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OCTOBER 1968

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Construction and Mortgage Markets

OUTLAYS for new construction early this autumn appeared to be moving above the record high reached last spring. With housing starts at an advanced rate in the third quarter, residential outlays —which are normally the largest segment of construction and which tend to lag starts—had already regained their spring peak. Moreover, market expectations for a further rise in outlays have improved in the changed financial climate following passage of the Revenue and Expenditure Control Act last June.

Since June fears of "disintermediation" at major lending institutions have diminished considerably. And with permitted ceiling rates raised on Government-assisted mortgages and on conventional loans in some States, commitments by lenders for new residential and other mortgages have begun to increase again. While availability of funds has continued to limit this increase, net inflows to major lenders, including repayment flows, showed some improvement in August and September. Moreover, by late summer yields on bonds and related financial instruments had declined appreciably below previous peaks though they have risen again in recent weeks, and mortgage interest rates generally were leveling off or tending downward.

So far this year, an important factor in the larger dollar volume of construction activity—as of economic activity generally—has been higher costs. Although total construction in the first 9 months

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as a whole averaged more than a tenth above a year earlier, about half of the advance as measured by the Census Bureau resulted from rising costs rather than real output.

Another significant factor in construction markets this year has been the backlog of unsatisfied demands for residential structures accumulated after more than 2 years of underbuilding. This has raised the possibility that, as in the initial phase of the extended expansion in the general economy which began in 1961, residential construction may once again play a strongly supportive role in total economic developments over the period ahead.

INSTITUTIONAL ADJUSTMENTS

Apart from the potential support promised by the recent shift in fiscal policy, real estate and mortgage markets have already benefited from a number of regulatory and other adjustments designed to correct some of the major structural distortions that had developed in recent years.

For example, beginning in the autumn of 1966, Congress authorized the Federal Home Loan Bank Board, the Federal Reserve Board, and the Federal Deposit Insurance Corporation, after consultation and periodic review, to establish maximum interest rates payable on the more important "consumer-type" depositary claims. A major objective of this action was to contribute to a more equitable distribution in the flow of funds to the specialized lenders on residential mortgages—savings and loan associations and mutual savings banks—vis-a-vis commercial banks in the market for consumer savings. And to the same end, savings and loan associations have been encouraged by the FHLBB to modify the structure of their liabilities by placing greater emphasis on the sale of savings certificates at higher rates for longer maturities instead of making across-the-board adjustments on regular accounts.

As mortgage yields required by lenders moved higher in the first half of 1968, regulatory ceiling limits were raised in a number of States. The higher limits were particularly important in the East where State ceilings had been effectively impeding flows of funds to mortgages. And in the case of Government-assisted home mortgages, last May the 6 per cent statutory ceiling, which had stood since the inception of the FHA-insured program in 1934, was temporarily suspended by Congress. Pending further legislative review, the Secretary of the Department of Housing and Urban Development was instructed to set regulatory rates at his discretion to meet market requirements, and he promptly raised such

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rates for FHA-insured loans to 6¾ per cent per annum. Regulatory rates for VA-guaranteed loans were raised accordingly.

Also in May the "secondary market" operations of the Federal National Mortgage Association—which recently became a separate and private corporation—were shifted to a "free-market" system. Under the old system the volume of FNMA purchases for its secondary market portfolio had been determined by the volume of offerings of eligible Government-underwritten mortgages at prices set from time to time by FNMA. Under the new system FNMA indicates each week the total volume of forward commitments it will make to purchase eligible mortgages within 3 months, 6 months, and a year ahead, leaving prices essentially to be determined by the bidders. This departure was designed to provide a more orderly and efficient allocation of FNMA's resources than hitherto. It has also provided a comprehensive weekly indicator of yield expectations in a well-defined sector of the mortgage market for the first time in history.

In addition to the changes already in operation, the extremely comprehensive Housing and Urban Development Act of 1968 was signed by the President on August 1. Basic implementation of many of the provisions of this Act will be delayed because of funding requirements and time needed to develop and adjust to new regulations. Consequently, although the long-run implications are very substantial, only a limited net stimulus to residential and other construction in particular and to real estate markets in general may be realized from this legislation during the current fiscal year.

Altogether, the Act offers the possibility of significant changes on a number of fronts. These include improving the competitive effectiveness of mortgage instruments vis-a-vis bonds and other capital market instruments, broadening the investment and liability options available to major mortgage lenders, increasing incentives for direct equity as well as mortgage investment by private groups, and widening the range of effective demands for housing through direct subsidies for mortgage costs of lower-income rental as well as homeowner properties in central cities.

CONSTRUCTION

In September, total outlays for new construction were at an estimated seasonally adjusted annual rate of nearly $85 billion, more than 8 per cent above a year earlier and more than a tenth higher than in 1967 as a whole. While private nonresidential construction was below the peak reached earlier this year, residential construc-

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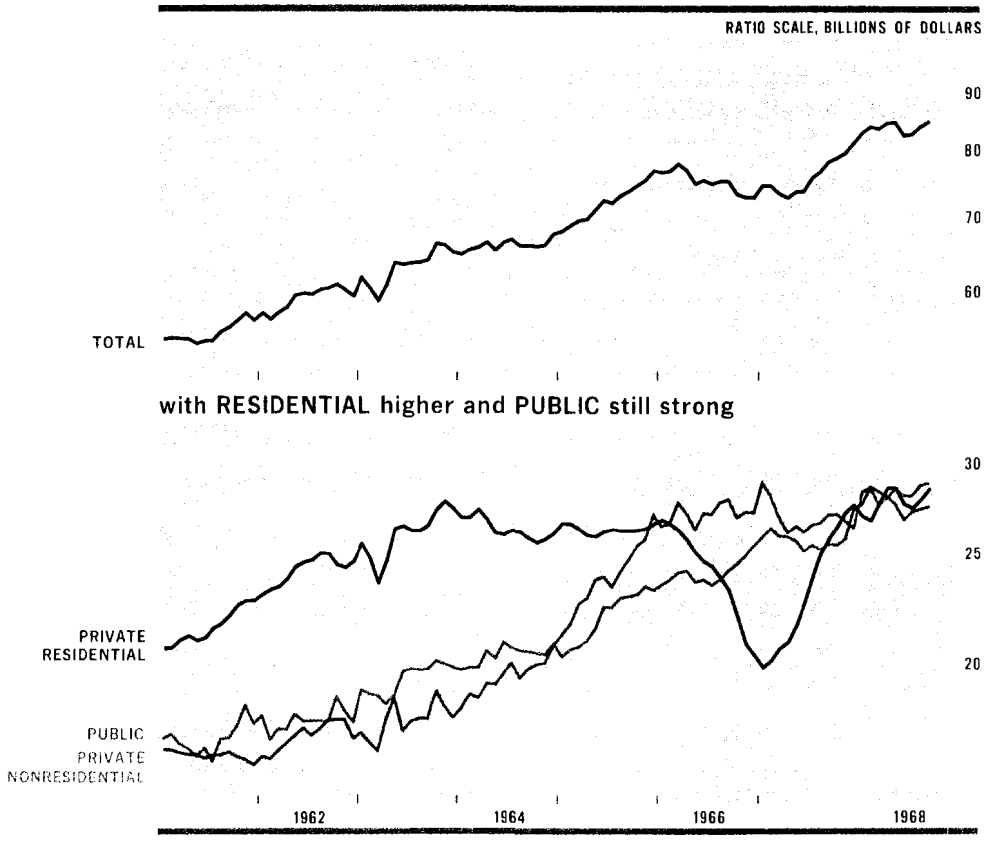
tion had regained its high of last April and May. As a result, for one of the few periods since early 1966, residential construction accounted for a greater share—one-third—of total construction outlays than private nonresidential activity. Public outlays—Federal, State, and local—represented somewhat over a third, an exceptionally large share.

1 | NEW CONSTRUCTION outlays regain peak,



Census Bureau data on value of new construction put in place at seasonally adjusted annual rates. "Private residential" excludes farm structures. Data for "private nonresidential" (total private excluding nonfarm residential) beginning July 1962 and for "public" beginning January 1963 reflect use of new series for certain components not available for earlier years. Recent data are preliminary; September estimated by Federal Reserve.

Construction costs. For all types of structures, a major consideration in recent years has been the uptrend in construction costs. This uptrend has significant implications for both the volume and composition of supply and demand for new construction over the long run. During the past 3 years, construction costs to builders have not only continued to rise but have apparently increased at a faster pace than costs in the economy as a whole. In fact, as

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measured by the Census Bureau, in the first 9 months of 1968 such costs rose by nearly 6 per cent from a year earlier or double the rate as recently as in 1965.

Costs of materials—notably for lumber and plywood—have risen sharply this year. However, the rise in construction-worker wage rates has also been rapid. And both raw and developed land costs, which are not included in the construction cost indexes, have resumed a rise that had been interrupted in 1966. Moreover, the still limited supply of new residential and other units has contributed to further advances in prices of existing as well as of new structures. If allowance is made for increased space and other improvements in quality, the uptrend in prices and rents for finished housing units, for example, has apparently not been out of line with the rise in average family incomes. However, the mix of new dwelling units being supplied has shifted further toward the upper grades. As a result, the needs of lower-income families have increasingly not been met. And for all types of buyers, the amount of mortgage and other funds required to finance a given physical unit of construction has grown appreciably.

Nonresidential. Unlike residential construction activity, outlays for private nonresidential construction have fluctuated within relatively narrow limits since early 1966 when they were slowed by the tightening financial conditions which developed at that time. This year, despite some over-all decline since February, they have apparently held above their level of a year earlier.

A supporting factor in private as well as public nonresidential construction outlays over the past 3 years has been the high rate of expenditures for hospitals, educational buildings, and related structures. This has been associated with increasing demands resulting from evolving demographic requirements and from expanded private and public assistance to assure broader availability of services.

Within the industrial-commercial group, industrial construction activity had dropped appreciably after early 1967, following one of the most rapid and extended expansions of production capacity in the postwar period. Since last winter, such activity has moved downward to a sharply lower rate. Commercial construction—offices, stores, restaurants, and garages—had also declined through most of 1967, but it rebounded in early 1968 and in recent months it has remained near the highs of last spring. With office and clerical labor forces continuing to grow, rates of office and

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store construction have not matched increased demands. Vacancy rates, as a result, have apparently remained minimal.

Through the 1960's, outlays for public construction have shown a notably sustained uptrend. Early this autumn they were running nearly 15 per cent above a year earlier. While Federal plans for this fiscal year call for a further reduction in construction outlays, the full impact of such curtailment may be delayed by the need to complete projects already under way. Also, activity in State and local projects, which is partly dependent on Federal assistance and which in recent years has constituted seven-eighths of the public total, has continued to increase.

Residential. Seasonally adjusted private housing starts, which had dropped in late spring after a sustained recovery from the 1966 low, rose above the 1.5 million unit annual rate this summer. In September they moved even higher, to the 1.6 million rate, including farm starts. Apart from the exceptional volatility of the series, the sudden shift from the reduced second-quarter rate apparently reflected more a reaction to the new financial market possibilities finally opened by adoption of fiscal restraint last June and to long-anticipated adjustments in usury ceilings in New York and New Jersey than to the degree of actual improvement in net inflows of funds to major mortgage lenders so far this year. Nevertheless, the third-quarter increase helped to raise the average for the first 9 months as a whole moderately above the 1.47 million unit average for all of 1965.

In the earlier phase of the housing recovery after April of 1967, residential builders had been handicapped by a resumption of tightening in the mortgage and other capital markets. But in sharp contrast with 1966, cash flows to major lenders remained large through most of the year and mortgage commitments expanded to keep the recovery going. As a result, by the first quarter of this year, starts were running nearly two-thirds above the low reached in the fourth quarter of 1966. Over the first 9 months as a whole, both single and multifamily structures have shared in the further advance. However, the extent of rise by type of structure has varied even though basic demand pressures for all types of dwellings have cumulated as completions over most of the past 3 years have averaged appreciably below normal increases in household formation and demolitions of existing structures.

Most marked has been the expanded rate of multifamily starts, which thus far this year has matched historic highs and has

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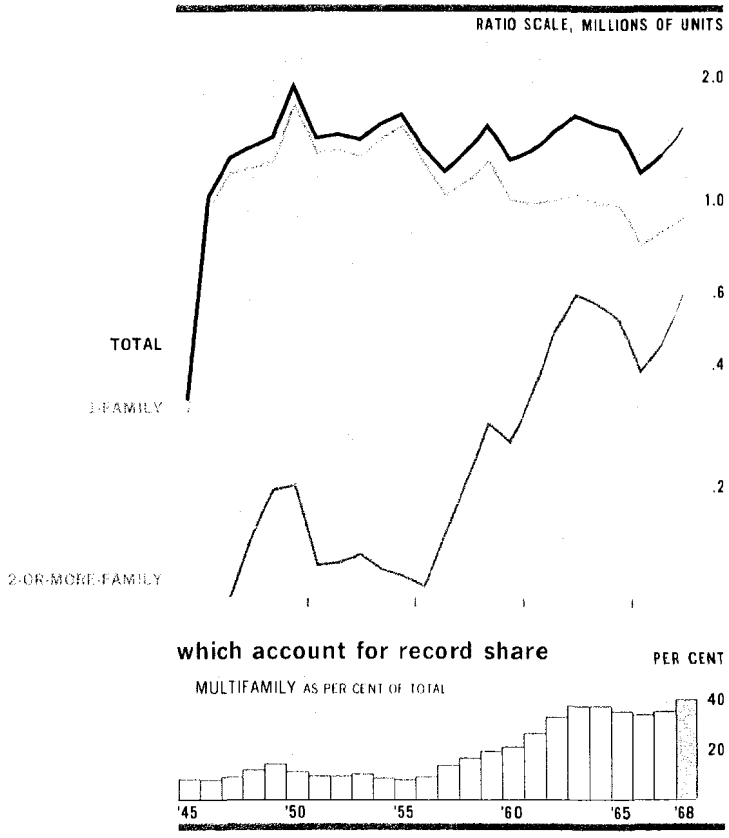
accounted for a record share of the market. The magnitude of the increase for multifamily structures has reflected the relatively greater freedom of investors in such properties from usury ceiling constraints and the greater ability of such investors, compared with buyers of homes, to obtain funds from outside as well as within the mortgage market under the highly competitive conditions

2 HOUSING STARTS continue recovery, sharply for multifamily units



Census Bureau data, including farm, beginning 1959. Detail by type of structure adjusted by Federal Reserve to Census total for period prior to 1959. Figures for multifamily in 1945 and 1946 (not shown here) were: 24,000 and 73,000 units, respectively. Data for 1968 are averages of first three quarters.

prevailing. It has also reflected the influence of modified but still attractive tax incentives for apartment investment. In addition, the continuing pressures of higher land and other costs have been an important influence. Finally, apartment activity has been spurred by an extended and widespread decline in rental vacanices to the lowest rates since 1957 and by a pattern of demographic growth that remains unusually favorable for rental demands.

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For single-family housing—still the dominant though less dynamic sector in the housing market—the year-to-year advance since 1966 has also been significant. But in the first 9 months of this year, the seasonally adjusted annual rate has barely exceeded 900,000 units—low even by the standards of the early 1960's and strikingly under the peaks reached in the 1950's. With near-term expectations about mortgage developments highly uncertain through most of this year, stocks of new houses available for sale from speculative builders have so far been kept appreciably below pre-1966 levels, thereby further limiting potential sales.

Under the changed supply conditions that have prevailed in recent years, shipments of mobile homes, which are not included in the housing starts figures, have accelerated further. In the first half of this year, such shipments were about a third higher than a year earlier. In all of 1967, a record year, they had reached 240,000 units, compared with 216,000 in 1965 and 151,000 in 1963.

Transactions in existing houses, which are an important source of support to demand for new houses, have increased appreciably further so far this year, according to the National Association of Real Estate Boards. As in the case of new homes, offerings of such houses have been limited, however, by the high discounts which have prevailed, particularly for Government-underwritten mortgages. A byproduct of the limited supply of homes offered for sale has been a further drop in foreclosures and in serious defaults; while other factors, including high employment and rising incomes, have also been important, generally mortgagors who have become overextended have—under conditions reminiscent of the 1950's—found a market for their homes.

Unlike the recovery phase in 1967, starts this year have shown pronounced regional variations. These variations have been owing in part to distortions in flows of funds caused by below-market rate ceilings, particularly in the eastern States. In the third quarter, after these ceilings had finally been raised to more viable levels, starts in the Northeast soared to the highest rate in more than 6 years.

Underscoring the breadth of potential demands for shelter space this year, rental vacancy rates in all regions in the second quarter generally remained near the abnormally low rates reached in the first quarter. At an average of 5.7 per cent of all rental units available and fit for use, they were still among the lowest in more than a decade and sharply below earlier highs, particularly in the West and

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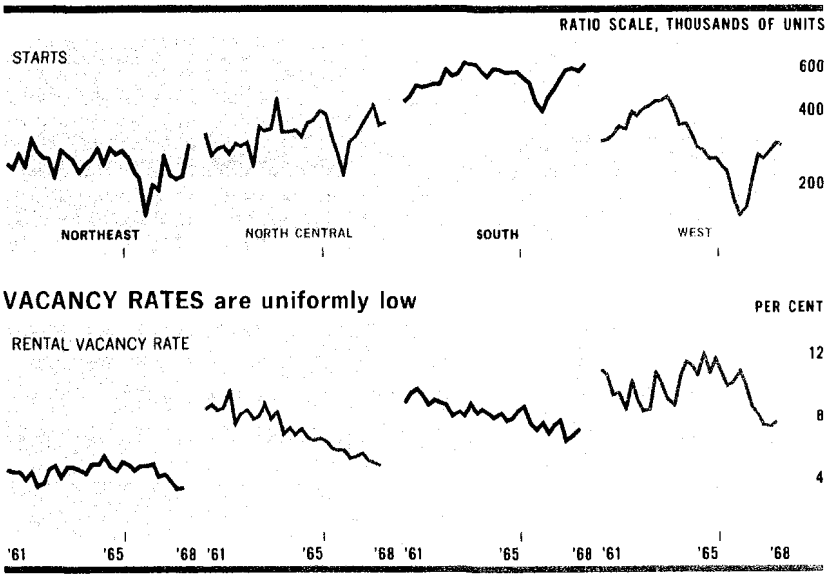
in the North Central States. Homeowner vacancy rates, which averaged 1 per cent nationally in the second quarter and which tend to be less volatile than those for rental properties, were also exceptionally low.

3 | STARTS RECOVERY varies by region but...



Census Bureau data. Private housing starts, including farm, at seasonally adjusted annual rates. Vacancy rates, not seasonally adjusted, relate to vacant, not dilapidated dwellings available for rent. Latest data for starts, third quarter; for rental vacancy rates, second quarter.

MORTGAGE MARKET DEVELOPMENTS

Mortgage markets, which have been in considerable flux since late 1965, apparently had begun to move toward a more settled position in recent months. Though availability rather than cost of funds has bulked as the major deterrent to further increases in over-all real-estate activity this year, since June there have been indications of some improvements in both.

Home-mortgage terms. In the primary market for home mortgages, contract interest rates on conventional first mortgages had reached a peak of 7.30 per cent for loans on new homes in July after a rise of 90 basis points from the recent low in April of 1967, according to the Federal Housing Administration. In recent months they have changed little on the average, reflecting mainly completion of upward structural adjustments permitted by the State regulatory ceiling changes which culminated in early July.

In the more sensitive secondary mortgage market, yields on 6¾ per cent FHA-insured new-home mortgages actually dropped 10

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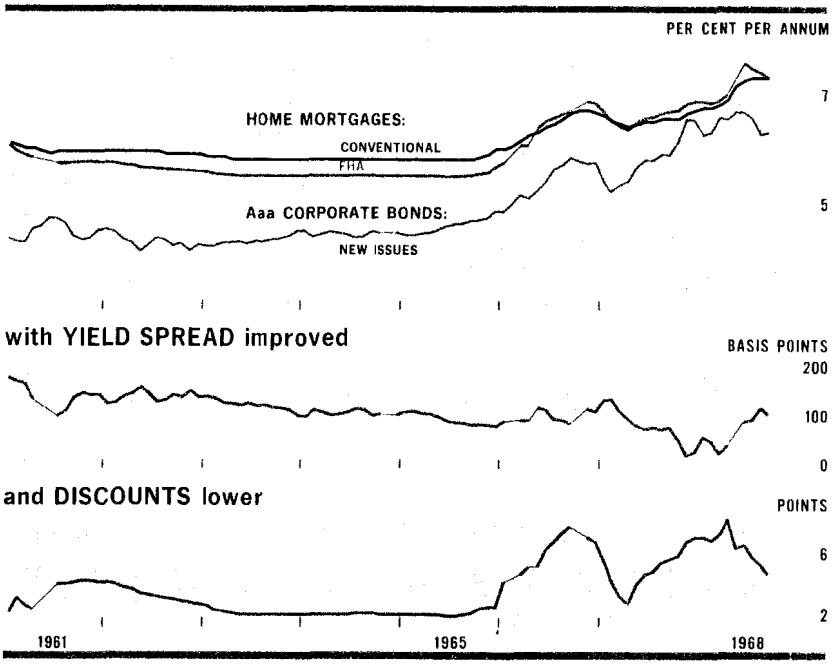
basis points in July from a high of 7.52 per cent in June. Since then, they have continued to decline. Moreover, with bond yields appreciably below earlier highs in August and September, the yield-differential in favor of such mortgages improved materially and was in the vicinity of 100 basis points for the first time since early 1967. In addition, discounts on FHA-insured mortgages in September, although still relatively restrictive at more than 4 points, were well below the record of nearly 8 points indicated last April.

An important factor in the lowered level of discounts—which are regularly required by lenders in order to obtain competitive yields on fixed-rate instruments—was the suspension by Congress, pending further review in 1969, of the 6 per cent statutory ceiling. For both FHA-insured and VA-guaranteed home mortgages the regulatory ceiling has remained at the level of 6¾ per cent established in early May.

In FNMA's new weekly auction market, yields for 6-month commitments—the most desired type—began declining in June

4 | MORTGAGE YIELDS lag turn in bond yields



Mortgage data based on FHA field office opinions for market areas of insuring office cities. For "conventional," average interest rates are for first mortgages on new houses. For "FHA-insured," weighted averages of private secondary market prices of certain new-house mortgages (which are shown as a discount from par in bottom panel) converted to annual yield. Thin line indicates period of adjustment to changes in contractual interest rate. For corporate bonds, weighted average of new publicly offered yields (Moody's Aaa and Aa and A adjusted to Aaa—thin line indicates period of no representative issues). Latest data, September.

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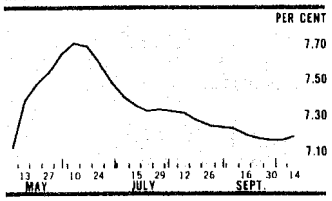
IMPLICIT YIELD -- FNMA



Average secondary market yield implicitly offered by successful bidders on 6-month commitments after allowance for commitment fee and required purchase and holding of FNMA stock, and assuming prepayment period of 15 years for certain 30-year Government-underwritten home mortgages. Yields shown are gross before deduction of fee of 50 basis points regularly paid by FNMA for mortgage-servicing. Latest data, week ending October 14.

almost as soon as the surtax and related legislation was passed, and they did not begin to level off until early October. The extended decline, which was accompanied by an easing in demand and by some reduction by FNMA in the volume of accepted bids, amounted to more than 50 basis points by early October.

