	29.2	27.7	29.6	28.5	28.8	29.9
Producers' durable equipment	5.6	1.5	6.6	18.7	39.9	45.8	52.8	55.7	60.8	57.3	59.0	58.5	61.3	64.5
Residential structures	4.0	.6	3.9	19.4	27.1	27.2	24.8	24.6	29.9	28.5	29.1	29.5	29.5	31.6
Nonfarm	3.8	.5	3.7	18.6	26.6	26.7	24.3	24.0	29.3	27.9	28.5	28.9	28.9	31.0
Change in business inventories	1.7	−1.6	4.5	6.8	5.8	9.6	14.7	6.1	7.7	8.3	2.1	10.8	7.5	10.6
Nonfarm	1.8	−1.4	4.0	6.0	6.4	8.6	14.9	5.6	7.3	7.1	1.6	10.4	7.3	9.7
Net exports of goods and services	1.1	.4	1.3	1.8	8.5	6.9	5.1	4.8	2.0	3.4	1.5	2.0	3.3	1.0
Exports	7.0	2.4	5.9	13.8	37.1	39.2	43.1	45.8	50.0	46.0	47.5	49.9	52.6	50.1
Imports	5.9	2.0	4.6	12.0	28.6	32.3	38.1	41.0	48.1	42.6	46.0	47.9	49.4	49.1
Government purchases of goods and services	8.5	8.0	24.8	37.9	128.7	137.0	156.2	178.4	197.2	183.5	190.5	195.7	199.6	203.0
Federal	*1.3*	*2.0*	*16.9*	*18.4*	*65.2*	*66.9*	*77.4*	*90.6*	*100.0*	*93.5*	*97.1*	*100.0*	*101.2*	*101.7*
National defense	......	......	13.8	14.1	50.0	50.1	60.6	72.4	78.9	74.6	76.8	79.0	79.6	80.0
Other	......	......	3.1	4.3	15.2	16.8	16.8	18.2	21.1	19.0	20.3	21.0	21.5	21.7
State and local	7.2	6.0	7.9	19.5	63.5	70.1	78.8	87.8	97.2	90.0	93.4	95.6	98.4	101.2
Gross national product in constant (1958) dollars	203.6	141.5	263.7	355.3	581.1	617.8	657.1	673.1	706.7	681.8	692.7	703.4	712.3	718.4

NOTE.—Dept. of Commerce estimates. Quarterly data are seasonally adjusted totals at annual rates. For back data and explanation of series, see the *Survey of Current Business*, July 1968, and Supplement, Aug. 1966.

NATIONAL INCOME

(In billions of dollars)

Item	1929	1933	1941	1950	1964	1965	1966	1967	1968p	1967	1968			
										IV	I	II	III	IVp
National income	86.8	40.3	104.2	241.1	518.1	564.3	620.8	652.9	712.8	670.9	688.1	705.4	722.5	735.2
Compensation of employees	51.1	29.5	64.8	154.6	365.7	393.8	435.6	468.2	513.6	482.7	496.8	507.1	519.7	530.7
Wages and salaries	*50.4*	*29.0*	*62.1*	*146.8*	*333.7*	*358.9*	*394.6*	*423.4*	*463.5*	*436.4*	*448.3*	*457.6*	*469.0*	*479.0*
Private	45.5	23.9	51.9	124.4	269.4	289.6	316.9	337.1	367.2	346.0	355.7	362.8	370.9	379.2
Military	.3	.3	1.9	5.0	11.7	12.1	14.6	16.3	18.3	17.1	17.5	17.8	18.9	18.8
Government civilian	4.6	4.9	8.3	17.4	52.6	57.1	63.1	70.0	78.1	73.3	75.2	77.0	79.1	81.1
Supplements to wages and salaries	*.7*	*.5*	*2.7*	*7.8*	*32.0*	*35.0*	*41.1*	*44.8*	*50.1*	*46.2*	*48.4*	*49.4*	*50.7*	*51.7*
Employer contributions for social insurance	.1	.1	2.0	4.0	15.4	16.2	20.2	21.5	23.9	22.1	23.5	23.7	24.2	24.4
Other labor income	.6	.4	.7	3.8	16.6	18.7	20.8	23.3	26.1	24.2	25.0	25.7	26.5	27.3
Proprietors' income	15.1	5.9	17.5	37.5	52.3	57.3	60.7	60.7	62.9	61.1	61.8	62.6	63.4	63.7
Business and professional	9.0	3.3	11.1	24.0	40.2	42.4	44.8	46.3	47.8	46.8	47.2	47.8	48.0	48.2
Farm	6.2	2.6	6.4	13.5	12.1	14.8	15.9	14.4	15.1	14.3	14.6	14.8	15.4	15.5
Rental income of persons	5.4	2.0	3.5	9.4	18.0	19.0	19.8	20.3	21.0	20.5	20.7	20.9	21.0	21.2
Corporate profits and inventory valuation adjustment	10.5	−1.2	15.2	37.7	66.3	76.1	83.9	80.4	89.2	82.3	83.8	89.2	91.6	92.0
Profits before tax	*10.0*	*1.0*	*17.7*	*42.6*	*66.8*	*77.8*	*85.6*	*81.6*	*92.3*	*85.4*	*88.9*	*91.8*	*92.7*	*95.8*
Profits tax liability	1.4	.5	7.6	17.8	28.3	31.3	34.6	33.5	41.3	35.1	39.8	41.1	41.5	42.9
Profits after tax	*8.6*	*.4*	*10.1*	*24.9*	*38.4*	*46.5*	*51.0*	*48.1*	*51.0*	*50.3*	*49.1*	*50.7*	*51.2*	*52.9*
Dividends	5.8	2.0	4.4	8.8	17.8	19.8	21.7	22.9	24.6	22.5	23.6	24.4	25.2	25.4
Undistributed profits	2.8	−1.6	5.7	16.0	20.6	26.7	29.3	25.2	26.4	27.9	25.5	26.3	26.0	27.6
Inventory valuation adjustment	.5	−2.1	−2.5	−5.0	−.5	−1.7	−1.7	−1.2	−3.1	−3.1	−5.1	−2.7	−1.0	−3.8
Net interest	4.7	4.1	3.2	2.0	15.8	18.2	20.8	23.3	26.3	24.3	25.0	25.8	26.7	27.6

NOTE.—Dept. of Commerce estimates. Quarterly data are seasonally adjusted totals at annual rates. See also NOTE to table above.

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RELATION OF GROSS NATIONAL PRODUCT, NATIONAL INCOME, AND PERSONAL INCOME AND SAVING

(In billions of dollars)

Item	1929	1933	1941	1950	1964	1965	1966	1967	1968ᵖ	1967	1968			
										IV	I	II	III	IVᵖ
Gross national product	103.1	55.6	124.5	284.8	632.4	684.9	747.6	789.7	860.6	811.0	831.2	852.9	871.0	887.4
Less: Capital consumption allowances	7.9	7.0	8.2	18.3	56.1	59.8	64.1	69.2	74.3	71.1	72.3	73.7	74.9	76.2
Indirect business tax and nontax liability	7.0	7.1	11.3	23.3	58.4	62.5	65.3	69.6	75.8	71.2	72.8	74.8	76.7	79.0
Business transfer payments	.6	.7	.5	.8	2.5	2.7	3.0	3.1	3.3	3.2	3.2	3.3	3.3	3.3
Statistical discrepancy	.7	.6	.4	1.5	−1.3	−3.1	−3.3	−3.5	−4.8	−4.2	−4.7	−3.6	−5.3	−5.6
Plus: Subsidies less current surplus of government enterprises	−.1	......	.1	.2	1.3	1.3	2.3	1.6	.7	1.3	.5	.7	1.0	.6
Equals: National income	86.8	40.3	104.2	241.1	518.1	564.3	620.8	652.9	712.8	670.9	688.1	705.4	722.5	735.2
Less: Corporate profits and inventory valuation adjustment	10.5	−1.2	15.2	37.7	66.3	76.1	83.9	80.4	89.2	82.3	83.8	89.2	91.6	92.0
Contributions for social insurance	.2	.3	2.8	6.9	27.9	29.6	38.0	41.9	46.9	43.0	45.8	46.5	47.4	47.8
Excess of wage accruals over disbursements	......	......	......	......	......	......	......	......	......	......	......	......	......	......
Plus: Government transfer payments	.9	1.5	2.6	14.3	34.2	37.2	41.0	48.6	55.3	49.7	52.5	55.0	56.3	57.5
Net interest paid by government and consumer	2.5	1.6	2.2	7.2	19.1	20.5	22.3	23.6	25.9	24.2	24.9	25.7	26.2	26.7
Dividends	5.8	2.0	4.4	8.8	17.8	19.8	21.7	22.9	24.6	22.5	23.6	24.4	25.2	25.4
Business transfer payments	.6	.7	.5	.8	2.5	2.7	3.0	3.1	3.3	3.2	3.2	3.3	3.3	3.3
Equals: *Personal income*	85.9	47.0	96.0	227.6	497.5	538.9	586.8	628.8	685.8	645.2	662.7	678.1	694.3	708.2
Less: Personal tax and nontax payments	2.6	1.5	3.3	20.7	59.4	65.7	75.3	82.5	96.9	85.6	88.3	91.9	101.6	105.8
Equals: Disposable personal income	83.3	45.5	92.7	206.9	438.1	473.2	511.6	546.3	589.0	559.6	574.4	586.3	592.7	602.4
Less: Personal outlays	79.1	46.5	81.7	193.9	411.9	444.8	478.6	506.2	548.2	516.1	533.5	542.3	555.6	561.6
Personal consumption expenditures	77.2	45.8	80.6	191.0	401.2	432.8	465.5	492.2	533.8	502.2	519.4	527.9	541.1	546.8
Consumer interest payments	1.5	.5	.9	2.4	10.1	11.3	12.5	13.1	13.7	13.3	13.4	13.6	13.8	14.0
Personal transfer payments to foreigners	.3	.2	.2	.5	.6	.7	.6	.8	.7	.7	.7	.8	.7	.7
Equals: Personal saving	4.2	−.9	11.0	13.1	26.2	28.4	32.9	40.2	40.7	43.4	40.8	44.0	37.1	40.9
Disposable personal income in constant (1958) dollars	150.6	112.2	190.3	249.6	407.9	435.0	459.2	478.0	497.5	483.7	491.8	497.1	499.2	501.7

NOTE.—Dept. of Commerce estimates. *Quarterly data are seasonally* adjusted quarterly totals at annual rates. See also NOTE to table opposite.

PERSONAL INCOME

(In billions of dollars)

Item	1967	1968	1968											1969	
			Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.ᵖ
Total personal income	628.8	685.8	663.0	670.0	672.6	678.2	683.7	689.2	694.1	699.7	703.2	708.0	713.5	716.1	721.4
Wage and salary disbursements	423.4	463.5	449.7	452.2	453.2	457.5	462.2	465.4	468.7	472.8	474.9	478.9	483.3	486.5	490.7
Commodity-producing industries	166.6	180.6	176.6	177.0	176.7	179.3	179.9	180.6	181.1	183.3	184.7	186.1	188.5	189.2	190.9
Manufacturing only	*134.1*	*145.4*	*141.6*	*142.2*	*141.6*	*144.3*	*145.6*	*146.0*	*146.3*	*147.8*	*148.8*	*149.7*	*151.1*	*151.9*	*152.8*
Distributive industries	100.5	109.4	105.9	106.5	106.9	107.4	109.7	109.9	111.2	112.1	112.1	113.3	113.2	114.8	115.7
Service industries	70.0	77.2	74.6	75.2	75.5	76.1	77.0	77.5	78.2	78.8	79.1	79.8	80.7	81.6	82.8
Government	86.3	96.3	92.6	93.4	94.2	94.7	95.5	97.4	98.2	98.6	99.0	99.6	100.9	100.8	101.3
Other labor income	23.3	26.1	25.0	25.2	25.5	25.7	26.0	26.3	26.5	26.8	27.0	27.3	27.6	27.8	28.0
Proprietors' income	60.7	62.9	61.8	62.3	62.4	62.6	62.7	63.1	63.4	63.7	63.7	63.7	63.8	63.8	63.7
Business and professional	46.3	47.8	47.2	47.5	47.6	47.8	47.9	48.0	48.0	48.0	48.1	48.2	48.3	48.4	48.5
Farm	14.4	15.1	14.6	14.8	14.8	14.8	14.8	15.1	15.4	15.7	15.6	15.5	15.5	15.4	15.2
Rental income	20.3	21.0	20.7	20.7	20.8	20.9	20.9	21.0	21.0	21.1	21.2	21.2	21.3	21.3	21.4
Dividends	22.9	24.6	23.6	23.9	24.3	24.7	24.3	25.0	25.2	25.3	25.3	25.4	25.5	25.3	25.4
Personal interest income	46.8	52.1	49.8	50.2	50.8	51.3	51.9	52.4	52.9	53.4	54.0	54.3	54.7	55.1	55.6
Transfer payments	51.7	58.6	54.9	57.8	58.1	58.2	58.5	59.1	59.6	59.9	60.4	60.8	61.0	61.7	62.2
Less: Personal contributions for social insurance	20.4	22.9	22.4	22.4	22.6	22.8	22.9	23.1	23.2	23.3	23.4	23.5	23.5	25.4	25.6
Nonagricultural income	609.3	665.4	643.1	649.9	652.5	658.1	663.4	668.7	673.3	678.6	682.2	687.0	692.5	695.1	700.6
Agriculture income	19.5	20.5	20.0	20.1	20.1	20.2	20.2	20.5	20.8	21.1	21.0	21.0	21.0	21.0	20.8

NOTE.—Dept. of Commerce estimates. Quarterly data are seasonally adjusted totals at annual rates. See also NOTE to table opposite.

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SAVING, INVESTMENT, AND FINANCIAL FLOWS

(In billions of dollars)

	Transaction category, or sector	1963	1964	1965	1966	1967	1966 III	1966 IV	1967 I	1967 II	1967 III	1967 IV	1968 I	1968 II	1968 III	
	I. Saving and investment															
1	**Gross national saving**	144.5	160.3	181.6	196.7	192.1	196.7	202.5	188.2	185.8	193.2	200.2	202.4	211.1	218.0	1
2	Households	85.8	98.3	108.9	118.6	129.6	118.5	125.3	125.3	125.4	129.6	137.1	138.1	144.3	139.8	2
3	Farm and noncorp. business	13.5	14.5	15.2	15.9	16.8	15.7	17.0	17.1	17.0	17.0	16.2	17.4	17.6	18.0	3
4	Corporate nonfin. business	43.9	50.5	56.6	61.1	61.5	61.0	63.9	60.2	60.6	61.8	63.5	60.2	64.4	66.0	4
5	U.S. Government	−.6	−4.3	−.1	−.6	−14.1	−1.4	−4.0	−12.7	−15.3	−14.1	−14.3	−9.8	−12.2	−3.4	5
6	State and local govt	−1.5	−1.4	−2.4	−2.7	−5.6	−2.3	−3.7	−5.7	−6.7	−5.3	−4.6	−5.6	−5.1	−5.3	6
7	Financial sectors	3.5	2.7	3.5	4.5	3.8	5.1	4.1	4.0	4.7	4.3	2.2	2.2	2.0	2.9	7
8	**Gross national investment**	143.8	158.0	178.2	193.1	188.1	193.6	197.8	184.4	179.4	190.7	196.8	195.8	205.6	214.2	8
9	Consumer durable goods	53.9	59.2	66.3	70.5	72.6	71.0	71.1	69.8	72.4	73.1	74.2	79.0	81.0	85.1	9
10	Business inventories	5.9	5.8	9.6	14.7	6.1	12.8	19.8	8.4	2.3	5.3	8.3	2.0	10.8	7.5	10
11	Gross pvt. fixed investment	81.3	88.2	98.5	106.1	108.2	107.0	105.9	104.6	105.4	109.3	113.5	117.6	116.5	119.6	11
12	Households	22.4	23.0	22.9	21.5	20.3	21.5	18.9	17.6	18.4	21.5	23.6	25.0	25.3	25.2	12
13	Nonfinan. business	57.9	64.3	74.8	83.6	87.0	84.6	86.0	86.2	86.1	86.7	88.9	91.4	90.0	93.2	13
14	Financial sectors	1.0	.9	.8	1.0	.9	1.0	1.0	.8	.8	1.1	.9	1.2	1.2	1.2	14
15	Net financial investment	2.8	4.7	3.7	1.8	1.2	2.8	1.0	1.6	−.6	2.9	.7	−3.0	−2.7	2.1	15
16	Discrepancy (1-8)	.6	2.3	3.5	3.6	4.0	3.0	4.7	3.8	6.4	2.5	3.4	6.7	5.5	3.8	16
	II. Financial flows—Summary															
17	Net funds raised—Nonfinan. sectors	58.5	67.0	72.3	69.9	83.1	62.6	49.9	74.3	44.3	104.6	108.9	104.1	74.8	119.6	17
18	Loans and short-term securities	19.0	26.4	33.1	27.4	27.2	30.7	29.8	33.8	−16.1	46.8	44.2	51.0	11.2	40.3	18
19	Long-term securities and mtgs	39.5	40.6	39.2	42.5	55.9	31.9	20.0	40.6	60.4	57.8	64.7	53.0	63.5	79.3	19
	By sector															
20	U.S. Government	5.0	7.1	3.6	6.3	12.7	4.9	2.9	8.0	−21.3	34.7	29.2	34.3	.6	32.4	20
21	Short-term mkt. securities	1.4	4.0	3.5	2.2	6.4	7.6	10.1	9.9	−35.7	30.9	20.7	29.8	−17.3	3.8	21
22	Other securities	3.6	3.0	.2	4.1	6.2	−2.7	−7.2	−1.9	14.5	3.9	8.5	4.5	17.9	28.6	22
23	Foreign borrowers	3.3	4.4	2.6	1.5	4.0	−.4	1.2	5.5	3.7	3.9	2.8	4.5	2.2	3.2	23
24	Loans	2.2	3.7	1.9	1.0	2.7	−.4	1.0	4.5	2.7	2.2	1.4	3.0	1.7	2.2	24
25	Securities	1.1	.7	.8	.5	1.3	*	.2	1.0	1.0	1.6	1.4	1.5	.5	1.0	25
26	Pvt. domestic nonfin. sectors	50.2	55.5	66.0	62.0	66.4	58.0	45.7	60.8	61.9	66.0	76.9	65.2	71.9	84.0	26
27	Loans	15.5	18.7	27.7	24.1	18.0	23.4	18.7	19.4	16.9	13.7	22.1	18.3	26.8	34.3	27
28	*Consumer credit*	7.3	8.0	9.4	6.9	4.4	6.8	4.6	4.1	4.0	4.9	4.8	9.0	9.4	12.9	28
29	*Bank loans n.e.c.*	5.4	6.5	13.6	9.8	9.1	9.0	5.2	6.7	11.7	3.8	14.4	3.6	14.4	10.3	29
30	*Other loans*	2.7	4.1	4.7	7.4	4.5	7.7	9.0	8.6	1.3	5.1	2.9	5.7	3.0	11.1	30
31	Securities and mortgages	34.7	36.9	38.3	37.9	48.4	34.6	27.0	41.4	44.9	52.3	54.8	47.0	45.1	49.7	31
32	*State and local obligations*	6.7	5.9	7.3	6.0	10.1	4.6	6.1	10.3	11.5	7.5	11.2	10.0	6.8	12.8	32
33	*Corporate securities*	3.6	5.4	5.4	11.4	17.4	11.3	6.6	14.3	15.8	21.4	18.1	12.5	13.1	11.8	33
34	*1- to 4-family mortgages*	15.2	15.7	16.2	11.0	11.5	9.1	8.1	8.9	8.3	13.7	15.1	15.4	14.1	15.1	34
35	*Other mortgages*	9.3	10.0	9.4	9.6	9.4	9.6	6.2	7.9	9.3	9.8	10.4	9.1	11.1	10.0	35
36	Net sources of credit (= line 17)	58.5	67.0	72.3	69.9	83.1	62.6	49.9	74.3	44.3	104.6	108.9	104.1	74.8	119.6	36
37	Chg. in U.S. Govt. cash balance	−.4	.2	−1.0	−.4	1.2	−6.2	1.2	−.5	−14.8	13.4	6.8	−5.5	−19.4	25.6	37
38	U.S. Govt. lending	2.7	3.8	4.7	7.9	4.5	7.8	2.8	6.1	−.8	5.0	8.0	14.0	8.1	6.9	38
39	Foreign funds	1.9	2.5	.8	−.9	5.4	−5.3	−1.2	1.4	8.3	2.4	9.4	−.6	−.3	.8	39
40	Pvt. insur. & pension reserves	10.1	11.1	11.6	12.8	13.2	13.1	14.5	12.2	12.4	14.0	14.1	13.1	14.6	16.0	40
41	Sources n.e.c.	4.7	5.7	7.1	7.7	5.8	14.1	−.8	1.8	6.0	11.5	3.9	14.1	20.9	9.2	41
42	Pvt. domestic nonfin. sectors	39.5	43.8	49.0	42.8	53.0	39.0	33.5	53.3	33.1	58.5	66.9	69.0	50.9	61.2	42
43	Liquid assets	37.4	33.0	43.4	23.9	49.1	18.5	22.1	54.4	38.4	58.7	44.8	50.8	32.9	56.5	43
44	Deposits	34.4	35.3	40.4	22.7	50.9	15.8	21.2	61.5	51.7	56.2	34.1	35.5	32.0	52.7	44
45	Demand dep. and currency	5.9	6.5	7.7	2.9	12.0	−.5	6.5	10.8	10.6	15.2	11.1	2.3	13.0	5.9	45
46	Time and svgs. accounts	28.5	28.8	32.7	19.8	39.0	16.4	14.6	50.7	41.0	41.0	23.0	33.1	19.0	46.8	46
47	*At commercial banks*	13.4	13.0	19.5	12.5	22.4	11.1	5.4	33.8	20.4	23.0	12.3	20.6	5.2	33.2	47
48	*At savings instit.*	15.1	15.8	13.2	7.3	16.6	5.3	9.3	16.9	20.6	18.0	10.7	12.6	13.8	13.6	48
49	Short-term U.S. Govt. sec.	3.0	−2.3	3.0	1.2	−1.8	2.7	.9	−7.1	−13.3	2.5	10.6	15.3	.9	3.8	49
50	Other U.S. Govt. securities	1.7	3.1	.1	6.8	−1.2	3.3	4.3	−11.2	−3.9	−3.3	13.7	−4.0	9.6	1.2	50
51	Pvt. credit mkt. instruments	2.3	7.5	5.9	11.9	7.2	15.4	6.5	9.6	1.2	6.2	11.9	19.7	11.3	6.3	51
52	Less security debt	2.0	−.2	.3	−.2	2.2	−1.9	−.6	−.5	2.5	3.1	3.5	−2.6	2.8	2.8	52
	III. Direct lending in credit markets															
53	**Total funds raised**	58.5	67.0	72.3	69.9	83.1	62.6	49.9	74.3	44.3	104.6	108.9	104.1	74.8	119.6	53
54	Less change in U.S. Govt. cash	−.3	.2	−1.0	−.4	1.2	−6.1	1.2	−.6	−14.9	13.4	6.7	−5.8	−19.4	25.5	54
55	Total net of U.S. Govt. cash	58.8	66.8	73.3	70.3	81.9	68.7	48.7	74.9	59.1	91.2	102.2	109.8	94.1	94.1	55
56	**Funds supplied directly to cr. mkts.**	58.8	66.8	73.3	70.3	81.9	68.7	48.7	74.9	59.1	91.2	102.2	109.8	94.1	94.1	56
57	Federal Reserve System	2.6	3.2	3.8	3.3	3.9	6.6	4.2	2.9	−.3	7.9	4.5	8.3	4.0	10.1	57
58	Total	2.9	3.4	3.8	3.5	4.8	5.0	4.3	5.2	2.9	3.7	6.9	5.3	5.7	7.3	58
59	Less change in U.S. Govt. cash	.3	.2	*	.2	.9	−1.6	.1	2.4	3.2	−4.2	2.4	−3.0	1.7	−2.8	59
60	Commercial banks, net	19.7	21.8	29.3	17.9	35.9	14.1	6.8	41.9	40.3	37.2	24.6	24.5	38.0	38.1	60
61	Total	19.4	22.4	29.1	17.4	36.4	9.6	7.9	39.7	22.3	54.8	28.9	21.7	17.6	66.5	61
62	Less chg. in U.S. Govt. cash	−.6	*	−1.0	−.5	.2	−4.5	1.1	−3.0	−18.1	17.6	4.4	−2.8	−21.1	28.3	62
63	Security issues	.3	.6	.8	.1	.2	*	*	.8	.1	*	—	*	.7	.2	63
64	Nonbank finance, net	28.0	29.1	26.9	22.5	32.4	21.0	24.2	29.0	35.0	38.1	27.4	28.1	27.7	29.2	64
65	Total	34.4	33.5	32.9	25.8	33.6	21.7	27.2	30.9	19.3	51.0	33.0	28.7	30.8	46.1	65
66	Less credit raised	6.4	4.4	5.9	3.3	1.2	.7	2.9	1.9	−15.7	12.9	5.7	.6	3.1	16.9	66
67	U.S. Government	2.7	3.8	4.7	7.9	4.5	7.8	2.8	6.1	−.8	5.0	8.0	14.0	8.1	6.9	67
68	Foreign	.9	.6	−.1	−1.4	3.2	−4.1	−1.6	3.3	3.6	.9	5.1	1.5	−2.5	1.5	68
69	Pvt. domestic nonfin.	5.1	8.5	8.6	20.1	2.0	23.2	12.3	−8.1	−18.6	2.3	32.7	33.6	19.0	8.4	69
70	Households	.4	3.2	2.2	10.5	−4.0	11.0	1.9	−13.1	−18.1	−1.3	16.7	13.1	13.1	−6.0	70
71	Business	3.1	1.5	1.0	3.2	.4	3.4	2.5	1.2	−5.6	.2	5.9	11.1	5.0	7.8	71
72	State and local govts	3.5	3.7	5.8	6.2	7.8	7.0	7.3	3.2	7.7	6.5	13.7	6.7	3.7	9.4	72
73	Less net security credit	2.0	−.2	.3	−.2	2.2	−1.9	−.6	−.5	2.5	3.1	3.5	−2.6	2.8	2.8	73