Even allowing for the inexperience of bidders with the new auction technique and the difficult market conditions under which bidders have operated, thus far yield levels and movements for each of the three types of commitments have tended to be surprisingly similar.

While mortgage lenders have insisted on unusually high yields this year, they generally have tended to hold other mortgage terms relatively little changed and at comparatively liberal levels by most earlier standards. As a result, in September maturities on conventional first mortgages for new and used homes, respectively, averaged 25.5 and 22.6 years and loan-to-price ratios were 74.2 and 72.6 per cent, according to the FHLBB. These terms were generally somewhat more favorable to borrowers than the average for 1967 as a whole and for most other recent years. And with the uptrend in prices of properties involved in transactions still continuing, average loan amounts in recent months have been at or only slightly below earlier peaks. These developments, however, have been associated with a high degree of selectivity among borrowers and types of properties.

Mortgage debt formation. Net mortgage debt formation for all holders has continued to expand this year at a rate more than seven-tenths above the low reached in the fourth quarter of 1966 and not far from the advanced rate reached in the fourth quarter of 1967. At that time net mortgage generation for all types of properties, including farm, approached a seasonally adjusted annual rate of $28 billion, actually above the advanced average in 1965 and the two preceding years. The net increase for nonfarm residential mortgages was at a particularly high annual rate of $21 billion—including more than $16 billion for 1- to 4-family mortgages; and the increase for commercial mortgage debt exceeded an annual rate of $5 billion.

The recovery, which through 1967 was most marked for 1- to 4-family mortgage debt, has been associated with a return by savings and loan associations since the second quarter of that year to their position as the major lenders on single-family properties in particular and residential properties in general. The recovery has

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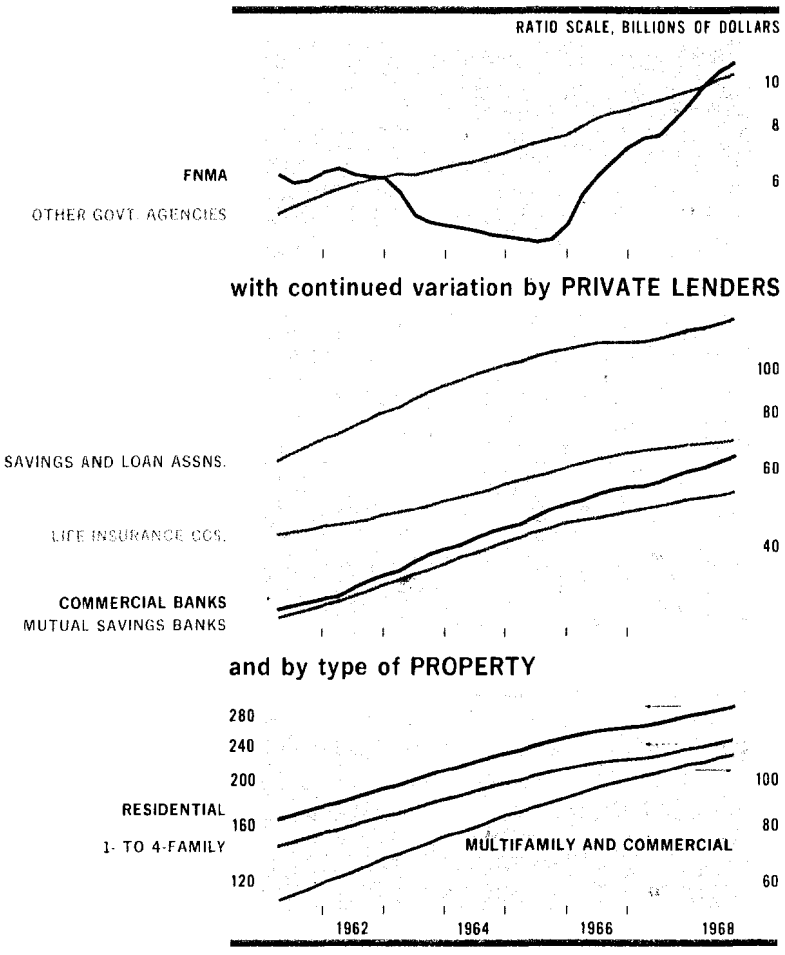
also been associated with a sharp further expansion of holdings by FNMA—in the market for Government-underwritten mortgages —as shown in the chart.

In the first half of this year, combined net purchases by FNMA on all portfolios—including special assistance and management and liquidation, which recently were placed under the separate auspices of the new Government National Mortgage Association—totaled $1.6 billion and were a fifth above the previous high in the first half of 1966. As a result, FNMA, which at midyear held less than 3 per cent of total mortgage debt outstanding, contributed well over a tenth of the net increase in the first half of 1968

5 MORTGAGE HOLDINGS are up sharply further for FNMA this year



Data estimated by Federal Reserve as required to supplement reports of Federal agencies and private sources. Farm debt is included in total holdings shown for financial institutions and for Federal agencies. "Residential" includes multifamily mortgages. Latest figures shown, third quarter 1968; those for the last three quarters in particular are preliminary.

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for all holders. In that period FNMA's net increase ranked second only to that of the savings and loan associations in the market for home mortgages.

Among lenders with the broadest investment options, commercial banks also have contributed appreciably to the net expansion in mortgage debt, particularly in the first half of this year. In a situation in which the yield-differential in favor of mortgages as against bonds has generally been quite narrow, net mortgage lending by mutual savings banks, on the other hand, has remained relatively limited and has been associated with a record expansion in net purchases of corporate bonds. Moreover, life insurance companies showed net disinvestment in mortgage debt on 1- to 4-family properties in the first half of this year—as in 1967—for the second time in the postwar period. And partly reflecting greater emphasis on direct real estate investment, such institutions also continued to limit growth in their holdings of mortgages on income—or multifamily and commercial—properties. This is a sector in which they normally lead.

In contrast with the early 1960's when mortgage funds were unusually ample in relation to demand, in recent years there has been less reliance on mortgage borrowing from the major lending institutions even for real estate purchases. This has been associated, in part, with increased resort to assumptions of existing mortgages by home buyers at rates considerably lower than those currently available on new mortgages. In addition, there has been an apparent increase in direct equity investment and in the use of junior mortgages and purchase-money mortgages taken by builders of new properties and by sellers of existing properties in this changed and —allowing for administrative and other lags—potentially still changing market.

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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 Board 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 members of their staffs.

Single copies of the full text of each of the studies or papers that are summarized below 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

A TECHNIQUE FOR FORECASTING DEFENSE EXPENDITURES

Harvey Galper and Edward Gramlich—Staff, Board of Governors

Prepared as a staff paper in July 1967 and published in The Review of Economics and Statistics, *vol. 50, no. 2, May 1968.*

This study attempts to develop a workable means of predicting quarterly defense spending as measured in the national income accounts. Two components of defense spending are treated—purchases of goods and compensation of employees. Military prime contract awards are used to estimate purchases of goods, and military personnel obligations to estimate employee compensation. Both of these leading series are publicly available and are published sufficiently in advance of actual expenditures to allow quarterly forecasting if the lags are reasonably long, as they have been found to be.

The equations are estimated by regression methods. For purchases of defense goods, the lag between awards and expenditures is fitted to a polynomial by the Almon method. The shape of this lag is allowed to vary in response to supply bottlenecks, demand urgency, and the mix between short- and long-lag military items. Supply bottlenecks are represented by the capacity utilization rate and demand urgency by the rate of growth of the Armed Forces. All of these influences are found to have an important effect on the award-expenditure lag. A much simpler equation explains employee com-

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pensation—compensation is a function of recent military personnel obligations with a time trend to pick up the growth in salaries of civilians employed by the Department of Defense.

The equations were tested with data on defense spending for 1966—a difficult year for such an exercise and one that was intentionally omitted from the regression sample. The predictions were quite successful; when actual quarterly data on personnel obligations and contract awards were used, the forecasts missed annual spending totals by only $0.5 billion, with similar small misses in each quarter. Forecasts that were not based on actual values—but which could have been made at the beginning of 1966 by using various assumptions concerning contract awards and personnel obligations—missed the annual total by slightly more; but even the least accurate forecasts missed the annual total by only $1.1 billion. The equations were quite accurate for two quarters ahead regardless of assumptions of future awards and obligations, and predictions only diverged from actual values three and four quarters ahead if assumptions for future awards and obligations were inaccurate.

The award-expenditure approach for defense purchases of goods also permits estimation of a time series of private inventory investment attributable to defense goods-in-process. The distributed lag coefficients are combined with assumptions about the rate of production between contract awards and final deliveries to determine in any period the private inventory change attributable to eventual defense purchases by the Federal Government. The series shows that in periods of rapid change of contract awards, such as after the Korean war and during the early buildup for the Vietnam war, inventory investment due to defense goods-in-process could approach plus or minus $5 billion.

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Staff Economic Study

HOW DOES MONETARY POLICY AFFECT THE ECONOMY?

Maurice Mann—Staff, Federal Reserve Bank of Cleveland

As noted in the introduction to this section, the Federal Reserve BULLETIN *from time to time publishes in full staff studies that are of general interest to economists and others.*

As in all staff economic studies, the author is responsible for the analyses and conclusions set forth, and the views expressed are not necessarily those of the Board of Governors, the Federal Reserve Banks, or members of their staffs.

My assignment is to review the influence of monetary policy on the American economy. I do so from the vantage point of one who regularly attends the meetings of the Federal Open Market Committee in Washington and who is therefore reasonably close to policy. From that vantage point, it is very clear that the Federal Reserve is keenly aware of the problems of understanding how monetary policy affects the economy, as well as the political, social, and economic problems associated with the formulation and implementation of policy.

This paper makes no attempt to contribute to the technical literature of theoretical monetary economics. Indeed, it would literally be "carrying coals to Newcastle" to discuss with this group, in this setting, the technical aspects of monetary theory. Nevertheless, let me say at the outset, I am impressed with the *irony* of the fact that monetary economists still talk so much about the gulf between monetary theory and practice, about incomplete knowledge regarding the monetary process, about the problems of implementing monetary policy, and about the inability to identify adequately policy indicators, targets, and goals. I emphasize irony because, measured by the amount of intellectual input, if not output, monetary economics at this time is in the forefront of the various disciplines of economics.

* * *

The current state of interest in monetary economics is near the fifth stage of a long cyclical swing, the peak stage of the National Bureau of Economic Research (NBER) reference cycle. A number of factors have influenced the surge of interest in monetary economics: dissatisfaction with the general performance of the economy—for example, the postwar inflation, the sluggish growth of the late 1950's and early 1960's, and so on; the emergence of new or

NOTE.—This article is based on a paper presented at the Conference of University Professors, sponsored by the American Bankers Association and held at Ditchley Park, England, September 10–13, 1968. It concentrates on domestic impacts of monetary policy and deliberately avoids the international aspects.

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newly compelling goals—balance of payments equilibrium; major structural changes in financial institutions—the postwar increase in the role of intermediation; recent refinements of economic theory; and the development of new tools for quantitative analysis. In the United States, widespread interest in monetary economics has been evidenced in particular by *The Report of the Commission on Money and Credit,* the congressional review on the occasion of the 50th anniversary of the Federal Reserve System in 1964, and the proliferation of doctoral dissertations and articles in professional journals. Further evidence is found in the many large-scale econometric models —including the Brookings–Social Science Research Council model, the Federal Reserve–MIT model, and those of Teigen, Goldfeld, and Goldfeld and Ando—that contain extensive financial sectors [33; 31; 87; 48; 5]. There are also a few unique models of the economy that consist entirely of a single financial equation [Friedman and Meiselman, 41]. The Cambridge equation is, of course, the prototype of all such models.

With only moderate vested interest, I submit that the current high status of monetary economics is fully justified, since most empirical studies now indicate that financial variables play an important role in the economy. Thus, while interest in monetary economics may recede from its current peak stage, I predict that it will never progress to stage nine, or the trough, of the NBER cycle. Not only does money matter—it always has—but there are many intriguing issues still unresolved—issues involving the pervasiveness of monetary influences and the channels through which monetary effects are transmitted. Subsidiary but important issues include the selection of appropriate variables in analyzing the influence of monetary policy on the economy, the definition of the best or most useful variables, and the delineation of the most relevant time dimensions. While much progress has been achieved in resolving these issues, our knowledge of the monetary process is far from complete. In fact, economic theory and research probably will never provide the final answers under conditions of continuing institutional and social change. As a result, monetary economists have no need to fear technological unemployment.

Despite a great deal of empirical work on the linkages between monetary policy and aggregate demand sectors, there is still little evidence that the relevant linkages—whatever they may be—can be reduced to simple mechanistic relationships. The linkages are influenced by structural changes that policymakers cannot control and that econometric models, by their very nature, cannot handle. Changes in expectations and propensities to spend, fiscal policy, and institutional and financial market constraints and rigidities—to name a few—are apt to have a significant effect on the results of monetary policy.

Even if we possessed complete knowledge in all these areas—in short, even if we had the last word from economic analysis—we would still be confronted with serious policy problems. Economic research has not yet provided policymakers with sufficient knowledge to evaluate the nature or extent of the trade-offs among major ultimate policy goals—for example, between unemployment and inflation. In addition, an entire constellation of political and social phenomena introduces complications beyond the scope or influence of monetary policy and policymakers.

Nonetheless, the dimensions of the problems can be reduced even if the problems themselves can never be completely solved.

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This is, in fact, the intent of recent research efforts to provide more informed evaluations of the role and influence of monetary policy. In this vein, I have been asked to comment briefly on recent Federal Reserve efforts. The compelling need to know more about the workings of the monetary process and the influence of monetary policy in a changing institutional environment easily explains the continuing interest of the Federal Reserve in monetary economics. This interest should not be misconstrued as a reawakening, since System research has always tried to augment knowledge of the monetary process. Instead, the reinvigoration—if it can be called that—represents a more formal attempt to organize and coordinate the System's research efforts in order to focus on crucial issues and questions. The formalization reflects in part the work of a small System research group, which in the summer of 1964 produced a document entitled "Linkages Between Monetary Policy and the General Economy: A Framework for Research."

Current research includes several System groups working on various aspects of the linkages, a group at the Board of Governors developing an econometric model of the economy, and a joint effort with the Social Science Research Council that involves System financing of academic economists investigating the impact of selected financial variables. I serve as chairman of one of the linkage working groups, which is primarily concerned with relationships between money market variables and other financial variables—for example, the relationships between and among such variables as bank reserves and deposits, currency in circulation, bank credit, interest rates, and so forth. The number of papers produced by the members of this group is an indication of the results of their efforts [Andersen, 2, 3; Hamburger, 55; Kaufman, 66, 67; as well as other papers, 96—103.] Such efforts are possible because of the environment of inquiry alive in the Federal Reserve System and the active encouragement of System officials.

Despite such efforts, in the System and elsewhere, there is still wide disagreement concerning the effects of monetary policy. I would like to consider three of the more conspicuous areas of disagreement: the transmission process, time lags, and sectoral impacts. I will conclude by touching upon some of the issues related to the use of empirical research by policymakers.

* * *

There seems now to be little quarrel that monetary policy works through the supply schedules and prices of financial assets, thereby influencing the real sector of the economy. While there are various interpretations of the transmission process, most are concerned with the effects of portfolio adjustments in response to disequilibria induced by monetary policy [Ando and Modigliani, 6; Davis, 26; DePrano and Mayer, 32; Friedman and Meiselman, 41; Friedman and Schwartz, 42, 43; Modigliani, 76; Tobin, 90, 91]. As spending units react to changes in relative prices of financial and real assets, the effects are transmitted to aggregate levels of income and spending. This broad description of the transmission process appears to be acceptable to proponents of both the quantity theory approach and the income expenditure approach. Money is important in both versions, although each assigns different properties to the major variables in the linkage sequence, for example, in terms of timing, importance, and response.

Unfortunately, recent empirical studies have not shed much light on the transmis-

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sion process. While descriptions of the process are reasonably complete, the empirical results are not sufficiently reliable and are still a matter of faith. Proponents of the income expenditure approach have provided many hypotheses about the transmission process. But the testing of alternative hypotheses has not been completed, and the implied responses of crucial financial and real variables to monetary policy actions have not been adequately explored. These same limitations apply with about equal force to the hypotheses advanced by proponents of the quantity theory approach, which also suffers from the absence of a detailed explanation of the transmission process that can be tested empirically. Thus, it is obvious that much research remains to be done on both the theory and empirical verification of the transmission process, including further examination of expectational effects and the range and extent of the interest sensitivity of the demand for money (see for example, Gramley and Chase [49]). However, even if theoretical questions concerning the transmission process could be resolved, this would not necessarily make life much easier for policymakers. The monetary policy recommendations of economists do not vary solely because of divergent views on the transmission process; they also vary because of differences in evaluating both the length and variability or instability of time lags and various sectoral effects.

A crucial question for policy concerns the time it takes policy actions to affect final spending decisions—the so-called outside lags. While the evidence on the length of lags is sketchy, there is little empirical evidence to support an a priori belief in short lags. Friedman estimates the outside lag of monetary policy to be quite long and highly variable [37, 42, 43]. He concludes that discretionary monetary policy is a destabilizing force and should be replaced by a rule to increase the money supply at a constant rate.

Critics contend, on the other hand, that Friedman's lag is a statistical artifact since he compares the *rate of change* of the money supply with the *level* of economic activity [Kareken and Solow, 4; Culbertson, 24, 25; Davis, 26]. Friedman himself grants that if the rate of change of the money supply is replaced by deviations in the level of the money supply from its long-run trend, the average lag between monetary peaks so measured and peaks in economic activity shrinks from 16 months to 5 months [37]. Nevertheless, long lags have been found for business spending on fixed capital [Almon, 1; Kareken and Solow, 4; de Leeuw, 27] and expenditures on consumer durable goods [Hamburger, 55]. Preliminary results of the FRB–MIT econometric model also suggest that the lags are quite long [de Leeuw and Gramlich, 31].

Consistent findings of long lags have led some to conclude that monetary policy is poorly suited for short-run stabilization. This view, however, does not give proper weight to several important considerations. For one thing, the consistency with which long lags have been found, even in areas where we would expect them to be short, arouses suspicion regarding estimating procedures. The estimates of long lags are based on a narrow range of variation in monetary policy. Evidence from the 1966–67 period suggests that sharp and substantial shifts in monetary policy can precipitate dramatic changes in the economy in a very short period of time. Thus, while the empirical evidence currently available may reduce confidence in the short-lag hypothesis, it fails to do much more than that.

With respect to the question of variability

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or instability of lags, perhaps more precise formulations of the transmission process may establish whether lags vary in an unstable fashion. More sophisticated estimating techniques, which now permit the estimation of a greater range of distributed lag patterns, can account for changes in lag patterns in response to varying economic conditions. Although the econometric properties of these estimators are not completely known, the initial success of various efforts is encouraging and suggests that the variability of some lags—for example, in investment spending—may be a stable function of a few variables [Tinsley, 89; Bischoff, 7, 8; Greenberg, 51].

The problem of time lags is also associated with the sectoral impact of monetary policy actions. Sectoral effects were recognized at the time of the revitalization of monetary policy in the 1950's but were treated more as an academic curiosity than as a significant policy consideration. The debate of the 1950's centered on the use of selective as opposed to general policy instruments. Recently, however, there has been heightened concern regarding the distribution of the burden of adjustment to changes in monetary policy among various sectors of the economy. Housing, State and local governments, and small business are the commonly cited examples of sectors that may bear an undue burden of adjustment to tight money. As a result, monetary policymakers are obliged to consider questions of sectoral incidence and equity, as well as stabilization. The need for more precise knowledge in this area is clearly imperative.

A number of recent studies have contributed insights into interrelationships among various sectors of the economy, but most of the information on sectoral effects is isolated and fragmentary. Little effort has been devoted to analyzing intersectoral burdens of adjustment. Some studies find business fixed investment to be affected appreciably by interest rates but only after a considerable lag [de Leeuw, 27; Jorgenson, 64; Liu, 71]. Interest rates have also been found to affect inventory investment [Goldfeld, 48; Kuznets, 68; Liu, 71] and residential construction [Liu, 71; Maisel, 72; Muth, 78].

For a long time, studies of consumer expenditures suggested that the consumer was insensitive to changes in interest rates, perhaps because the stock of liquid assets held by households was the only monetary variable typically included in the consumption function. Recently, however, by treating consumer expenditures on durable goods as investment, a number of economists have found that interest rates are one of the major determinants of the demand for automobiles and other durables, although the lags again appear to be quite long [de Leeuw, 30; Hamburger, 55; Shapiro, 85]. For example, Hamburger finds that it takes more than four quarters for changes in interest rates to have a significant effect on purchases of consumer durables [55].

With regard to the impact of monetary policy on State and local government financing, Morris found that sales of municipal securities are fairly sensitive to interest rates [77]. For example, the volume of new issues increased substantially in both the 1953–54 and 1957–58 recessions, when interest rates fell. Morris also found, however, that the effects of interest rates on various categories of State and local projects are not uniform; for example, securities issued to finance school construction were found to be generally insensitive. These findings are more or less confirmed by a recent Federal Reserve survey of the effects of monetary restraint in 1966 on the largest State and local governmental units [73]. The survey results indicate that high interest rates in 1966 re-

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sulted in a 20 per cent reduction of planned long-term borrowing by those units, as well as in the temporary postponement of a considerable amount of bond offerings. Again, however, high interest rates had little effect on borrowing for educational purposes. The System study also indicates that monetary restraint in 1966 had little effect on capital outlays of State and local governments within the survey period.

Monetary restraint in 1966 clearly suggested the potential importance of sectoral effects. Although severe sectoral effects might be desirable from the standpoint of the objectives of general stabilization policy, the costs may be unacceptable from the standpoint of sectoral goals. In addition, adverse sectoral impacts may contribute to over-all economic imbalances that policy may be trying to minimize. While policy may not be able to avoid selective effects, policymakers must be aware that such effects may become too severe.

The extent to which uneven sectoral impacts are due to a sector's sensitivity to monetary policy actions or to different lag profiles is not clear. Furthermore, while some sectoral effects may reflect normal economic responsiveness, others may be due to institutional rigidities and constraints. In either case, policymakers must be circumspect in their actions—at least until administrative or legislative changes reduce or eliminate some of the more important rigidities and constraints. By and large, however, since administrative and legislative changes usually occur slowly, they cannot be considered a flexible policy tool.

In contrast, monetary policy over the past several years has been flexible and innovative. All of the general policy tools have been used extensively and in an interrelated manner, and the Federal Reserve has learned that Regulation Q is a much more powerful instrument than had been thought to be the case. Nevertheless, policymakers are aware of the differential effects of various policy tools or combinations of policy tools. The development of econometric models for policy purposes should contribute to this knowledge. In fact, econometric models could make a substantial contribution to policy formulation, particularly if some of the problems associated with empirical research are resolved.

* * *

In this regard, rather than helping to solve the problems of policymakers and monetary policy, the proliferation of models seeking to explain relationships between monetary policy variables and economic policy goals has merely increased the number and complexity of decisions to be made. Putting it another way, before quantification can help policy formulation, policymakers need reliable criteria to choose among the competing models.

Evaluation and selection of a model cannot stop with a consideration of the implicit and explicit assumptions on which it is built, the way in which the variables are related to one another, the method of estimation, and the stability of the parameters. The adjustment process implied by the model must also be evaluated by simulating plausible economic shocks to determine whether the results reasonably conform to the real world. Additionally, there is the problem of knowing when to abandon a model and take up a new one. For example, when and how can it be judged that the underlying assumptions of a model are violated by changing economic phenomena, and when and how can it be determined that an equation is no longer compatible with changing institutions? The failure to deal with such issues deprives most models of their useful-

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ness [Griliches, 52], since users cannot distinguish valid shifts in the underlying economic structure from errors of specification, poor theory, and so forth.

In view of the fact that policymakers are aware of economic and financial developments on a day-to-day, week-to-week, and month-to-month basis, a model using, say, quarterly data—even if well structured—would not be sufficient for policy use. If the "perfect" quarterly model were only to tell us what various economic indicators would be at the end of a calendar quarter, policymakers would not know the desired behavior of individual variables during the quarter that would guarantee the predicted end-of-quarter results. Thus, if monetary policy decisions were to depend completely on econometric models, and if "fine-tuning" were the order of the day, policymakers would probably need a set of "nested" perfect models: an annual model for the long run, a quarterly model for the intermediate term, a short-term model adjusted to the dating of central bank (FOMC) decisions, a weekly model to keep track of movements in financial variables between the dates of major policy decisions, and a daily model for guiding open market operations. Each model would have to be consistent within the broader models encompassing it—and all would have to yield reliable results.

I would make several suggestions to both economists and econometricians to encourage the use of models by policymakers. These suggestions are certainly of a subsidiary nature, but could simplify the task of policymakers and expand the use of the results of econometric studies. For one thing, it would help to have a modest amount of standardization in model building to facilitate easy comparison of models. In this regard, it would not seem too difficult to establish a standard notational system, as in the physical sciences. Similarly, wherever possible, it would help to have standardization of the time period over which various models are estimated. The use of different time periods clouds the question of how dependent a particular model is on the time period chosen for estimation [Christian, 23]. Most current models provide little justification—other than for data considerations or allowing for enough degrees of freedom—for the choice of time period. Another suggestion involves the matter of defining variables more precisely. One need not go beyond the many concepts of the money supply to point up the problems in this area, with respect to theoretical as well as empirical implications.

In summary, I do not mean to imply a downgrading of the potential usefulness of econometric models in formulating and implementing monetary policy. A carefully constructed model making use of a modern high-speed computer can explicitly account for a greater number of more complex relationships than an individual or group of individuals. We are, however, a long way from having all the answers. Indeed, some tend to argue that we are still a long way from asking all the questions—or even the right ones. As our knowledge improves, the questions that will be asked become all the more important.

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Business Financing by Business Finance Companies

In a period when banks and other lenders have been actively seeking new markets, those finance companies that focus mainly on business financing have been more successful in maintaining their relative market position than have the other two major types of finance companies—the sales finance and the personal finance. The sales finance companies lost much of their dominance in the auto financing field, although they have successfully built up other parts of their consumer financing business and have shown an increased interest in business financing. And personal finance companies have encountered difficulty in retaining their historical share of the personal loan market in the face of heightened competition from commercial banks and credit unions.

The term "business finance company" has come to be applied to a specialized company whose main function is to supply credit to small and medium-sized businesses. For a variety of reasons, other lenders have felt some restraints in penetrating this credit market. Some financial institutions, such as mutual savings banks and savings and loan associations, are subject to legal limitations in dealing with the financing needs of small businesses. Moreover, many small and medium-sized businesses have not been considered good credit risks by other lenders. In addition, many of the other financial institutions are reluctant to assume the highly technical and administratively expensive supervision that is required for much of the financing done by business finance companies. In recent years, however, some commercial banks have entered this market through acquisition of established business finance companies. In this way, the banks have gained experienced staffs as well as customers and have been able to set this kind of financing apart from their more usual banking operations.

THE NATURE OF BUSINESS FINANCING AMONG FINANCE COMPANIES [1]

Business financing done by finance companies can be divided into several types: financing of the purchase of commercial, industrial, and farm equipment; financing of commercial accounts receivable; factoring; financing of the purchase of commercial vehicles and dealers' inventories of passenger vehicles; financing of leased equipment and vehicles; rediscounting for other finance companies; and accommodation and other financing. The amounts of various business receivables held by all finance companies are shown in Table 1.

NOTE.—This article was prepared by Evelyn M. Hurley, economist in charge of the 1965 survey of finance companies, in consultation with Francis R. Pawley, consultant for the survey.

This is the second in a series of articles analyzing data obtained from the 1965 survey of finance companies. The first article entitled "Survey of Finance Companies, Mid-1965", appeared in the April 1967 Federal Reserve BULLETIN. For a description of the three major types of finance companies discussed in this series, see p. 541 of the article in the April 1967 BULLETIN. Company reports are on a consolidated basis.

[1] This article deals only with that part of business financing done through finance companies in general and business finance companies in particular. It thus excludes several important elements in the total business financing picture—commercial bank loans and loans from other financial institutions both public and private, open-market paper, security issues, internal funds, and the holdings of the listed types of receivables by other holders.

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TABLE 1. BUSINESS RECEIVABLES OF FINANCE COMPANIES, JUNE 30, 1965

Type of receivable	Amount, in millions of dollars	Percentage distribution
Wholesale loans	4,242	35.4
Automobiles	2,897	24.2
Other consumer goods	318	2.7
Other, incl. inventory loans	1,026	8.6
Retail loans	4,034	33.7
Commercial vehicles	1,614	13.5
Business, industrial, and farm equipment	2,419	20.2
Lease paper	843	7.0
Business equipment and motor vehicles	818	6.8
Other	25	0.2
Other business credit[1]	2,867	23.9
Commercial accounts receivable [2]	1,036	8.7
Factored accounts receivable [3]	608	5.1
Advances to factored clients	200	1.7
Rediscounted receivables [2]	305	2.5
Other [4]	717	6.0
Total business receivables	11,986	100.0

For notes see p. 827.

Equipment financing. Equipment financing covers the purchase of retail instalment sales contracts arising in business purchases of commercial, industrial, and farm equipment other than commercial vehicles; and also the financing of dealers' inventories of such equipment (so-called wholesale paper).

Companies engaged in providing equipment financing usually purchase the instalment contracts from the distributor or manufacturer who sells the equipment; however, they sometimes extend credit directly to users of the equipment.

In general, equipment financing involves heavy construction equipment, machine tools, laundry and dry-cleaning equipment, dairy equipment, banking equipment, dental and surgical equipment, printing equipment, woodworking machinery, textile machines, and vending machines. While such credit contracts seldom approach the life of the equipment, maturities on this type of financing are relatively long.

Because equipment financing contracts do have lengthy maturities and the transactions involve instalment sales of durable goods, this type of financing is more similar to consumer instalment sales financing than to other types of business financing. However, commercial, industrial, and farm machinery often is specially designed and, therefore, more difficult to evaluate for resale purposes than consumer goods. Such machinery is also more difficult and costly to repossess and resell. Therefore, the creditworthiness of the seller, against whom the finance company usually has recourse, and the on-site resale value of the equipment are important factors in determining the extent of equipment financing.

In the 1965 survey of finance companies, retail financing of equipment accounted for one-fifth of all business loans outstanding at finance companies as of June 30. The amount of wholesale equipment financing was not separately determined in that survey.

Accounts receivable financing. Nine per cent of all business loans outstanding in the 1965 survey were loans using commercial accounts receivable as security (Table 1).

Companies engaged in providing such financing take the commercial accounts receivable of firms as collateral for the loans they extend to these firms. The borrower assigns to the finance company the accounts receivable due to him from his customers. Loans are made by the finance company to the borrower simultaneously with each assignment of accounts. These accounts can be collected either by the borrower or by the finance company, depending upon the terms of agreement between the two. If the borrower collects from his customers, the payments are turned over directly to the finance company and applied to the reduction of the borrower's debt. Any excess is returned by the finance company to the borrower. The borrower is responsible at all times for the

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full amount of his own loan. If the assigned accounts are not sufficient to cover this, the borrower is liable for the difference.

If the finance company collects the accounts, it notifies the customers that their accounts have been assigned and requests them to make payments directly to the finance company. But when the borrower collects the accounts, no notice of assignment is given to the customers. This nonnotification method is usually more popular because the relationship between the borrower and his customer is not disturbed and the financing arrangements remain confidential.

Factoring. Another important method of handling the receivables generated in the course of business operations is through factoring. In this, the factor purchases—on a deferred payment basis—the open accounts of manufacturers, wholesalers, and jobbers.[2] The factor assumes the risk of all credit losses. The factor, rather than his client, is responsible for credit investigations, accounts receivable bookkeeping, and collections. In a typical factoring transaction, the client's customers are notified to make payment directly to the factor. The factor, in turn, agrees to pay the client on the date that the accounts are due.[3] The factor thus provides the client firm credit protection by guaranteeing full payment of his outstanding accounts receivable.

[2] An open account receivable is a liability for services or merchandise furnished that is not accompanied by any formal written acknowledgment of indebtedness on the part of the purchaser. An open account receivable is distinguished from a trade acceptance or promissory note by this lack of formal written acknowledgment.

[3] The purchase price is usually equal to the net amount of the accounts receivable purchased by the factor less the factoring charge. The factoring charge varies depending on the terms upon which the client sells to his customers and the volume of business he does. If the client's credit terms are short and his volume large, he is usually charged a lower rate.

Factoring differs from financing of commercial accounts receivable in two main respects. The factor purchases the accounts outright without recourse, whereas in the financing of accounts receivable, companies lend money to the borrower and take commercial accounts receivable as collateral. In accounts receivable financing the originating firm obtains its money immediately; in factoring the firm ordinarily receives its money only as the accounts mature. However, on occasion, factors make cash advances to their clients, usually to provide additional working capital to tide them over periods of seasonal slackness. These funds are called advances to factored clients in the accompanying tables.

Businesses resorting to factoring are usually small or medium-sized firms that need some sort of credit protection and are willing to pay an added charge for this service. Such firms also frequently need the additional working capital that factors occasionally advance to tide them over periods of seasonal slackness. Industries that traditionally use factoring include the textile, toy, shoe, furniture, and appliance trades.

Factored accounts do not involve net extensions of credit to the client (except to the extent of small differences in timing of the payment of the receivables and the payments to the client). The total amounts of debt outstanding generated are not large. Net balances on factored accounts plus loans or advances to factored clients made up 7 per cent of business loans held by all finance companies as of June 30, 1965 (Table 1).

Financing of commercial vehicles. The financing of the retail purchase of commercial motor vehicles by business users, which in 1965 accounted for about one-seventh of total business financing by finance companies, consists of the purchase of instal-

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ment sales contracts for such commercial vehicles as trucks, buses, and taxicabs as well as "on the road" roadbuilding and construction equipment.[4]

Wholesale vehicle financing, which covers the financing of dealers' inventories of both commercial vehicles and passenger cars, is the largest category of business financing done by the finance companies and accounts for almost one-quarter of all such financing.

Other financing. Lease financing arises in connection with the financing of the purchase or holding of equipment that is leased rather than sold to the business or consumer user of the equipment. The credit is extended to the lessor who may be the manufacturer, a dealer, or a company formed for the specific purpose of leasing equipment. A wide variety of types of goods are covered by such lease paper—passenger cars and commercial vehicles; business, industrial, and farm equipment; mobile homes, airplanes, and boats as well as such other consumer goods as television sets. Lease paper accounted for 7 per cent of all business loans outstanding at finance companies at the 1965 survey date.

The finance companies also do relatively small amounts of other kinds of business financing—seasonal lending secured by inventory as an accommodation to their customers (although generally they will insist that a client exhaust his borrowing capacity on commercial accounts receivable before using inventory as collateral); export credits on a secured basis (either against letters of credit or sight drafts and retaining control over the goods until the loan is repaid); import financing in the form of letters of credit established in favor of the foreign supplier; "package" loans—using as collateral combinations of such securities as chattels, real estate, accounts receivable, and inventories—for the purpose of financing the purchase of materials or taking advantage of special opportunities for expansion.

[4] "On the road" vehicles are those pieces of construction equipment that require licenses to be operated on a public road.

DISTRIBUTION OF BUSINESS FINANCING AMONG FINANCE COMPANIES

As shown in Tables 2 and 3, the three major types of finance companies all do some business financing, either through business finance company subsidiaries or directly through specialized divisions. In fact, sales finance companies held a larger amount of business loan paper on June 30, 1965, than did business finance companies. However, financing of business receivables amounted to more than 96 per cent of total receivables in the case of business finance companies, less than 33 per cent for the sales finance companies, and only 6 per cent for the personal finance companies (Table 2).

The three types of finance companies tend to emphasize different types of business financing. The sales finance companies had 40 per cent of their business receivables in wholesale automobile paper. The business finance companies, on the other hand, had only 3 per cent of their business receivables in this category but showed heaviest concentration in retail paper on equipment and commercial vehicles. The personal loan companies had still another pattern of business receivables, concentrating on commercial accounts receivable, rediscounted receivables, and "other" (Table 3).

MAJOR TYPES OF BUSINESS FINANCE COMPANIES

Business finance companies do not constitute a homogeneous group. They differ in size, in degree and direction of specialization, and in the structure of their portfolios. Except for a few large diversified firms,

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TABLE 2. RECEIVABLES OF FINANCE COMPANIES, JUNE 30, 1965

Type of receivable	Amount, in millions of dollars			Percentage distribution		
	Sales	Business	Personal	Sales	Business	Personal
Consumer receivables	13,918	140	8,297	66.8	2.9	93.6
Sales receivables	12,254	110	1,296	58.8	2.3	14.6
Retail passenger car paper	8,313	7	502	39.9	0.1	5.7
Other retail consumer goods paper	3,708	103	768	17.8	2.1	8.7
Mobile homes and "campers"	980	12	128	4.7	0.3	1.4
Airplanes, boats, etc.	44	12	5	0.2	0.3	0.1
All other	2,684	79	635	12.9	1.6	7.2
Home repair and modernization loans	233	*	26	1.1	*	0.3
Personal cash loans	1,664	30	7,001	8.0	0.6	79.0
Business receivables	6,818	4,624	544	32.7	96.4	6.1
Wholesale paper	3,200	954	88	15.4	19.9	1.0
Automobiles	2,712	142	43	13.0	3.0	0.5
Other consumer goods	258	41	19	1.2	0.9	0.2
Other, including inventory loans	230	770	26	1.1	16.0	0.3
Retail paper	2,221	1,778	35	10.7	37.1	0.4
Commercial vehicles	757	838	19	3.6	17.5	0.2
Business, industrial, and farm equipment	1,464	939	16	7.0	19.6	0.2
Lease paper	485	341	17	2.3	7.1	0.2
Business equipment and motor vehicles	477	330	11	2.3	6.9	0.1
Other	8	11	6	*	0.2	0.1
Other business credit[1]	912	1,551	404	4.4	32.3	4.6
Loans on commercial accounts receivable[2]	278	624	134	1.3	13.0	1.5
Factored accounts receivable[3]	276	324	8	1.3	6.8	0.1
Advances to factored clients	112	88	.....	0.5	1.8	.....
Rediscounted receivables[2]	41	158	106	0.2	3.3	1.2
Other[4]	205	357	155	1.0	7.4	1.7
Other receivables	129	36	29	0.6	0.8	0.3
Total receivables—Gross	20,865	4,799	8,870	100.0	100.0	100.0

For notes see p. 827.

TABLE 3. BUSINESS RECEIVABLES OF FINANCE COMPANIES, JUNE 30, 1965

Type of receivable	Amount, in millions of dollars			Percentage distribution					
				Within type-of-company grouping			Within type-of-receivables grouping†		
	Sales	Business	Personal	Sales	Business	Personal	Sales	Business	Personal
Wholesale loans	3,200	954	88	47	21	16	76	22	2
Automobiles	2,712	142	43	40	3	8	94	5	1
Other consumer goods	258	41	19	4	1	3	81	13	6
Other, incl. inventory loans	230	770	26	3	17	5	22	75	2
Retail loans	2,221	1,778	35	33	38	6	55	44	1
Commercial vehicles	757	838	19	11	18	3	47	52	1
Business, industrial, and farm equipment	1,464	939	16	22	20	3	61	39	1
Lease paper	485	341	17	7	7	3	58	40	2
Business equipment and motor vehicles	477	330	11	7	7	2	58	40	1
Other	8	11	6	*	*	1	32	44	24
Other business credit [1]	912	1,551	404	13	34	74	32	54	14
Commercial accounts receivable [2]	278	624	134	4	14	25	27	60	13
Factored accounts receivable [3]	276	324	8	4	7	1	46	53	1
Advances to factored clients	112	88	.....	2	2	.....	56	44	.....
Rediscounted receivables [2]	41	158	106	1	3	19	13	52	35
Other [4]	205	357	155	3	8	28	29	50	22
Total business receivables	6,818	4,624	544	100	100	100	57	39	4

For notes see p. 827.

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business finance companies tend to concentrate on one specific type of lending: for example, financing of equipment, accounts receivable, or factoring.

The majority of business finance companies tend to be small in terms of receivables outstanding. Of the 571 business finance companies reporting in the 1965

TABLE 4. BUSINESS RECEIVABLES OF BUSINESS FINANCE COMPANIES, JUNE 30, 1965

Type of receivable	Total	Size of company (business receivables, in thousands of dollars)								
		100,000 and over	25,000–99,999	5,000–24,999	2,500–4,999	1,000–2,499	500–999	250–499	100–249	Under 100
	In millions of dollars									
Total	4,624	2,897	842	603	81	81	40	57	16	6
Wholesale paper	954	765	94	75	11	5	.....	.....	3	1
Automobiles	142	140	.....	*	*	.....	.....	.....	1	1
Other consumer goods	41	1	2	23	10	4	.....	.....	1	.....
Other, including inventory loans	770	623	92	52	1	1	.....	.....	1	.....
Retail paper	1,778	1,279	221	211	24	18	3	16	4	2
Commercial vehicles	838	797	11	13	6	5	.....	5	1	.....
Business, industrial, and farm equipment	939	482	210	197	18	13	3	11	3	2
Lease paper	341	64	111	154	2	9	.....	.....	.....	1
Business equipment and motor vehicles	330	60	107	152	2	8	.....	.....	.....	1
Other	11	4	4	2	.....	1	.....	.....	.....	.....
Other business credit [1]	1,551	790	416	163	44	49	37	41	9	2
Loans on commercial accounts receivable [2]	624	352	126	42	32	28	26	15	3	*
Factored accounts receivable [3]	324	110	165	31	.....	9	.....	6	2	1
Advances to factored clients	88	33	48	7	*	*	.....	.....	.....	.....
Rediscounted receivables [2]	158	87	35	30	*	.....	5	.....	1	.....
Other [4]	357	208	42	53	12	12	6	20	3	1
Number of companies	571	12	18	40	25	55	63	139	86	133
	Percentage distribution, within type-of-receivables grouping									
Total	100.0	62.7	18.2	13.0	1.8	1.8	0.9	1.2	0.3	0.1
Wholesale paper	100.0	80.2	9.9	7.9	1.2	0.5	.....	.....	0.3	0.1
Automobiles	100.0	98.6	.....	*	*	.....	.....	.....	0.7	0.7
Other consumer goods	100.0	2.4	4.9	56.1	24.4	9.8	.....	.....	2.4	.....
Other, including inventory loans	100.0	80.9	11.9	6.8	0.1	0.1	.....	.....	0.1	.....
Retail paper	100.0	72.0	12.4	11.9	1.4	1.0	0.2	0.9	0.2	0.1
Commercial vehicles	100.0	95.1	1.3	1.6	0.7	0.6	.....	0.6	0.1	.....
Business, industrial, and farm equipment	100.0	51.3	22.4	21.0	1.9	1.4	0.3	1.2	0.3	0.2
Lease paper	100.0	18.8	32.6	45.2	0.6	2.6	.....	.....	.....	0.3
Business equipment and motor vehicles	100.0	18.2	32.4	46.1	0.6	2.4	.....	.....	.....	0.3
Other	100.0	36.4	36.4	18.2	.....	9.1	.....	.....	.....	.....
Other business credit [1]	100.0	50.9	26.8	10.5	2.8	3.2	2.4	2.6	0.6	0.1
Loans on commercial accounts receivable [2]	100.0	56.4	20.2	6.7	5.1	4.5	4.2	2.4	0.5	*
Factored accounts receivable [3]	100.0	34.0	50.9	9.6	.....	2.8	.....	1.9	0.6	0.3
Advances to factored clients	100.0	37.5	54.5	8.0	*	*	.....	.....	.....	.....
Rediscounted receivables [2]	100.0	55.1	22.2	19.0	*	.....	3.2	.....	0.6	.....
Other [4]	100.0	58.3	11.8	14.8	3.4	3.4	1.7	5.6	0.8	0.3
Number of companies	100.0	2.1	3.2	7.0	4.4	9.6	11.0	24.3	15.1	23.3
	Percentage distribution, within size-of-company grouping									
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Wholesale paper	20.6	26.4	11.2	12.4	13.6	6.2	.....	.....	18.8	16.7
Automobiles	3.1	4.8	.....	*	*	.....	.....	.....	6.3	16.7
Other consumer goods	0.9	*	0.2	3.8	12.3	4.9	.....	.....	6.3	.....
Other, including inventory loans	16.7	21.5	10.9	8.6	1.2	1.2	.....	.....	6.3	.....
Retail paper	38.5	44.1	26.2	35.0	29.6	22.2	7.5	28.1	25.0	33.3
Commercial vehicles	18.1	27.5	1.3	2.2	7.4	6.2	.....	8.8	6.3	.....
Business, industrial, and farm equipment	20.3	16.6	24.9	32.7	22.2	16.0	7.5	19.3	18.8	33.3
Lease paper	7.4	2.2	13.2	25.5	2.5	11.1	.....	.....	.....	16.7
Business equipment and motor vehicles	7.1	2.1	12.7	25.2	2.5	9.9	.....	.....	.....	16.7
Other	0.2	0.1	0.5	0.3	.....	1.2	.....	.....	.....	.....
Other business credit [1]	33.5	27.3	49.4	27.0	54.3	60.5	92.5	71.9	56.3	33.3
Loans on commercial accounts receivable [2]	13.5	12.2	15.0	7.0	39.5	34.6	65.0	26.3	18.8	*
Factored accounts receivable [3]	7.0	3.8	19.6	5.1	.....	11.1	.....	10.5	12.5	16.7
Advances to factored clients	1.9	1.1	5.7	1.2	*	*	.....	.....	.....	.....
Rediscounted receivables [2]	3.4	3.0	4.2	5.0	*	.....	12.5	.....	6.3	.....
Other [4]	7.7	7.2	5.0	8.8	14.8	14.8	15.0	35.1	18.8	16.7

For notes see page 827.

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survey of finance companies, only 70 reported business receivables of over $5 million; more than 60 per cent of the companies had less than $500,000 in business receivables (Table 4).

The bulk of the business receivables—over three-fifths—were, however, held by the 12 companies over $100 million in size. Almost 95 per cent of the receivables were held by the 12 per cent of companies that were over $5 million in size.