NOTE.—Quarterly data are seasonally adjusted totals at annual rates. These tables reflect revisions in income and product accounts for 1965–67 published in the July 1968 *Survey of Current Business*. Financial data have not been revised before 1968 relative to tables in the May 1968 BULLETIN; financial revisions for 1965–67 will be published later.

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PRINCIPAL FINANCIAL TRANSACTIONS

(In billions of dollars)

	Transaction category, or sector	1963	1964	1965	1966	1967	1966 III	1966 IV	1967 I	1967 II	1967 III	1967 IV	1968 I	1968 II	1968 III	
	I. Demand deposits and currency															
1	Net incr. in banking system liability	5.8	7.4	7.6	2.6	14.7	−8.0	8.8	8.2	−.9	29.4	21.8	−4.9	−1.9	31.9	1
2	U.S. Govt. deposits	−.3	.2	−1.0	−.4	1.2	−6.1	1.2	−.6	−14.9	13.4	6.7	−5.8	−19.4	25.5	2
3	Other	6.1	7.3	8.6	3.0	13.5	−1.9	7.6	8.8	14.0	16.0	15.0	.9	17.5	6.5	3
4	Domestic sectors	6.0	6.8	8.3	3.3	12.7	−.1	8.2	12.0	11.5	15.5	11.5	2.2	14.9	8.3	4
5	Households	4.3	6.4	7.1	1.9	12.4	.5	8.1	13.6	14.2	7.3	14.5	−4.9	15.9	15.7	5
6	Nonfinancial business	−.8	−2.1	−1.7	.7	−1.5	1.5	−1.3	−4.1	−3.9	4.2	−2.5	8.0	.5	−6.3	6
7	State and local govts	2.4	1.2	−.2	.8	.3	−.7	−.1	3.3	*	1.0	−2.9	1.2	1.2	−2.0	7
8	Financial sectors	.2	.3	.7	.4	.7	.5	1.6	1.3	.9	.4	.4	−.1	1.9	2.4	8
9	Mail float	−.1	.9	2.5	−.5	.8	−1.8	−.2	−2.0	.4	2.6	2.1	−1.9	−4.7	−1.6	9
10	Rest of the world	.1	.5	.3	−.3	.8	−1.8	−.6	−3.2	2.4	.5	3.5	−1.4	2.5	−1.8	10
	II. Time and savings accounts															
11	Net increase—Total	29.5	30.4	33.0	20.3	40.8	16.7	15.5	52.3	45.4	42.0	23.5	32.5	18.9	47.6	11
12	At commercial banks—Total	14.3	14.5	20.0	13.3	23.8	11.6	6.2	35.1	23.7	23.7	12.7	20.2	4.9	34.4	12
13	*Corporate* business	3.9	3.2	3.9	−.7	4.1	−3.9	−4.6	10.0	−.9	3.7	3.7	.5	−3.1	9.9	13
14	State and local govts	1.6	1.7	2.4	1.3	2.4	1.9	1.5	5.7	3.4	.6	.1	1.5	1.1	5.0	14
15	Foreign depositors	1.0	1.4	.6	.8	1.3	.6	1.0	1.2	2.3	1.1	.8	−.7	−.4	1.0	15
16	Households	7.9	8.2	13.3	11.9	15.8	13.0	8.5	18.0	17.9	18.7	8.5	18.5	7.2	18.3	16
17	At savings institutions	15.2	15.9	13.0	7.1	17.0	5.1	9.3	17.2	21.7	18.3	10.7	12.4	14.0	13.3	17
18	Memo: Households total	23.0	23.9	26.5	19.2	32.4	18.3	17.8	35.0	38.6	36.7	19.2	31.1	21.1	31.9	18
	III. U.S. Govt. securities															
19	Total net issues	5.0	7.1	3.6	6.3	12.7	4.9	2.9	8.0	−21.3	34.7	29.2	34.3	.6	32.4	19
20	Short-term marketable	1.4	4.0	3.5	2.2	6.4	7.6	10.1	9.9	−35.7	30.9	20.7	29.8	−17.3	3.8	20
21	Other	3.6	3.0	.2	4.1	6.2	−2.7	−7.2	−1.9	14.5	3.9	8.5	4.5	17.9	28.6	21
22	Net acquisitions, by sector	5.9	7.1	3.6	6.3	12.7	4.9	2.9	8.0	−21.3	34.7	29.2	34.3	.7	32.5	22
23	Federal Reserve System	2.8	3.5	3.7	3.5	4.8	5.7	3.8	5.5	2.8	3.6	6.9	5.5	5.5	7.5	23
24	Short-term	4.9	2.1	3.7	5.4	1.9	6.7	12.4	−.1	−4.2	2.3	9.3	1.4	−4.9	−12.2	24
25	Commercial banks	−2.6	.4	−2.3	−3.5	8.8	−5.7	−4.8	17.9	−.3	23.6	−5.9	7.9	−8.2	13.6	25
26	Short-term marketable	−3.5	3.9	−1.7	−4.5	4.6	−2.8	−4.4	10.2	−7.2	18.3	−2.7	4.3	−2.4	8.8	26
27	Other direct	.5	−4.1	−1.4	1.1	1.4	−.3	−.3	5.5	2.4	2.8	−5.2	2.5	−4.4	2.6	27
28	Nonguaranteed	.3	.6	.8	*	2.8	−2.6	−.1	2.2	4.4	2.5	2.1	1.1	−1.3	2.3	28
29	Nonbank finance	−.5	2.0	−.8	.9	*	3.4	.8	.2	−8.5	9.6	−1.4	9.8	−2.0	6.8	29
30	Short-term marketable	−1.3	1.2	−.4	1.5	1.0	3.8	1.4	4.6	−10.7	10.6	−.4	10.3	−3.3	6.8	30
31	*Other direct*	.6	.5	−.7	−1.0	−1.5	−.5	−.9	−5.2	.9	−.7	−1.1	−2.6	.8	−.8	31
32	Nonguaranteed	.3	.3	.3	.4	.5	.1	.4	.8	1.4	−.3	.1	2.1	.5	.8	32
33	Foreign	.6	.5	−.1	−2.6	2.1	−4.4	−2.1	2.6	1.9	−1.4	5.2	−.3	−5.2	−.4	33
34	Short-term	−.6	.1	−.4	−.8	1.6	−2.4	.7	3.1	.7	−2.1	4.8	−1.4	−7.3	−2.5	34
35	Pvt. domestic nonfinan. sector	4.7	.8	3.1	8.0	−3.0	6.0	5.2	−18.2	−17.2	−.8	24.4	11.3	10.5	4.9	35
36	Short-term marketable	1.8	−3.2	2.4	.7	−2.7	2.3	......	−7.9	−14.4	1.8	9.7	15.1	.6	3.0	36
37	Other direct	1.0	2.8	−1.2	2.2	−1.6	1.8	5.8	−9.6	−3.0	−1.8	8.1	−6.5	......	−.9	37
38	*Nonguaranteed*	.7	.4	1.3	4.6	.4	1.5	−1.4	−1.5	−.9	−1.5	5.6	2.5	9.6	2.1	38
39	Savings bonds—Households	1.2	.9	.6	.6	.9	.3	.9	.8	1.1	.7	.9	.2	.3	.8	39
	IV. Other securities															
40	Total net issues, by sector	13.1	14.6	16.2	18.7	29.6	17.2	12.5	28.1	28.1	31.4	30.8	25.5	21.2	25.8	40
41	State and local govts	6.7	5.9	7.3	6.0	10.1	4.6	6.1	10.3	11.5	7.5	11.2	10.0	6.8	12.8	41
42	*Nonfinancial corporations*	3.6	5.4	5.4	11.4	17.4	11.3	6.6	14.3	15.8	21.4	18.1	12.5	13.1	11.8	42
43	Commercial banks	.3	.6	.8	.1	.2	*	*	.8	.1	*	......	*	.7	.2	43
44	Finance companies	1.4	2.1	1.9	.8	.6	1.2	−.4	1.7	−.3	1.0	.1	1.5	.1	*	44
45	Rest of the world	1.1	.7	.8	.5	1.3	*	.2	1.0	1.0	1.6	1.4	1.5	.5	1.0	45
46	Net purchases	13.1	14.6	16.2	18.7	29.6	17.2	12.5	28.1	28.1	31.4	30.8	25.5	21.2	25.8	46
47	Households	−2.9	1.5	.1	2.9	−2.5	3.4	−3.5	−4.0	−6.6	−.9	1.3	11.1	1.4	−8.7	47
48	Nonfinancial corporations	.9	.2	.7	.8	.7	.7	.8	.7	.7	.8	.7	−.1	.1	.2	48
49	*State and local govts*	2.5	2.8	2.8	4.1	6.0	5.6	5.0	7.0	6.9	4.8	5.5	4.0	3.9	4.9	49
50	Commercial banks	5.2	3.7	5.0	2.4	9.8	−.1	−.7	9.6	14.5	4.8	10.3	4.7	6.3	9.6	50
51	Insurance and pension funds	7.6	7.5	9.5	9.5	13.5	9.5	8.6	13.9	11.0	14.6	14.4	15.5	12.9	13.7	51
52	Finance n.e.c.	−.2	−.8	−1.7	−2.2	−1.1	−2.8	1.5	−1.9	−2.8	2.1	−1.9	−12.5	−6.7	2.3	52
53	Security brokers and dealers	.2	*	−.1	.1	.1	1.0	2.6	−1.9	−2.9	2.6	2.5	−3.9	−5.5	7.2	53
54	Investment cos., net	−.5	−.8	−1.5	−2.4	−1.2	−3.8	−1.2	−.1	*	−.5	−4.4	−8.6	−1.1	−4.9	54
55	Portfolio purchases	.8	1.1	1.6	1.3	1.6	−1.1	2.5	3.0	1.3	3.1	−1.1	−1.4	3.8	1.1	55
56	Net issues of own shares	1.2	1.9	3.1	3.7	2.8	2.8	3.6	3.1	1.3	3.6	3.3	7.3	4.9	6.1	56
57	Rest of the world	.3	−.1	−.4	.9	1.0	.4	.4	.5	1.3	2.2	*	.7	1.9	2.2	57
	V. Mortgages															
58	Total net lending	25.0	25.3	25.5	19.6	21.9	17.0	13.2	17.3	19.0	24.8	26.3	24.8	25.5	24.8	58
59	1- to 4-family	15.7	15.4	16.1	10.0	12.5	7.4	6.9	9.4	9.7	15.0	16.0	15.7	14.5	14.8	59
60	*In process*	.5	−.3	*	−.9	1.0	−1.7	−1.2	.5	1.4	1.3	.9	.3	.4	−.3	60
61	Disbursed	15.2	15.7	16.2	11.0	11.5	9.1	8.1	8.9	8.3	13.7	15.1	15.4	14.1	15.1	61
62	Other	9.3	10.0	9.4	9.6	9.4	9.6	6.2	7.9	9.3	9.8	10.4	9.1	11.1	10.0	62
63	Net acquisitions	25.0	25.3	25.5	19.6	21.9	17.0	13.2	17.3	19.0	24.8	26.3	24.8	25.5	24.8	63
64	Households	−.3	−.2	−.9	−.4	−.6	.6	.5	−.5	−1.7	−.4	.2	1.0	−.5	1.0	64
65	U.S. Government	−1.0	.2	1.0	3.4	2.7	3.1	1.8	2.4	1.6	3.1	3.7	4.6	4.3	2.2	65
66	Commercial banks	4.9	4.5	5.6	4.6	4.6	4.3	3.6	2.0	3.5	6.0	6.7	5.8	6.2	6.2	66
67	Savings institutions	16.1	14.8	13.1	6.6	10.8	3.7	3.7	6.8	10.3	13.1	12.9	10.8	11.7	12.0	67
68	Insurance	4.0	5.1	5.5	5.1	3.1	5.3	3.6	5.2	2.9	2.0	2.3	2.1	2.2	2.7	68
69	Mortgage companies	.8	.4	.5	−.6	.4	−.9	−1.1	.3	1.3	−.2	.1	−.2	1.0	*	69
	VI. Bank loans n.e.c.															
70	Total net borrowing	7.6	8.7	16.4	8.2	6.5	5.2	2.0	1.7	7.7	6.7	9.8	2.7	13.2	15.0	70
71	Nonfinancial business	5.0	5.1	12.2	9.9	7.4	9.6	4.7	5.8	11.0	2.0	10.8	1.6	12.7	5.7	71
72	Nonbank finance	1.7	.5	2.4	−1.4	−2.4	−3.5	−2.7	−4.3	−3.3	2.1	−4.0	−.8	−1.1	4.9	72
73	Households	.4	1.4	1.3	−.1	1.7	−.7	.5	.9	.7	1.7	3.5	2.0	1.7	4.6	73
74	Rest of the world	.5	1.7	.4	−.2	−.3	−.3	−.5	−.6	−.8	.8	−.5	−.2	−.1	−.1	74

NOTE.—Quarterly data are seasonally adjusted totals at annual rates.