Holdings of the largest companies are quite diversified. In distribution of types of receivables, portfolios are similar to those of business finance companies as a group, but they are somewhat more heavily weighted in wholesale equipment paper and inventory loans and retail commercial vehicle paper (Table 4). The other size classes reflect varying degrees of specialization, and their portfolios differ markedly from the pattern for all business finance companies.

Equipment financing specialists. Those companies specializing in equipment financing held 76 per cent of all the retail paper on commercial, industrial, and farm equipment held by business finance companies. They also held 82 per cent of the wholesale equipment paper (other, including inventory) and 13 per cent of the lease paper. Wholesale and retail equipment paper accounted for 77 per cent of all the business loans held by these specialists, while lease paper on such equipment made up another 2 per cent of their receivables (Table 5).

Commercial finance companies. Commercial finance companies have the largest proportion of their receivables in loans on commercial accounts receivable. Despite this concentration, these companies tend to be relatively diversified. Although they accounted for 90 per cent of all the loans on commercial accounts receivable reported in the 1965 survey, they had more than 60 per cent of their business receivables in other types of assets. They not only are active in financing of commercial accounts receivable but also engage in factoring and purchasing of instalment sales contracts as an accommodation to their clients. In 1965, factoring and equipment financing each accounted for 13 per cent of the business receivables of commercial finance companies (Table 5). Package loans are also an important part (20 per cent) of their receivables.

Commercial finance companies also, as an accommodation to their customers, occasionally allow additional financing through loans secured by inventory—although insisting that a customer exhaust his borrowing capacity on accounts receivable before using inventories as collateral. Because these companies obtain most of their funds from short-term borrowing, they are usually reluctant to have any significant part of their portfolios in relatively less liquid inventory loans.

Factoring specialists. These specialists are business finance companies that hold the largest proportion of their receivables in factored accounts receivable and advances to factored clients. Such companies are the least diversified of the business finance companies; 85 per cent of their business receivables fell into these two categories in the 1965 survey. These companies also held small amounts of loans on accounts receivable and did some accommodation financing. Factoring specialists held only a little more than half of the factored accounts receivable of business finance companies reported in the survey. (See Table 5.) Commercial finance companies accounted for most of the remainder.

Other business finance companies. The remaining business finance companies tend to fall into three categories: (1) those specializing in wholesale and retail financing of commercial vehicles such as trucks, buses,

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and taxicabs; (2) those financing lease paper; and (3) those purchasing rediscounted receivables. These companies have been grouped under "companies specializing in other business financing" in the tables. Commercial vehicle specialists, in addition, finance small amounts of equipment as well as some lease paper. They hold

TABLE 5. BUSINESS RECEIVABLES OF BUSINESS FINANCE COMPANIES, JUNE 30, 1965

Type of receivable	All business finance companies	Companies specializing in: Business, industrial, and farm equipment financing	Commercial accounts receivable financing	Factoring	Other business financing
	In millions of dollars				
Total	4,624	1,743	1,431	259	1,192
Wholesale paper	954	731	63	...	161
Automobiles	143	68	9	...	66
Other consumer goods	41	30	8	...	3
Other, including inventory loans	770	633	45	...	91
Retail paper	1,778	884	201	...	694
Commercial vehicles	838	172	23	...	643
Business, industrial, and farm equipment	939	710	179	...	51
Lease paper	341	45	44	1	251
Business equipment and motor vehicles	330	42	39	1	248
Other	11	3	6	...	2
Other business credit [1]	1,551	84	1,124	258	85
Commercial accounts receivable [2]	624	26	559	29	8
Factored accounts receivable [3]	324	5	147	170	1
Advances to factored clients	88	1	37	50	*
Rediscounted receivables [2]	158	4	100	...	54
Other [4]	357	48	280	9	21
Number of companies	571	187	255	56	73
	Percentage distribution, within type-of-receivables grouping				
Total	100.0	37.7	30.9	5.6	25.8
Wholesale paper	100.0	76.6	6.6	....	16.9
Automobiles	100.0	47.6	6.3	....	46.2
Other consumer goods	100.0	73.2	19.5	....	7.3
Other, including inventory loans	100.0	82.2	5.8	....	11.8
Retail paper	100.0	49.7	11.3	....	39.0
Commercial vehicles	100.0	20.5	2.7	....	76.7
Business, industrial, and farm equipment	100.0	75.6	19.1	....	5.4
Lease paper	100.0	13.2	12.9	0.3	73.6
Business equipment and motor vehicles	100.0	12.7	11.8	0.3	75.2
Other	100.0	27.3	54.5	....	18.2
Other business credit [1]	100.0	5.4	72.5	16.6	5.5
Commercial accounts receivable [2]	100.0	4.2	89.6	4.6	1.3
Factored accounts receivable [3]	100.0	1.5	45.4	52.5	0.3
Advances to factored clients	100.0	1.1	42.0	56.8	*
Rediscounted receivables [2]	100.0	2.5	63.2	....	34.4
Other [4]	100.0	13.4	78.4	2.5	5.9
	Percentage distribution, within type-of-company grouping				
Total	100.0	100.0	100.0	100.0	100.0
Wholesale paper	20.6	41.9	4.4	.....	13.5
Automobiles	3.1	3.9	0.7	.....	5.5
Other consumer goods	0.9	1.7	0.6	.....	0.3
Other, including inventory loans	16.7	36.3	3.1	.....	7.6
Retail paper	38.4	50.7	14.0	.....	58.2
Commercial vehicles	18.1	9.9	1.6	.....	53.9
Business, industrial, and farm equipment	20.3	40.7	12.5	.....	4.3
Lease paper	7.4	2.6	3.1	0.4	21.1
Business equipment and motor vehicles	7.1	2.4	2.7	0.4	20.8
Other	0.2	0.2	0.4	.....	0.2
Other business credit [1]	33.5	4.8	78.5	99.6	7.1
Commercial accounts receivable [2]	13.5	1.5	39.0	11.2	0.7
Factored accounts receivable [3]	7.0	0.3	10.3	65.6	0.1
Advances to factored clients	1.9	0.1	2.6	19.3	*
Rediscounted receivables [2]	3.4	0.2	7.0	.....	4.5
Other [4]	7.7	2.8	19.6	3.5	1.8

For notes see p. 827.

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TABLE 6. BUSINESS RECEIVABLES OF OTHER BUSINESS FINANCE COMPANIES, JUNE 30, 1965

(In millions of dollars)

Type of receivable	Total other business finance companies	Companies specializing in financing of:		
		Commercial vehicles	Leases	Rediscounts
Total	1,192	863	262	67
Wholesale paper	161	151	10	..
Automobiles	66	66	*	..
Other consumer goods	3	2	1	..
Other, including inventory loans	91	82	9	..
Retail paper	694	681	7	6
Commercial vehicles	643	642	1	..
Business, industrial, and farm equipment	51	39	6	6
Lease paper	251	14	237	..
Business equipment and motor vehicles	248	14	234	..
Other	3	..	3	..
Other business credit [1]	85	18	7	60
Loans on commercial accounts receivable [2]	8	5	2	1
Factored accounts receivable [3]	1	*	1	..
Advances to factored clients	*	*	*	..
Rediscounted receivables [2]	54	2	1	51
Other [4]	21	10	3	8
Number of companies	73	26	31	16

For notes see p. 827.

trivial amounts of loans on commercial accounts receivable and appear to do some accommodation financing for their clients.

Lease financing companies are quite specialized. They do not hold significant amounts of any other type of paper, although they do hold some paper in virtually every category of business credit (Table 6). Companies specializing in rediscounts are few in number compared to the number of companies in other categories of business financing. The extent of their concentration in this area is indicated by the fact that rediscounted paper accounted for 76 per cent of all their business financing in 1965.

SOURCES OF FUNDS FOR BUSINESS FINANCE COMPANIES

Business finance companies acquire their funds mainly through borrowing, particularly at short-term (Tables 7 and 8). For finance companies in general, sources of financing vary with the terms and relative risk of the loans in the portfolio, variability in volume of loans, the size of company, and the availability and cost of the various kinds of financing. In the case of the business finance companies, the rather large amount of short-term borrowings reflects both the high proportion of short-term loans in their portfolios and the short-term fluctuations—such as seasonal—that occur in this type of lending.

Business finance companies tap two major sources of short-term funds—bank loans and commercial paper. As of June 30, 1965, nearly three-tenths of all business finance company funds were obtained from short-term bank loans and nearly two-tenths from commercial paper placed in the open market (an undetermined part of which is also held by banks). (See Tables 7 and 8.) The selection of bank loans as opposed to other short-term instruments depends upon relative availability and cost. During periods of monetary restraint, when bank funds are less plentiful and more expensive, some large companies turn more to the commercial paper market.

Only large, well-known firms, however, can sell unsecured promissory notes (either directly or through dealers) on the open market. This size factor is probably the major explanation for the fact that business finance companies made relatively less use of commercial paper in 1965 than did sales finance companies, which have a higher concentration of large companies.

Personal finance companies, and sales finance companies to a smaller extent, showed higher long-term debt ratios than did business finance companies in the 1965 survey (Table 9). This appears to have been related in part to the differing lengths of ma-

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TABLE 7. ASSETS AND LIABILITIES OF BUSINESS FINANCE COMPANIES, JUNE 30, 1965

(In millions of dollars)

Balance sheet item	All business finance companies	Companies specializing in: Business, industrial, and farm equipment financing	Commercial accounts receivable financing	Factoring	Other business financing
Assets					
Consumer receivables	140	89	48	*	2
Sales receivables	110	88	20	...	2
Retail passenger car paper	7	1	5	...	*
Other retail consumer goods paper	103	87	15	...	1
Mobile homes and "campers"	12	2	9	...	*
Airplanes, boats, etc.	12	12	*	...	.....
All other	79	73	4	...	1
Home repair and modernization loans	*	.....	*	...	.....
Personal cash loans	30	1	30	*	*
Business receivables	4,624	1,743	1,431	259	1,192
Wholesale paper	954	731	63	...	161
Automobiles	142	68	9	...	66
Other consumer goods	41	30	8	...	3
Other, including inventory loans	770	633	45	...	91
Retail paper	1,778	884	201	...	694
Commercial vehicles	838	172	23	...	643
Business, industrial and farm equipment	939	710	179	...	51
Lease paper	341	45	44	1	251
Business equipment and motor vehicles	330	42	39	1	248
Other	11	3	6	...	2
Other business credit [1]	1,551	84	1,124	258	85
Loans on commercial accounts receivable [2]	624	26	559	29	8
Factored accounts receivable [3]	324	5	147	170	1
Advances to factored clients	88	1	37	50	*
Rediscounted receivables [2]	158	4	100	...	54
Other [4]	357	48	280	9	21
Other receivables	36	7	6	1	22
Total receivables—Gross	4,799	1,835	1,487	261	1,215
Less: Reserves for unearned income	248	96	50	2	102
Less: Reserves for losses	77	31	24	6	17
Total receivables — Net	4,474	1,709	1,413	253	1,097
Cash	277	89	115	30	44
Other loans and investments	118	34	42	2	40
U.S. Government obligations	6	5	*	...	.....
Other marketable securities	21	7	4	*	9
Nonmarketable securities [5]	91	22	36	1	31
Other assets	71	23	18	4	26
Total assets	4,941	1,855	1,590	288	1,208
Liabilities and capital					
Loans and notes payable to banks	1,470	522	513	162	274
Short-term	1,401	478	506	162	253
Long-term	69	41	7	*	21
Commercial paper	903	402	249	22	231
Short-term	885	402	248	22	214
Directly placed	551	308	207	...	35
Dealer placed	334	93	41	22	178
Long-term	18	.....	1	...	17
Directly placed	1	.....	1	...	.....
Dealer placed	17	.....	.....	...	17
Other short-term notes	65	22	24	5	13
Deposit liabilities	16	.....	14	...	1
Hypothecated [6]	7	.....	7	...	.....
Other [7]	9	.....	7	...	1
Other current liabilities [8]	189	58	50	5	77
Other long-term indebtedness	1,435	532	477	42	385
Senior debt	893	324	282	11	277
Subordinated debt	542	208	195	31	108
All other liabilities	19	4	3	2	9
Capital and surplus	844	315	259	50	218
Total liabilities, capital and surplus	4,941	1,855	1,590	288	1,208
Memo:					
Short-term debt	2,351	903	781	189	480
Current liabilities	2,556	961	842	194	558
Long-term debt	1,522	574	484	43	423
Total debt	3,873	1,478	1,263	232	902
Commercial paper—Directly placed	552	308	208	...	35
Commercial paper—Dealer placed	351	93	41	22	195
Number of companies	571	187	255	56	73

For notes see p. 827.

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TABLE 8. PERCENTAGE DISTRIBUTION OF ASSETS AND LIABILITIES OF BUSINESS FINANCE COMPANIES, JUNE 30, 1965

Balance sheet item	All business finance companies	Companies specializing in: Business, industrial, and farm equipment financing	Commercial accounts receivable financing	Factoring	Other business financing
Assets					
Consumer receivables	2.8	4.8	3.1	*	0.2
Sales receivables	2.2	4.7	1.3	.....	0.2
Retail passenger car paper	0.1	0.1	0.3	.....	*
Other retail consumer goods paper	2.1	4.7	0.9	.....	0.1
Mobile homes and "campers"	0.2	0.1	0.6	.....	*
Airplanes, boats, etc.	0.2	0.6	*	.....	.....
All other	1.6	3.9	0.3	.....	0.1
Home repair and modernization loans	*	....	*	.....	.....
Personal cash loans	0.6	*	1.8	*	*
Business receivables	93.6	94.0	90.0	89.9	98.7
Wholesale paper	19.3	39.4	4.0	.....	13.3
Automobiles	2.9	3.7	0.6	.....	5.5
Other consumer goods	0.8	1.6	0.5	.....	0.2
Other, including inventory loans	15.6	34.1	2.8	.....	7.5
Retail paper	36.0	47.7	12.6	.....	57.5
Commercial vehicles	17.0	9.3	1.4	.....	53.2
Business, industrial, and farm equipment	19.0	38.3	11.3	.....	4.2
Lease paper	6.9	2.4	2.8	0.3	20.8
Business equipment and motor vehicles	6.7	2.3	2.5	0.3	20.5
Other	0.2	0.2	0.3	.....	0.2
Other business credit [1]	31.4	4.5	70.7	89.6	7.0
Loans on commercial accounts receivable [2]	12.6	1.4	35.2	10.1	0.7
Factored accounts receivable [3]	6.6	0.3	9.2	59.0	0.1
Advances to factored clients	1.8	*	2.3	17.4	*
Rediscounted receivables [2]	3.2	0.2	6.3	.....	4.5
Other [4]	7.2	2.6	17.6	3.1	1.7
Other receivables	0.7	0.4	0.4	0.3	1.8
Total receivables—Gross	97.1	98.9	93.5	90.3	100.6
Less: Reserves for unearned income	5.0	5.2	3.1	0.7	8.4
Less: Reserves for losses	1.6	1.7	1.5	2.1	1.4
Total receivables—Net	90.5	92.1	88.9	87.5	90.8
Cash	5.6	4.8	7.2	10.4	3.6
Other loans and investments	2.4	1.8	2.6	0.6	3.3
U.S. Government obligations	0.1	0.3	*	.....	.....
Other marketable securities	0.4	0.4	0.3	*	0.7
Nonmarketable securities [5]	1.8	1.2	2.3	0.4	2.6
Other assets	1.4	1.2	1.1	1.4	2.2
Total assets	100.0	100.0	100.0	100.0	100.0
Liabilities and capital					
Loans and notes payable to banks	29.8	28.1	32.3	56.3	22.7
Short-term	28.4	25.8	31.8	56.3	20.9
Long-term	1.4	2.2	0.4	*	1.7
Commercial paper	18.3	21.7	15.7	7.6	19.1
Short-term	17.9	21.7	15.6	7.6	17.7
Directly placed	11.2	16.6	13.0	.....	2.9
Dealer placed	6.8	5.0	2.6	7.6	14.7
Long-term	0.4	....	0.1	.....	1.4
Directly placed	*	....	0.1	.....	.....
Dealer placed	0.3	....	.....	.....	1.4
Other short-term notes	1.3	1.2	1.5	1.7	1.1
Deposit liabilities	0.3	....	0.9	.....	0.1
Hypothecated [6]	0.1	....	0.4	.....	.....
Other [7]	0.2	....	0.4	.....	0.1
Other current liabilities [8]	3.8	3.1	3.1	1.7	6.4
Other long-term indebtedness	29.0	28.7	30.0	14.6	31.9
Senior debt	18.1	17.5	17.7	3.8	22.9
Subordinated debt	11.0	11.2	12.3	10.8	8.9
All other liabilities	0.4	0.2	0.2	0.7	0.7
Capital and surplus	17.1	17.0	16.3	17.4	18.0
Total liabilities, capital and surplus	100.0	100.0	100.0	100.0	100.0
Memo:					
Short-term debt	47.6	48.7	49.1	65.6	39.7
Current liabilities	51.7	51.8	53.0	67.4	46.2
Long-term debt	30.8	30.9	30.4	15.0	35.0
Total debt	78.4	80.0	79.4	80.6	74.7
Commercial paper—Directly placed	11.2	16.6	13.1	.....	2.9
Commercial paper—Dealer placed	7.1	5.0	2.6	7.6	16.1

For notes see p. 827.

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turity of the loans financed by the several types of companies. Personal cash loans and most types of consumer instalment sales contracts are usually of longer maturity than the average loan held by business finance companies. Personal and sales finance companies, therefore, undertake a significant proportion of longer-term borrowing to match the longer-term structure of their assets. On the other hand, most business finance companies, because they finance short-term loans, obtain the largest portion of their debt from the short-term market.

TABLE 9. DISTRIBUTION OF LIABILITIES OF FINANCE COMPANIES, JUNE 30, 1965

(In per cent)

Item	Type of company		
	Sales finance	Personal finance	Business finance
Loans and notes payable to banks	10.8	19.5	29.8
Short-term	10.0	19.2	28.4
Long-term	.8	.3	1.4
Commercial paper	30.7	9.3	18.3
Short-term	30.7	9.2	17.9
Directly placed	29.2	2.9	11.2
Dealer placed	1.5	6.2	6.8
Long-term	..	.1	.4
Directly placed	..	.1	*
Dealer placed	..	..	.3
Other short-term notes	1.7	1.4	1.3
Deposit liabilities	1.1	4.9	.3
Hypothecated [6]	..	.3	.1
Other [7]	1.1	4.6	.2
Other current liabilities [8]	8.0	3.5	3.8
Other long-term indebtedness	34.8	40.4	29.0
Senior debt	25.6	29.8	18.1
Subordinated debt	9.2	10.6	11.0
All other liabilities	.5	1.0	.4
Capital and surplus	12.3	20.0	17.1
Total liabilities and capital	100.0	100.0	100.0

For notes see p. 827.

Given the nature of their loans and the smaller size of the companies involved, business finance companies usually maintain higher capital ratios than sales finance companies. At the same time, since business loans are almost always secured, business finance companies tend to show slightly lower capital ratios than do the personal finance companies, which specialize in unsecured personal loans. As of June 30, 1965, capital accounted for 17 per cent of the funds of business finance companies and 12 and 20 per cent, respectively, of the funds of sales and personal finance companies (Table 9).

Funds for equipment financing specialists. Equipment financing specialists concentrate on loans that have lengthy maturities and are secured by the equipment financed. Correspondingly, the long-term debt market is an important source of their funds—more than 30 per cent on June 30, 1965. Because these companies tended to be larger, they also obtained a higher proportion of their short-term funds from directly placed commercial paper than any of the other types of business finance companies. As a group, these companies were less dependent upon direct bank loans for financing than either the specialists in factoring or those in accounts receivable financing.

Funds for companies specializing in loans on commercial accounts receivable. The pattern of financing presented by the commercial finance companies in the 1965 survey of finance companies reflects the diversified nature of the business in which these companies are engaged. These companies engage in short- and intermediate-term financing and hold a large percentage of secured loans. Their liability pattern is very like that of the equipment financing specialists in terms of short- and long-term financing. However, compared to the latter companies, commercial finance concerns rely more for short-term financing on bank loans and less on the commercial paper market, even though this market is still an important source of borrowing for the larger companies.

Funds for factoring specialists. The factoring specialists have a completely different pattern of borrowing. Their short-term debt is a much higher proportion of their total

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borrowing than is true for the other business finance companies. Furthermore, they rely much more heavily on bank loans. Because they tend to be small, factoring specialists use the commercial paper market very little and only through dealers. Their proportion of equity financing, however, was approximately the same as for all business finance companies taken as a group (Table 8). The extremely high percentage of bank loans and the low percentage of long-term debt reflect the short maturities and seasonally fluctuating business involved in factoring.

COMPARISON BETWEEN 1960 AND 1965

Business finance companies showed a shift between the 1960 and 1965 surveys away from wholesale paper on automobiles and into the financing of retail paper on commercial, industrial, and farm equipment, commercial vehicles, and leases. The latter type of retail financing increased 65 per cent between 1960 and 1965 while wholesale auto paper decreased 19 per cent.

Except for a shift within short-term debt, these companies did not make significant changes in their sources of funds between 1960 and 1965. The 1965 survey showed, however, that business finance companies had availed themselves of funds in the commercial paper market to a much greater extent than in 1960. The number of companies in the $25 million-and-over category had increased, and some of the larger ones had become better established and, therefore, more attractive to investors in commercial paper. At the same time, because the amount of funds available in the commercial paper market had increased, this market became relatively more accessible. Even though they were still heavy users of bank loans, business finance companies increased their commercial paper debt from approximately one-seventh of their funds in 1960 to a little more than a fifth in 1965, and their bank debt decreased correspondingly.

NOTES TO TABLES

[1] Includes export-import credits.
[2] Net of balances withheld.
[3] Less liability to factored clients.
[4] Includes loans on open credit, dealer capital loans, small loans for business or farm purposes, and all other business loans not elsewhere classified.
[5] Includes investment in foreign subsidiaries and affiliates and in nonconsolidated domestic companies.
[6] Deposits not withdrawable during term of loan.
[7] Includes short-term certificates of thrift or investment.
[8] Includes dealer reserves and all tax accruals.

* Less than $500,000 or less than .5 of 1 per cent.
† Percentages are of amounts of each category held by finance companies.
NOTE.—Components may not add to total due to rounding.

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Statements to Congress

Statements before the Committee on Banking and Currency, House of Representatives, September 25, 1968, concerning State-chartered banks establishing "operations subsidiaries" and "loan production offices."

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

On August 14, 1968, the Board of Governors of the Federal Reserve System announced that it had concluded that Federal law does not prohibit a State-chartered bank that is a member of the System from establishing operations subsidiaries—that is, separate corporations wholly owned by the bank, performing functions that the bank is authorized to perform directly at domestic locations where the bank is allowed to do business. Previously, the Board had interpreted the statutes involved as generally preventing State member banks from purchasing the stock of corporations, including those created to perform functions the banks could perform themselves.

At the same time, the Board reversed another earlier position by announcing that a loan production office established by a member bank will not be considered a branch if it engages solely in certain preliminary and servicing functions in connection with loans that are approved and disbursed at the bank's main office or a branch.

OPERATIONS SUBSIDIARIES

In reaching its decision regarding operations subsidiaries, the Board reexamined its previous interpretations of two statutory provisions, paragraph 20 of Section 9 of the Federal Reserve Act and Section 5136 of the Revised Statutes.