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1. U.S. BALANCE OF PAYMENTS

(In millions of dollars)

Item	1966	1967	1968p	1967		1968			
				III	IV	Ir	IIr	IIIr	IVp
Transactions other than changes in foreign liquid assets in U.S. and in U.S. monetary reserve assets—Seasonally adjusted									
Exports of goods and services—Total[1]	43,142	45,756	50,199	11,513	11,496	11,850	12,607	13,282	12,463
Merchandise	29,176	30,468	33,376	7,626	7,478	7,914	8,379	8,835	8,248
Military sales	829	1,240	1,423	245	323	306	360	403	355
Transportation	2,608	2,701	2,860	680	681	710	705	748	697
Travel	1,590	1,646	1,762	417	424	442	421	447	452
Investment income receipts, private	5,659	6,234	6,911	1,671	1,729	1,543	1,727	1,849	1,793
Investment income receipts, Govt.	593	624	774	156	153	198	221	205	151
Other services	2,687	2,843	3,094	718	708	737	794	795	767
Imports of goods and services—Total	−38,063	−40,989	−48,234	−10,154	−10,648	−11,552	−11,985	−12,428	−12,270
Merchandise	−25,541	−26,991	−33,273	−6,541	−7,159	−7,879	−8,335	−8,592	−8,467
Military expenditures	−3,735	−4,340	−4,561	−1,098	−1,104	−1,110	−1,123	−1,145	−1,183
Transportation	−2,923	−2,982	−3,162	−720	−750	−805	−747	−813	−798
Travel	−2,657	−3,195	−3,083	−925	−725	−780	−761	−823	−719
Investment income payments	−2,074	−2,293	−2,805	−575	−598	−659	−703	−740	−702
Other services	−1,132	−1,189	−1,350	−295	−321	−319	−316	−315	−401
Balance on goods and services[1]	5,080	4,768	1,965	1,359	848	298	622	854	193
Remittances and pensions	−1,015	−1,276	−1,159	−358	−263	−266	−286	−315	−293
1. Balance on goods, services, remittances and pensions	4,065	3,492	806	1,001	585	32	336	539	−100
2. U.S. Govt. grants and capital flow, net	−3,444	−4,210	−3,977	−988	−1,008	−1,164	−1,072	−938	−803
Grants,[2] loans, and net change in foreign currency holdings, and short-term claims	−4,676	−5,191	−5,360	−1,226	−1,266	−1,510	−1,384	−1,248	−1,219
Scheduled repayments on U.S. Govt. loans	803	975	1,115	233	258	304	309	255	247
Nonscheduled repayments and selloffs	429	6	269	5	*	42	3	55	169
3. U.S. private capital flow, net	−4,298	−5,504	−4,860	−1,788	−1,638	−707	−1,448	−1,798	−908
Direct investments	−3,623	−3,020	−2,743	−902	−815	−374	−1,035	−1,168	−167
Foreign securities	−481	−1,266	−1,288	−476	−332	−385	−83	−323	−497
Other long-term claims:									
Reported by banks	337	285	354	−72	16	140	49	165	*
Reported by others	−112	−289	−116	42	−93	45	−23	−15	−123
Short-term claims:									
Reported by banks	−84	−744	−100	−363	79	163	147	−365	−45
Reported by others	−334	−470	−967	−17	−493	−296	−503	−92	−76
4. Foreign capital flow, net, excluding change in	2,532	3,185	8,384	766	352	1,410	2,485	1,833	2,656
liquid assets in U.S.	2,156	2,344	5,795	359	310	1,219	1,437	1,291	1,847
Long-term investments	296	388	666	174	40	−21	268	234	185
Short-term claims									
Nonliquid claims on U.S. Govt. associated with—									
Military contracts	346	64	−86	−67	−111	−29	−1	−136	81
U.S. Govt. grants and capital	−205	−85	2	−23	−12	−5	15	−6	−3
Other specific transactions	−12	5	−2	−12	−10	−27	−6	41	−10
Other nonconvertible, nonmarketable, medium-term U.S. Govt. securities[3]	−49	469	2,010	335	135	273	772	409	556
5. Errors and unrecorded transactions	−210	−532	−199	207	−34	−276	−483	419	145
Balances									
A. Balance on liquidity basis									
Seasonally adjusted (= 1+2+3+4+5)	−1,357	−3,571	158	−802	−1,742	−705	−182	55	990
Less: Net seasonal adjustments	....	....	....	410	159	−443	−255	488	210
Before seasonal adjustment	−1,357	−3,571	158	−1,212	−1,901	−262	73	−433	780
B. Balance on basis of official reserve transactions									
Balance A, seasonally adjusted	−1,357	−3,571	158	−802	−1,742	−705	−182	55	990
Plus: Seasonally adjusted change in liquid assets in the U.S. of:									
Commercial banks abroad	2,697	1,262	3,382	1,119	767	412	2,442	829	−301
Other private residents of foreign countries	212	413	368	96	225	4	97	45	222
International and regional organizations other than IMF	−525	−218	82	−55	−49	79	−80	21	62
Less: Change in certain nonliquid liabilities to foreign central banks and govts.	761	1,291	2,373	111	283	361	768	527	717
Balance B, seasonally adjusted	266	−3,405	1,617	247	−1,082	−571	1,509	423	256
Less: Net seasonal adjustments	....	....	....	272	314	−661	−54	350	365
Before seasonal adjustment	266	−3,405	1,617	−25	−1,396	90	1,563	73	−109

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1. U.S. BALANCE OF PAYMENTS—Continued

(In millions of dollars)

Item	1966	1967	1968p	1967		1968			
				III	IV	Ir	IIr	IIIr	IVp
Transactions by which balances were settled—Not seasonally adjusted									
A. To settle balance on liquidity basis	**1,357**	**3,571**	**−158**	**1,212**	**1,901**	**262**	**−73**	**433**	**−780**
Change in U.S. official reserve assets (increase, −)	*568*	*52*	*−880*	*−375*	*−181*	*904*	*−137*	*−571*	*−1,076*
Gold	571	1,170	1,173	92	1,012	1,362	22	−74	−137
Convertible currencies	−540	−1,024	−1,183	−462	−1,145	−401	267	−474	−575
IMF gold tranche position	537	−94	−870	−5	−48	−57	−426	−23	−364
Change in liquid liabilities to all foreign accounts	*789*	*3,519*	*722*	*1,587*	*2,082*	*−642*	*64*	*1,004*	*296*
Foreign central banks and govts.:									
Convertible nonmarketable U.S. Govt. securities[4]	−945	455	−10	125	212	100	*	−49	−61
Marketable U.S. Govt. bonds and notes[4]	−245	48	−390	−6	−3	−359	−3	−26	−2
Deposits, short-term U.S. Govt. securities, etc.	−582	1,537	−2,707	162	1,108	−1,112	−2,187	38	554
IMF (gold deposits)	177	22	−3	*	....	8	−11	*	....
Commercial banks abroad	2,697	1,262	3,382	1,265	589	638	2,248	975	−479
Other private residents of foreign countries	212	413	368	96	225	4	97	45	222
International and regional organizations other than IMF	−525	−218	82	−55	−49	79	−80	21	62
B. Official reserve transactions	**−266**	**3,405**	**−1,617**	**25**	**1,396**	**−90**	**−1,563**	**−73**	**109**
Change in U.S. official reserve assets (increase, −)	568	52	−880	−375	−181	904	−137	−571	−1,076
Change in liquid liabilities to foreign central banks and govts. and IMF (see detail above under A.)	−1,595	2,062	−3,110	281	1,317	−1,363	−2,201	−37	491
Change in certain nonliquid liabilities to foreign central banks and govts.:									
Of U.S. private organizations	793	839	524	−212	160	122	148	129	125
Of U.S. Govt.	−32	452	1,849	331	100	247	627	406	569

[1] Excludes transfers under military grants.
[2] Excludes military grants.
[3] Includes certificates sold abroad by Export-Import Bank.
[4] With original maturities over 1 year.

NOTE.—Dept. of Commerce data. Minus sign indicates net payments (debits); absence of sign indicates net receipts (credits). Details may not add to totals because of rounding.

2. MERCHANDISE EXPORTS AND IMPORTS

(In millions of dollars, seasonally adjusted)

Period	Exports [1]				Imports [2]				Export surplus			
	1966	1967	1968	1969	1966	1967	1968	1969	1966	1967	1968	1969
Month:												
Jan.	2,268	2,631	2,797	[3]2,082	1,924	2,262	2,619	[3]1,967	344	369	178	116
Feb.	2,384	2,612	2,797	[3]2,313	2,029	2,235	2,610	[3]2,674	355	377	187	−362
Mar.	2,561	2,558	2,462	....	2,086	2,205	2,624	....	475	353	−162	....
Apr.	2,361	2,654	2,905	....	2,120	2,234	2,640	....	241	420	266	....
May	2,430	2,562	2,736	....	2,088	2,145	2,777	....	342	417	−41	....
June	2,505	2,597	2,865	....	2,147	2,237	2,853	....	358	360	12	....
July	2,461	2,588	2,841	....	2,187	2,212	2,679	....	274	376	162	....
Aug.	2,458	2,550	2,933	....	2,127	2,133	2,838	....	331	417	95	....
Sept.	2,556	2,641	[3]3,267	....	2,301	2,214	[3]2,977	....	255	427	288	....
Oct.	2,590	2,396	[3]2,614	....	2,256	2,201	[3]2,670	....	334	195	−57	....
Nov.	2,510	2,693	3,000	....	2,192	2,388	2,830	....	318	305	171	....
Dec.	2,414	2,609	2,886	....	2,230	2,530	2,957	....	184	79	−70	....
Quarter:												
I	7,214	7,810	8,055	....	6,040	6,702	7,854	....	1,174	1,108	201	....
II	7,296	7,822	8,506	....	6,355	6,616	8,268	....	941	1,206	238	....
III	7,476	7,832	9,041	....	6,613	6,558	8,494	....	863	1,274	547	....
IV	7,514	7,698	8,500	....	6,678	7,119	8,458	....	836	579	42	....
Year[4]	29,489	31,148	34,090	....	25,686	26,996	33,075	....	3,803	4,152	1,015	....

[1] Exports of domestic and foreign merchandise; excludes Dept. of Defense shipments of grant-aid military equipment and supplies under Mutual Security Program.
[2] General imports including imports for immediate consumption plus entries into bonded warehouses.
[3] Significantly affected by strikes.
[4] Sum of unadjusted figures.

NOTE.—Bureau of the Census data. Details may not add to totals because of rounding.

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3. U.S. NET MONETARY GOLD TRANSACTIONS WITH FOREIGN COUNTRIES AND INTERNATIONAL ORGANIZATIONS

(Net sales (−) or net acquisitions; in millions of dollars at $35 per fine troy ounce)

Area and country	1960	1961	1962	1963	1964	1965	1966	1967	1968	1967	1968			
										IV	I	II	III	IV
Western Europe:														
Austria	−1	....	−143	−82	−55	−100	−25	....	....	....	....	....	....	....
Belgium	−141	−144	−63	....	−40	−83	....	....	−58	....	−25	−33	....	....
France	−173	....	−456	−518	−405	−884	−601	....	600	....	....	220	240	140
Germany, Fed. Rep. of	−34	−23	....	....	−225	....	....	....	....	....	....	....	....	....
Ireland	....	....	....	....	−1	−2	−2	−2	−52	−1	−12	−32	−11	3
Italy	....	100	....	....	200	−80	−60	−85	−209	−85	−184	−25	....	....
Netherlands	−249	−25	....	....	−60	−35	....	....	−19	....	−49	30	....	....
Spain	−114	−156	−146	−130	−32	−180	....	....	....	....	....	....	....	....
Switzerland	−324	−125	102	....	−81	−50	−2	−30	−50	....	−25	−25	....	....
United Kingdom	−550	−306	−387	329	618	150	80	−879	−835	−771	−900	50	....	15
Bank for Intl. Settlements	−36	−23	....	....	....	....	....	....	....	....	....	....	....	....
Other	−96	−53	−12	1	−6	−35	−49	16	−47	−6	−1	−22	−16	−8
Total	−1,718	−754	−1,105	−399	−88	−1,299	−659	−980	−669	−863	−1,195	163	213	150
Canada	....	....	190	....	....	....	200	150	50	100	50	....	....	....
Latin American republics:														
Argentina	−50	−90	85	−30	....	....	−39	−1	−25	*	....	−5	−15	−5
Brazil	−2	−2	57	72	54	25	−3	−1	*	*	....	*	....	....
Colombia	−6	....	38	....	10	29	7	....	....	....	....	....	....	....
Venezuela	....	....	....	....	....	−25	....	....	....	....	....	....	....	....
Other	−42	−17	−5	−11	−9	−13	−6	11	−40	−7	−28	−7	−3	−3
Total	−100	−109	175	32	56	17	−41	9	−65	−7	−28	−12	−18	−8
Asia:														
Iraq	−30	....	....	....	....	−10	−4	−21	−42	−21	−14	−28	....	....
Japan	−15	....	....	....	....	....	−56	....	....	....	....	....	....	....
Lebanon	....	−21	−32	....	−11	....	−11	−1	−95	....	−74	−21	....	....
Malaysia	....	....	−1	....	....	....	....	....	−34	....	−10	−24	....	....
Saudi Arabia	−11	−48	−13	....	....	....	....	....	−50	....	....	−25	−25	....
Singapore	....	....	....	....	....	....	....	....	−81	....	−30	−23	−28	....
Other	−57	−32	−47	12	14	−14	−15	−22	−65	−1	−15	−26	−18	−6
Total	−113	−101	−93	12	3	−24	−86	−44	−366	−22	−143	−146	−71	−6
All other	−38	−6	−1	−36	−7	−16	−22	[1] −166	[1] −68	[1] −162	−1	−16	[1] −51	−1
Total foreign countries	−1,969	−970	−833	−392	−36	−1,322	−608	−1,031	−1,118	−953	−1,317	−10	73	136
Intl. Monetary Fund	[2] 300	150	....	....	....	[3] −225	[4] 177	[4] 22	[4] −3	....	[4] 8	[4] −11	....	....
Grand total	−1,669	−820	−833	−392	−36	−1,547	−431	−1,009	−1,121	−953	−1,309	−22	73	136

[1] Includes sales to Algeria of $150 million in 1967 and $50 million in 1968.

[2] IMF sold to the United States a total of $800 million of gold ($200 million in 1956, and $300 million in 1959 and in 1960) with the right of repurchase; proceeds from these sales invested by IMF in U.S. Govt. securities.

[3] Payment to the IMF of $259 million increase in U.S. gold subscription, less gold deposits by the IMF.

[4] Represents gold deposited by the IMF; see note 1(b) to Table 4. In June 1968 the IMF withdrew $17 million of these deposits.

NOTE.—**Tables 3–22:** The tables in this section provide data on U.S. reserve assets and liabilities and other statistics related to the U.S. balance of payments.

Beginning with the May 1967 issue of the BULLETIN, data on short-term liabilities to foreigners shown in Tables 8 and 9 (formerly Tables 1 and 2) have been revised to exclude the holdings of dollars by the IMF derived from payments of the U.S. subscription and from the exchange transactions and other operations of the IMF. (Liabilities representing the "gold investment" of the IMF continue to be included.) This change in the treatment of the "holdings of dollars" of the IMF is related to the revision at that time of the table on U.S. monetary reserve assets (Table 4) to include the U.S. reserve position in the IMF.

The "holdings of dollars" of the IMF do not represent liabilities to foreigners in the same sense as do other reported liabilities to foreigners. They are more accurately viewed as contingent liabilities, since they represent essentially the amount of dollars available for drawings from the IMF by other member countries. Changes in these holdings (arising from U.S. drawings and repayments of foreign currencies, from drawings and repayments of dollars by other countries, and from other dollar operations of the IMF) give rise to equal and opposite changes in the U.S. gold tranche position in the IMF. In the absence of U.S. lending to the IMF, the gold tranche position is equal to the U.S. reserve position in the IMF. Since the reserve position is included in U.S. reserve assets, it is necessary, in order to avoid double-counting, to exclude the "holdings of dollars" of the IMF from U.S. liabilities to foreigners. The revised presentation conforms to the treatment of these items in the U.S. balance of payments and the international investment position of the United States.

Beginning with the June 1968 issue of the BULLETIN, Table 19, "Liabilities of U.S. Banks to their Foreign Branches," has been included in this section. Weekly data on these liabilities for the period Jan. 1964–Mar. 1968 were included in the May 1968 issue on page A-104.

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4. U.S. GOLD STOCK, HOLDINGS OF CONVERTIBLE FOREIGN CURRENCIES, AND RESERVE POSITION IN IMF

(In millions of dollars)

End of year	Total reserve assets	Gold stock [1]		Convertible foreign currencies	Reserve position in IMF [3]
		Total [2]	Treasury		
1956	23,666	22,058	21,949	....	1,608
1957	24,832	22,857	22,781	....	1,975
1958	22,540	20,582	20,534	....	1,958
1959	21,504	19,507	19,456	....	1,997
1960	19,359	17,804	17,767	....	1,555
1961	18,753	16,947	16,889	116	1,690
1962	17,220	16,057	15,978	99	1,064
1963	16,843	15,596	15,513	212	1,035
1964	16,672	15,471	15,388	432	769
1965	15,450	[4] 13,806	[4] 13,733	781	[4] 863
1966	14,882	13,235	13,159	1,321	326
1967	14,830	12,065	11,982	2,345	420
1968	15,710	10,892	10,367	3,528	1,290

End of month	Total reserve assets	Gold stock [1]		Convertible foreign currencies [5]	Reserve position in IMF [3]
		Total [2]	Treasury		
1968—Mar.	13,926	10,703	10,484	2,746	477
Apr.	13,840	10,547	10,484	2,804	489
May	14,348	10,468	10,384	3,386	494
June	14,063	10,681	10,367	2,479	903
July	14,366	10,676	10,367	2,773	917
Aug.	14,427	10,681	10,367	2,817	929
Sept.	14,634	10,755	10,367	2,953	926
Oct.	14,427	10,788	10,367	2,703	936
Nov.	15,660	10,897	10,367	3,655	1,108
Dec.	15,710	10,892	10,367	3,528	1,290
1969—Jan.	15,454	10,828	10,367	3,338	1,288
Feb.	15,499	10,801	10,367	3,399	1,299
Mar.	15,758	10,836	10,367	3,601	1,321

[1] Includes (a) gold sold to the United States by the International Monetary Fund with the right of repurchase, and (b) gold deposited by the IMF to mitigate the impact on the U.S. gold stock of foreign purchases for the purpose of making gold subscriptions to the IMF under quota increases. For corresponding liabilities, see Table 6.
[2] Includes gold in Exchange Stabilization Fund.
[3] In accordance with IMF policies the United States has the right to draw foreign currencies equivalent to its reserve position in the IMF virtually automatically if needed. Under appropriate conditions the United States could draw additional amounts equal to the U.S. quota. See Table 5.
[4] Reserve position includes, and gold stock excludes, $259 million gold subscription to the IMF in June 1965 for a U.S. quota increase which became effective on Feb. 23, 1966. In figures published by the IMF from June 1965 through Jan. 1966, this gold subscription was included in the U.S. gold stock and excluded from the reserve position.
[5] For holdings of F.R. Banks only, see pp. A-12 and A-13.

NOTE.—See Table 18 for gold held under earmark at F.R. Banks for foreign and international accounts. Gold under earmark is not included in the gold stock of the United States.

5. U.S. POSITION IN THE INTERNATIONAL MONETARY FUND

(In millions of dollars)

Period	Transactions affecting IMF holdings of dollars (during period)							IMF holdings of dollars (end of period)		U.S. reserve position in IMF (end of period) [3]
	U.S. transactions with IMF				Transactions by other countries with IMF		Total change	Amount	Per cent of U.S. quota	
	Payments of subscriptions in dollars	Net gold sales by IMF [1]	Transactions in foreign currencies [2]	IMF net income in dollars	Drawings of dollars	Repayments in dollars				
1946—1957	2,063	[4] 594	....	−45	−2,664	827	775	775	28	1,975
1958—1963	1,031	150	....	60	−1,666	2,740	2,315	3,090	75	1,035
1964	....	....	525	18	−282	5	266	3,356	81	769
1965	....	....	435	12	−282	....	165	3,521	85	[5] 863
1966	776	....	680	15	−159	1	1,313	4,834	94	326
1967	....	....	....	20	−114	....	−94	4,740	92	420
1968	....	....	−84	20	−806	....	−870	3,870	75	1,290
1968—Mar.	....	....	200	1	−23	....	178	4,683	91	477
Apr.	....	....	....	2	−14	....	−12	4,671	91	489
May	....	....	....	2	−7	....	−5	4,666	90	494
June	....	....	....	−1	−408	....	−409	4,257	83	903
July	....	....	....	4	−18	....	−14	4,243	82	917
Aug.	....	....	....	−1	−11	....	−12	4,231	82	929
Sept.	....	....	....	3	....	....	3	4,234	82	926
Oct.	....	....	....	2	−12	....	−10	4,224	82	936
Nov.	....	....	−125	−1	−46	....	−172	4,052	79	1,108
Dec.	....	....	−159	4	−27	....	−182	3,870	75	1,290
1969—Jan.	....	....	....	2	....	....	2	3,872	75	1,288
Feb.	....	....	....	2	−13	....	−11	3,861	75	1,299
Mar.	....	....	....	2	−24	....	−22	3,839	74	1,321

[1] Represents net IMF sales of gold to acquire U.S. dollars for use in IMF operations. Does not include transactions in gold relating to gold deposit or gold investment (see Table 6).
[2] Positive figures represent purchases from the IMF of currencies of other members for equivalent amounts of dollars; negative figures represent repurchase of dollars, including dollars derived from charges on drawings and from other net dollar income of the IMF. The United States has a commitment to repay drawings within 3 to 5 years, but only to the extent that the holdings of dollars of the IMF exceed 75 per cent of the U.S. quota. Drawings of dollars by other countries reduce the U.S. commitment to repay by an equivalent amount.
[3] Represents the U.S. gold tranche position in the IMF (the U.S. quota minus the holdings of dollars of the IMF), which is the amount that the United States could draw in foreign currencies virtually automatically if needed. Under appropriate conditions, the United States could draw additional amounts equal to its quota.
[4] Represents a $600 million IMF gold sale to United States (1957), less $6 million gold purchase by IMF from another member with U.S. dollars (1948).
[5] Includes $259 million gold subscription to the IMF in June 1965 for a U.S. quota increase, which became effective on Feb. 23, 1966. In figures published by the IMF from June 1965 through Jan. 1966, this gold subscription was included in the U.S. gold stock and excluded from the reserve position.