The 20th paragraph of Section 9 of the Federal Reserve Act provides that "State member banks shall be subject to the same limitations and conditions with respect to the purchasing, selling, underwriting, and holding of investment securities and stock as are applicable in the case of national banks under paragraph 'Seventh' of Section 5136 of the Revised Statutes. . . ."

Section 5136 of the Revised Statutes lists the corporate powers of national banks, including (in paragraph seven) the power to exercise "all such incidental powers as shall be necessary to carry on the business of banking." After this reference to "incidental powers," paragraph seven specifies other banking functions, such as receiving deposits and making loans. Provisions specifying some limitations on investments by a national bank for its own account are then stated, followed by this sentence: "Except as hereinafter provided or otherwise permitted by law, nothing herein contained shall authorize the purchase by the association [meaning the national bank] for its own account of any shares of stock of any corporation."

The Board has the responsibility of interpreting, as to State member banks, the meaning of the sentence last quoted. Its interpretation, as announced last month, is that the incidental powers granted to national banks by paragraph seven include the power to choose among alternative forms

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of organization of their operations, and to select the form they think is most efficient. One method of organization is through a department of the bank; an alternative is a subsidiary wholly owned by the bank. The decision as to which of the two is more efficient is one that bank management is best qualified to make, and one that our free enterprise system normally leaves to management in the absence of some overriding public interest. It should be emphasized that the question is purely one of organizational structure, since the subsidiary is strictly limited to functions the bank is already authorized to perform.

Obviously, opinions may differ as to how to interpret such a broad phrase as "such incidental powers as shall be necessary to carry on the business of banking." Some light on its meaning may be shed, however, from an examination of legislative history and judicial interpretations.

In 1927 the Congress amended paragraph seven to include a proviso limiting investment by a national bank in a particular kind of operations subsidiary—a corporation organized to conduct a safe deposit business—to 15 per cent of its capital and surplus. The report of the House Committee on Banking and Currency accompanying that legislation commented that this proviso "recognizes and affirms the existence of a type of business which national banks are now conducting under their incidental charter powers," adding that "this is a business which is regularly carried on by national banks and the effect of this provision is . . . primarily regulative" [H. Rept. No. 83, 69th Cong., 1st sess., pages 3, 4]. In other words, in 1927 the Congress recognized the authority of national banks under the incidental powers clause to establish an operations subsidiary. The question remains whether the sentence regarding purchase of stock for a bank's own account, which was added in 1933, was intended to repeal this authority.

To repeat, that sentence reads as follows: "Except as hereinafter provided or otherwise permitted by law, nothing herein contained shall authorize the purchase by the association for its own account of any shares of the stock of any corporation." One way to construe this sentence would be to read it as saying: "A national bank shall not acquire the stock of any corporation unless the acquisition is for the account of a customer, or unless the acquisition is authorized expressly, and not by implication, by a Federal statute." Another way would be to read it as: "Nothing in the preceding sentences regarding purchases of investment securities by national banks shall be construed to include purchases of stocks."

The first interpretation would mean reading the sentence as overriding the authority to exercise incidental powers, insofar as such incidental powers include the power to acquire stock. But such a construction would be disruptive, and could hardly have been intended by Congress. For the courts have long recognized that a national bank may, "as incidental to the power to loan money on personal security . . . accept stock of another corporation as collateral, and by the enforcement of its rights as pledge it may become the owner of the collateral . . ." [*California Bank* v. *Kennedy*, 167 U.S. 362, 366 (1897)]. If the sentence relating to purchases of stock were intended to override the incidental powers clause, it would negate not only the power to establish an operations subsidiary but also the power to purchase stock pledged as collateral where the acquisition is necessary to protect the bank against loss.

Doubtless other ways of reading this sen-

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tence will occur to you. I have no desire to try to convince you that there is only one correct way to read it, since the Board, itself, has had a great deal of difficulty in grappling with it. But it does seem clear that reasonable men may, and have, come to differing conclusions as to what the language means.

We should try, therefore, to discover from the legislative history of the Banking Act of 1933 what interpretation would best carry out the purpose of Congress in enacting it. The Senate committee report (S. Rept. No. 77, 73d Cong., 1st sess.) informs us (page 2) that the committee had decided "to defer the preparation of a completely comprehensive measure for the reconstruction of our banking system," in order to concentrate instead on legislation needed "to correct manifest immediate abuses." High on the list of abuses cited as needing correction was the involvement of commercial banks in speculation in corporate stocks. Thus, the committee report included at page 8 the following comments:

> The outstanding development in the commercial banking system during the prepanic period was the appearance of excessive security loans, and of over-investment in securities of all kinds.
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> * * *
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> [A] very fruitful cause of bank failures, especially within the past three years, has been the fact that the funds of various institutions have been so extensively "tied up" in long-term investments. The growth of the investment portfolio of the bank itself has been greatly emphasized in importance by the organization of allied or affiliated companies under State laws, through which even more extensive advances and investments in the security market could be made.

To correct these conditions, the 1933 Act included provisions for "more careful restriction of investments," in the words of the committee report, including amendments to paragraph seven permitting national banks to "purchase and sell investment securities for their customers to the same extent as heretofore, but hereafter they are to be authorized to purchase and sell such securities for their own account only under such limitations and restriction as the Comptroller of the Currency may prescribe, subject to certain definite maximum limits as to amount."

Unfortunately, neither the House nor the Senate committee reports refer specifically to the sentence regarding purchase of stock for the bank's own account with which we are now concerned. But I find it difficult to conclude that a Congress concerned with correction of "manifest immediate abuses" intended to repeal national banks' authority to establish operations subsidiaries, let alone to repeal their authority to acquire stock pledged as collateral where necessary to collect a loan. Rather, the Congress seems to have been concerned with bank investments and certain kinds of subsidiaries and other affiliates, particularly those "which devote themselves in many cases to perilous underwriting operations, stock speculation, and maintaining a market for the banks' own stock often largely with the resources of the parent bank," to quote the Senate committee report (page 10).

Moreover, the Congress obviously intended, when it subjected State member banks to the restrictions contained in paragraph seven, to achieve uniformity of regulation, not to subject State member banks to stricter regulation than national banks. And as you know, the Comptroller of the Currency interprets paragraph seven as not preventing national banks from establishing operations subsidiaries.

The Board accepts the responsibility for interpreting the statutes that we enforce as to State member banks. After the careful

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review outlined above, the Board concluded that State member banks are not prohibited from establishing operations subsidiaries to perform functions that the banks are authorized to perform directly. Taking into account the Comptroller's views, this interpretation also achieves the congressional purpose of establishing uniform rules rather than conflicting ones.

LOAN PRODUCTION OFFICES

The other interpretation announced on August 14 relates to "loan production offices," that is, domestic offices where the following functions are performed: soliciting loans on behalf of a bank, assembling credit information, making property inspections and appraisals, securing title information, preparing loan applications, soliciting investors to purchase loans from the bank, seeking investor contracts with the bank for servicing such loans, and other similar agent-type activities.

The Board's position is that a domestic loan production office of that type is not a branch of a bank within the meaning of Federal law. A State member bank, consequently, need not obtain Board approval to set up such an office. Such offices will, however, be subject to supervision and examination through the regular bank examination procedures of the Board. Activities of a loan production office will be taken into account at the time of each bank examination.

The interpretation involves Section 5155 (f) of the Revised Statutes (12 U.S.C. 36), which provides that the term branch "shall be held to include any branch bank, branch office, branch agency, additional office, or any branch place of business . . . at which deposits are received, or checks paid, or money lent." This section applies to State member banks through paragraph 3 of Section 9 of the Federal Reserve Act. Under the statute, an office at which any of the three enumerated functions is performed must be regarded as a branch. None of these three functions would be performed at a loan production office covered by the Board's interpretation.

The Board's August 14 interpretation reverses a position taken in 1967 and so far as Federal law is concerned places State member banks on essentially the same footing with national banks in regard to loan production offices. A loan production office of the type described in the ruling may be established and operated by a bank either directly, or indirectly through a wholly-owned subsidiary corporation.

Many large banks have for years sent traveling respresentatives to all parts of the nation to solicit loan business. The loan production office gives the traveling representative—who does not approve loans or disburse money but merely engages in preliminary and servicing functions—a place to hang his hat.

A traveling representative is unable to meet certain specialized needs, such as servicing mortgage loans. The loan production office would provide a fixed location where these loans may be serviced with greater convenience to the customers. But for the most part, the loan production office would perform much the same function as the traveling representative that banks have used for years.

The question of whether a State member bank may establish such an office will now depend solely on State law. If the law of the State where the bank is chartered, as interpreted by State authorities, prohibits the bank from conducting its operations in this fashion, that will end the matter. If advance approval of the supervisor must be obtained in each case under State law, that require-

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ment will continue to apply; if, on the other hand, the State law provides general authority for the bank to establish such offices without specific approval of the supervisor in each case, that law will apply, as to offices established in the home State. Of course, if the bank seeks to establish an office in another State, it will have to comply with the laws of its home State as well as those of the State where the office is to be located, including advance approval of the supervisor if the laws of that State so provide.

The Board is barred by law from authorizing a bank to establish a branch where State law prohibits branching. In a State that prohibited branches but did not classify a loan production office as a branch, the Board's 1967 interpretation, therefore, prohibited a State member bank from establishing such an office even though the State permitted it. It thus had the effect of overriding State law as to one class of State banks—those that are members of the Federal Reserve System—but not as to other State banks. And the Federal statute involved was interpreted at the same time by the Comptroller of the Currency as permitting national banks to establish such offices. On reconsideration, the Board concluded that this result is neither required by the language of the statute nor warranted by considerations of public policy underlying the statute.

Since the establishment of loan production offices by banks is a relatively new development, there is little evidence available to enable us to determine what, if any, effect it will have on competition. But it seems to me that the burden should be on those who are concerned about this form of competition to prove that further restrictions on its use are needed to protect the public, rather than simply to protect one competitor from another. And this may well be an area in which primary reliance should be placed on the State legislatures in determining whether further restrictions are needed to maintain the kind of banking structure best suited to conditions in each State.

The loan production office, instead of stifling competition, may well encourage it and thus improve the efficiency of the banking system in meeting credit needs. A bank that sets up a loan production office would know from the start that it is limited in its ability to attract banking customers as such since it is unable to offer a full range of services—namely to receive deposits, cash checks, and lend money on its own premises. Managers of such offices would consequently seek to increase efficiency to as high a level as possible to attract business. This, in turn, could be expected to stimulate competing lenders to improve their services or lower their costs, to the ultimate benefit of the consumer in the form of lower interest rates and better terms.

If the Congress should conclude that loan production offices should be prohibited or controlled more stringently than they now are under Federal and State law, whatever additional rules are established should, of course, apply across the board, rather than to State member banks alone.

The question of authority to establish loan production offices is, of course, only one facet of the much broader question of the extent to which banks should be authorized to expand their services.

I assume that there is wide agreement that banks should be allowed some latitude to meet their customers' constantly changing needs. The Board continues to believe, however, that this movement, growing more apparent each day, has its reasonable limits, unless appropriate financial services are to become merely the incidental rather than

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principal character of banking. I feel obliged, therefore, to point out to your committee that this could happen if banks are allowed to establish one-bank holding companies in order to move further and further into other fields. We believe that the recent trend toward the establishment of such companies by banks underscores the need for a reexamination of the Bank Holding Company Act. The Board is currently studying this important question that has so many ramifications, not only for banking but for the basic structure of our economy.

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

I am pleased to have this opportunity to tell your committee why I dissented from the Board's action reversing its interpretations on "operations subsidiaries" and "loan production offices."

OPERATIONS SUBSIDIARIES

As recently as 1966, the Board reexamined and confirmed a long-standing position that the so-called "stock-purchase prohibition" of Section 5136 of the Revised Statutes, which is made applicable to member State banks by the 20th paragraph of Section 9 of the Federal Reserve Act, forbids the purchase by a member bank "for its own account of any shares of stock of any corporation," except as specifically permitted by provisions of Federal law or as comprised within the concept of "such incidental powers as shall be necessary to carry on the business of banking," referred to in the first sentence of paragraph "Seventh" of R.S. 5136. Until August 14, 1968, the Board considered that the only purchases of stock comprised within such concept were those that became necessary in order for the bank to realize on a debt previously contracted.

I continue to believe that the incidental powers clause cannot properly be interpreted as authorizing member banks to purchase stock in any other circumstances unless specifically permitted to do so by the Federal banking statutes.

I agree with the Board that establishment by a bank of a wholly-owned subsidiary corporation to engage in activities that the bank itself may perform can be a convenient alternative organizational arrangement. However, I disagree with the Board's current view that the incidental powers clause permits a bank to organize its operations under such an arrangement. Even if I agreed with the Board's current view of the incidental powers clause, I believe that the question of whether banks should be permitted to establish operations subsidiaries should have been resolved through legislation rather than by changing our interpretation of the law.

I am convinced, from a review of court decisions relating to the incidental powers of national banks, that such powers are limited to those that are *necessary* or *required* to enable such banks to perform their *authorized* functions, and that, in deciding whether this is the case, the general intent of the statutes under which the banks operate, as well as long continued administrative practice, may properly be considered.

In this connection, I am impressed by the reasoning of the Supreme Court in *First National Bank* v. *Missouri*, 263 U.S. 640. In holding in 1924 that national banks did not have incidental power to establish branches, the Court stated:

> The extent of the powers of national banks is to be measured by the terms of the federal statutes relating to such associations, and they can rightfully exercise only such as are expressly granted or such incidental powers as are *necessary* to carry on the

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business for which they are established [263 U.S. at 656; emphasis added].

An alternative organizational arrangement of the sort we are discussing, although it may promote convenience, is not *necessary* in order for a bank to carry on its banking business. As the Supreme Court noted in its ruling that national banks do not have incidental power to pledge their assets as security for private deposits, "A practice is not within the incidental powers of a corporation merely because it is convenient in the performance of an express power" [*Texas & Pacific Railway Co.* v. *Pottorff*, 291 U.S. 245, 255 (1934)].

Even if the incidental powers clause, standing alone, were construed as permitting a national bank separately to incorporate its departments, I believe that the stock-purchase provision, which was enacted subsequent to the incidental powers clause, was intended to prohibit the exercise of that procedure.

From time to time over the years since the stock-purchase prohibition was enacted in 1933, the contention has been advanced that such prohibition was intended by Congress only to prevent banks from investing in corporate stock for income and capital appreciation, in the way that banks invest in debt obligations of the Federal Government, municipalities, and private corporations. In my view, although the prevention of such investment in stocks undoubtedly was a major congressional purpose, the stock-purchase prohibtion was intended *generally* to prevent the purchase of the stock of corporations, including those created to perform functions that could be performed by the bank itself. Until recently, the prohibition was so interpreted and applied by the Board (and by the Comptroller of the Currency until a little less recently) since its enactment.

One of the principal banking problems of the 1920's that led to the enactment of the Banking Acts of 1933 and 1935 was the "affiliate system," including member banks' ownership of other corporations. Among the objectives of the Banking Act of 1933, as expressed by the Senate Banking Committee, was "to separate as far as possible national and member banks from affiliates of all kinds" (S. Rept. No. 77, 73d Cong., page 10). Together with a number of other provisions of the Banking Act of 1933, the stock-purchase prohibition of R.S. 5136 served the purpose of confining the bank-affiliate system by preventing banks from purchasing the stock of other corporations, except to the limited extent that Congress specified.

My experience in the supervison of banks has revealed that the likelihood of unsafe and unsound practices, violations of law, and other developments contrary to the public interest is significantly greater when banks operate through subsidiary corporations. There appears to be an inevitable tendency for some banks, in time, to regard their subsidiary corporations as separate enterprises and thereupon to conduct their operations in a way that is unsuitable for a part of a banking enterprise, to disregard pertinent restrictions and requirements, and, in particular, to venture through their subsidiaries into activities that are beyond the powers of the parent bank. It is reasonable to infer that Congress, having in mind the pre-depression affiliate system, concluded that the American banking system and the general welfare would be benefited by limiting the authority of member banks to conduct their operations through separately incorporated organizations.

I can readily understand how others might arrive at a different decision, but I find it

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difficult to believe that others would deny that there are sound legal principles supporting the Board's earlier position that the stock-purchase prohibition prevents the establishment or acquisition of operations subsidiaries except as specifically authorized or recognized by Federal law. In such circumstances, changing by administrative action the meaning of a provision of law should be avoided. Under our form of government, the appropriate body to change the law in those circumstances is the Congress.

LOAN PRODUCTION OFFICES

The Board's authorization of operations subsidiaries is made more significant by the companion ruling on so-called "loan production offices." Such ruling actually expands the substantive powers of member banks. Taken in conjunction with the authorization of operations subsidiaries, its potential effect is so broad that it raises fundamental questions regarding the structure of banking in this country.

Just what is a loan production office? Essentially it is an office that is open to the public and staffed by employees of the bank regularly engaged in contacting potential borrowers, soliciting applications for loans, negotiating terms, and processing loan applications. It does not formally approve loans, and it has no funds of its own to disburse to borrowers. Approval of loans and disbursement of funds take place only at the main office or a branch of the bank.

If such offices constitute branches, a member bank may establish them only with Federal supervisory approval and only to the extent permitted by the branch banking laws. If such offices are not branches, they may be established at any place in the United States without such supervisory approval. A State may prohibit banks chartered by it from establishing such offices, and it may attempt to prevent other banks from establishing such offices within its boundaries. However, insofar as Federal law is concerned, there would be no impediment to the establishment of such offices or legal control over such establishment.

In 1967 the Board published an interpretation on loan production offices in which it reiterated a position that it had taken in 1964 with respect to the operation by a Missouri bank—at that time a member State bank—of certain subsidiary offices in an adjacent State.

Section 5155(f) of the Revised Statutes, which is made applicable to member State banks by the third paragraph of Section 9 of the Federal Reserve Act, provides that the term branch "shall be held to include any branch bank, branch office, branch agency, additional office, or any branch place of business . . . at which deposits are received, or checks paid, or money lent."

Until August 14, 1968, the Board considered that loan production offices constitute places of business at which money is lent and therefore could be established or acquired by a member bank only at places where it might establish a branch and with the approval of the appropriate Federal bank supervisory agency—the Comptroller of the Currency in the case of national banks and the Board in the case of member State banks.

In reaching that conclusion, the Board expressed the view that the statutory enumeration of three specific functions—receipt of deposits, payment of checks, and lending of money—is not meant to be exclusive but to assure that offices at which any of these functions is performed are regarded as branches by the bank regulatory authorities. In other words, the specification of these three functions, as a U.S. Court of Appeals

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recently pointed out, "was not intended to be exhaustive" [*Dickinson* v. *First National Bank in Plant City,* 5th Cir., No. 25173, opinion of September 12, 1968, page 16]. Stated still another way, Congress' real purpose in enacting the branch statute was to prevent significant banking functions from being carried on except at governmentally authorized offices.

In view of a footnote in its August 14 ruling, the Board apparently still subscribes to that view. However, contrary to the implication in its 1967 ruling, last month's ruling implies that the operations of a loan production office do not constitute significant banking functions of the type Congress had in mind when it enacted the Federal branch banking law.

In my judgment, loan production offices constitute branches for the purpose of Federal law for two reasons: First, the operations of such offices constitute the lending of money at offices of the bank within the meaning of the specific language of the Federal branch statute; second, those operations constitute significant banking functions (even if not regarded as the lending of money) that Congress contemplated should be made available only at governmentally authorized offices.

In my view, the facts that final approval of loans arranged at production offices emanates from the home office or authorized branches and that credits to borrowers' accounts for the proceeds of loans are entered in the bank's books at such authorized offices should not be controlling. Otherwise, member banks can conduct their operations —receiving deposits as well as lending—at numerous locations anywhere in the country, without the approval of supervisory authorites, by the means of performing the final step in each transaction at an authorized office of the bank, thereby substantially nullifying the legislative purpose. Such final step could be performed at an authorized office almost instantaneously by telephone or other electronic device.

Lawmaking by administrative interpretation to fill gaps in statutory provisons is unavoidable. However, both as a lawyer and as a believer in the concept of separation of governmental powers, I am of the view that such lawmaking should be held within the limits of the language of the statute, its relationship to other provisions of law, and the purposes and intentions of the legislature in its enactment. Although Congress certainly intended that member State banks should not be treated more restrictively than national banks with respect to purchases of corporate stocks and establishment of branches, the law does not place upon the Board a duty to promote competitive equality. On the contrary, as the Court implied in the recent litigation on whether national banks may underwrite "revenue bonds," to do so would constitute a failure on the part of the Board to perform its duty to interpret and enforce those laws with respect to member State banks. [See *Baker, Watts & Co.* v. *Saxon,* 261 F. Supp. 247 (1966), affirmed 392 F. 2d 497 (1968)].

An administrator may not like the result to which he is led by the law any more than the person whose conduct is affected. Nevertheless, his remedy is the same as the private person's. He must direct his efforts toward getting the legislature—the Congress insofar as Federal law is concerned—to change the law. This point was made quite effectively by Judge Thornberry in concurring in the recent case relating to the power of national banks to engage in the insurance business when he stated that "From the economic standpoint, it may be unfortunate that

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this Court is interfering with the expansion of national banks into the area of credit-related insurance, but the banks should look to Congress, not the Comptroller" [*Saxon* v. *Georgia Associaton of Independent Insurance Agents, Inc.*, 5th Cir., No. 25050, opinion of August 12, 1968, page 29].

The appropriate yardstick for an administrator to use in making his evaluation is the sound and tested principles of statutory interpretation. Only where the application of legal principles clearly indicates that an agency has adopted the poorer view as to the meaning of statutory language should it change an outstanding legal interpretation. In my judgment, a fair application of those principles indicates that the Board's earlier rulings on both operations subsidiaries and loan production offices embodied the better view of the legal issues involved. Consequently, I had no choice but to express that judgment in the form of a dissent from the Board's action.

* * *

Governor Brimmer has asked me to state that he shares the views expressed in the foregoing statement.

Statement of Sherman J. Maisel, member, Board of Governors of the Federal Reserve System, before the Subcommittee on Financial Institutions of the Committee on Banking and Currency, U.S. Senate, October 4, 1968.

The urban crisis is as pressing a problem as any facing our nation. Financial institutions —whether existing or new—must play a major role in solving this problem. I welcome your committee's decision to hold hearings on this critical topic and the opportunity of appearing today.

Financial institutions are the major source of investment funds. Yet they have barely touched poverty areas. A major characteristic of such areas is the minimum amount of new investment—whether in housing, plant and equipment, or public facilities. This lack of investment is reflected in a low standard of living. Jobs are short. Decent housing is lacking. Other facilities are poor. Any success your committee can engender in making investments—whether in equities or debts in the inner cities—more possibly would be reflected immediately in reduced poverty and a higher standard of living.

PUBLIC POLICY TO AID PRIVATE INVESTMENT

Your committee has asked a critical question. How can public policy aid the private sector in mobilizing its funds, its innovative ability, and its cost efficiency calculus, in order to get the job done? Clearly, inner cities have not proved an attractive investment area for private funds. Market forces even with public aid have not developed the institutional structure necessary to do the job. Since our enterprise system is exceedingly efficient in finding profitable outlets for its resources, something must be missing. You seek those methods by which public policy can aid in developing an institutional framework—with all the necessary rewards and penalties—that will shift the flow of funds into these vital areas.