NOTE.—The initial U.S. quota in the IMF was $2,750 million. The U.S. quota was increased to $4,125 million in 1959 and to $5,160 million in Feb. 1966. Under the Articles of Agreement, subscription payments equal to the quota have been made 25 per cent in gold and 75 per cent in dollars.

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6. U.S. LIQUID LIABILITIES TO FOREIGNERS

(In millions of dollars)

End of period	Total	Liabilities to Intl. Monetary Fund arising from gold transactions			Liabilities to foreign countries							Liabilities to non-monetary intl. and regional organization [5]		
					Official institutions [3]				Banks and other foreigners					
		Total	Gold deposit [1]	Gold investment [2]	Total	Short-term liabilities reported by banks in U.S.	Marketable U.S. Govt. bonds and notes [4]	Nonmarketable convertible U.S. Treasury bonds and notes	Total	Short-term liabilities reported by banks in U.S.	Marketable U.S. Govt. bonds and notes [4]	Total	Short-term liabilities reported by banks in U.S. [6]	Marketable U.S. Govt. bonds and notes [4]
1957	[7]15,825	200	....	200	n.a.	7,917	n.a.	....	n.a.	5,724	n.a.	n.a.	542	n.a.
1958	[7]16,845	200	....	200	n.a.	8,665	n.a.	....	n.a.	5,950	n.a.	n.a.	552	n.a.
1959	19,428	500	....	500	10,120	9,154	966	....	7,618	7,077	541	1,190	530	660
1960 [8]	20,994	800	....	800	11,078	10,212	866	....	7,591	7,048	543	1,525	750	775
	21,027	800	....	800	11,088	10,212	876	....	7,598	7,048	550	1,541	750	791
1961 [8]	22,853	800	....	800	11,830	10,940	890	....	8,275	7,759	516	1,948	703	1,245
	22,936	800	....	800	11,830	10,940	890	....	8,357	7,841	516	1,949	704	1,245
1962 [8]	24,068	800	....	800	12,748	11,997	751	....	8,359	7,911	448	2,161	1,250	911
	24,068	800	....	800	12,714	11,963	751	....	8,359	7,911	448	2,195	1,284	911
1963 [8]	26,361	800	....	800	14,387	12,467	1,217	703	9,214	8,863	351	1,960	808	1,152
	26,322	800	....	800	14,353	12,467	1,183	703	9,204	8,863	341	1,965	808	1,157
1964 [8]	28,951	800	....	800	15,428	13,224	1,125	1,079	11,001	10,625	376	1,722	818	904
	29,002	800	....	800	15,424	13,220	1,125	1,079	11,056	10,680	376	1,722	818	904
1965	29,115	834	34	800	15,372	13,066	1,105	1,201	11,478	11,006	472	1,431	679	752
1966 [8]	29,904	1,011	211	800	13,600	12,484	860	256	14,387	13,859	528	906	581	325
	29,779	1,011	211	800	13,655	12,539	860	256	14,208	13,680	528	905	580	325
1967 [8]	33,271	1,033	233	800	15,653	14,034	908	711	15,894	15,336	558	691	487	204
	33,133	1,033	233	800	15,646	14,027	908	711	15,768	15,210	558	686	482	204
1968–Jan.	33,113	1,033	233	800	15,206	13,778	717	711	16,182	15,612	570	692	488	204
Feb.	33,316	1,033	233	800	15,326	13,963	652	711	16,321	15,728	593	636	431	205
Mar.	32,491	1,041	241	800	14,275	12,915	549	811	16,410	15,806	604	765	560	205
Apr.	32,992	1,045	245	800	14,368	13,008	549	811	16,746	16,134	612	833	628	205
May	33,144	1,047	247	800	13,599	12,242	546	811	17,866	17,256	610	632	465	167
June	32,555	1,030	230	800	12,085	10,728	546	811	18,755	18,142	613	685	519	166
July	33,123	1,030	230	800	12,592	11,234	546	812	18,726	18,099	627	775	615	160
Aug.	33,583	1,030	230	800	12,422	11,151	509	762	19,359	18,723	636	772	612	160
Sept.	33,559	1,030	230	800	12,048	10,766	520	762	19,775	19,149	626	706	630	76
Oct.	33,974	1,030	230	800	12,122	10,840	520	762	20,029	19,409	620	793	725	68
Nov.	35,623	1,030	230	800	13,676	12,396	518	762	20,111	19,487	624	806	738	68
Dec.	33,846	1,030	230	800	12,539	11,320	518	701	19,529	18,920	609	748	706	42
1969–Jan.^{p}	33,897	1,031	231	800	10,789	9,570	518	701	21,387	20,749	638	690	647	43

[1] Represents liability on gold deposited by the International Monetary Fund to mitigate the impact on the U.S. gold stock of foreign purchases for the purpose of making gold subscriptions to the IMF under quota increases.

[2] U.S. Govt. obligations at cost value and funds awaiting investment obtained from proceeds of sales of gold by the IMF to the United States to acquire income-earning assets. Upon termination of investment, the same quantity of gold can be reacquired by the IMF.

[3] Includes Bank for International Settlements and European Fund.

[4] Derived by applying reported transactions to benchmark data; breakdown of transactions by type of holder estimated for 1960–63. Includes securities issued by corporations and other agencies of the U.S. Govt. that are guaranteed by the United States.

[5] Principally the International Bank for Reconstruction and Development and the Inter-American Development Bank.

[6] Includes difference between cost value and face value of securities in IMF gold investment account. Liabilities data reported to the Treasury include the face value of these securities, but in this table the cost value of the securities is included under "Gold investment." The difference, which amounted to $34 million at the end of 1968, is included in this column.

[7] Includes total foreign holdings of U.S. Govt. bonds and notes, for which breakdown by type of holder is not available.

[8] Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

NOTE.—Based on Treasury Dept. data and on data reported to the Treasury Dept. by banks and brokers in the United States. Data correspond to statistics following in this section, except for minor rounding differences. Table excludes IMF "holdings of dollars," and holdings of U.S. Treasury letters of credit and non-negotiable, non-interest-bearing special United States notes held by other international and regional organizations.

The liabilities figures are used by the Dept. of Commerce in the statistics measuring the U.S. balance of international payments on the liquidity basis; however, the balance of payments statistics include certain adjustments to Treasury data prior to 1963 and some rounding differences, and they may differ because revisions of Treasury data have been incorporated at varying times. The table does not include certain nonliquid liabilities to foreign official institutions that enter into the calculation of the official reserve transactions balance by the Dept. of Commerce.

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7. U.S. LIQUID LIABILITIES TO OFFICIAL INSTITUTIONS OF FOREIGN COUNTRIES, BY AREA

(Amounts outstanding; in millions of dollars)

End of period	Total foreign countries	Western Europe [1]	Canada	Latin American republics	Asia	Africa	Other countries [2]
1966	13,655	7,488	1,189	1,134	3,339	277	228
1967	15,646	9,872	996	1,131	3,145	249	253
1968—Jan.	15,206	9,373	1,091	1,210	3,056	229	247
Feb.	15,326	9,179	1,403	1,170	3,086	272	216
Mar.	14,275	8,881	851	1,174	2,927	230	212
Apr.	14,368	8,624	1,040	1,371	2,857	247	229
May	13,599	7,908	1,035	1,380	2,790	251	235
June	12,085	7,034	671	1,197	2,734	259	190
July	12,592	7,043	709	1,528	2,843	284	185
Aug.	12,422	6,838	780	1,432	2,926	242	204
Sept.	12,048	6,951	438	1,196	2,959	293	211
Oct.	12,122	6,843	416	1,262	3,116	271	214
Nov.	13,676	8,086	574	1,357	3,160	271	228
Dec.	12,539	6,998	533	1,354	3,169	259	226
1969—Jan.[p]	10,789	5,434	565	1,354	2,977	261	198

[1] Includes Bank for International Settlements and European Fund.
[2] Includes countries in Oceania and Eastern Europe, and Western European dependencies in Latin America.

NOTE.—Data represent short-term liabilities to the official institutions of foreign countries, as reported by banks in the United States, and foreign official holdings of marketable and convertible nonmarketable U.S. Govt. securities with an original maturity of more than 1 year.

8. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY

(Amounts outstanding; in millions of dollars)

End of period	Grand total [1]	International and regional			Foreign			Europe	Canada	Latin America	Asia	Africa	Other countries
		Total [1]	Intl. [1]	Regional [2]	Total	Official [3]	Other						
1966	27,599	1,380	1,270	110	26,219	12,539	13,680	13,933	2,502	3,883	5,250	385	266
1967	30,657	1,287	1,181	106	29,370	14,034	15,336	16,378	2,706	4,140	5,492	349	305
	30,519	1,282	1,181	101	29,237	14,027	15,210	16,199	2,709	4,134	5,541	349	305
1968—Feb.	30,922	1,231	1,117	114	29,691	13,963	15,728	16,129	3,201	4,123	5,522	434	281
Mar.	30,081	1,360	1,268	92	28,721	12,915	15,806	15,861	2,791	4,072	5,375	339	282
Apr.	30,570	1,428	1,335	93	29,142	13,008	16,134	15,846	2,943	4,297	5,400	366	290
May	30,763	1,265	1,176	89	29,498	12,242	17,256	16,149	3,055	4,287	5,332	371	304
June	30,189	1,319	1,221	98	28,870	10,728	18,142	15,857	2,842	4,172	5,367	370	262
July	30,748	1,415	1,304	111	29,333	11,234	18,099	15,802	2,894	4,484	5,510	397	247
Aug.	31,286	1,412	1,298	114	29,874	11,151	18,723	16,075	3,140	4,401	5,638	356	264
Sept.	31,345	1,430	1,318	112	29,915	10,766	19,149	16,554	2,747	4,263	5,665	405	280
Oct.	31,774	1,525	1,404	121	30,249	10,840	19,409	16,375	3,015	4,405	5,801	369	283
Nov.	33,421	1,538	1,403	135	31,883	12,396	19,487	17,693	3,081	4,525	5,894	400	291
Dec.	31,746	1,506	1,395	111	30,240	11,320	18,920	16,231	2,796	4,605	5,957	361	289
1969—Jan.[p]	31,766	1,447	1,328	119	30,319	9,570	20,749	16,526	2,925	4,543	5,698	360	267
Feb.[p]	32,518	1,417	1,302	115	31,101	9,646	21,455	16,707	3,110	4,734	5,795	400	355

8a. Europe

End of period	Total	Austria	Belgium-Luxembourg [5]	Denmark	Finland	France	Germany, Fed. Rep. of	Greece	Italy	Netherlands	Norway	Portugal	Spain	Sweden
1966	13,933	196	420	305	58	1,070	2,538	129	1,410	364	283	358	162	656
1967[4]	16,378	231	601	243	99	1,326	2,218	170	1,948	589	449	437	150	492
	16,199	231	632	243	99	1,330	2,217	170	1,948	589	449	437	150	492
1968—Feb.	16,129	177	580	220	126	1,245	2,143	159	1,786	488	390	426	121	541
Mar.	15,861	154	539	199	139	1,162	2,351	154	1,573	361	385	388	129	529
Apr.	15,846	181	513	177	141	1,202	2,134	156	1,534	330	399	394	134	565
May	16,149	165	530	178	140	959	2,009	154	1,364	272	404	381	153	582
June	15,857	164	420	185	150	1,262	1,705	152	988	245	411	338	144	510
July	15,802	174	373	144	161	881	1,834	173	998	251	427	325	151	514
Aug.	16,075	150	382	149	156	977	1,779	184	1,109	315	485	323	187	543
Sept.	16,554	131	360	152	155	1,144	1,931	197	1,051	273	438	321	183	536
Oct.	16,375	153	424	130	158	1,170	1,865	183	1,077	277	395	319	165	534
Nov.	17,693	134	326	123	166	1,229	3,564	187	840	261	381	342	167	499
Dec.	16,231	162	313	146	176	1,383	2,640	183	729	278	448	345	158	453
1969—Jan.[p]	16,526	136	337	141	164	1,468	1,329	195	629	216	317	330	136	453
Feb.[p]	16,707	144	331	101	169	1,468	1,368	178	600	271	322	319	148	391

For notes see following two pages.

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8. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY—*Continued*

(Amounts outstanding; in millions of dollars)

End of period	8a. Europe—Continued							8b. Latin America						
	Switzerland	Turkey	United Kingdom	Yugoslavia	Other Western Europe[6]	U.S.S.R.	Other Eastern Europe	Total	Argentina	Brazil	Chile	Colombia	Cuba	Mexico
1966	1,805	43	3,817	37	234	8	40	3,883	418	299	261	178	8	632
1967[4]	1,732	33	4,851	23	736	8	44	4,140	480	237	252	169	9	723
	1,732	33	4,667	23	706	8	44	4,134	479	237	252	166	9	720
1968—Feb.	1,511	39	5,431	56	653	6	29	4,123	414	291	239	162	8	747
Mar.	1,657	29	5,583	52	439	4	35	4,072	430	301	263	154	8	721
Apr.	1,544	28	5,881	60	438	4	31	4,297	444	351	260	160	8	745
May	1,553	25	6,841	59	350	4	26	4,287	473	310	241	187	8	813
June	1,741	25	7,027	51	297	5	40	4,172	429	258	245	198	8	789
July	1,863	22	7,053	20	401	6	32	4,484	642	248	254	179	8	817
Aug.	1,754	18	7,092	29	405	6	34	4,401	502	301	304	186	8	776
Sept.	1,964	30	7,104	26	511	7	41	4,263	445	250	302	210	8	769
Oct.	1,741	31	7,244	28	439	4	38	4,405	463	285	287	219	8	849
Nov.	2,008	34	6,994	40	358	6	34	4,525	502	312	289	224	8	892
Dec.	2,155	29	6,192	33	357	5	48	4,605	479	257	323	249	8	974
1969—Jan.p	2,038	33	8,120	25	411	12	34	4,543	495	247	301	222	8	942
Feb.p	1,822	32	8,597	20	385	6	35	4,734	486	256	330	241	7	947

End of period	8b. Latin America—Continued								8c. Asia					
	Panama	Peru	Uruguay	Venezuela	Other L.A. rep.	Bahamas & Bermuda	Neth. Antilles & Surinam	Other Latin America	Total	China Mainland	Hong Kong	India	Indonesia	Israel
1966	150	249	161	707	522	177	104	17	5,250	36	142	179	54	115
1967[4]	170	274	147	793	523	233	111	18	5,492	36	215	354	34	125
	173	274	147	793	523	233	109	18	5,541	36	217	354	34	125
1968—Feb.	156	267	152	770	559	252	86	17	5,522	36	226	351	42	134
Mar.	140	259	143	730	579	242	84	19	5,375	37	228	319	39	110
Apr.	139	276	140	814	603	242	88	25	5,400	36	221	342	46	119
May	145	272	144	780	579	226	83	25	5,332	36	238	368	41	128
June	153	278	138	742	592	220	97	25	5,367	36	243	384	74	127
July	154	268	133	797	623	245	88	27	5,510	36	260	376	51	134
Aug.	147	278	140	792	621	234	83	28	5,638	36	255	394	51	136
Sept.	156	275	142	723	608	254	92	29	5,665	36	261	393	55	144
Oct.	165	265	145	777	565	258	88	30	5,801	37	255	370	52	143
Nov.	163	272	153	775	574	239	93	31	5,894	36	260	379	49	163
Dec.	154	276	149	792	611	215	88	30	5,957	37	270	281	50	219
1969—Jan.p	156	277	149	799	582	230	105	31	5,698	38	270	215	62	190
Feb.p	151	279	155	808	588	365	102	30	5,795	37	256	236	66	154

End of period	8c. Asia—Continued						8d. Africa						8e. Other countries		
	Japan	Korea	Philippines	Taiwan	Thailand	Other Asia	Total	Congo (Kinshasa)	Morocco	South Africa	U.A.R. (Egypt)	Other Africa	Total	Australia	All other
1966	2,671	162	285	228	598	779	385	15	31	71	39	229	266	243	22
1967[4]	2,563	176	289	226	616	858	349	33	18	61	16	221	305	278	27
	2,612	176	289	222	616	859	349	33	18	61	16	221	305	278	27
1968—Feb.	2,559	181	291	211	647	843	434	30	22	53	15	315	281	249	33
Mar.	2,551	174	289	209	655	764	339	28	22	57	17	215	282	253	29
Apr.	2,555	182	285	196	678	740	366	27	14	54	19	252	290	265	25
May	2,482	174	265	197	676	729	371	25	10	60	20	257	304	279	25
June	2,537	168	269	196	678	655	370	21	21	47	19	261	262	233	29
July	2,661	173	269	206	673	671	397	22	20	51	19	284	247	221	25
Aug.	2,827	174	263	201	673	627	356	18	19	52	21	246	264	240	24
Sept.	2,858	162	258	188	672	637	405	16	18	51	20	300	280	255	25
Oct.	3,094	166	261	180	648	594	369	13	14	49	20	274	283	256	27
Nov	3,207	167	247	165	648	571	400	13	14	60	20	292	291	264	27
Dec.	3,319	172	271	155	556	627	361	12	13	58	18	260	289	261	28
1969—Jan.p	3,247	155	237	149	559	577	360	12	15	50	19	265	267	238	28
Feb.p	3,382	150	217	154	577	565	400	13	14	58	18	297	355	326	29

1 Data exclude the "holdings of dollars" of the International Monetary Fund.
2 Latin American, Asian, African, and European regional organizations, except Bank for International Settlements and European Fund which are included in "Europe."
3 Foreign central banks and foreign central govts. and their agencies, and Bank for International Settlements and European Fund.
4 Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable in coverage with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.
5 Through the first line for Dec. 1967 Luxembourg was included in Other Western Europe.
6 Includes Bank for International Settlements and European Fund; beginning with the second line for Dec. 1967 excludes Luxembourg.

For NOTE see end of Table 8.

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8. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY—Continued

(Amounts outstanding; in millions of dollars)

8f. Supplementary data [7] (end of period)

Area or country	1967 Apr.	1967 Dec.	1968 Apr.	1968 Dec.
Other Western Europe:				
Cyprus	1.5	1.7	20.9	n.a.
Iceland	5.7	4.3	3.3	5.6
Ireland, Rep. of	7.4	9.4	14.7	23.8
Luxembourg	21.7	31.3	(8)	(8)
Other Latin American republics:				
Bolivia	57.9	59.9	61.0	66.0
Costa Rica	41.9	42.6	55.0	51.1
Dominican Republic	53.9	55.1	60.2	68.9
Ecuador	92.4	85.6	64.1	66.4
El Salvador	96.4	72.8	83.6	82.1
Guatemala	83.9	73.0	96.4	85.8
Haiti	16.8	15.8	17.4	16.9
Honduras	28.6	29.7	31.4	33.2
Jamaica	19.3	22.4	44.4	41.7
Nicaragua	62.7	45.6	57.9	67.0
Paraguay	16.6	12.7	13.6	15.7
Trinidad & Tobago	5.4	6.1	9.2	10.4
Other Latin America:				
British West Indies	14.2	13.8	20.6	25.2
Other Asia:				
Afghanistan	7.8	5.5	5.6	6.2
Burma	20.3	10.8	16.6	4.7
Cambodia	1.3	1.9	2.7	n.a.
Ceylon	2.7	5.0	4.5	4.2
Iran	44.0	49.6	38.4	41.3
Iraq	28.0	34.6	10.0	n.a.
Other Asia—Cont.:				
Jordan	45.2	39.8	6.6	3.0
Kuwait	28.6	36.6	34.0	66.7
Laos	6.5	3.6	4.0	3.1
Lebanon	112.2	113.3	97.2	78.3
Malaysia	34.9	63.9	52.1	51.8
Pakistan	45.3	54.8	54.1	59.7
Ryukyu Islands (incl. Okinawa)	31.2	14.5	26.4	17.0
Saudi Arabia	96.4	61.2	70.3	29.0
Singapore	60.3	159.5	156.9	n.a.
Syria	4.7	6.3	6.5	2.1
Vietnam	146.3	148.2	123.0	50.5
Other Africa:				
Algeria	13.4	6.9	7.9	8.1
Ethiopia, (incl. Eritrea)	40.2	23.8	22.5	13.2
Ghana	5.3	4.3	13.0	3.3
Kenya	2.1	16.4	19.8	28.6
Liberia	21.6	24.9	26.4	25.2
Libya	76.0	17.9	45.0	n.a.
Nigeria	36.5	37.9	24.0	n.a.
Southern Rhodesia	3.3	2.4	4.2	1.4
Sudan	6.7	2.3	2.1	5.3
Tanzania	9.1	20.3	26.9	n.a.
Tunisia	1.0	10.3	2.0	7.1
Uganda	.7	1.4	10.0	n.a.
Zambia	25.9	24.8	21.3	n.a.
All other:				
New Zealand	16.7	17.5	15.4	16.8

7 Represent a partial breakdown of the amounts shown in the "other" categories (except "Other Eastern Europe") in Tables 8a–8e.
8 Included with Belgium.

NOTE.—Short-term liabilities are principally deposits (demand and time) and U.S. Govt. securities maturing in not more than 1 year from their date of issue. Data exclude the "holdings of dollars" of the International Monetary Fund; for explanation see note following Table 3. Data exclude also U.S. Treasury letters of credit and non-negotiable, non-interest-bearing special U.S. notes held by the Inter-American Development Bank and the International Development Association.

For data on long-term liabilities, see Table 14.

9. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY TYPE

(Amounts outstanding; in millions of dollars)

End of period	Total	Payable in dollars: To banks, official and international institutions[1]: Total	Deposits: Demand	Deposits: Time [2]	U.S. Treasury bills and certificates	Other [3]	To all other foreigners: Total	Deposits: Demand	Deposits: Time [2]	U.S. Treasury bills and certificates	Other [3]	Payable in foreign currencies
1966	27,599	23,266	8,371	4,050	7,464	3,381	3,744	1,513	1,819	83	329	589
1967[4]	30,657	26,300	10,054	3,728	9,093	3,425	4,128	1,693	2,052	81	302	229
	30,519	26,165	9,884	3,721	9,093	3,467	4,125	1,693	2,054	81	297	229
1968—Feb.	30,922	26,525	10,203	3,568	8,943	3,812	4,089	1,581	2,088	104	315	308
Mar.	30,081	25,675	10,487	3,429	8,098	3,661	4,083	1,585	2,053	101	344	323
Apr.	30,570	26,194	10,750	3,488	8,047	3,909	4,077	1,607	2,057	86	327	300
May	30,763	26,391	11,963	3,379	7,082	3,967	4,052	1,582	2,045	88	337	320
June	30,189	25,693	12,313	3,315	6,067	3,999	4,171	1,694	2,048	88	342	323
July	30,748	26,124	12,466	3,398	6,031	4,230	4,111	1,613	2,067	79	352	512
Aug.	31,286	26,651	12,941	3,455	6,171	4,084	4,126	1,581	2,069	81	395	509
Sept.	31,345	26,581	12,924	3,432	6,111	4,114	4,203	1,641	2,116	78	368	561
Oct.	31,774	27,025	13,328	3,357	6,328	4,012	4,196	1,596	2,140	77	383	553
Nov.	33,421	28,505	13,410	3,281	7,761	4,054	4,342	1,674	2,178	83	408	573
Dec.	31,746	26,665	12,622	3,301	6,710	4,032	4,443	1,796	2,199	86	362	638
1969—Jan.ᵖ	31,766	26,833	14,026	3,298	5,315	4,193	4,424	1,744	2,203	106	370	509
Feb.ᵖ	32,518	27,565	14,400	3,399	5,412	4,353	4,396	1,770	2,186	73	367	557

1 Data exclude "holdings of dollars" of the International Monetary Fund.
2 Excludes negotiable time certificates of deposit, which are included in "Other."
3 Principally bankers' acceptances, commercial paper, and negotiable time certificates of deposit.
4 Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable in coverage with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

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10. ESTIMATED FOREIGN HOLDINGS OF MARKETABLE U.S. GOVERNMENT BONDS AND NOTES

(End of period; in millions of dollars)

Area and country	1967	1968											1969	
	Dec.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.p	Feb.p
Europe:														
Austria	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Denmark	12	12	12	12	11	11	11	11	11	11	11	11	11	11
France	7	7	7	7	7	7	7	7	7	7	7	7	7	7
Germany	2	2	2	2	2	2	2	1	1	1	1	1	1	1
Italy	9	6	6	6	6	6	6	6	6	6	6	6	6	6
Netherlands	5	4	4	4	4	4	4	4	4	4	4	4	4	4
Norway	51	49	49	49	46	46	46	27	27	27	27	27	27	27
Spain	2	2	2	1	1	1	1	1	1	1	1	1	1	1
Sweden	24	24	24	26	26	26	26	6	6	6	6	6	6	6
Switzerland	91	92	91	91	92	91	91	90	90	90	87	87	93	93
United Kingdom	380	415	423	431	427	432	445	455	449	444	446	432	453	459
Other Western Europe	51	51	38	38	39	38	38	38	38	38	38	38	38	38
Eastern Europe	7	7	7	7	7	7	7	6	6	6	6	6	6	6
Total	643	674	669	677	671	674	686	655	649	644	643	630	657	662
Canada	716	463	378	377	377	377	376	374	371	370	375	373	375	376
Latin America:														
Latin American republics	6	6	5	5	5	5	5	5	5	5	5	5	5	5
Other Latin America	18	20	20	19	19	19	22	24	24	24	23	23	23	23
Total	24	26	25	24	25	25	27	29	28	28	28	28	28	28
Asia:														
Japan	9	9	9	9	10	10	10	10	10	10	10	10	10	10
Other Asia	54	54	54	54	54	54	54	52	63	63	63	63	64	63
Total	63	62	63	63	63	63	63	62	73	73	73	73	73	73
Africa	19	19	19	19	19	19	19	24	24	24	22	22	22	20
Other countries	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Total foreign countries	1,466	1,245	1,153	1,161	1,156	1,159	1,173	1,145	1,146	1,140	1,142	1,127	1,156	1,161
International and regional:														
International	168	168	168	168	129	129	122	122	37	29	29	29	29	28
Latin American regional	35	36	36	36	37	37	38	38	38	38	39	13	14	14
Other regional	1	1	1	1	1	1	1	1	1	1	1	1	1	*
Total	204	205	205	205	166	167	160	160	76	68	68	43	43	42
Grand total	1,670	1,450	1,358	1,366	1,323	1,325	1,333	1,305	1,222	1,208	1,210	1,169	1,199	1,203

NOTE.—Data represent estimated official and private holdings of marketable U.S. Govt. securities with an original maturity of more than 1 year, and are based on a July 31, 1963, survey of holdings and regular monthly reports of securities transactions (see Table 15 for total transactions).

11. NONMARKETABLE U.S. TREASURY BONDS AND NOTES ISSUED TO OFFICIAL INSTITUTIONS OF FOREIGN COUNTRIES

(In millions of dollars or dollar equivalent)

End of period	Total	Payable in dollars									Payable in foreign currencies						
		Total	Belgium	Canada[1]	Denmark	Italy[2]	Korea	Sweden	Taiwan	Thailand	Total	Austria	Belgium	Germany[3]	Italy	Switzerland	B.I.S.
1966	695	353	......	144	......	184	......	25	......	......	342	25	30	50	125	111	......
1967	1,563	516	......	314	......	177	......	25	......	......	1,047	50	60	601	125	211	......
1968—Mar.	1,879	606	......	414	......	167	......	25	......	......	1,272	50	60	726	125	311	......
Apr.	2,002	604	......	414	......	165	......	25	......	......	1,398	50	60	852	125	311	......
May	2,302	904	......	714	......	165	......	25	......	......	1,398	50	60	852	125	311	......
June	2,506	1,108	12	914	10	147	......	25	......	......	1,398	50	60	852	125	311	......
July	2,521	1,122	12	914	10	146	15	25	......	......	1,399	50	60	852	125	311	......
Aug.	2,595	1,122	12	914	10	146	15	25	......	......	1,473	50	60	926	125	311	......
Sept.	2,865	1,392	12	1,164	20	146	15	25	10	......	1,473	50	60	926	125	311	......
Oct.	2,996	1,397	12	1,164	20	146	15	25	15	......	1,598	50	60	1,051	125	311	......
Nov.	2,969	1,370	12	1,134	20	146	15	25	18	......	1,598	50	60	1,051	125	311	......
Dec.	3,330	1,692	32	1,334	20	146	15	25	20	100	1,638	50	......	1,051	226	311	......
1969—Jan.	3,455	1,692	32	1,334	20	146	15	25	20	100	1,763	50	......	1,176	226	311	......
Feb.	3,431	1,692	32	1,334	20	146	15	25	20	100	1,738	50	......	1,126	226	337	......
Mar.	3,405	1,667	32	1,334	......	141	15	25	20	100	1,738	50	......	1,126	226	337	......

[1] Includes bonds issued in 1964 to the Government of Canada in connection with transactions under the Columbia River treaty. Amounts outstanding end of 1966, $144 million; end of 1967 through Oct. 1968, $114 million; and Nov. 1968 through latest date, $84 million.

[2] Bonds issued to the Government of Italy in connection with military purchases in the United States.

[3] In addition, nonmarketable U.S. Treasury notes amounting to $125 million equivalent were issued to a group of German commercial banks in June 1968.

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12. SHORT-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY

(Amounts outstanding; in millions of dollars)

End of period	Grand total	Intl. and regional	Europe	Canada	Latin America	Asia	Africa	Other countries
1966 [1]	7,853	1	1,374	611	2,453	3,206	147	62
1967 [1]	8,583	*	1,234	597	2,707	3,875	102	67
	8,606	*	1,238	597	2,707	3,894	102	67
1968—Feb.	8,528	*	1,133	533	2,716	3,957	117	71
Mar.	8,387	*	1,060	513	2,696	3,944	106	68
Apr.	8,395	*	1,101	496	2,696	3,932	105	65
May	8,331	*	1,156	479	2,699	3,813	116	68
June	8,244	1	1,101	479	2,705	3,776	120	63
July	8,179	1	1,019	501	2,735	3,735	124	64
Aug.	8,230	1	1,007	490	2,811	3,731	120	70
Sept.	8,323	*	1,108	480	2,836	3,708	119	72
Oct.	8,428	*	1,163	513	2,868	3,687	129	69
Nov.	8,547	*	1,202	503	2,888	3,759	122	73
Dec.	8,695	*	1,205	523	2,884	3,872	133	79
1969—Jan. p	8,358	1	1,106	503	2,843	3,709	127	70
Feb. p	8,393	1	1,156	593	2,756	3,703	120	63

12a. Europe

End of period	Total	Austria	Belgium-Luxembourg [2]	Denmark	Finland	France	Germany, Fed. Rep. of	Greece	Italy	Netherlands	Norway	Portugal	Spain	Sweden
1966 [1]	1,374	16	67	62	91	74	227	16	110	40	76	41	67	75
1967 [1]	1,234	17	66	37	78	88	176	19	58	35	61	26	54	75
	1,238	16	83	37	78	88	179	19	58	35	61	26	54	75
1968—Feb.	1,133	9	64	32	77	74	140	19	55	37	55	19	53	58
Mar.	1,060	7	58	39	77	59	116	14	58	31	55	16	76	59
Apr.	1,101	7	57	30	77	66	113	17	65	38	59	16	73	61
May	1,156	6	62	38	71	83	100	17	72	42	55	17	50	62
June	1,101	7	61	30	70	58	126	17	87	37	44	15	52	56
July	1,019	6	54	31	68	50	108	15	77	35	45	16	50	57
Aug.	1,007	13	49	32	66	51	114	15	71	33	47	16	46	54
Sept.	1,108	4	54	29	61	70	128	13	89	42	46	16	49	65
Oct.	1,163	5	42	33	64	90	145	12	96	42	44	14	41	67
Nov.	1,202	6	48	36	62	84	177	12	98	34	45	15	49	62
Dec.	1,205	6	40	36	63	66	171	12	105	40	43	10	46	58
1969—Jan. p	1,106	3	45	34	63	59	146	11	75	37	38	9	40	59
Feb. p	1,156	5	52	42	61	53	149	12	93	34	35	8	40	54

12a. Europe—Continued / 12b. Latin America

End of period	12a. Europe—Continued: Switzerland	Turkey	United Kingdom	Yugoslavia	Other Western Europe [3]	U.S.S.R.	Other Eastern Europe	12b. Latin America: Total	Argentina	Brazil	Chile	Colombia	Cuba	Mexico
1966 [1]	88	52	193	19	40	2	16	2,453	187	112	158	305	16	757
1967 [1]	98	38	244	13	30	3	18	2,707	221	173	177	217	16	960
	98	38	244	13	13	3	18	2,707	221	173	177	217	16	960
1968—Feb.	106	37	249	15	11	2	20	2,716	227	221	182	193	15	991
Mar.	76	28	241	15	11	1	23	2,696	198	213	184	190	15	1,007
Apr.	93	33	238	17	12	3	25	2,696	208	233	176	188	15	983
May	104	34	279	19	11	2	31	2,699	210	249	166	190	15	977
June	76	41	267	20	11	*	26	2,705	195	238	166	202	14	972
July	78	23	249	17	11	*	29	2,735	203	283	169	202	14	988
Aug.	78	28	241	15	12	1	23	2,811	206	347	174	195	14	971
Sept.	93	30	269	17	11	1	20	2,836	211	342	177	195	14	957
Oct.	87	27	300	17	17	2	19	2,868	228	348	181	201	14	938
Nov.	109	27	285	17	14	1	21	2,888	233	333	181	202	14	937
Dec.	93	38	318	22	15	3	21	2,884	249	338	193	206	14	943
1969—Jan. p	95	26	303	33	11	1	18	2,843	245	338	176	190	14	914
Feb. p	124	26	303	34	11	1	18	2,756	247	336	168	188	14	931

For notes see the following page.

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12. SHORT-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY—Continued

(Amounts outstanding; in millions of dollars)

End of period	12b. Latin America—Continued								12c. Asia					
	Panama	Peru	Uruguay	Venezuela	Other L.A. republics	Bahamas & Bermuda	Neth. Antilles & Surinam	Other Latin America	Total	China Mainland	Hong Kong	India	Indonesia	Israel
1966[1]	85	212	45	220	261	61	18	16	3,206	1	31	16	6	98
1967[1]	47	249	42	226	289	63	10	18	3,875	1	28	10	5	57
	47	249	42	226	289	63	10	18	3,894	1	30	10	5	57
1968—Feb.	52	246	38	228	252	46	10	18	3,957	1	30	12	9	46
Mar.	53	233	40	221	254	62	9	18	3,944	1	30	12	9	47
Apr.	52	230	35	215	261	71	10	19	3,932	1	27	15	10	51
May	50	229	30	211	265	77	11	19	3,813	1	30	12	10	54
June	52	220	31	212	263	109	13	17	3,776	1	33	14	24	56
July	50	205	33	212	276	73	13	15	3,735	1	29	20	20	54
Aug.	50	199	43	211	278	93	14	16	3,731	1	27	13	22	56
Sept.	50	198	56	220	277	108	14	16	3,708	1	29	19	26	56
Oct.	57	195	61	211	269	130	19	15	3,687	1	28	17	20	55
Nov.	52	204	57	215	281	142	18	17	3,759	1	29	15	19	56
Dec.	56	207	44	232	280	80	19	22	3,872	1	32	19	23	84
1969—Jan.^{p}	52	200	47	213	268	147	21	17	3,709	1	27	13	19	80
Feb.^{p}	57	179	43	204	270	88	14	16	3,703	1	26	13	24	88

End of period	12c. Asia—Continued						12d. Africa						12e. Other countries		
	Japan	Korea	Philippines	Taiwan	Thailand	Other Asia	Total	Congo (Kinshasa)	Morocco	South Africa	U.A.R. (Egypt)	Other Africa	Total	Australia	All other
1966[1]	2,572	31	220	15	81	135	147	1	2	50	25	69	62	52	10
1967[1]	3,147	59	295	37	100	137	102	1	2	37	11	52	67	54	13
	3,154	59	303	37	100	138	102	1	2	37	11	52	67	54	13
1968—Feb.	3,213	52	313	44	107	129	117	1	3	39	11	64	71	59	12
Mar.	3,213	54	313	44	92	130	106	1	2	37	11	55	68	55	13
Apr.	3,223	54	291	42	91	128	105	2	3	39	14	46	65	53	12
May	3,105	51	290	41	93	127	116	4	5	40	16	51	68	54	14
June	3,048	53	293	38	90	125	120	4	7	40	15	53	63	51	12
July	2,986	48	319	40	88	129	124	5	7	41	14	57	64	51	14
Aug.	3,007	51	291	40	95	130	120	3	4	42	13	58	70	57	14
Sept.	2,966	59	300	36	93	123	119	2	3	44	12	59	72	57	15
Oct.	2,974	68	249	38	95	142	129	5	3	45	9	67	69	56	13
Nov.	3,057	67	241	39	93	142	122	2	3	40	8	68	73	58	14
Dec.	3,113	77	239	38	99	145	133	3	2	46	8	73	79	66	13
1969—Jan.^{p}	2,998	71	233	36	93	138	127	3	2	40	10	72	70	58	11
Feb.^{p}	2,963	79	241	39	87	142	120	2	3	38	8	70	63	53	10

[1] Data on the two lines shown for this date differ because of changes in reporting coverage. *Figures on the first line are comparable in coverage* with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

[2] Through the first line for Dec. 1967 Luxembourg was included in Other Western Europe.

[3] Beginning with the second line for Dec. 1967 excludes Luxembourg.

NOTE.—Short-term claims are principally the following items payable on demand or with a contractual maturity of not more than 1 year: loans made to, and acceptances made for, foreigners; drafts drawn against foreigners, where collection is being made by banks and bankers for their own account or for account of their customers in the United States; and foreign currency balances held abroad by banks and bankers and their customers in the United States. Excludes foreign currencies held by U.S. monetary authorities.