Before proceeding to a more detailed analysis, let me state briefly my own views as to what paths appear most hopeful. These views probably owe more to my 20 years' experience as an urban economist than to my past 3 years on the Federal Reserve Board although both experiences are pertinent.

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Public programs are necessary. There are logical reasons why private groups without government aid cannot solve the inner city problem.

Maximum use should be made of existing financial institutions. Greatest stress should be placed on activating the normal private economy to use its own techniques, methods, practices, and motivations.

Programs should not be limited to urban poverty areas. Rather they should be available, also, to those who want to leave such areas as well as in rural areas to keep migration down.

Specifically, the Government should develop a program of loan guarantees and subsidies. The programs should be at as wholesale a level as possible. The Government should avoid dealing at retail with individual loans. The programs should depend primarily on blanket guarantees such as those applicable to property improvement loans insured by the Federal Housing Administration under Title I of the National Housing Act and not on Government agency analysis of individual loans such as carried out by the FHA under Title II of that Act. Aid, counseling, excess costs, and interest rates should all be eligible for subsidization.

While working mainly through existing institutions, the Government should welcome and utilize the wide variety of new institutions and firms being established by States and by groups of corporations, individuals, and localities. Rather than depending primarily upon governmental or nonprofit institutions, the programs should utilize fully the profit motive. They should risk allowing seemingly high profits provided they are earned by high efficiency and productivity.

Consideration must also be given to the nonfinancial factors which lower the desirability of investment. The recently enacted special insurance programs and crime bills are examples of necessary improvements which must occur before private lending can expand rapidly.

WHY DON'T EXISTING FINANCIAL INSTITUTIONS MEET THE CREDIT NEEDS OF INNER CITIES?

It is hard to accept the idea that certain credit demands cannot pay the free market price. However, the entire history of credit-short areas both urban and rural as well as our continuing attempts to deal with them show that such situations do exist. Because of high lending costs and low incomes, the amount of private credit made available falls far short of the amount of lending believed necessary on social grounds. A gap exists between community needs and the demand which private ability to pay can make economically effective. Any successful program to make additional funds available must recognize and bridge this gap.

High risks and high costs. The costs of making loans in the inner city are far above normal, reflecting the abnormal risks and administrative charges involved. The factors which cause loans to have a high probability of loss are all highly concentrated in poverty areas. The lender must add charges to cover these costs to his usual rates if loans are to be made in substantial volume.

A considerable danger exists in these areas of a sharp fall in borrowers' incomes. These tend to be extremely volatile—"here today, gone tomorrow," and *vice versa*. Concern over the inner city recognizes the existence of marginal employment and low income. These in turn lead to a "last in, first out" job experience; sizable turnover; a lack of basic savings; and few more fortunate families or friends to borrow from. All these factors increase the risk of loan default.

A second major cause of loan defaults is sickness and family dissolutions. Again people who live in poverty areas are more prone to sickness and to the debilitating pathology of social and family disorganization. And, of course, they are less likely to possess the financial resources to deal adequately with these problems.

Financial inexperience is great. If credit is to flow into these areas, loans must be made to firms and individuals not used to borrowing in normal credit markets. Unfamiliarity with use of credit, lack of merchandising training, absence of records, and

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poor basic accounting ability raise costs *per se*. Firms are likely to be small and to trade in the lowest profit sections of the city. Such firms throughout the economy tend to be marginal with high turnover rates and large loss ratios. In the poverty areas, the usual poor experiences are multiplied.

The value of collateral based on property is less certain than in other areas. Again this is partly a vicious circle since property values fluctuate as a result of frequent financing difficulties.

In addition to high costs, there is a less-than-normal borrower's ability to pay even standard rates. This follows directly from the existence of poverty. Still worse, the high charges to cover risks and the existing poverty interact to create even greater probability of default. Asking a borrower in the poverty area to pay the costs of the additional risks reduces the likelihood that he can carry the burden successfully. This is a familiar cycle. Prices of goods and credit in the inner city are often extremely high. Yet profits, if anything, appear less than normal. The payment by families of a disproportionate share of their income to cover high costs increases their likelihood of default. This in turn raises costs still higher and lowers the sellers' or lenders' profits.

Institutional difficulties. Financial institutions have not been structured to deal with high-risk loans in the inner city. Part of the problem has been a lack of motivation. This can and is being changed. While there are reports of added funds flowing to these areas as a result of increased attention to this problem, it is extremely unlikely that such changes will serve to make adequate funds available. Why is this?

Private financial institutions are not usually prepared or able to accept high risks. They are primarily fiduciary institutions lending other people's money with a relatively low ratio of capital to risk assets. Their degree of risk exposure—whether by type of loan or area—is restricted by their capital. This has been a problem with some inner city banks. Experience has shown that aggressive neighborhood lending programs may lead to a high volume of submarginal loans. Loan policies large enough to have had only a minimal effect on their neighborhood problems have been sufficient to endanger such institutions' capital and at times depositors. Large city or statewide banks could frequently accept an equivalent amount of risk, but they are unlikely to do so because it is unprofitable at the interest rates which can be charged. In contrast, the single institutions in poverty areas—without special protection—may find that they cannot even afford to invest the funds they themselves have collected from the area. For the area, they become a drain rather than a transfusion source for needed additional resources.

A further problem is the fear of social opprobrium or the risk of being considered usurious if a lender tries to cover his actual costs. While some still picture the hard-hearted mortgage lender twirling his moustaches as he forecloses on poor Nell, in actuality—as most of us are aware—most financial institutions act in completely the opposite manner. They avoid the image by avoiding whenever possible making loans that may lead to foreclosure, garnishment, or even seemingly hard collection efforts.

Most private financial institutions have more than an adequate demand for their funds in lower risk spheres. Potential battles and blackening of reputations can be avoided by refusing to make loans which carry a risk of future conflict with individuals or neighborhood groups. This is par-

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ticularly true since the rate charged must cover the cost of money, of operations, and of risks. When stated as a rate of interest, such charges appear usurious and tend even without collection problems to be a source of conflict and loss of reputation.

Even if in times of easier credit institutions make such loans, this market is likely to have a low priority when money is harder to come by.

These factors are entirely aside from an institution's lack of expertise in lending in poverty areas. Institutions putting capital into the inner city must evaluate special risks, and they must spend more than a normal amount of time in counseling, advising, and explaining to borrowers both how to borrow and how to repay money. A different concept of estimating risks is required. The personnel factors and specialized handling leading to a successful loan may differ completely from those used in the organization's normal operations. In many cases efforts to develop these skills may not have been made simply through neglect. But many other institutions that have considered such efforts may have shied from them on economic grounds.

External economies. Another reason why private lending is limited in poverty areas is that no private firm can capture for its profit and loss statement the total economic and social gains which might arise from such loans. A problem of inadequate scale exists. Few private financial institutions can control a sufficiently large environment to profit from true externalities. An individual institution can profit only indirectly from potentially high social payoffs arising from enhanced individual and family welfare, lower municipal costs, higher land values, less crime and social disorganization.

Nor does any institution carry more than a minor burden of the community losses which arise if such loans are not made. The costs of poverty are borne by the economy as a whole and not by individual firms. Capital is fungible. It can flee from poverty areas.

A basic rationale for government intervention in markets exists when the net public costs of lending are less than the private costs and the net social benefits exceed the private ones. This seems to be the case in this sphere.

Philanthropy. While the American tradition of philanthropy is renowned, I don't think it can solve the urban problem. Institutions do have a major stake in our country's future. They will suffer if the urban problem remains unsolved. The more intimate their relationship to the urban core because of location or prior investment, the greater their exposure. Nevertheless, depending on philanthropy alone is not enough.

The efficiency of business comes from its analysis of profits. A program based upon requests to institutions to take losses on what should be a major loan portfolio conflicts with our enterprise system. While an institution may be willing to make some charitable loans because of a recognition of self-interest in the solution of social problems, these will be insufficient for the needs. It is probably better if charitable contributions flow through normal channels rather than through lending policies.

There are also major disadvantages in asking the enlightened portion of society to bear an undue part of our total burden. Those who recognize a social problem should not be asked to pay a higher than normal percentage of the cost of solving it. National or local needs should be met by all. This is a major reason for governments.

Marginal improvements. Some institu-

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tional changes are occurring and are useful. They may be necessary for new programs to work. They should by themselves lead to some additional market loans. While improvements should occur, I don't think the results will be large enough to obviate the need for other public measures.

Financial institutions are in the process of recognizing how ill-prepared they have been to market their loans and render services in the ghettos. They are attempting to modify their lending practices. Many are seeking new ways of finding potential borrowers and of aiding the unskilled to improve their cost analysis so that prospects for repayments are enhanced. Additional services to inexperienced borrowers are necessary and are being developed.

If investments of a certain percentage of assets—say 2 or 5 per cent—in particular types of equities or riskier loans were authorized for all types of lenders, such actions might be hastened. The question of adequate charges and profitability would still be paramount, however, so the total results that can be expected from the new programs are probably slight.

Other possible inhibiting forces in making loans are the usury laws and the inability of some lenders to accept equity positions. When the Small Loan Act was passed, it was a great reform. It raised legal interest rates for legitimate lenders to allow the poor to borrow through other than illegal and truly usurious channels. Perhaps some such changes may again be needed to make other types of loans from major financial institutions more feasible.

Tax changes are always possible. However, subsidization through taxes is considered by many to be inefficient compared to direct assistance. It also has the great disadvantage that it primarily is useful for firms with taxable profits. Possibly, however, a careful comparison of subsidies made through taxes rather than directly would show increased efficiency for programs intended to obtain a wide diffusion of decision-making. Such programs as a result might accept what initially would appear to be theoretically less efficient methods than that of direct payments.

In one specific area, present tax laws may actually penalize institutions attempting to make more risky loans. Bad debt reserves are based on total experience rather than that with specific types of loans. Since poverty-area loans are much riskier than the average, an inability to sort them out and put aside larger reserves in advance for tax purposes may give them less than fair tax treatment.

While more liberal chartering of institutions has been suggested, such proposals do not attack the basic economic difficulties of making loans that will pay off. Since institutions with a high level of risky loans tend to have difficulties staying viable under present capital requirements, lowering such capital requirements would probably be a step backward. More institutions would be useful only if new chartering was part of a larger program that underwrote the risks and subsidized part of the costs including those necessary for a much broader type of service to borrowers of the new institutions.

THE EXAMPLE OF THE HOUSING PROGRAMS

The difficulties of increasing investment in problem areas of the city and of making loans to those attempting to leave their poverty status are so huge that unless all our knowledge and skills are used, progress will fall far short of needs. What is needed is a partnership between business and government. This committee must seek methods

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which will properly structure the new relationships that are evolving. While statements praising and stressing such partnerships have become nearly platitudinous, the urgency of actually creating and perfecting adequate new techniques still remains. How can this committee find the best possibilities? What sort of structure can the Government develop which so alters the basic market situation and potential profits and losses as to enlist to the maximum the skills, the flexibility, and the ability of the private sector to get things done?

In attempting to develop any new program, the record of the FHA and the public housing programs must be carefully examined. Congress is not entering the field of urban investment *de novo*. It has witnessed a long record of success and failure. The area of this experience—housing—will continue to require the largest share of urban funds. In nearly each of the past 20 years, the Government's housing programs have undergone congressional debate and action. What institutional changes have resulted?

The continuing debate was sparked by the general dissatisfaction with these programs' achievements or rather lack of achievement in making investments possible in the inner city. The contrast between the FHA's suburban success and its near total flop in the center city has been a constant source of debate and dismay. As a result, the development of ideas of what is needed to make loans possible in the inner core has been nearly continuous. This year's Housing Act of 1968 (PL 90-448) breaks numerous new paths both in its approach to lending for housing and also in broader spheres such as through the enactment of Title XII—the National Insurance Development Program. What lessons can be drawn from this prior experience?

The FHA has been most successful in four separate areas. It was able to establish new underwriting techniques to reduce prior incorrect risk estimates. It helped to change laws to make out-of-State lending more feasible. It made possible very low downpayments for inexpensive houses and longer amortization periods. It succeeded in using the Government's credit to reduce potential risks from economic disasters. In many cases, the real risks turned out to be so small that they could easily be paid for by the borrowers. This is one reason why the FHA has been supplanted in many local markets. It primarily remains a program for out-of-State lenders which face numerous other underwriting problems engendered when investments are made at a distance and for the lower price and low downpayment units.

By allowing sufficient profits, new institutions emerged to help develop, build, and finance housing. Some people claim that the FHA program created more millionaires than any other program in our history. Most observers believe that this was not bad public policy. The program has left us with a heritage of large suburban builders and developers; new mortgage lenders; FNMA; and a host of other institutions which succeeded in solving and are now holding under control our middle-income suburban housing problem.

On the other hand, the FHA has had great difficulty in dealing with individual or out-of-the-ordinary cases. Loans based on new concepts, individual designs, central city land values, older buildings, all proved extremely difficult if not impossible to underwrite. This arises because the FHA must of necessity use a fairly unskilled, mass-production, processing system. It can only indirectly and by fixed formulas esti-

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mate risks. The lack of progress and delays in inner city underwriting reflect both true complexities and also the problems facing a government agency when it attempts to consider each application on an individual basis.

The difficulty of inner city lending also, of course, has been increased by the inability of so many of the potential renters or buyers to pay the market price for inner city land or building construction. Also, because of possible falls in income, sickness, or other family problems, risks were high that these families could not meet payments as they came due.

As you are only too well aware, the FHA has been under constant pressure for administrative changes with the hope that such changes would lead to progress. The inability to obtain results through such pressure indicates at least to me the existence of basic underlying problems rather than administrative willfulness or lapses. The fact that this year's bill establishes many true structural changes in an attempt to speed up progress would appear to be a congressional recognition of this fact.

The list of institutions altered in this bill is great. The bill authorizes a far wider program of subsidies to span the gap between income and market costs. It specifies FHA acceptance of additional risks with respect to properties, locations, and borrowers which the Congress previously considered unwise on a policy basis. It provides for direct aid in counseling poorer credit risks and seeks ways to insure the borrower against inability to meet payments. It allows for the development of new institutions for building, lending, owning, and renting. It authorizes the development of new property insurance procedures.

While it is still too early to say how successful these programs will be, I assume that they are based on a proper reading by Congress of the record of the type of changes needed to increase investment in the inner cities. Major difficulties of actually making the funds available, of implementation, of forging the new institutions, and particularly of blending private initiative and the profit motive with the Government's role still remain to be solved.

FUTURE LEGISLATION

If the prior analysis is correct, it seems clear that your committee will be faced with the need to consider new programs and new legislation, particularly in the nonhousing sphere. There will be institutional changes without your action. But they are unlikely to be either dramatic or sufficient. The problem is one of transferring possible loans which are now neither viable nor lendable into loans which both will work out successfully for the potential borrowers and at the same time make profits for the financial institutions who furnish the funds.

New institutions. A major question is whether new institutions are necessary or desirable and, if so, what form they should take. Proposals abound for new institutions at all levels—nationwide development banks; regional banks; local banks; and specialized lending and investing corporations. The forces which led to these suggestions should be carefully analyzed. Decisions are necessary as to their validity.

While many of the assumptions upon which they are based are implicit, they are usually rather obvious. A new organization —particularly if it has a glamorous aim— usually starts with drive and vigor. It focuses attention on a problem. It shows people are interested. On the other hand, it loses time, energy, and money in getting organized. It has to hire resources away from elsewhere.

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Skills are scarce. Why should successful ones leave existing organizations? It may go through many reorganizations. Typically, major accounting and record-keeping errors occur. There may be serious duplication with existing organizations and programs. Knowledge developed at great effort in existing organizations may have to be relearned.

Another major assumption is that new institutions can raise money more easily. The costs of a new agency may not be obvious for a considerable period. They may run on borrowed money with a promise of future payments. Annual appropriations may not be necessary. While they pay more for funds than the Government, Federal agencies borrow at lower rates than private ones. Paying such higher rates from governmental funds may be considered worthwhile to avoid congressional debates. On the whole, new organizations don't increase the funds available. Depending on what form of guarantees or subsidies are used, they mainly reshuffle existing funds.

New institutions may be given powers not available to existing ones. Examples would be: the right to make equity investments; the right to increase the ratio of risk to capital; tax exemptions; also subsidies for out-of-the-ordinary handling of more difficult lending cases. On the other hand, existing institutions could be granted similar powers.

Profits. A critical question which any new program must face is how to maintain private initiative, speed, and efficiency calculations while protecting the integrity of public funds. There is a trade-off in any joint governmental/private program between traditional Government accounting and review procedures and the most complete use of private techniques and decision-making. How can Government subsidies be kept out of the pockets of unscrupulous operators without suffocating the decision-makers in red tape?

Parenthetically, I would note that I have felt for most of these past 20 years that the Government, in its housing programs, has drawn the line too close to its traditional methods of operation. We would be far more advanced in our attack on slums if more firms could have received larger profits earned through greater efficiency. If programs in the inner core had allowed profits reflecting risks to the same degree as those in the suburbs, the resulting allocation of national funds and efforts would have been a better one for the national welfare.

Similarly, Congress' recent decision to allow lenders to charge competitive interest rates on FHA compared to other loans is clearly a plus factor. The ability to raise funds at less than market rates from institutions has necessarily been a limited one. Money is available on competitive terms. It disappears if competition cannot be met. This is also true in the hiring of managerial and entrepreneurial skills. Too many programs still require nonprofit corporations. Those with the requisite skills are severely limited. In contrast, the supply of experts available in profitmaking organizations is practically unlimited.

Loan guarantees. Among the many proposals advanced recently, careful attention should be paid to the concept of blanket loan insurance for loans of specified types made by any approved lenders. Under such proposals the Government would specify classes of borrowers and types and conditions of loans. It would also pre-certify lenders. It would not, however, attempt approval of individual loans. Guarantees to the lender would be available simply on the submission of a record of loans made.

Questions as to whether any charges

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should be made for such guarantees; the amount of the guarantee (90, 95, or 100 per cent); and methods of spot-checking or auditing losses will also have to be decided. Partial, as opposed to complete, guarantees foster economic efficiency through better decision-making by lenders. Lenders will be willing to accept such risks, depending on rates they are allowed to earn, the lack of red tape, and potential Government aid to the borrowers.

Subsidies. Congress will have to determine how far to expand the concept of direct subsidies to borrowers in and beyond the housing field. As this year's housing legislation recognized, there are at least two separate problems. One is the need to bridge the income gap between market interest rates and low incomes. The other is a payment for the high costs of loans which require advice, guidance, information and general consulting, high initial effort, and larger-than-normal accounting and collection charges. The FHA record is probably pertinent to an estimate of the ability of a program to meet poverty-area needs without such specific subsidies.

Given such aids made available from the Government, consideration must be given to the availability of local financial institutions to make the loans. It would seem logical that most lending of the type required could be done through existing institutions. Banks, savings and loans, credit unions, all are available to meet programs that offer them normal profits. They have the requisite general management and lending skills and can tool up to meet these areas' specialized needs providing it does not have to be done on a charity or loss basis. The Small Business Administration and Office of Economic Opportunity (OEO) are operating programs in this sphere. I assume their experience will indicate areas of success and failure and will also give an indication of the size of future programs needed to have a real impact.

At the same time, other experimental units are being established by States, local groups, and cooperating financial institutions. The need both for funds and for education in borrowing and using money is so great that the maximum degree of competition and experimentation among institutions should be welcomed. Again, the FHA experience may be pertinent. As the program developed, special mortgage banking institutions developed, initially specializing only in the Government programs. These have since broadened their approach and many are now active in the entire market spectra.

In seeking new methods of channeling investment funds to poverty programs, consideration might be given to a program for simpler chartering of financial institutions which would initially be limited in their activities primarily to loans guaranteed under various Government programs. With portfolios consisting mainly of guaranteed loans, ghetto banks or credit unions could run with a much higher than normal loan to capital ratio. Adjustments of this type for guaranteed loans have traditionally been authorized by Congress for lending institutions.

To summarize, private investment in the inner city will take place in meaningful amounts only when it becomes profitable. It is not profitable now because it is too risky and too costly and because both lenders and potential borrowers lack the necessary skills. Federal programs are needed to reduce the risks through guarantees and to pay part of the costs through subsidies. How successful the newly developed programs will be must be carefully measured. I would expect from prior experience a long learning process re-

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quiring constant legislative aid. Existing financial markets have demonstrated remarkable efficiency in seeking out profitable investments. They can be expected to respond to new incentives if they are provided on terms and conditions that allow latitude to investors in furnishing services and cutting costs.

Clearly, however, your task—and the task facing all of us—in developing an institutional structure which can channel funds into necessary and desirable investments is not simple. Any problem which has defied solution for over 100 years—and that is true of our cities' poverty areas—won't suddenly succumb to yet another try. Still each new effort does move us closer to our ultimate goal. Progress is being made. The task we all must share is to further its momentum.

Statement of Andrew F. Brimmer, member, Board of Governors of the Federal Reserve System, before the Subcommittee on Financial Institutions of the Committee on Banking and Currency, U.S. Senate, October 9, 1968.

I appreciate the opportunity to appear before this committee to explore with you some of the questions raised by the entry of commercial banks into the credit-card field.

In releasing the Federal Reserve System's study of bank credit-cards and check-credit plans at the end of July 1968, the Board commented on several problems with respect to credit-card practices, such as unsolicited mailings and letting each cardholder know his specific credit-card limit. The Board also indicated that steps were being taken in its examination procedures to assure reasonable practices by State member banks. We are continuing to follow carefully the experiences of banks in the promotion and development of credit cards, so that we may analyze their implications for the customer as well as the bank.

RECENT TRENDS

Let me first summarize the spread of bank credit-card and check-credit plans since September 30, 1967, the date of most of the information contained in the study. In the following 9 months, the number of commercial banks operating credit-card programs more than doubled, increasing from 197 at the end of September to 416 on June 30, 1968.[1] The number of banks operating check-credit plans also increased substantially, from 599 at the end of September to 340 at the end of June. These figures are given in Table 1 at the end of my statement.

Credit outstanding on bank credit-card and check-credit plans amounted to a total of $1,599 million, on June 30, 1968, an increase of 43 per cent from September 30, 1967. During this period, amounts outstanding on credit-card plans increased 50 per cent to $953 million while amounts outstanding on check-credit plans increased about one-third to $646 million.

As I indicated in my statement before the House Committee on Banking and Currency on November 8, 1967, the Federal Reserve System has developed a program of current monthly reporting of credit extended and repaid and the amount outstanding under bank credit-card and check-credit plans. Beginning with June 1968 figures, this new series has been included as part of the Board's monthly report on consumer credit. The monthly figures for January through August 1968 are shown in Table 2 at the end of this statement.

[1] The number of banks that reported outstanding balances on credit-card programs. This excludes nearly all of the several hundred agency banks which do not hold credit-card receivables.

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The monthly reporting on this new series has been covering about 95 per cent of the total bank credit-card and check-credit operation, since it has not been possible to maintain complete monthly reporting because of the lag in obtaining reports from the additional banks continually entering the field. The monthly series, however, appears to give a reasonably accurate measure of the changes between call reports. As soon as we have had sufficient experience with this monthly reporting, it will be adjusted to allow for the understatement as we do with the other consumer credit series that we publish.

Examination of the monthly data that have been collected for the first 8 months of this year shows a steady increase in the amount of credit outstanding under both credit-card and check-credit plans. In July and August credit-card receivables increased nearly $70 million, or almost 8 per cent, and outstanding balances on check-credit plans increased $42 million or 7 per cent. To some extent the increase in the summer months may reflect vacation expenditures. Much longer experience will be necessary, however, before a precise seasonal pattern can be determined.

PROBLEM AREAS

I will now discuss briefly some of the problems connected with the issuance of credit cards that are of concern to all of us. The major problems seem to be:

The inconvenience and potential liability to customers involved in unsolicited mailing.

The potential liability imposed on the cardholder by the misuse of lost or stolen cards after acceptance.

The awareness of the customer with regard to his credit limit under credit-card plans.

The over-all impact on consumers.

Credit cards present special problems that do not arise in check credit. In particular the mass mailing is a distinct feature of credit cards. Another special problem concerns liability for use of lost or stolen credit cards. While plastic identification cards are sometimes used in check-credit plans, such a card is of no value without the appropriate check forms; therefore, for check credit the stolen card as such is not a problem. Only in their common role of providing prearranged lines of revolving credit do check-credit and credit cards share similar potential problems.

MASS MAILING OF UNSOLICITED CREDIT CARDS

Banks have found that the most effective way of starting a new credit-card plan is to mail a large number of unsolicited cards. This is necessary to resolve simultaneously the problem of having enough stores signed to the bank's plan to make the card useful to consumers and of having sufficient people using the card to make forming the plan attractive to merchants. Reliance on the alternative method of depending upon application returns entails considerable delays in reaching a profitable volume of business, delays which may be unacceptable when trying to compete with other banks' plans.

There are, of course, risks involved in the mailing of a large number of credit cards, but these risks have been minimized by safeguards instituted by the banks. Generally the rosters of potential cardholders have been based upon lists of the banks' own customers: first of all demand depositors; to a lesser extent savings depositors; and, still less frequently, borrowers. The criteria used for screening such lists include requirements such as a $300 to $500 minimum average balance and no insufficient-funds checks for the previous 6 months in the case of demand accounts or a $500

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balance in the case of savings accounts. In some cases, banks run additional credit checks on some or all of their potential cardholders. While these internal lists are the main source of names, some banks have on occasion purchased outside lists from such sources as credit bureaus and retailers. Banks have had more problems with purchased lists than with internal lists. The care currently exercised by banks reflects this awareness of the shortcomings of outside mailing lists.

In addition, the Board of Governors, after the completion of the System's report on *Bank Credit-Card and Check-Credit Plans,* has taken steps to encourage care in the selection of names for the mass mailing. It has instructed its examiners to check "to make sure that banks realize the importance of developing initial mailing lists from their own records and carefully screening them before use." The screening should be designed both to check creditworthiness and to minimize duplicate cards.

Banks are modifying their practices to reduce the customer annoyance that accompanied earlier mailings of unsolicited cards. While the number of customer complaints received by banks is usually a small percentage of the issue, according to bankers and better business bureau officials contacted, the fact remains that some customers do not like to receive unsolicited cards. To minimize this problem, many banks starting operations within the last year have sent out so-called "pre-mailers." These pre-mailers tell the customer that a card is being sent unless the customer indicates to the bank that he wishes his name removed from the list. Thus, the customer is able to refuse a card before it is sent. The pre-mailer also helps reduce the prospect of fraud by alerting the customer to expect the card and also informs the bank of changes in addresses.

LIABILITY FOR FRAUD LOSSES

One of the major objections to the unsolicited mass mailing is that the card may be lost or stolen, and the cardholder might be threatened with liability for these losses even though he never received the card. But the same problem could exist for requested cards and renewals of existing cards; therefore this is not entirely a problem of the mass mailing. There is also the question of liability for the wrongful use of a card stolen or lost after a person has accepted or used it.

With regard to the first type of fraud—where the card is lost or stolen before it is accepted or received by the proper person—we do not know of any bank that has attempted to collect from the intended recipient of the card. Within the last few days, we have talked to major banks in California, Illinois, Maryland, Missouri, New York, and Virginia. These banks do not seek to hold the cardholders responsible in these cases—nor have any of them done so in the past. Furthermore, it would appear doubtful that the customer would be held to have any legal liability in these cases. Recent statutes in Illinois, Massachusetts, New York, and Wisconsin specifically exempt from liability the customer who has not accepted or begun to use an unsolicited credit card.

In the case of cards stolen or lost after being accepted by the cardholder, the situation is less clear. Most banks require their customers to inform them when the card is lost or stolen whereupon the bank accepts liability for any fraud losses. As for the liability of the cardholder prior to informing the bank, the situation is obscure. Some banks seek to collect from the customer in

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these cases for losses. Others do not, even if the customer does not report the loss or theft of the card. Still other banks (and the statutes of Illinois and Massachusetts) specify an upper limit on the dollar liability of the customer in any event. Where the bank absorbs the fraud loss, it often does not reveal that policy to its customers generally for fear that they would be unduly careless in their handling of the card. The majority of the banks that we have talked to follow the practice of absorbing losses. This is often true even where the bank informs the customer that his liability is limited to $50 or $100. These announced limits are primarily designed to make the customer take care in the handling of the card and to stimulate prompt reporting of lost or stolen cards. Thus, actual policy is often much more lenient than announced policy. Nevertheless, a minority of banks notify the customer of his contractual liability for losses between the time the card is lost and the bank is informed and try to collect in these cases.

The most common practice appears to be that of being somewhat ambiguous on the cardholder's liability once he has accepted a card and of absorbing all fraud losses arising from cards used without the cardholder's consent. Even where the limits on liability are specified, the banks may not attempt to recover fraud losses. Similarly where States, as in Illinois and Massachusetts, set upper limits on cardholders' liabilities, the banks often do not attempt to collect within the legal limitations.

In summary, banks generally appear to follow the practice of absorbing all fraud losses before the customer accepts the card. In addition, a substantial proportion of banks absorb losses after the cardholder accepts the card, although the cardholder is not usually informed of the policy.

CREDIT LIMITS

Most banks follow the practice of telling cardholders of their credit limits. This conclusion is based upon both our knowledge of specific banks' practices and recent examination reports. As you know, the Board revised its examination procedures to cover the question of whether or not customers are informed of their limits.

Since the change in examination procedures was instituted in mid-August, examiners of the Federal Reserve System have examined 36 State member banks that have credit-card or check-credit plans. Each of these banks had established specific credit limits under these plans and followed the practice of informing its credit-card customers of the credit limits.

OVER-ALL IMPACT ON CONSUMERS

There remain other questions as to how credit-card and check-credit plans affect consumers, particularly as to the impact of the costs of such plans and any tendencies toward encouraging excessive indebtedness.

With respect to the question of whether or not credit cards increase the cost of goods to consumers, it is only possible to indicate the probable answer. Given the present minor size of credit-card plans compared with all kinds of consumer credit, it does not seem that the expansion of credit-card plans would have a noticeable effect on general prices. Furthermore, it is not certain that credit cards do raise prices. While it is true that the retailer is faced with an extra cost in the form of the so-called merchant discount every time a credit-card purchase is made, it does not follow that there is a net increase in costs or that the purchase would have been made without a card. To the extent credit cards replace high-cost merchant credit plans, they reduce costs; and to the extent they attract

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customers who wish to buy on credit, they generate increased sales which may offset any increases in costs. Thus the evidence, while not conclusive, suggests that credit cards have not had—and at present magnitudes are not likely to have—any noticeable impact on general price levels.

There is also the question of whether individual consumers might get deeply into debt because of easy credit extended through these plans. Again it is difficult to point to a quantitative conclusion. The average line of credit extended under credit-card plans is in the neighborhood of $350. This is not so high as to be a cause in itself of a customer incurring excessive indebtedness. In addition, the credit standards aim at middle-income consumers who by and large can afford to contract debt within the applicable limit. The same considerations apply even more strongly to check-credit plans. Here the average line of credit is $1,000, but the credit standards are even more stringent. The result is that such plans experience much lower delinquency ratios—less than half that of credit-card accounts according to our credit-card report.

Furthermore, the general trends in the use of consumer credit do not indicate the existence of a serious problem. Although the level of consumer credit has been rising recently, much of this has been a reflection of the over-all expansion of the economy and only a fraction can be attributed to credit-card and check-credit plans. The increase in credit-card and check-credit outstandings between September 30, 1967, and June 30, 1968, was $483 million. In the same period, total consumer credit jumped by $5,581 million—of which the instalment component was up $4,324 million. Therefore, the credit-card and the check-credit plans made up less than 12 per cent of the increase in total instalment credit extended to consumers during the 9 month period.

SUMMARY

On the question of credit cards lost or stolen before the customer receives and accepts them by signing or using them, it seems doubtful that the customer legally is liable for any losses, and banks do not try to collect in such cases. The banks, however, do not always make this clear to their customers, although there is no obvious reason why they should not. The Board certainly would urge that banks advise their customers that they are not liable for losses from unauthorized use of cards they have not accepted.

The situation is quite uncertain with respect to losses stemming from cards which have been lost by a customer who has accepted the card. The state of the law is still unclear since court decisions depend upon how clearly the liability provisions are spelled out to the customer, the amount of care taken in verifying the credit-card transaction, and so on. In a few cases, as mentioned before, States have adopted legislation dealing with the matter of liability, but banks may be reluctant to enforce cardholders' liabilities under such statutes. The banks' policies vary: some apply strictly the clauses spelling out liability; others specify liability policies but in practice rarely or never hold the customer liable; still other banks follow policies which fall somewhere in between.

At a minimum, telling the customer his potential liability appears to be the best policy. I would like to submit for the record an example of one of the best methods banks have devised to do this. In forms sent to customers along with its card, Wells Fargo Bank of San Francisco clearly states that cards lost or stolen before receipt are not the customer's but the bank's responsibility.

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Just as important it specifies the liability of the customer for fraud losses should the card be stolen or lost after the customer has accepted it. The bank sets a $50 ceiling on losses before notification that the card is lost, with no liability after notice. This is a responsible approach to this problem, and I offer it as an example of the steps banks are taking to meet their responsibilities in informing their customers.

As I have indicated, the actual dimensions of the problem of people being held responsible for losses that may arise when their credit card is stolen or lost appear small. We have no figures on the dollar amount collected from cardholders, but it would not appear to be substantial for several reasons. The biggest dollar losses would arise from cards stolen before customers ever receive the cards. We know the banks absorb these losses. Next, we also know that the majority of banks do not in practice try to collect from customers for losses incurred before receiving notification. Futhermore, these banks also account for the majority of dollar outstandings. There remain those banks which try to collect in cases of obvious negligence by the cardholder and a still smaller number of those which try to collect as a regular practice.

Even though the liability for misuse of lost or stolen credit cards has been small, there is an important matter of principle as to the extent to which the consumer should bear this burden. I believe that the entire burden of loss arising from the misuse of lost or stolen credit cards before they are received or accepted by the customer should be borne by the issuer. After acceptance and use of the card by the customer, I believe that the liability imposed on the customer should be small, inasmuch as the issuers are better able to bear the losses and to control them. Some small liability on the part of the customer is probably desirable to encourage responsible handling of cards and prompt reporting when cards are lost or stolen. Finally, the customer should be clearly informed of his liability.

In order to achieve this result, some legislation may be desirable since not all issuers will follow such a policy unless it is required by law. The legislation might be at either the State or Federal level. And clearly, to be effective, such legislation would have to apply to travel and entertainment cards, gasoline company cards, airline cards, and other credit cards as well as to bank credit cards. Credit cards issued by banks account for less than 10 per cent of the total amount of credit outstanding under all types of credit cards.

With respect to other aspects of credit-card operations, I do not see the need for additional legislation at this time.

Fortunately, the consumer not only has a right to look to legislators and supervisors to protect his interests, but he also can count on the self-interest of those who seek his patronage. It is good business for issuers of credit cards to do what they can to make sure that people who hold their cards look upon them as a benefit and not a burden. In the particular sector of the business in which we have supervisory responsibilities, the Board has found that banks not only are ready to cooperate with us in complying with sound standards of operation, but are, themselves, seeking new solutions to old problems.

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TABLE 1

CREDIT CARDS AND RELATED PLANS OF COMMERCIAL BANKS

(Amounts in millions of dollars)

Type of plan	Sept. 30, 1967 [1]		Dec. 31, 1967 [2]		June 30, 1968 [2]	
	Number having plans	Amount outstanding	Number having plans	Amount outstanding	Number having plans	Amount outstanding
Credit cards	197	633	385	828	416	953
Check credit and revolving credit	599	483	729	522	840	646

[1] Federal Reserve System report, *Bank Credit-Card and Check-Credit Plans*, July 1968.
[2] Federal Deposit Insurance Corporation, *Report of Call*.

TABLE 2

BANK CREDIT-CARD AND RELATED PLANS [1]

(In millions of dollars)

Month	Outstanding, end of month		Extended during month		Repaid during month	
	Credit-card plans	Check-credit plans	Credit-card plans	Check-credit plans	Credit-card plans	Check-credit plans
1968						
Jan.	815	531	147	85	139	71
Feb.	817	543	120	78	118	66
Mar.	822	549	125	76	120	70
Apr.	859	570	158	95	121	74
May	878	586	152	97	133	81
June	914	600	155	93	119	79
July	945	622	172	103	141	81
Aug.	983	642	176	103	138	83

[1] The Federal Reserve monthly series covers about 95 per cent of the total bank credit and check-credit operations.

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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 through May 28 were published in the BULLETINS for April, pages 372–81; May, pages 431–36; June, pages 482–96; July, pages 628–37; August, pages 671–80; and September, pages 749–56. The records for the meetings held on June 18, and July 16, 1968, follow:

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MEETING HELD ON JUNE 18, 1968

Authority to effect transactions in System Account.

Reports at this meeting indicated that the continued rapid advance in over-all economic activity was being accompanied by persisting inflationary pressures. It appeared likely that Congress would act favorably within a few days on legislation providing for a 10 per cent income tax surcharge and a $6 billion reduction in expenditures from Budget estimates for the coming fiscal year. Such legislation was expected to contribute to a considerable moderation of the rate of advance in aggregate demands.

Staff estimates suggested that both real GNP and average prices—as measured by the "GNP deflator"—were continuing to increase at rapid rates in the second quarter. According to the estimates, however, business inventory accumulation would be considerably larger than in the first quarter and growth in final sales would be smaller. In particular, consumer expenditures were expected to rise substantially but at a pace well below the extraordinary advance of the first quarter; and according to a recent Commerce-SEC survey of business spending plans, outlays on new plant and equipment would change little in the second quarter after increasing sharply in the first. It also appeared that outlays for residential construction would rise moderately further and that defense spending would advance at about the rapid first-quarter rate.

Staff estimates for the third quarter suggested that growth in real GNP would slow sharply if the pending fiscal legislation were enacted. The rate of increase in disposable income was expected to slacken considerably—as a result of both the income tax surcharge and slow growth in employment—and a further slowing of growth in consumer expenditures appeared likely, despite an anticipated decline in the rate of personal saving. Prospects for the third quarter also included a moderate decline in residential construction outlays, a leveling off of the advance in defense expenditures, and little further change in the rale of

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inventory accumulation after a large second-quarter rise. However, the Commerce-SEC survey suggested that outlays on plant and equipment would increase somewhat in the third quarter. The lower over-all rate of economic growth in prospect seemed unlikely to have an appreciable effect immediately on advances in wage and other costs, and average prices in the private economy were expected to rise almost as rapidly in the third quarter as in the first half of the year.

In May the unemployment rate remained at 3.5 per cent. Nonfarm employment was unchanged from April, as an increase in the number of workers on strike offset employment gains elsewhere. Average hourly earnings continued to rise rapidly. Industrial production was estimated to have increased to a new high, and according to the advance report, retail sales rose moderately from an April level that had been held down by civil disorders in many cities.

Preliminary estimates indicated that average wholesale prices of industrial goods declined somewhat in May, primarily because of further sharp reductions for copper and related products following settlement of the copper strike; average prices of other industrial commodities continued to rise. Prices of foods and foodstuffs increased considerably, and the total wholesale price index edged up further. In April the consumer price index continued upward at about the average rate of other recent months and was 4 per cent above a year ealier.

With respect to the U.S. balance of payments, preliminary data for May suggested that the deficit on the liquidity basis diminished sharply from its high April level, in part because of the favorable effects of various special official transactions. The merchandise trade surplus was expected to increase in coming months from its recent low level, but net outflows of U.S. capital also were expected to rise. Such outflows had been unusually small in the early months of the year, following the introduction of the new restaint program on January 1.

On the official settlements basis, a payments surplus was now

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indicated for May and possibly for the second quarter as a whole, primarily as a result of an exceptionally large rise in the liabilities of U.S. banks to their branches abroad. The recent massive inflow of foreign liquid funds apparently reflected both increased demands for funds by domestic banks and large additions to the supply of Euro-dollars as a result of movements out of sterling and French francs. It was thought likely that the inflow would subside soon.

In foreign exchange markets, the position of sterling had improved somewhat in recent weeks, but the French franc had remained under severe pressure. The price of gold in the private London market had continued to fluctuate in a range of about $41 to $42 per ounce.

System open market operations since the preceding meeting of the Committee had been directed at maintaining firm conditions in the money market. Early in the period reserves were absorbed temporarily, by means of matched sale-purchase agreements, in order to counter easing tendencies. Late in the period, however, when tendencies toward undue tightness emerged, reserves were supplied by purchases of Treasury bills from foreign accounts and through repurchase agreements with nonbank dealers at a 5¾ per cent interest rate. For the period as a whole, effective rates on Federal funds were usually in a range of 6 to 6¼ per cent but occasionally were below 6 per cent. Member bank borrowings averaged about $730 million in the 3 weeks ending June 12, little changed from the preceding 4 weeks, but average net borrowed reserves increased to about $445 million from $375 million in the earlier period.

Interest rates on most types of market securities had declined substantially on balance since the preceding meeting of the Committee, primarily because of growing expectations that fiscal restraint legislation would be enacted soon. Yield reductions were more marked on Treasury bonds than on corporate and municipal bonds, for which the calendar of new offerings continued heavy. The market rate on 3-month Treasury bills, at 5.58 per cent on the day before this meeting, was 9 basis points

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below its level 3 weeks earlier, and rates on longer-term bills were down by 20 to 30 basis points.

Preliminary data for May suggested an increase in net inflows of savings funds to mutual savings banks and savings and loan associations. But with demands for mortgage funds continuing strong, and with uncertainties increasing about prospects for savings flows at thrift institutions around the midyear interest-and-dividend-crediting period, conditions in mortgage markets remained fairly tight. Contract interest rates on conventional new-home mortgages, which had been at a postwar high in April, rose sharply further in May.

At commercial banks, demands for business loans strengthened after a mid-April to mid-May lull. There was some improvement in net flows of time and savings deposits in the latter part of May, but for the month as a whole such deposits grew at an annual rate of only about 3 per cent, roughly the same as in April and less than half the first-quarter pace. With U.S. Government deposits declining further, private demand deposits and the money supply expanded considerably; growth in the money supply was now estimated at an annual rate of 11 per cent in May, compared with 6.5 per cent in April. Bank credit, as measured by the bank credit proxy—daily-average member bank deposits—expanded at an annual rate of 1.5 per cent in May, after declining at a 4.5 per cent rate in April. Allowance for changes in the daily average of U.S. bank liabilities to foreign branches, which are among the nondeposit liabilities of banks omitted in calculating the credit proxy, would have served to reduce the decline in April by about 1 percentage point and to have increased the rise in May by about 3.5 percentage points.

New projections suggested that if prevailing money market conditions were maintained the bank credit proxy would rise at an annual rate of 3 to 6 per cent in June and somewhat more slowly in July; and that if money market conditions were less firm, growth in July would continue at about the rate projected for June. Allowance for a further increase in average liabilities

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to foreign branches, expected to occur in June, would have added about 3 percentage points to the limits of the range of growth projected for that month. The projections for July assumed that the Treasury would raise a substantial amount of new cash—about $4 billion—early in the month through a sale of tax-anticipation bills. Further declines in the average level of Government desposits were anticipated in both June and July, and were expected to contribute to continued vigorous expansion of the money supply.

The Committee's policy discussion at this meeting was conducted against the background of the widespread expectation that Congress probably would act affirmatively within a few days on the pending fiscal legislation. It was thought likely that such action would be followed by further declines in Treasury bill rates and other short-term market interest rates. The possibility was recognized, however, that short-term rates might subsequently come under renewed upward pressure, partly as a consequence of the sizable cash financing the Treasury was expected to undertake in early July.

The Committee agreed that open market operations should be directed at maintaining firm conditions in the money market in the period before Congress acted on the pending legislation, and at countering any tendencies toward disorder that might result if such action were negative or delayed. As to the appropriate course if fiscal legislation were enacted soon, there was some sentiment for seeking less firm money market conditions on the grounds that over-all economic retraint otherwise was likely to prove excessive. At the same time, however, concern was expressed in the course of the discussion about the risk that premature monetary easing would offset the effects of fiscal restraint.

The Committee concluded that if Congress acted affirmatively on the pending fiscal legislation open market operations should seek to accommodate any resulting declines in short-term interest rates and to cushion any upward pressures on such rates

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that might emerge subsequently. The proviso was added that this course should be followed only so long as bank credit growth in June, and also in July, did not appear to be developing at a rate above the range projected for June.

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

The information reviewed at this meeting indicates that the very rapid increase in over-all economic activity is being accompanied by persisting inflationary pressures. Enactment of fiscal restraint measures now under consideration in Congress, however, would be expected to contribute to a considerable moderation of the rate of advance in aggregate demands. Growth in bank credit and time and savings deposits has been relatively small on average in recent months, although the money supply has expanded considerably as U.S. Government deposits have declined. Both short- and long-term interest rates have receded from the advanced levels reached in May, mainly in reaction to enhanced expectations of fiscal restraint. The U.S. foreign trade balance and over-all payments position continue to be a matter of serious concern. In this situation, it is the policy of the Federal Open Market Committee to foster financial conditions conducive to resistance of inflationary pressures and attainment of reasonable equilibrium in the country's balance of payments, while taking account of the potential impact of developments with respect to fiscal legislation.

To implement this policy, System open market operations until the next meeting of the Committee shall be conducted with a view to maintaining generally firm but orderly conditions in the money market; provided, however, that if the proposed fiscal legislation is enacted operations shall accommodate tendencies for short-term interest rates to decline in connection with such affirmative congressional action on the pending fiscal legislation so long as bank credit expansion does not exceed current projections.

Votes for this action: Messrs. Martin, Brimmer, Daane, Galusha, Hickman, Kimbrel, Maisel, Mitchell, Robertson, Sherrill, Bopp, and Treiber. Votes against this action: None.

Absent and not voting: Messrs. Hayes and Ellis. (Messrs. Treiber and Bopp voted as their alternates.)

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MEETING HELD ON JULY 16, 1968

1. Authority to effect transactions in System Account.

Staff estimates for the second quarter continued to indicate sharp further advances in real GNP and in average prices as measured by the "GNP deflator." It now appeared, however, that growth in consumer expenditures had been smaller than expected earlier and that business fixed investment had declined somewhat. Much of the increase in real GNP was a consequence of a marked rise in the rate of inventory accumulation, reflecting in part a build-up of stocks of steel as a precaution against a possible strike when current wage contracts expired on July 31.