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13. SHORT-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY TYPE

(Amounts outstanding; in millions of dollars)

End of period	Total	Payable in dollars								Payable in foreign currencies			
		Total	Loans to—				Collections outstanding	Acceptances made for acct. of foreigners	Other	Total	Deposits with foreigners	Foreign govt. securities, coml. and finance paper	Other
			Total	Official institutions[1]	Banks	Others							
1966[2]	7,853	7,433	3,141	256	1,739	1,145	1,288	2,540	464	420	241	70	110
1967[2]	8,583	8,158	3,137	306	1,603	1,228	1,511	3,013	498	425	287	74	63
	8,606	8,182	3,150	306	1,616	1,228	1,552	3,013	467	425	287	74	63
1968—Feb.	8,528	8,162	3,152	305	1,650	1,198	1,628	2,978	403	366	254	55	57
Mar.	8,387	8,062	3,031	308	1,525	1,198	1,630	2,991	410	325	219	50	56
Apr.	8,395	8,048	3,022	280	1,561	1,180	1,612	3,016	399	347	240	50	57
May	8,331	8,010	3,076	270	1,619	1,187	1,610	2,886	438	321	220	48	53
June	8,244	7,919	3,041	288	1,604	1,149	1,615	2,796	467	325	228	43	55
July	8,179	7,841	3,002	287	1,566	1,148	1,586	2,787	467	338	230	51	57
Aug.	8,230	7,903	3,022	300	1,570	1,152	1,606	2,824	452	326	225	46	55
Sept.	8,323	7,977	3,197	302	1,731	1,163	1,621	2,745	415	346	250	36	60
Oct.	8,428	8,031	3,150	267	1,705	1,178	1,657	2,773	451	397	306	38	53
Nov.	8,547	8,149	3,219	220	1,811	1,189	1,697	2,747	486	398	279	63	55
Dec.	8,695	8,259	3,163	246	1,697	1,219	1,733	2,854	509	436	336	37	63
1969—Jan.p	8,358	7,990	3,045	217	1,667	1,161	1,623	2,794	528	368	253	50	65
Feb.p	8,393	8,014	3,143	225	1,757	1,160	1,563	2,746	563	378	261	48	68

1 Includes central banks.

2 Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable in coverage with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

14. LONG-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES

(Amounts outstanding; in millions of dollars)

End of period	Liabilities			Claims										
	Total	Foreign countries	International and regional	Total	Type			Country or area						
					Payable in dollars		Payable in foreign currencies	United Kingdom	Other Europe	Canada	Latin America	Japan	Other Asia	Other countries[1]
					Loans	All other								
1966	1,494	988	506	4,180	3,915	247	18	70	1,143	326	1,346	326	409	562
1967	2,546	1,858	689	3,925	3,635	274	15	56	720	427	1,556	180	449	537
1968—Feb.	2,566	1,892	674	3,859	3,535	314	10	55	684	414	1,477	176	515	539
Mar.	2,607	1,978	629	3,785	3,462	312	11	54	671	415	1,441	172	522	509
Apr.	2,655	2,035	620	3,849	3,509	330	11	65	661	435	1,450	162	553	523
May	2,754	2,079	675	3,791	3,432	348	11	65	632	429	1,442	151	553	518
June	2,779	2,127	651	3,736	3,377	348	11	65	601	417	1,435	152	559	506
July	2,615	1,995	620	3,627	3,269	346	11	65	552	414	1,411	145	545	495
Aug.	2,744	2,119	625	3,612	3,259	342	12	70	519	414	1,401	138	567	502
Sept.	2,895	2,265	630	3,571	3,215	345	12	71	506	418	1,384	136	558	498
Oct.	2,963	2,309	655	3,645	3,282	349	13	71	495	416	1,418	132	621	492
Nov.	3,009	2,300	709	3,611	3,248	350	14	69	497	420	1,382	128	624	492
Dec.	3,140	2,390	750	3,576	3,163	396	16	68	479	428	1,375	122	616	488
1969—Jan.p	3,153	2,385	768	3,511	3,119	376	16	67	473	407	1,373	118	607	465
Feb.p	3,126	2,358	769	3,540	3,118	404	18	67	474	432	1,381	117	610	460

1 Includes Africa.

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15. PURCHASES AND SALES BY FOREIGNERS OF LONG-TERM SECURITIES, BY TYPE

(In millions of dollars)

Period	Marketable U.S. Govt. bonds and notes [1]					U.S. corporate securities [2]			Foreign bonds			Foreign stocks		
	Net purchases or sales													
	Total	Intl. and regional	Foreign			Purchases	Sales	Net purchases or sales	Purchases	Sales	Net purchases or sales	Purchases	Sales	Net purchases or sales
			Total	Official	Other									
1967	−43	−121	78	45	33	10,275	9,205	1,070	2,024	3,187	−1,163	880	1,037	−157
1968	−500	−161	−339	−391	51	17,502	13,330	4,172	2,282	3,667	−1,385	1,245	1,562	−316
1969—Jan.–Feb.ᵖ	34	−1	34	−3	37	3,046	2,197	849	313	571	−257	252	298	−46
1968—Feb.	−42	*	−42	−65	23	1,076	715	362	160	266	−105	70	80	−10
Mar.	−92	*	−92	−103	11	1,163	848	315	323	415	−92	114	148	−34
Apr.	8	*	8	....	8	1,379	1,038	340	161	370	−209	73	79	−6
May	−44	−39	−5	−3	−2	1,852	1,375	477	305	185	120	87	110	−22
June	3	*	2	−1	3	1,505	1,166	340	105	237	−131	94	113	−19
July	8	−6	14	....	14	1,496	1,109	387	167	253	−86	81	83	−2
Aug.	−28	*	−28	−36	8	1,340	1,050	290	141	225	−84	100	187	−87
Sept.	−83	−85	2	11	−9	1,279	960	319	116	225	−110	97	201	−104
Oct.	−14	−8	−6	*	−6	1,853	1,454	399	446	687	−241	216	154	62
Nov.	2	*	2	−2	3	1,570	1,270	300	172	361	−189	146	155	−9
Dec.	−41	−26	−15	....	−15	1,790	1,468	321	104	166	−62	100	174	−74
1969—Jan.ᵖ	30	1	29	*	29	1,660	1,134	526	168	344	−176	130	109	21
Feb.ᵖ	4	−1	5	−3	7	1,386	1,064	323	146	227	−81	122	189	−67

[1] Excludes nonmarketable U.S. Treasury bonds and notes issued to official institutions of foreign countries; see Table 11.

[2] Includes State and local govt. securities, and securities of U.S. Govt. agencies and corporations that are not guaranteed by the United States. Also includes issues of new debt securities sold abroad by U.S. corporations organized to finance direct investments abroad.

NOTE.—Statistics include transactions of international and regional organizations.

16. NET PURCHASES OR SALES BY FOREIGNERS OF U.S. CORPORATE SECURITIES, BY TYPE OF SECURITY AND BY COUNTRY

(In millions of dollars)

Period	Total	Type of security		Country or area										
		Stocks	Bonds	France	Switzerland	United Kingdom	Other Europe	Total Europe	Canada	Latin America	Asia	Africa	Other countries	Intl. and regional
1967	1,070	757	313	182	427	−452	229	385	305	115	79	34	17	136
1968	4,172	2,269	1,903	356	1,316	494	1,121	3,287	454	163	123	2	13	130
1969—Jan.–Feb.ᵖ	849	630	219	22	311	30	150	513	138	78	23	−1	13	85
1968—Feb.	362	76	286	32	88	118	91	329	22	−3	5	*	*	8
Mar.	315	262	53	16	51	9	277	353	28	−13	5	1	*	−59
Apr.	340	280	60	23	137	18	22	200	80	36	16	*	*	7
May	477	92	385	42	101	165	157	465	21	25	12	*	1	−46
June	340	199	141	18	126	74	27	244	54	19	19	*	*	3
July	387	222	164	38	188	12	58	295	62	9	20	*	1	−1
Aug.	290	79	212	32	76	39	122	269	8	−4	8	−1	*	10
Sept.	319	150	170	31	88	−1	84	202	29	4	16	−1	*	69
Oct.	399	211	188	18	129	14	86	246	25	19	−9	*	3	115
Nov.	300	284	16	57	116	24	36	233	34	13	17	*	−3	6
Dec.	321	237	84	29	104	12	86	231	29	39	9	*	10	3
1969—Jan.ᵖ	526	363	163	12	191	9	89	301	98	32	22	−1	3	70
Feb.ᵖ	323	266	56	10	120	21	61	212	40	45	1	*	10	15

NOTE.—Statistics include State and local govt. securities, and securities of U.S. Govt. agencies and corporations that are not guaranteed by the United States. Also includes issues of new debt securities sold abroad by U.S. corporations organized to finance direct investments abroad.

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17. NET PURCHASES OR SALES BY FOREIGNERS OF LONG-TERM FOREIGN SECURITIES, BY AREA

(In millions of dollars)

Period	Total	Intl. and regional	Total foreign countries	Europe	Canada	Latin America	Asia	Africa	Other countries
1967	−1,320	−393	−927	3	−768	38	−152	−20	−27
1968	−1,702	−329	−1,372	4	−934	−301	−109	−39	6
1969–Jan.–Feb. p	−303	−37	−266	36	−292	−1	−13	−1	5
1968—Feb.	−115	10	−125	49	−112	−54	−3	−5	*
Mar.	−126	−33	−92	−28	−9	−40	14	−31	2
Apr.	−215	−54	−161	6	−159	−8	−2	*	2
May	97	137	−40	−13	−37	−6	18	−4	1
June	−150	2	−152	8	−103	−27	−20	−12	2
July	−88	−14	−74	53	−56	−60	−7	−4	*
Aug.	−172	−13	−159	−58	−92	−2	−8	−1	2
Sept.	−214	−18	−195	−69	−61	−44	−21	*	*
Oct.	−179	−218	39	79	−55	6	−7	16	*
Nov.	−198	−58	−140	41	−101	−60	−26	3	2
Dec.	−136	−6	−131	−68	−17	−5	−35	*	−6
1969—Jan. p	−155	−32	−122	13	−129	−5	−4	−1	3
Feb. p	−148	−5	−144	22	−163	4	−9	*	2

18. DEPOSITS, U.S. GOVT. SECURITIES, AND GOLD HELD AT F.R. BANKS FOR FOREIGNERS

(In millions of dollars)

End of period	Deposits	Assets in custody	
		U.S. Govt. securities[1]	Earmarked gold
1966	174	7,036	12,946
1967	135	9,223	13,253
1968—Mar.	197	8,418	13,466
Apr.	140	8,763	13,614
May	422	8,328	13,645
June	153	7,676	13,232
July	202	7,609	13,281
Aug.	127	7,590	13,357
Sept.	192	7,777	13,187
Oct.	100	7,956	13,151
Nov.	220	9,673	13,059
Dec.	216	9,120	13,066
1969—Jan.	126	7,893	13,132
Feb.	121	8,062	13,160
Mar.	164	8,012	13,176

[1] U.S. Treasury bills, certificates of indebtedness, notes, and bonds; includes securities payable in foreign currencies.

NOTE.—Excludes deposits and U.S. Govt. securities held for international organizations. Earmarked gold is gold held for foreign and international accounts and is not included in the gold stock of the United States.

19. LIABILITIES OF U.S. BANKS TO THEIR FOREIGN BRANCHES

(In millions of dollars)

Wednesday	Amount	Wednesday	Amount	Wednesday	Amount	Wednesday	Amount
1964		1966		1968		1968	
Jan. 29	1,040	Jan. 26	1,688	Jan. 31	4,259	Nov. 6	6,961
Feb. 26	1,077	Feb. 23	1,902	Feb. 28	4,530	13	7,180
Mar. 25	1,046	Mar. 30	1,879	Mar. 27	4,920	20	7,388
						27	7,273
Apr. 29	1,146	Apr. 27	1,909	Apr. 24	5,020		
May 27	1,132	May 25	2,003	May 29	5,888	Dec. 4	6,960
June 24	917	June 29	1,951	June 26	6,241	11	7,439
						18	7,290
July 29	1,008	July 27	2,786	July 3	6,816	25	6,976
Aug. 26	1,166	Aug. 31	3,134	10	6,959		
Sept. 30	1,166	Sept. 28	3,472	17	6,678		
Oct. 28	1,198	Oct. 26	3,671	24	6,681	1969	
Nov. 25	1,380	Nov. 30	3,786	31	6,183		
Dec. 30	1,183	Dec. 28	4,036				
1965		1967		Aug. 7	6,688	Jan. 1	6,054
				14	6,836	8	7,489
Jan. 27	1,358	Jan. 25	3,653	21	6,967	15	8,134
Feb. 24	1,592	Feb. 22	3,396	28	7,025	22	8,576
Mar. 31	1,431	Mar. 29	3,412			29	8,656
Apr. 28	1,433	Apr. 26	3,047	Sept. 4	6,984		
May 26	1,432	May 31	2,776	11	7,373	Feb. 5	8,567
June 30	1,436	June 28	3,166	18	7,599	12	8,332
				18[1]	7,610	19	8,544
				25	7,131	26	8,869
July 28	1,572	July 26	3,660				
Aug. 25	1,792	Aug. 30	3,976				
Sept. 29	1,611	Sept. 27	4,059	Oct. 2	6,914		
				9	6,887	Mar. 5	9,172
Oct. 27	1,719	Oct. 25	4,322	16	7,240	12	9,418
Nov. 24	1,697	Nov. 29	4,206	23	7,504	19	9,738
Dec. 29	1,345	Dec. 27	4,241	30	7,080	26	9,662

[1] Break in series; see NOTE.

NOTE.—The data represent gross liabilities of reporting banks to their branches in foreign countries. Certain changes in coverage and definitions have occurred that affect the comparability of the data. Where such changes are known to have been significant, two figures for the same date are given; the first is comparable with the data that precede it, and the second with the data that follow.

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20. SHORT-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS

(End of period; in millions of dollars)

Area and country	Liabilities to foreigners				Claims on foreigners			
	1967	1968			1967	1968		
	Dec.	Mar.	June	Sept.	Dec.	Mar.	June	Sept.
Europe:								
Austria	2	2	3	2	5	17	6	6
Belgium-Luxembourg[1]	27	29	47	60	42	44	54	68
Denmark	7	43	8	8	11	10	9	10
Finland	3	4	4	4	6	7	9	9
France	64	68	92	114	111	128	136	157
Germany, Fed. Rep. of	92	108	126	150	134	128	127	174
Greece	11	12	15	14	20	20	24	26
Italy	61	59	60	64	103	111	119	130
Netherlands	79	71	84	65	51	78	86	67
Norway	4	4	4	5	8	10	10	10
Portugal	6	4	6	8	7	6	8	8
Spain	31	34	50	48	90	88	72	76
Sweden	24	17	24	26	24	26	26	26
Switzerland	86	63	70	112	29	31	32	71
Turkey	3	3	3	3	9	9	9	7
United Kingdom	310	255	274	407	774	1,095	1,514	1,450
Yugoslavia	*	*	1	1	4	6	6	4
Other Western Europe[1]	4	4	6	5	14	12	13	15
Eastern Europe	1	1	1	1	8	10	10	6
Total	814	783	878	1,096	1,449	1,836	2,269	2,318
Canada	205	191	199	199	547	501	559	501
Latin America:								
Argentina	4	5	6	7	28	28	31	36
Brazil	9	13	18	19	84	83	87	102
Chile	8	10	12	6	34	31	30	38
Colombia	9	6	9	7	22	25	25	25
Cuba	*	*	*	*	2	2	2	2
Mexico	10	7	9	9	112	109	83	94
Panama	4	5	3	5	13	10	12	15
Peru	6	6	5	6	29	28	28	28
Uruguay	1	2	1	1	5	4	5	4
Venezuela	33	35	35	36	57	62	59	57
Other L.A republics	24	15	18	23	64	59	63	72
Bahamas and Bermuda	11	9	12	10	23	35	36	46
Neth. Antilles & Surinam	5	5	4	4	7	5	6	5
Other Latin America	1	2	2	1	10	9	8	8
Total	124	120	133	134	490	490	474	532
Asia:								
Hong Kong	5	4	4	4	9	7	10	10
India	12	13	14	10	42	41	37	39
Indonesia	4	4	5	3	4	6	6	7
Israel	3	4	17	15	6	7	10	9
Japan	63	75	78	91	185	178	174	195
Korea	1	1	1	1	9	12	14	18
Philippines	8	8	8	10	33	26	22	21
Taiwan	5	6	4	3	9	8	12	12
Thailand	5	2	2	2	13	13	15	15
Other Asia	46	46	45	36	87	86	90	97
Total	151	165	176	175	397	383	391	423
Africa:								
Congo (Kinshasa)	*	1	1	1	3	2	5	3
South Africa	8	7	6	12	14	17	16	19
U.A.R. (Egypt)	3	4	6	4	7	5	6	6
Other Africa	12	16	12	8	33	37	37	37
Total	23	29	24	25	56	61	64	65
Other countries:								
Australia	61	53	46	43	62	57	62	58
All other	8	7	7	6	10	12	10	9
Total	69	60	53	49	72	69	72	68
International and regional	*	*	*	*	*	*	1	1
Grand total	1,386	1,348	1,464	1,678	3,011	3,341	3,830	3,907

[1] Beginning Dec. 1967 includes Luxembourg; prior to that time Luxembourg was included in Other Western Europe.

NOTE.—Reported by exporters, importers, and industrial and commercial concerns and other nonbanking institutions in the United States. Data exclude claims held through U.S. banks, and intercompany accounts between U.S. companies and their foreign affiliates.

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21. SHORT-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS, BY TYPE

(In millions of dollars)

End of period	Liabilities			Claims			
	Total	Payable in dollars	Payable in foreign currencies	Total	Payable in dollars	Payable in foreign currencies	
						Deposits with banks abroad in reporter's name	Other
1964—Dec.	700	556	144	2,853	2,338	205	310
1965—Mar.	695	531	165	2,612	2,147	189	277
June	740	568	172	2,411	1,966	198	248
Sept.	779	585	195	2,406	1,949	190	267
Dec.	807	600	207	2,397	2,000	167	229
Dec.[1]	810	600	210	2,299	1,911	166	222
1966—Mar.	849	614	235	2,473	2,033	211	229
June	894	657	237	2,469	2,063	191	215
Sept.	1,028	785	243	2,539	2,146	166	227
Dec.	1,089	827	262	2,628	2,225	167	236
1967—Mar.	1,148	864	285	2,689	2,245	192	252
June	1,203	916	287	2,585	2,110	199	275
Sept.	1,353	1,029	324	2,555	2,116	192	246
Dec.	1,371	1,027	343	2,946	2,529	201	216
Dec.[1]	1,386	1,039	347	3,011	2,599	203	209
1968—Mar.	1,348	981	367	3,341	2,908	211	222
June	1,464	1,046	418	3,830	3,378	211	241
Sept.	1,678	1,271	407	3,907	3,278	422	206

[1] Data differ from that shown for Dec. in line above because of changes in reporting coverage.

22. LONG-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS

(In millions of dollars)

End of period	Total liabilities	Claims										
		Total	Country or area									
			United Kingdom	Other Europe	Canada	Brazil	Mexico	Other Latin America	Japan	Other Asia	Africa	All other
1964—Dec.	107	1,081	56	116	190	215	73	137	89	98	91	15
1965—Mar.	115	1,075	35	121	203	220	74	137	81	96	91	18
June	110	1,081	31	118	208	221	70	144	85	96	91	17
Sept.	120	1,101	31	116	230	217	74	138	89	96	91	18
Dec.	136	1,169	31	112	233	209	69	196	98	114	89	17
Dec.[1]	147	1,139	31	112	236	209	65	198	98	87	85	18
1966—Mar.	176	1,156	27	124	239	208	61	206	98	87	87	19
June	188	1,207	27	167	251	205	61	217	90	90	86	14
Sept.	249	1,235	23	174	267	202	64	207	102	91	90	14
Dec.	329	1,256	27	198	272	203	56	212	95	93	87	13
1967—Mar.	454	1,324	31	232	283	203	58	210	108	98	84	17
June	430	1,488	27	257	303	214	88	290	110	98	85	15
Sept.	411	1,452	40	212	309	212	84	283	109	103	87	13
Dec.	414	1,537	43	257	311	212	85	278	128	117	89	16
Dec.[1]	428	1,570	43	263	322	212	91	274	128	132	89	16
1968—Mar.	582	1,536	41	264	330	206	61	256	128	145	84	21
June	759	1,567	32	288	345	205	67	249	131	134	83	33
Sept.	757	1,625	43	313	376	198	62	251	126	142	82	32

[1] Data differ from that shown for Dec. in line above because of changes in reporting coverage.

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GOLD RESERVES OF CENTRAL BANKS AND GOVERNMENTS

(In millions of dollars)

End of period	Estimated total world[1]	Intl. Monetary Fund	United States	Estimated rest of world	Afghanistan	Argentina	Australia	Austria	Belgium	Brazil	Burma	Canada	Chile
1962	41,475	2,194	16,057	23,225	36	61	190	454	1,365	225	42	708	43
1963	42,305	2,312	15,596	24,395	36	78	208	536	1,371	150	42	817	43
1964	43,015	2,179	15,471	25,365	36	71	226	600	1,451	92	84	1,026	43
1965	[2]43,230	[3]1,869	13,806	27,285	35	66	223	700	1,558	63	84	1,151	44
1966	43,185	2,652	13,235	27,300	35	84	224	701	1,525	45	84	1,046	45
1967	41,600	2,682	12,065	26,855	33	84	231	701	1,480	45	84	1,015	45
1968—Feb.	...	2,699	11,900	...	33	84	234	701	1,454	45	84	1,026	42
Mar.	40,240	2,711	10,703	26,825	33	84	233	701	1,418	45	84	976	45
Apr.	...	2,727	10,547	...	31	84	232	701	1,450	45	84	976	45
May	...	2,735	10,468	...	31	84	235	701	1,450	45	84	926	44
June	40,510	2,210	10,681	27,620	31	89	257	714	1,512	45	84	926	45
July	...	2,212	10,676	...	31	94	259	714	1,518	45	84	926	45
Aug.	...	2,230	10,681	...	31	99	260	714	1,518	45	84	926	45
Sept.	40,725	2,296	10,755	27,675	31	104	258	714	1,524	45	84	863	45
Oct.	...	2,299	10,788	...	31	109	258	714	1,522	45	84	863	45
Nov.	...	2,286	10,897	...	31	109	257	714	1,522	45	84	863	45
Dec.	p40,900	2,288	10,892	p27,720	31	109	257	714	1,524	45	84	863	46
1969—Jan.p	...	2,288	10,828	...	31	109	258	714	1,524	45	84	863	47
Feb.p	...	2,292	10,801	...	31	...	257	714	1,522	...	84	863	46

End of period	Colombia	Denmark	Finland	France	Germany, Fed. Rep. of	Greece	India	Iran	Iraq	Ireland	Israel	Italy	Japan
1962	57	92	61	2,587	3,679	77	247	129	98	18	41	2,243	289
1963	62	92	61	3,175	3,843	77	247	142	98	18	60	2,343	289
1964	58	92	85	3,729	4,248	77	247	141	112	19	56	2,107	304
1965	35	97	84	4,706	4,410	78	281	146	110	21	56	2,404	328
1966	26	108	45	5,238	4,292	120	243	130	106	23	46	2,414	329
1967	31	107	45	5,234	4,228	130	243	144	115	25	46	2,400	338
1968—Feb.	32	107	45	5,234	4,125	130	243	143	151	25	46	2,368	...
Mar.	32	107	45	5,235	3,972	134	243	166	165	37	46	2,376	341
Apr.	33	107	46	5,235	3,972	138	243	166	193	52	46	2,401	341
May	33	107	46	5,235	3,973	141	243	166	193	62	46	2,452	341
June	33	113	46	4,739	4,312	142	243	166	193	71	46	2,673	355
July	33	113	46	4,576	4,350	141	243	166	193	78	46	2,698	355
Aug.	32	113	45	4,366	4,421	140	243	158	193	81	46	2,730	355
Sept.	32	113	45	4,166	4,456	140	243	158	193	82	46	2,784	355
Oct.	32	113	45	4,136	4,456	140	243	158	193	79	46	2,784	355
Nov.	31	113	45	3,876	4,538	145	243	158	193	79	46	2,846	356
Dec.	31	114	45	3,877	4,539	140	243	158	193	79	46	2,923	356
1969—Jan.p	31	114	45	3,877	4,539	132	243	158	193	79	46	2,923	356
Feb.p	31	114	45	3,877	4,541	132	243	158	193	79	46	2,925	356

End of period	Kuwait	Lebanon	Libya	Malaysia	Mexico	Morocco	Netherlands	Norway	Pakistan	Peru	Philippines	Portugal	Saudi Arabia
1962	49	172	3	3	95	29	1,581	30	53	47	41	471	78
1963	48	172	7	8	139	29	1,601	31	53	57	28	497	78
1964	48	183	17	7	169	34	1,688	31	53	67	23	523	78
1965	52	182	68	2	158	21	1,756	31	53	67	38	576	73
1966	67	193	68	1	109	21	1,730	18	53	65	44	643	69
1967	136	193	68	31	166	21	1,711	18	53	20	60	699	69
1968—Feb.	124	203	75	33	163	21	1,677	18	53	20	63	711	69
Mar.	125	267	85	42	156	21	1,654	18	54	20	64	711	69
Apr.	127	267	85	52	156	21	1,654	18	54	20	65	711	69
May	131	267	85	66	156	21	1,655	18	54	20	67	715	69
June	133	288	85	66	165	21	1,697	24	54	20	67	716	94
July	122	288	85	66	165	21	1,697	24	54	20	69	761	94
Aug.	116	288	85	66	165	21	1,697	24	54	20	61	835	119
Sept.	110	288	85	66	165	21	1,697	24	54	20	62	853	119
Oct.	112	288	85	66	165	21	1,697	24	54	20	59	853	119
Nov.	122	288	85	66	165	21	1,697	24	54	20	65	856	119
Dec.	122	288	85	66	165	21	1,697	24	54	p20	62	856	119
1969—Jan.p	122	288	85	...	...	21	1,697	24	54	...	58	857	119
Feb.p	124	288	85	...	...	21	1,698	23	54	...	60	856	119

For notes see end of table.

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GOLD RESERVES OF CENTRAL BANKS AND GOVERNMENTS—Continued

(In millions of dollars)

End of period	South Africa	Spain	Sweden	Switzer-land	Taiwan	Thai-land	Turkey	U.A.R. (Egypt)	United King-dom	Uru-guay	Vene-zuela	Yugo-slavia	Bank for Intl. Settle-ments [4]
1962	499	446	181	2,667	43	104	140	174	2,582	180	401	4	−50
1963	630	573	182	2,820	50	104	115	174	2,484	171	401	14	−279
1964	574	616	189	2,725	55	104	104	139	2,136	171	401	17	−50
1965	425	810	202	3,042	55	96	116	139	2,265	155	401	19	−558
1966	637	785	203	2,842	62	92	102	93	1,940	146	401	21	−424
1967	583	785	203	3,089	81	92	97	93	1,291	140	401	22	−624
1968—Feb.	691	785	203	2,793	83	92	97	93	....	133	401	21	−406
Mar.	742	785	203	2,603	81	92	97	93	1,493	133	401	22	−345
Apr.	847	785	203	2,603	81	91	97	93	....	133	401	22	−331
May	946	785	203	2,628	81	89	97	93	....	133	401	22	−326
June	975	785	225	2,656	81	89	97	93	1,474	133	403	23	−333
July	1,003	785	225	2,600	81	89	97	93	....	133	403	33	−274
Aug.	1,016	785	225	2,629	81	89	97	93	....	134	403	33	−269
Sept.	1,069	785	225	2,628	81	92	97	93	1,486	134	403	44	−265
Oct.	1,145	785	225	2,626	81	92	97	93	....	134	403	44	−274
Nov.	1,199	785	225	2,625	81	92	97	93	....	133	403	50	−260
Dec.	1,243	785	225	2,624	81	92	97	93	1,474	133	403	50	−349
1969—Jan.p	1,287	785	225	2,623	81	92	97	93	....	....	403	50	−276
Feb.p	1,321	....	225	2,646	....	92	97	....	....	....	403	50	−278

[1] Includes reported or estimated gold holdings of international and regional organizations, central banks and govts. of countries listed in this table and also of a number not shown separately here, and gold to be distributed by the Tripartite Commission for the Restitution of Monetary Gold; excludes holdings of the U.S.S.R., other Eastern European countries, and China Mainland.

The figures included for the Bank for International Settlements are the Bank's gold assets net of gold deposit liabilities. This procedure avoids the overstatement of total world gold reserves since most of the gold deposited with the BIS is included in the gold reserves of individual countries.

[2] Adjusted to include gold subscription payments to the IMF made by some member countries in anticipation of increase in Fund quotas, except those matched by gold mitigation deposits with the United States and United Kingdom; adjustment is $270 million.

[3] Excludes gold subscription payments made by some member countries in anticipation of increase in Fund quotas: for most of these countries the increased quotas became effective in Feb. 1966.

[4] Net gold assets of BIS, i.e., gold in bars and coins and other gold assets minus gold deposit liabilities.

NOTE.—For back figures and description of the data in this and the following tables on gold (except production), see "Gold," Section 14 of *Supplement to Banking and Monetary Statistics*, 1962.

GOLD PRODUCTION

(In millions of dollars at $35 per fine troy ounce)

Period	World produc-tion [1]	Africa				North and South America					Asia		Other	
		South Africa	Rho-desia	Ghana	Congo (Kin-shasa)	United States	Can-ada	Mex-ico	Nica-ragua	Colom-bia	India	Philip-pines	Aus-tralia	All other
1960	1,175.0	748.4	19.6	30.8	11.1	58.8	162.0	10.5	7.0	15.2	5.6	14.4	38.0	53.6
1961	1,215.0	803.0	20.1	29.2	8.1	54.8	156.6	9.4	7.9	14.0	5.5	14.8	37.7	53.9
1962	1,295.0	892.2	19.4	31.1	7.1	54.5	146.2	8.3	7.8	13.9	5.7	14.8	37.4	56.6
1963	1,355.0	960.1	19.8	32.2	7.5	51.4	139.0	8.3	7.2	11.4	4.8	13.2	35.8	64.3
1964	1,405.0	1,018.9	20.1	30.3	6.6	51.4	133.0	7.4	7.9	12.8	5.2	14.9	33.7	62.8
1965	1,440.0	1,069.4	19.0	26.4	3.2	58.6	125.6	7.6	6.9	11.2	4.6	15.3	30.7	61.5
1966	1,445.0	1,080.8	19.3	24.0	5.6	63.1	114.6	7.5	7.0	9.8	4.2	15.8	32.1	61.2
1967	1,410.0	1,068.7	18.0	26.7	5.4	53.4	103.7	6.4	6.2	9.0	3.4	17.2	28.4	63.5
1968—Jan.	....	90.3	....	2.1	....	....	7.7	r.5	....	.9	.3	....	2.0	....
Feb.	....	90.0	....	2.2	....	....	7.7	r.4	....	.7	.3	....	2.0	....
Mar.	....	91.8	....	2.1	....	....	8.3	.4	....	.7	.3	[2]4.1	2.8	....
Apr.	....	91.8	....	....	....	....	8.2	.3	....	.7	.3	....	2.5	....
May	....	93.1	....	....	....	....	8.4	.3	....	.7	.3	....	2.3	....
June	....	91.5	....	....	....	....	7.5	....	....	.6	....	....	....	....
July	....	90.5	....	....	....	....	7.4	....	....	.8	....	....	....	....
Aug.	....	91.5	....	....	....	....	7.7	....	....	.6	....	....	....	....
Sept.	....	93.7	....	....	....	....	8.3	....	....	.6	....	....	....	....
Oct.	....	92.4	....	....	....	....	7.7	....	....	.7	....	....	....	....
Nov.	....	87.9	....	....	....	....	7.5	....	....	.6	....	....	....	....
Dec.	....	83.5	....	....	....	....	7.7	....	....	.7	....	....	....	....
1969—Jan.	....	....	....	....	....	....	....	....	....	....	....	....	....	....

[1] Estimated; excludes U.S.S.R., other Eastern European countries, China Mainland, and North Korea.

[2] Quarterly data.

NOTE.—Estimated world production based on report of the U.S. Bureau of Mines. Country data based on reports from individual countries and Bureau of Mines. Data for the United States are from the Bureau of the Mint.

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CENTRAL BANK RATES FOR DISCOUNTS AND ADVANCES TO COMMERCIAL BANKS

(Per cent per annum)

Country	Rate as of Mar. 31, 1968		Changes during the last 12 months												Rate as of Mar. 31, 1969
			1968									1969			
	Per cent	Month effective	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	
Argentina	6.0	Dec. 1957													6.0
Austria	3.75	Oct. 1967													3.75
Belgium	3.75	Mar. 1968									4.5			5.0	5.0
Brazil	12.0	Jan. 1965													12.0
Burma	4.0	Feb. 1962													4.0
Canada [1]	7.5	Mar. 1968				[2]6.5		6.0			6.5			7.0	7.0
Ceylon	5.0	May 1965		5.5											5.5
Chile [3]	16.61	Jan. 1968											19.09		19.09
Colombia	8.0	May 1963													8.0
Costa Rica	3.0	Apr. 1939													3.0
Denmark	7.0	Mar. 1968			6.5		6.0							7.0	7.0
Ecuador	5.0	Nov. 1956													5.0
El Salvador	4.0	Aug. 1964													4.0
Finland	7.0	Apr. 1962													7.0
France	3.5	Apr. 1965				5.0				6.0					6.0
Germany, Fed. Rep. of	3.0	May 1967													3.0
Ghana	5.5	Mar. 1968													5.5
Greece	4.5	July 1967				5.0									5.0
Honduras [4]	3.0	Jan. 1962													3.0
Iceland	9.0	Jan. 1966													9.0
India	5.0	Mar. 1968													5.0
Indonesia	9.0	Aug. 1963													9.0
Iran	5.0	Aug. 1966								7.0					7.0
Ireland	7.39	Mar. 1968	7.38	7.31	7.44		7.25	6.86	6.81	7.0	7.17	7.12	8.0		8.0
Israel	6.0	Feb. 1955													6.0
Italy	3.5	June 1958													3.5
Jamaica	6.0	Nov. 1967						5.0						5.5	5.5
Japan	6.21	Jan. 1968					5.84								5.84
Korea	28.0	Dec. 1965													28.0
Mexico	4.5	June 1942													4.5
Netherlands	4.5	Mar. 1967									5.0				5.0
New Zealand	7.0	Mar. 1961													7.0
Nicaragua	6.0	Apr. 1954													6.0
Norway	3.5	Feb. 1955													3.5
Pakistan	5.0	June 1965													5.0
Peru	9.5	Nov. 1959													9.5
Philippine Republic	7.5	Feb. 1968													7.5
Portugal	2.5	Sept. 1965										2.75			2.75
South Africa	6.0	July 1966					5.5								5.5
Spain	4.0	June 1961													4.0
Sweden	5.5	Feb. 1968							5.0				6.0		6.0
Switzerland	3.0	July 1967													3.0
Taiwan	10.8	May 1967					11.9								11.9
Thailand	5.0	Oct. 1959													5.0
Tunisia	5.0	Sept. 1966													5.0
Turkey	7.5	May 1961													7.5
United Arab Rep. (Egypt)	5.0	May 1962													5.0
United Kingdom	7.5	Mar. 1968						7.0					8.0		8.0
Venezuela	4.5	Dec. 1960													4.5

[1] On June 24, 1962, the bank rate on advances to chartered banks was fixed at 6 per cent. Rates on loans to money market dealers will continue to be .25 of 1 per cent above latest weekly Treasury bill tender average rate, but will not be more than the bank rate.

[2] Effective July 2 the rate was 7.0 per cent.

[3] Beginning with Apr. 1, 1959, new rediscounts have been granted at the average rate charged by banks in the previous half year. Old rediscounts remain subject to old rates provided their amount is reduced by one-eighth each month beginning with May 1, 1959, but the rates are raised by 1.5 per cent for each month in which the reduction does not occur.

[4] Rate shown is for advances only.

NOTE.—Rates shown are mainly those at which the central bank either discounts or makes advances against eligible commercial paper and/or govt. securities for commercial banks or brokers. For countries with more than one rate applicable to such discounts or advances, the rate shown is the one at which it is understood the central bank transacts the largest proportion of its credit operations. Other rates for some of these countries follow:

Argentina—3 and 5 per cent for certain rural and industrial paper, depending on type of transaction;

Brazil—8 per cent for secured paper and 4 per cent for certain agricultural paper;

Colombia—5 per cent for warehouse receipts covering approved lists of products, 6 and 7 per cent for agricultural bonds, and 12 and 18 per cent for rediscounts in excess of an individual bank's quota;

Costa Rica—5 per cent for paper related to commercial transactions (rate shown is for agricultural and industrial paper);

Ecuador—6 per cent for bank acceptances for commercial purposes;

Indonesia—various rates depending on type of paper, collateral, commodity involved, etc.;

Japan—penalty rates (exceeding the basic rate shown) for borrowings from the central bank in excess of an individual bank's quota;

Peru—8 per cent for agricultural, industrial, and mining paper;

Philippines—4 per cent for financing the production, importation, and distribution of rice and corn and 5.75 per cent for credits to enterprises engaged in export activities. Preferential rates are also granted on credits to rural banks;

Spain—4.6 per cent for financial paper rediscounted for banks (rate shown is for commercial bills); and

Venezuela—2 per cent for rediscounts of certain agricultural paper (Sept. 1962), and 4 per cent for advances against govt. bonds, mortgages, or gold, and for rediscounts of certain industrial paper, and 5 per cent on advances against securities of Venezuelan companies.

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OPEN MARKET RATES

(Per cent per annum)

Month	Canada		United Kingdom				France	Germany, Fed. Rep. of		Netherlands		Switzerland
	Treasury bills, 3 months[1]	Day-to-day money[2]	Bankers' acceptances, 3 months	Treasury bills, 3 months	Day-to-day money	Bankers' allowance on deposits	Day-to-day money[3]	Treasury bills, 60–90 days[4]	Day-to-day money[5]	Treasury bills, 3 months	Day-to-day money	Private discount rate
1966—Dec.	5.05	4.71	6.94	6.64	6.00	5.00	5.68	4.75	5.85	4.90	3.68	4.00
1967—Dec.	5.80	5.67	7.78	7.52	6.83	6.00	4.76	2.75	2.77	4.51	4.05	3.75
1968—Feb.	6.69	6.38	7.75	7.45	6.86	6.00	4.77	2.75	2.85	4.19	3.65	3.75
Mar.	6.93	6.76	7.65	7.25	6.72	5.81	5.07	2.75	2.69	4.34	3.10	3.75
Apr.	6.91	6.85	7.42	7.08	6.48	5.50	5.12	2.75	2.72	4.33	3.49	3.75
May	6.96	6.75	7.42	7.15	6.51	5.50	5.66	2.75	2.99	4.43	4.53	3.75
June	6.75	6.35	7.54	7.21	6.42	5.50	5.76	2.75	2.68	4.56	4.69	3.75
July	6.21	5.68	7.58	7.15	6.51	5.50	6.00	2.75	2.43	4.57	4.40	3.75
Aug.	5.75	5.04	7.44	6.95	6.43	5.50	5.92	2.75	3.07	4.47	3.81	3.75
Sept.	5.62	5.11	7.24	6.74	6.21	5.31	6.76	2.75	2.66	4.39	3.73	3.75
Oct.	5.63	5.10	6.97	6.51	5.93	5.00	7.08	2.75	3.18	4.47	4.15	3.75
Nov.	5.64	4.73	7.03	6.67	5.92	5.00	9.16	2.75	1.55	4.50	4.86	3.75
Dec.	5.96	5.31	7.26	6.80	5.99	5.00	8.22	2.75	1.84	4.65	4.96	3.75
1969—Jan.	6.36	6.02	7.28	6.77	5.91	5.00	8.04	2.75	3.30	4.90	4.44	3.75
Feb.	6.31	5.34	7.32	6.97	6.08	5.08	....	2.75	3.27	5.00	5.38	3.75

1 Based on average yield of weekly tenders during month.
2 Based on weekly averages of daily closing rates.
3 Rate shown is on private securities.
4 Rate in effect at end of month.
5 Monthly averages based on daily quotations.

NOTE.—For description and back data, see "International Finance," Section 15 of *Supplement to Banking and Monetary Statistics*, 1962.

ARBITRAGE ON TREASURY BILLS

(Per cent per annum)

Date	United States and United Kingdom					United States and Canada					
	Treasury bill rates			Premium (+) or discount (−) on forward pound	Net incentive (favor of London)	Treasury bill rates				Premium (+) or discount (−) on forward Canadian dollars	Net incentive (favor of Canada)
	United Kingdom (adj. to U.S. quotation basis)	United States	Spread (favor of London)			Canada: As quoted in Canada	Canada: Adj. to U.S. quotation basis	United States	Spread (favor of Canada)		
1968											
Nov. 1	6.43	5.42	1.01	−.87	+.14	5.55	5.40	5.42	−.02	−.62	−.64
8	6.41	5.41	1.00	−.89	+.11	5.60	5.45	5.41	+.04	−.63	−.59
15	6.44	5.38	1.06	−1.65	−.59	5.65	5.50	5.38	+.12	−.48	−.36
22	6.66	5.41	1.25	n.a.	n.a.	5.65	5.50	5.41	+.09	−.54	−.45
29	6.66	5.48	1.18	−3.54	−2.36	5.66	5.50	5.48	+.02	−.32	−.30
Dec. 6	6.69	5.62	1.07	−4.80	−3.73	5.70	5.54	5.62	−.08	−.30	−.38
13	6.63	5.88	.77	−5.06	−4.29	5.79	5.63	5.86	−.23	−.41	−.64
20	6.63	6.08	.55	−4.13	−3.58	6.14	5.96	6.08	−.12	−.43	−.55
27	6.63	6.15	.48	−3.79	−3.31	6.24	6.06	6.15	−.09	−.45	−.54
1969											
Jan. 3	6.63	6.11	.52	−3.29	−2.77	6.33	6.15	6.11	+.04	−.24	−.20
10	6.63	6.08	.55	−3.20	−2.65	6.46	6.27	6.08	+.19	−.02	+.17
17	6.66	6.01	.65	−2.99	−2.34	6.37	6.18	6.01	+.17	−.13	+.04
24	6.60	6.12	.48	−2.70	−2.22	6.34	6.16	6.12	+.04	−.13	−.09
31	6.58	6.15	.43	−2.55	−2.12	6.37	6.18	6.15	+.03	−.09	−.06
Feb. 7	6.60	6.15	.45	−2.61	−2.16	6.26	6.08	6.15	−.07	−.04	−.11
14	6.53	6.06	.47	−2.28	−1.81	6.19	6.01	6.06	−.05	+.15	+.10
20	6.53	6.08	.45	−2.14	−1.69	6.21	6.03	6.08	−.05	+.28	+.23
28	7.55	6.17	1.38	−2.63	−1.25	6.43	6.24	6.17	+.07	+.50	+.57
Mar. 7	7.58	6.05	1.53	−3.88	−2.35	6.65	6.45	6.05	+.40	+.43	+.83
14	7.64	5.99	1.65	−3.38	−1.73	6.62	6.43	5.99	+.44	+.48	+.92
21	7.64	5.95	1.69	−2.80	−1.11	6.63	6.43	5.95	+.48	+.61	+1.09
28	7.61	5.92	1.69	−2.81	−1.12	6.56	6.37	5.92	+.45	+.74	+1.19
Apr. 3	7.60	6.05	1.55	−2.79	−1.24	6.36	6.36	6.05	+.31	+.82	+1.13

NOTE.—*Treasury bills*: All rates are on the latest issue of 91-day bills. U.S. and Canadian rates are market offer rates 11 a.m. Friday; U.K. rates are Friday opening market offer rates in London.

Premium or discount on forward pound and on forward Canadian dollar: Rates per annum computed on basis of midpoint quotations (between bid and offer) at 11 a.m. Friday in New York for both spot and forward pound sterling and for both spot and forward Canadian dollars.

All series: Based on quotations reported to F.R. Bank of New York by market sources.

For description of series and for back figures, see Oct. 1964 BULLETIN, pp. 1241–60. For description of adjustments to U.K. and Canadian Treasury bill rates, see notes to Table 1, p. 1257, and to Table 2, p. 1260, Oct. 1964 BULLETIN.

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FOREIGN EXCHANGE RATES

(In cents per unit of foreign currency)

Period	Argentina (peso)	Australia (pound)	Australia (dollar)	Austria (schilling)	Belgium (franc)	Canada (dollar)	Ceylon (rupee)	Denmark (krone)	Finland (markka)
1964	.71786	222.48	...	3.8698	2.0099	92.689	20.988	14.460	31.067
1965	.59517	222.78	...	3.8704	2.0144	92.743	20.959	14.460	31.070
1966	.48690	223.41	[1]111.22	3.8686	2.0067	92.811	20.946	14.475	31.061
1967	.30545	...	111.25	3.8688	2.0125	92.689	20.501	14.325	[2]29.553
1968	.28473	...	111.25	3.8675	2.0026	92.801	16.678	13.362	23.761
1968—Mar.	.28468	...	[3]111.54	3.8635	2.0136	92.171	16.688	13.419	23.763
Apr.	.28469	...	111.64	3.8655	2.0105	92.568	16.688	13.413	23.763
May	.28469	...	111.05	3.8670	2.0110	92.760	16.671	13.399	23.763
June	.28470	...	110.84	3.8683	2.0058	92.846	16.662	13.373	23.763
July	.28474	...	111.09	3.8706	2.0013	93.123	16.669	13.317	23.763
Aug.	.28469	...	111.14	3.8702	1.9982	93.213	16.673	13.302	23.763
Sept.	.28469	...	110.97	3.8702	1.9916	93.182	16.674	13.321	23.763
Oct.	.28478	...	111.08	3.8706	1.9864	93.202	16.678	13.321	23.763
Nov.	.28476	...	110.89	3.8664	[4]1.9927	93.177	16.675	[5]13.308	[5]23.757
Dec.	.28500	...	110.82	3.8681	1.9935	93.177	16.678	13.340	23.763
1969—Jan.	.28512	...	110.95	3.8670	1.9921	93.206	16.678	13.317	23.763
Feb.	.28490	...	111.15	3.8650	1.9928	93.060	16.678	13.288	23.772
Mar.	.28489	...	111.17	3.8671	1.9883	92.863	16.678	13.321	23.785

Period	France (franc)	Germany (deutsche mark)	India (rupee)	Ireland (pound)	Italy (lira)	Japan (yen)	Malaysia (dollar)	Mexico (peso)	Netherlands (guilder)
1964	20.404	25.157	20.923	279.21	.16014	.27625	32.566	8.0056	27.724
1965	20.401	25.036	20.938	279.59	.16004	.27662	32.609	8.0056	27.774
1966	20.352	25.007	[6]16.596	279.30	.16014	.27598	32.538	8.0056	27.630
1967	20.323	25.084	13.255	275.04	.16022	.27613	32.519	8.0056	27.759
1968	20.191	25.048	13.269	239.35	.16042	.27735	32.591	8.0056	27.626
1968—Mar.	20.316	25.067	13.319	[3]239.97	.16023	.27620	32.630	8.0056	27.728
Apr.	20.290	25.093	13.318	240.18	.16011	.27603	32.654	8.0056	27.632
May	20.212	25.119	13.268	238.92	.16059	.27604	32.556	8.0056	27.635
June	20.107	25.032	13.228	238.46	.16048	.27636	32.509	8.0056	27.620
July	20.107	24.945	13.240	239.00	.16068	.27740	32.551	8.0056	27.611
Aug.	20.105	24.919	13.241	239.11	.16090	.27803	32.540	8.0056	27.566
Sept.	20.106	25.166	13.233	238.74	.16069	.27839	32.518	8.0056	27.504
Oct.	20.104	25.120	13.241	238.97	.16055	.27890	32.551	8.0056	27.484
Nov.	[5]20.121	[7]25.153	13.230	238.58	[4].16037	.27925	32.538	8.0056	[5]27.556
Dec.	20.199	25.032	13.234	238.42	.16026	.27940	32.614	8.0056	27.710
1969—Jan.	20.199	24.978	13.244	238.70	.16022	.27934	32.640	8.0056	27.636
Feb.	20.188	24.881	13.244	239.14	.15978	.27945	32.675	8.0056	27.581
Mar.	20.167	24.879	13.244	239.17	.15911	.27935	32.639	8.0056	27.565

Period	New Zealand (pound)	New Zealand (dollar)	Norway (krone)	Portugal (escudo)	South Africa (rand)	Spain (peseta)	Sweden (krona)	Switzerland (franc)	United Kingdom (pound)
1964	276.45	...	13.972	3.4800	139.09	1.6663	19.414	23.152	279.21
1965	276.82	...	13.985	3.4829	139.27	1.6662	19.386	23.106	279.59
1966	276.54	...	13.984	3.4825	139.13	1.6651	19.358	23.114	279.30
1967	276.69	[8]131.97	13.985	3.4784	139.09	1.6383	19.373	23.104	275.04
1968	...	111.37	14.000	3.4864	139.10	1.4272	19.349	23.169	239.35
1968—Mar.	...	[3]111.66	14.005	3.4854	[3]139.46	1.4264	19.345	23.085	[3]239.97
Apr.	...	111.75	14.000	3.4891	139.58	1.4283	19.338	23.049	240.18
May	...	111.17	14.000	3.4874	138.85	1.4283	19.354	23.118	238.92
June	...	110.95	14.000	3.4867	138.58	1.4279	19.352	23.233	238.46
July	...	111.20	14.000	3.4863	138.89	1.4282	19.351	23.265	239.00
Aug.	...	111.26	13.999	3.4863	138.96	1.4284	19.369	23.223	239.11
Sept.	...	111.08	13.997	3.4846	138.74	1.4282	19.371	23.251	238.74
Oct.	...	111.19	13.998	3.4844	138.88	1.4282	19.335	23.270	238.97
Nov.	...	111.01	[5]13.999	[5]3.4855	138.65	[4]1.4281	[7]19.323	23.256	238.58
Dec.	...	110.93	14.000	3.4886	138.56	1.4279	19.323	23.259	238.42
1969—Jan.	...	111.06	13.988	3.4925	138.72	1.4278	19.340	23.146	238.70
Feb.	...	111.27	13.988	3.4975	138.98	1.4279	19.326	23.145	239.14
Mar.	...	111.28	14.001	3.5042	138.99	1.4277	19.340	23.261	239.17

[1] Effective Feb. 14, 1966, Australia adopted the decimal currency system. *The new unit, the dollar, replaces the pound and consists of 100* cents, equivalent to 10 shillings or one-half the former pound.

[2] Effective Oct. 12, 1967, the Finnish markka was devalued from 3.2 to 4.2 markkaa per U.S. dollar.

[3] Quotations not available Mar. 15, 1968.

[4] Quotations not available Nov. 20, 1968.

[5] Quotations not available Nov. 20-22, 1968.

[6] Effective June 6, 1966, the Indian rupee was devalued from 4.76 to 7.5 rupees per U.S. dollar.

[7] Quotations not available Nov. 20-21, 1968.

[8] Effective July 10, 1967, New Zealand adopted the decimal currency system. *The new unit, the dollar, replaces the pound and consists of 100* cents, equivalent to 10 shillings or one-half the former pound.

NOTE.—After the devaluation of the pound sterling on Nov. 18, 1967, the following countries devalued their currency in relation to the U.S. dollar: Ceylon, Denmark, Ireland, New Zealand, and Spain.

Averages of certified noon buying rates in New York for cable transfers. For description of rates and back data, see "International Finance," Section 15 of *Supplement to Banking and Monetary Statistics*, 1962.

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NUMBER IN OPERATION ON DECEMBER 31, 1968

State	Commercial and mutual savings banks								Number maintaining branches or additional offices [1]							
	Total	Commercial					Mutual savings		Total	Commercial					Mutual savings	
		Total	Member		Nonmember					Total	Member		Nonmember			
			National	State	Insured	Noninsured	Insured	Noninsured			National	State	Insured	Noninsured	Insured	Noninsured
United States [2]	14,179	13,679	4,716	[3]1,262	7,504	197	333	167	3,946	3,665	1,550	462	1,633	20	199	82
Alabama	268	268	89	22	157	......	......	......	76	76	40	5	31	......	......	......
Alaska	14	12	5	......	5	2	2	......	8	8	5	......	3	......	......	......
Arizona	13	13	3	1	9	......	......	......	7	7	2	1	4	......	......	......
Arkansas	248	248	68	13	164	3	......	......	72	72	33	7	32	......	......	......
California	162	162	72	10	74	6	......	......	130	130	58	9	61	2	......	......
Colorado	257	257	118	17	84	38	......	......	2	2	......	......	2	......	......	......
Connecticut	135	66	29	6	28	3	69	......	86	45	21	6	18	......	41	......
Delaware	21	19	5	2	12	......	2	......	11	9	2	2	5	......	2	......
District of Columbia	14	14	10	2	2	......	......	......	13	13	9	2	2	......	......	......
Florida	461	461	204	8	244	5	......	......	6	6	......	1	5	......	......	......
Georgia	428	428	62	12	343	11	......	......	85	85	29	7	49	......	......	......
Hawaii	11	11	2	......	5	4	......	......	8	8	2	......	5	1	......	......
Idaho	26	26	9	7	10	......	......	......	14	14	6	3	5	......	......	......
Illinois	1,074	1,074	420	91	558	5	......	......	39	39	25	6	8	......	......	......
Indiana	419	415	123	74	214	4	4	......	188	188	71	27	90	......	......	......
Iowa	673	673	102	57	502	12	......	......	210	210	40	16	154	......	......	......
Kansas	601	601	171	39	390	1	......	......	59	59	27	8	24	......	......	......
Kentucky	346	346	80	14	247	5	......	......	125	125	43	8	74	......	......	......
Louisiana	229	229	48	10	170	1	......	......	114	114	34	9	71	......	......	......
Maine	75	43	21	6	13	3	31	1	44	33	16	4	12	1	11	......
Maryland	128	122	48	7	66	1	6	......	77	71	34	6	30	1	6	......
Massachusetts	332	158	87	17	50	4	8	166	209	121	67	17	36	1	6	82
Michigan	338	338	98	110	128	2	......	......	191	191	69	60	61	1	......	......
Minnesota	724	723	196	27	497	3	1	......	6	6	2	......	4	......	......	......
Mississippi	185	185	40	6	139	......	......	......	102	102	32	5	65	......	......	......
Missouri	667	667	98	76	485	8	......	......	83	83	20	18	45	......	......	......
Montana	135	135	48	40	46	1	......	......	3	3	1	2	......	......	......	......
Nebraska	441	441	127	12	296	6	......	......	36	36	20	1	15	......	......	......
Nevada	9	9	4	2	3	......	......	......	7	7	3	2	2	......	......	......
New Hampshire	109	77	52	1	21	3	32	......	37	29	23	1	5	......	8	......
New Jersey	250	229	143	40	43	3	21	......	186	174	109	32	33	......	12	......
New Mexico	63	63	33	6	24	......	......	......	43	43	20	3	20	......	......	......
New York	444	319	176	78	42	23	125	......	271	180	100	52	21	7	91	......
North Carolina	121	121	22	4	94	1	......	......	75	75	16	3	55	1	......	......
North Dakota	169	169	42	4	120	3	......	......	49	49	9	1	38	1	......	......
Ohio	526	525	218	126	180	1	1	......	261	261	138	54	69	......	......	......
Oklahoma	424	424	220	23	180	1	......	......	50	50	37	3	10	......	......	......
Oregon	51	50	11	2	35	2	1	......	29	28	7	1	20	......	1	......
Pennsylvania	516	509	327	31	142	9	7	......	245	239	153	19	66	1	6	......
Rhode Island	20	13	4	1	6	2	7	......	20	13	4	1	6	2	7	......
South Carolina	118	118	24	6	87	1	......	......	67	67	20	3	44	......	......	......
South Dakota	165	165	34	24	106	1	......	......	39	39	10	3	26	......	......	......
Tennessee	303	303	77	10	212	4	......	......	131	131	57	5	68	1	......	......
Texas	1,151	1,151	535	61	546	9	......	......	41	41	......	7	34	......	......	......
Utah	54	54	12	8	34	......	......	......	19	19	3	4	12	......	......	......
Vermont	51	45	27	......	17	1	6	......	25	23	14	......	9	......	2	......
Virginia	237	237	107	45	85	......	......	......	149	149	77	22	50	......	......	......
Washington	101	94	27	8	58	1	7	......	54	48	15	5	28	......	6	......
West Virginia	195	195	80	34	81	......	......	......	4	4	......	2	2	......	......	......
Wisconsin	606	603	117	49	433	4	3	......	139	139	26	9	104	......	......	......
Wyoming	70	70	40	13	17	......	......	......	......	......	......	......	......	......	......	......
Virgin Islands	1	1	1	......	......	......	......	......	1	1	1	......	......	......	......	......

[1] Excludes banks that have banking facilities only; banking facilities are shown separately; see note 4.
[2] Includes 1 national bank in the Virgin Islands, with 6 branches, that became a member of the F.R. System in 1957.
[3] State member bank figures include 1 noninsured trust company without deposits.
[4] Banking facilities (other than branches) that are provided at military and other Government establishments through arrangements made by the Treasury; they are operated by 162 banks, 62 of which have no other type of branch or additional office.

NOTE.—Each branch and additional office is located in the same State as its parent bank except that 1 national bank in N.J. has a branch in Pa., 1 national bank in Calif. has 2 branches in Wash. and 1 in Ore., 1 noninsured (unincorporated) bank in N.Y. has 1 branch in Mass. and 1 in Pa.; 2 insured nonmember banks in Puerto Rico have 8 branches in N.Y. In the table these branches are shown according to their own location rather than that of the parent bank.

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NUMBER IN OPERATION ON DECEMBER 31, 1968—Continued

State	Branches and additional offices [1]												
	Class of bank								Location				Banking facilities [4]
	Total	Commercial banks					Mutual savings banks		In head office city	Outside head office city			
		Total	Member		Nonmember								
			National	State	Insured	Noninsured	Insured	Noninsured		In head office county	In contiguous counties	In noncontiguous counties	
United States [2]	**19,675**	**18,777**	**10,797**	**[3]3,555**	**4,379**	**46**	**729**	**169**	**7,295**	**6,253**	**2,940**	**3,187**	**236**
Alabama	230	230	165	11	54	...	...	...	122	87	10	11	6
Alaska	50	50	41	...	9	...	...	...	14	23	8	5	5
Arizona	273	273	186	17	70	...	...	...	92	63	72	46	5
Arkansas	140	140	76	20	44	...	...	...	80	54	5	1	1
California	2,751	2,751	2,215	261	270	5	...	...	399	380	567	1,405	38
Colorado	2	2	...	...	2	...	...	...	2	...	...	...	8
Connecticut	500	376	192	110	74	...	124	...	142	275	62	21	...
Delaware	88	78	4	33	41	...	10	...	14	43	27	4	...
District of Columbia	97	97	59	31	7	...	...	...	97	...	...	...	3
Florida	6	6	...	1	5	...	...	...	6	...	...	...	18
Georgia	235	235	147	31	57	...	...	...	174	4	8	49	11
Hawaii	117	117	41	...	75	1	...	...	42	30	...	45	6
Idaho	141	141	103	24	14	...	...	...	12	13	26	90	1
Illinois	39	39	25	6	8	...	...	...	39	...	...	...	6
Indiana	573	573	305	65	203	...	...	...	302	271	...	...	4
Iowa	281	281	50	23	208	...	...	...	97	136	48	...	...
Kansas	59	59	27	8	24	...	...	...	58	1	...	...	2
Kentucky	285	285	127	45	113	...	...	...	175	105	5	...	1
Louisiana	327	327	156	33	138	...	...	...	201	117	6	3	2
Maine	217	198	87	55	53	3	19	...	46	84	75	12	2
Maryland	501	459	227	60	165	7	42	...	147	120	145	89	10
Massachusetts	881	680	388	156	134	2	32	169	428	444	8	1	3
Michigan	1,095	1,095	510	397	186	2	...	...	501	389	194	11	4
Minnesota	10	10	6	...	4	...	...	...	10	...	...	...	...
Mississippi	293	293	117	13	163	...	...	...	125	93	44	31	3
Missouri	83	83	20	18	45	...	...	...	83	...	...	...	2
Montana	3	3	1	2	...	...	...	...	2	...	1	...	2
Nebraska	36	36	20	1	15	...	...	...	36	...	...	...	1
Nevada	76	76	54	12	10	...	...	...	20	17	11	28	1
New Hampshire	50	40	33	1	6	...	10	...	23	23	4	...	1
New Jersey	822	790	516	172	102	...	32	...	284	537	1	...	6
New Mexico	112	112	60	5	47	...	...	...	63	40	8	1	2
New York	2,492	2,205	1,107	983	107	8	287	...	1,228	716	454	94	7
North Carolina	931	931	329	128	468	6	...	...	149	97	186	499	2
North Dakota	67	67	9	2	54	2	...	...	9	36	21	1	2
Ohio	1,128	1,128	644	328	156	...	...	...	513	599	16	...	2
Oklahoma	51	51	37	3	11	...	...	...	51	...	...	...	5
Oregon	307	306	236	12	58	...	1	...	60	44	45	158	...
Pennsylvania	1,593	1,515	940	228	345	2	78	...	456	648	488	1	6
Rhode Island	209	156	58	28	63	7	53	...	56	89	39	25	2
South Carolina	344	344	214	3	127	...	...	...	83	55	49	157	6
South Dakota	91	91	52	4	35	...	...	...	14	31	23	23	...
Tennessee	412	412	244	31	136	1	...	...	259	138	7	8	5
Texas	42	42	...	7	35	...	...	...	42	...	...	...	21
Utah	112	112	57	25	30	...	...	...	23	38	9	42	3
Vermont	73	71	41	...	30	...	2	...	11	27	26	9	...
Virginia	694	694	423	107	164	...	...	...	271	115	135	173	17
Washington	524	485	395	35	55	...	39	...	182	130	72	140	2
West Virginia	4	4	...	2	2	...	...	...	4	...	...	...	...
Wisconsin	222	222	47	18	157	...	...	...	45	141	35	1	1
Wyoming	...	...	...	...	...	...	...	...	...	...	...	...	1
Virgin Islands	6	6	6	...	...	...	...	...	3	...	...	3	...

For notes see p. A-91.

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