Industrial production was estimated to have increased somewhat further in June and retail sales, according to the advance estimate, were unchanged. Although the labor market remained generally firm, growth of nonfarm employment had slowed in recent months. The unemployment rate rose from 3.5 per cent in May to 3.8 per cent in June, when young workers entered the labor force in larger numbers than usual.

The consumer price index advanced again in May and was about 4 per cent above a year earlier. Average hourly earnings had continued to rise at a substantial rate in recent months, but increases in consumer prices had held down gains in real earnings and had contributed to demands for higher wages. At the wholesale level, average prices of industrial goods rose again in June after declining in May. Although increases had become less widespread recently, it appeared likely that industrial prices would remain under upward pressure in coming months.

In late June legislation was enacted that provided for a 10 per cent surcharge on income taxes, retroactive to April 1, 1968, for individuals and to January 1, 1968, for corporations. The legislation also provided for a $6 billion reduction from the January Budget estimate for Federal expenditures in the fiscal year 1969. However, the exemption from cuts of certain categories of expenditures together with upward revisions in estimates of defense

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spending suggested that the net reduction was likely to be less than $6 billion.

Staff projections suggested that the pace of advance in aggregate demands would moderate considerably in the third quarter, partly as a result of this legislation. It was expected that consumer expenditures would advance at only about the moderate pace of the second quarter—with a decline in the rate of personal saving roughly offsetting the combined effects on disposable income of the income tax surcharge and smaller employment gains; that the rise in Federal spending would slow; and that residential construction outlays would turn down. On the other hand, some increase in business fixed investment outlays appeared likely. A significant reduction was now anticipated in the rate of inventory accumulation; businesses were expected to shift from accumulation to decumulation of steel stocks after the strike deadline and to adjust stocks of consumer goods in line with the recently smaller gains in sales.

In foreign exchange markets, the French franc continued under heavy pressure in late June and early July. The Bank of France increased its discount rate from 3½ to 5 per cent effective July 3, and on July 10 announced that it had arranged for $1.3 billion in new international credit facilities. The exchange rate for sterling reached a new low in late June, but subsequently strengthened markedly as a result of two developments: (1) an announcement on July 8 that 12 central banks and the Bank for International Settlements had given firm assurances of their willingness to participate in new arrangements to offset fluctuations in the sterling balances of countries in the sterling area; and (2) the publication on July 11 of figures indicating that British imports had declined significantly in June for the first time since devaluation of the pound. The price of gold in the private London market recently had fallen from around $41 to around $39 per ounce on rumors of an arrangement designed to encourage sales of gold in the market by South Africa.

Tentative estimates suggested that the deficit in the U.S. bal-

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ance of payments on the liquidity basis had declined markedly in the second quarter. All of the improvement, however, appeared to reflect special official transactions; except for these transactions, the deficit would have been large. The merchandise trade account was in deficit in May for the second time in 3 months. On the official settlements basis the payments balance was estimated to have been in substantial surplus in the second quarter, as a result of a record increase in liabilities of U.S. banks to foreign branches.

On July 2 the Treasury auctioned $4 billion of tax-anticipation bills maturing in March and April 1969, for which commercial banks were permitted to make payment in full by credits to tax and loan accounts. The Treasury was expected to announce at the end of July the terms on which it would refund the $8.6 billion of securities maturing in mid-August, of which $3.6 billion were held by the public. Current estimates suggested that the Treasury also would have to raise a substantial amount of new cash in August.

Conditions in securities markets had eased somewhat in reaction to the enactment of fiscal-restraint legislation, and yields on Government securities of all maturities had declined moderately on balance in the period since the preceding meeting of the Committee. The market rate on 3-month Treasury bills initially fell sharply—from 5.60 per cent on June 18 to 5.20 per cent on June 21. The abruptness of this decline was related to heavy reinvestment demands by holders of maturing tax-anticipation bills and to substantial purchase of bills by the System on June 19 to offset the effects on bank reserves of large-scale international transactions. Subsequently the 3-month bill rate came under upward pressure partly as a result of the Treasury's offering of tax bills in early July, and on the day before this meeting it was 5.42 per cent, 18 basis points below its level 4 weeks earlier. Rates on other short-term instruments showed smaller net declines over the interval, and some—such as those on commercial paper—remained at their mid-June levels.

Yields on long-term corporate and municipal bonds, for which

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the volume of new issues continued sizable in June and July, were little changed over most of the period since the preceding meeting of the Committee. Conditions in private bond markets had become more buoyant in recent days, however, following the good reception accorded a large corporate issue. Expectations of a near-term relaxation in monetary conditions contributed to the improvement in bond markets, as did the announcements of new international support for sterling and the French franc.

System open market operations since the preceding meeting of the Committee had been directed at maintaining firm conditions in the money market, while accommodating tendencies for short-term interest rates to decline following congressional action on fiscal legislation. The interest rate on System repurchase agreements with nonbank dealers was reduced to 5⅝ per cent on July 5 from the level of 5¾ per cent that had been employed since late April. The effective rate on Federal funds, which was mainly in a 6¼ to 6½ per cent range early in the interval, subsequently fluctuated primarily in a 6 to 6⅛ per cent range. Member bank borrowings averaged $595 million and net borrowed reserves $260 million in the 4 weeks ending July 10, compared with averages of $720 million and $410 million, respectively, in the preceding 4 weeks.

Conditions in markets for residential mortgages continued to tighten through mid-June but appeared to have stabilized thereafter. Preliminary indications suggested that the savings flow experience of nonbank depositary institutions during the interest-and-dividend-crediting period around the end of June was better than many industry observers had expected.

Growth in time and saving deposits at commercial banks in June remained at the low annual rate of about 3 per cent that had prevailed in the two preceding months. However, the net reduction during the course of the month in the volume of large-denomination CD's outstanding was considerably less than normal for the season, and in late June and early July the outstanding volume was increasing. By the time of this meeting most

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banks issuing such CD's had reduced their offering rates for certificates of longer maturity to levels below the Regulation Q ceilings. Private demand deposits and the money supply continued to expand rapidly in June, although not so rapidly as in May, and U.S. Government deposits increased slightly after declining steadily since February. In the second quarter as a whole, during which Government deposits fell substantially on balance, the money supply grew at an annual rate of about 8.5 per cent, compared with about 4.5 per cent in the first quarter.

Commercial bank credit, as measured by the bank credit proxy —daily-average member bank deposits—increased at an annual rate of 6 per cent in June after rising relatively little in May and declining in April. For the 3 months together, the proxy series increased at an annual rate of 1 per cent, compared with a rate of about 7 per cent in the first quarter. Allowance for changes in the daily average of U.S. bank liabilities to foreign branches, which are among the nondeposit liabilities omitted in calculating the credit proxy, would have served to increase the growth rates by about 2.5 percentage points in the second quarter and 0.5 of a percentage point in the first.

It was expected that the pattern of bank credit growth in July and August would be strongly influenced by Treasury financing operations and by business borrowing to finance additional tax payments required under the terms of the new legislation. Staff projections suggested that if prevailing money market conditions were maintained the bank credit proxy would grow at annual rates in the ranges of 1 to 4 per cent in July, 10 to 12 per cent in August, and 6 to 8 per cent in the 2 months taken together. In an alternative projection, in which somewhat easier money market conditions were assumed, the annual rate of increase in the bank credit proxy in July and August together was estimated in a range of 7 to 9 per cent. These projections assumed that the Treasury would raise a total of about $7.5 billion of new cash in the 2 months, including the $4 billion already raised in July through the sale of tax-anticipation bills. Allowance for a further increase

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in average liabilities to foreign branches, expected to occur in July, would have added about 1 percentage point to the limits of the ranges of growth projected for July and August together.

It appeared likely that private demand deposits and the money supply would continue to expand at a substantial rate on average in July, but to slow sharply in the latter part of the month and to change little on average in August, a period in which Government deposits were expected to rise substantially on balance. The outlook also favored further rapid growth in large-denomination CD's outstanding, at least in July.

In the course of the Committee's discussion a number of members indicated that they were inclined to maintain prevailing money market conditions for the time being, while awaiting evidence of the probable effectiveness of the recently enacted fiscal restraint measures in containing inflationary pressures and improving the underlying position of the balance of payments. Other members, while not advocating a substantially easier monetary policy at present, thought that the prospective effects of the new fiscal legislation warranted seeking somewhat less firm money market conditions to the extent such a course was consistent with the forthcoming Treasury financing.

After considering these alternatives, the Committee agreed upon an intermediate course. Specifically, it was decided that open market operations should be directed at accommodating easing tendencies in money market conditions in the period ahead if such tendencies arose from market forces; and at cushioning upward pressures on interest rates if they should develop. It also was agreed that operations should be modified, to the extent permitted by the Treasury financing, if bank credit appeared to be deviating significantly from current projections.

The Committee also discussed the appropriate interest rate for System repurchase agreements (RP's) with nonbank dealers. The members noted that market participants had attached some degree of policy significance to recent changes in the RP rate and to the fact that the rate employed most lately was still ⅛ of a

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percentage point above the discount rate. While the views of members differed regarding the desirability of regular use of a flexible RP rate as an instrument for influencing money market conditions, the Committee thought that under existing circumstances it would be appropriate to employ a 5½ per cent rate beginning with the next occasion on which the Account Management made repurchase agreements.

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

The information reviewed at this meeting indicates that over-all economic activity continued to expand rapidly in the second quarter, with inventory accumulation accelerating while the rise in capital outlays and in consumer spending slowed. The new fiscal restraint measures are expected to contribute to a considerable moderation of the rate of advance in aggregate demands. Industrial prices have been increasing less rapidly than earlier but consumer prices have continued to rise substantially and wage pressures remain strong. Growth in bank credit and time and savings deposits has been moderate on average in recent months; growth in the money supply has been larger as U.S. Government deposits have been reduced. Conditions in money and capital markets have eased somewhat, mainly in response to the increase in fiscal restraint. Although there recently have been large inflows of foreign capital, the U.S. foreign trade balance and underlying payments position continue to be matters of serious concern. In this situation, it is the policy of the Federal Open Market Committee to foster financial conditions conducive to sustainable economic growth, continued resistance to inflationary pressures, and attainment of reasonable equilibrium in the country's balance of payments.

To implement this policy, while taking account of forthcoming Treasury financing activity, System open market operations until the next meeting of the Committee shall be conducted with a view to accommodating the tendency toward somewhat less firm conditions in the money market that has developed since the preceding meeting of the Committee; provided, however, that operations shall be modified, to the extent permitted by Treasury financing, if bank credit appears to be deviating significantly from current projections.

Votes for this action: Messrs. Martin, Hayes, Brimmer, Daane, Galusha, Hickman, Kimbrel, Maisel, Mitchell, Robertson, Sherrill, and Bopp. Votes against this action: None.

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(Mr. Bopp voted as an alternate member in place of Mr. Ellis, whose membership on the Committee had terminated on June 30, 1968, the effective date of his resignation as President of the Federal Reserve Bank of Boston.)

2. Amendments to authorization for System foreign currency operations.

The Committee ratified an action taken by members on July 2, 1968, effective on that date, to increase the System's swap arrangement with the Bank of France from $100 million to $700 million equivalent, and to make the corresponding amendment to paragraph 2 of the authorization for System foreign currency operations. As a result of this action, paragraph 2 read as follows:

The Federal Open Market Committee directs the Federal Reserve Bank of New York to maintain reciprocal currency arrangements ("swap" arrangements) for System Open Market Account for periods up to a maximum of 12 months with the following foreign banks, which are among those designated by the Board of Governors of the Federal Reserve System under Section 214.5 of Regulation N, relations with foreign banks and bankers, and with the approval of the Committee to renew such arrangements on maturity:

Foreign bank	Amount of arrangement (millions of dollars equivalent)
Austrian National Bank	100
National Bank of Belgium	225
Bank of Canada	1,000
National Bank of Denmark	100
Bank of England	2,000
Bank of France	700
German Federal Bank	1,000
Bank of Italy	750
Bank of Japan	1,000
Bank of Mexico	130
Netherlands Bank	400
Bank of Norway	100

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Foreign bank	Amount of arrangement (millions of dollars equivalent)
Bank of Sweden	250
Swiss National Bank	600
Bank for International Settlements:	
System drawings in Swiss francs	600
System drawings in authorized European currencies other than Swiss francs	1,000

Votes for ratification of this action: Messrs. Martin, Hayes, Brimmer, Daane, Galusha, Hickman, Kimbrel, Maisel, Mitchell, Roberston, Sherrill, and Bopp. Votes against ratification of this action: None.

(Mr. Bopp voted as an alternate member in place of Mr. Ellis, whose membership on the Committee had terminated on June 30, 1968.)

Although the arrangement between the Bank of France and the Federal Reserve had been the first negotiated when the System's swap network was established in 1962, it had remained at $100 million since early 1963 while various other lines in the network had been enlarged from time to time. The increase in this arrangement served to bring the relative sizes of the arrangements in the System's swap network into better balance. It formed part of a package of credit facilities provided to the Bank of France at this time by a number of central banks to help deal with destabilizing exchange market pressures.

The Committee also amended the foreign currency authorization in another respect at this meeting. Under paragraph 1C(1) of the authorization, as it had been amended on November 14, 1967, the Federal Reserve Bank of New York was authorized to have outstanding forward commitments to deliver foreign currencies to the Stabilization Fund of up to $350 million equivalent. The limit had been increased to that level (from a previous figure

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of $200 million) in November to facilitate the "warehousing" by the System Account of Stabilization Fund holdings of sterling if the resources of the Stabilization Fund proved inadequate to meet all the demands upon them from time to time in the future.

At this meeting the Committee approved an increase in the limit in question up to an amount not exceeding $1,050 million equivalent, on the understandings that (1) the specific amount would be determined by Chairman Martin (or in his absence, Mr. Robertson, Vice Chairman of the Board of Governors) and (2) that the action would become effective upon a determination by Chairman Martin (or in his absence, Mr. Robertson) that it was in the national interest.

Votes for this action: Messrs. Martin, Hayes, Brimmer, Daane, Galusha, Hickman, Kimbrel, Maisel, Mitchell, Robertson, Sherrill, and Bopp. Votes against this action: None.

(Mr. Bopp voted as an alternate member in place of Mr. Ellis, whose membership on the Committee had terminated on June 30, 1968.)

This action was taken against the background of discussions at meetings in Basle, Switzerland, on July 6–8, 1968, and prior discussions between representatives of the U.S. Treasury and the Federal Reserve. At the Basle meetings agreement in principle had been reached among representatives of the Bank for International Settlements, the Bank of England, and 12 other central banks including the Federal Reserve regarding new arrangements for offsetting fluctuations in sterling balances held by countries in the overseas sterling area (OSA). In general, the agreement provided for the extension of a medium-term facility of $2 billion equivalent to the Bank of England by the BIS, with backing provided by the participating central banks, acting where appropriate on behalf of their Governments. It was understood that the agreement was contingent on the satisfactory completion of negotia-

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tions by the British authorities with the OSA countries concerning the management by the latter of their sterling reserves.

In the System's preliminary discussions with the U.S. Treasury it had been agreed that the Treasury should participate as principal in the arrangement, with the dollars to be made available on a swap basis against sterling by the Stabilization Fund. It was also agreed that if the resources of the Stabilization Fund should prove insufficient from time to time to meet these and other commitments, the Federal Reserve would undertake to warehouse temporarily for the Stabilization Fund necessary portions of the sterling acquired by the latter.

It was reported at this meeting of the Committee that the U.S. share in the arrangement would be in the neighborhood of $600 million to $700 million. After approving System participation in the arrangement in the manner described, the Committee noted that the agreement was contingent on certain negotiations by the British authorities and that the specific size of the U.S. share had not yet been determined. Accordingly, it was decided that both the effective date of the amendment to paragraph 1C(1) of the authorization and the new figure for maximum forward commitments to the Stabilization Fund to be established by that amendment (within the limit set by today's action) should be subject to determination by Chairman Martin, or in his absence, Mr. Robertson.

Subsequently, agreement was reached on the new arrangement at a meeting in Basle on September 9, 1968, with the U.S. share established at $650 million, and the arrangement went into force on September 23, 1968. On September 24, Chairman Martin determined that an increase in the limit on forward commitments to deliver foreign currencies to the Stabilization Fund of $650 million equivalent, to $1 billion, was in the national interest. Accordingly, effective September 24, 1968, paragraph 1C(1) of the authorization for System foreign currency operations was amended to read as follows:

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1. The Federal Open Market Committee authorizes and directs the Federal Reserve Bank of New York, for System Open Market Account, to the extent necessary to carry out the Committee's foreign currency directive:

* * *

C. To have outstanding forward commitments undertaken under paragraph A above to deliver foreign currencies, up to the following limits:

(1) Commitments to deliver foreign currencies to the Stabilization Fund, up to $1 billion equivalent;

* * *

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Law Department

Administrative interpretations, new regulations, and similar material

INTEREST ON DEPOSITS; RESERVES OF MEMBER BANKS; OPEN MARKET OPERATIONS; RESERVE BANK ADVANCES

By Act approved September 21, 1968 (Public Law 90-505) Congress extended until September 22, 1969, the flexible authority of the Board, the Federal Deposit Insurance Corporation, and the Federal Home Loan Bank Board in regulating the maximum rates of interest or dividends payable by insured banks and savings and loan associations on deposit or share accounts. The Act makes permanent the authority of the Federal Reserve Banks to purchase in the open market direct or fully guaranteed obligations of Federal agencies and the authority of the Board to require member banks to maintain a reserve ratio for time deposits of not less than 3 and not more than 10 per cent. The Act also grants (1) the supervisory agencies authority to prescribe regulations governing all aspects of the payment of interest on deposits, including advertising, and (2) the Reserve Banks authority to make advances (a) to member banks on the security of any obligations eligible for Reserve Bank purchase (including Federal agency issues), and (b) to any person on the security of obligations of Federal agencies (previously, the security was limited to direct obligations of the United States).

The text of the relevant portions of the Act is as follows:

AN ACT

To extend for one year the authority to limit the rates of interest or dividends payable on time and savings deposits and accounts, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Section 7 of the Act of September 21, 1966 (Public Law 89-597; 80 Stat. 823) is amended to read:

"SEC. 7. Effective September 22, 1969—

"(1) so much of section 19(j) of the Federal Reserve Act (12 U.S.C. 371b) as precedes the third sentence thereof is amended to read as it would without the amendment made by section 2(c) of this Act;

"(2) the second and third sentences of section 18(g) of the Federal Deposit Insurance Act (12 U.S.C. 1828(g)) are amended to read as they would without the amendment made by section 3 of this Act; and

"(3) section 5B of the Federal Home Loan Bank Act (12 U.S.C. 1425b) is repealed."

SEC. 2. (a) The first sentence of section 19(j) of the Federal Reserve Act (12 U.S.C. 371b) is amended by changing "limit by regulation" to read "prescribe rules governing the payment and advertisement of interest on deposits, including limitations on".

(b) The second sentence of section 18(g) of the Federal Deposit Insurance Act (12 U.S.C. 1828(g)) is amended by changing "limit by regulation" to read "prescribe rules governing the payment and advertisement of interest on deposits, including limitations on".

(c) The first sentence of section 5B of the Federal Home Loan Bank Act (12 U.S.C. 1425b) is amended by changing "limit by regulation" to read "prescribe rules governing the payment and advertisement of interest or dividends on deposits, shares, or withdrawable accounts, including limitations on".

SEC. 3. (a) The first sentence of the eighth full paragraph of section 13 of the Federal Reserve Act (12 U.S.C. 347) is amended by inserting ", or secured by such obligations as are eligible for purchase under section 14(b) of this Act" immediately before the period at the end thereof.

(b) The first sentence of the last full paragraph of such section (12 U.S.C. 347c) is amended by inserting "or by any obligation which is a direct obligation of, or fully guaranteed as to principal and interest by, any agency of the United States" immediately before the period at the end thereof.

* * *

TIME DEPOSITS OF FOREIGN MONETARY AUTHORITIES

The Board of Governors, effective October 15, 1968, amended Regulation Q, "Payment of Interest on Deposits," to clarify the authority of member banks to pay any rate of interest on time deposits of foreign monetary authorities, with maturities of not more than two years, and to permit, under certain conditions, a member bank to pay the contract rate on a certificate of deposit issued to such an organization throughout the time it is held by such an organization, irrespective of the nature of the holder at maturity. The text of the amendment reads as follows:

AMENDMENT TO REGULATION Q

Effective October 15, 1968, section 217.3(*a*) is amended and section 217.3(*g*) is added to read as follows:

SECTION 217.3—MAXIMUM RATE OF INTEREST ON TIME AND SAVINGS DEPOSITS

(*a*) **Maximum rate prescribed from time to time.**—Except in accordance with the provisions of this part, no member bank shall pay interest on any time deposit or savings deposit in any manner, di-

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rectly or indirectly, or by any method, practice, or device whatsoever. Except as provided in paragraph (*g*) of this section, no member bank shall pay interest on any time deposit or savings deposit at a rate in excess of such applicable maximum rate as the Board of Governors of the Federal Reserve System shall prescribe from time to time; and any rate or rates which may be so prescribed by the Board will be set forth in supplements to this part, which will be issued in advance of the date upon which such rate or rates become effective.

* * *

(*g*) **Time deposits of foreign monetary authorities.**—The provisions of paragraph (*a*) of this section do not apply to the rate of interest that may be paid by member banks on a time deposit, having a maturity of not more than two years, made and owned by a foreign government, a monetary or financial authority of a foreign government when acting as such, or an international financial institution of which the United States is a member. All certificates of deposit issued by member banks to such organizations, on which the contract rate of interest exceeds the applicable maximum under § 217.6, shall provide (1) that, in the event of transfer, the date of transfer, attested to in writing by the transferor, shall appear on the certificate, and (2) that the maximum rate limitations of § 217.6 in effect at the date of issuance of the certificate apply to the certificate for any period during which it is held by a person other than such an organization. Upon presentment of such a certificate for payment, the bank may pay to the holder the contract rate of interest on the deposit for the time that the certificate was actually owned by such an organization.

ORDER UNDER BANK MERGER ACT

KINGSTON TRUST COMPANY, KINGSTON, NEW YORK

In the matter of the application of Kingston Trust Company for approval of merger with The Kerhonkson National 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 Kingston Trust Company, Kingston, New York, a State member bank of the Federal Reserve System, for the Board's prior approval of the merger of that bank and The Kerhonkson National Bank, Kerhonkson, New York, under the charter and title of Kingston Trust Company. As an incident to the merger, the three offices of The Kerhonkson National Bank would become branches of the resulting 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.

Dated at Washington, D.C., this 3rd day of October, 1968.

By order of the Board of Governors.

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

(Signed) ROBERT P. FORRESTAL,
Assistant Secretary.

[SEAL]

STATEMENT

Kingston Trust Company, Kingston, New York ("Kingston Bank"), with total deposits of $37 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 Kerhonkson National Bank, Kerhonkson, New York ("Kerhonkson Bank"), which has total deposits of $7 million.[1] The banks would merge under the charter and name of Kingston Bank, which is a member of the Federal Reserve System. As an incident to the merger, the three offices of Kerhonkson Bank would become branches of Kingston Bank, increasing the number of its offices to nine.

Competition. Kingston Bank operates its head office and two of its five branches in Kingston

[1] Deposit figures are as of December 30, 1967.

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(population 20,300); the bank also operates branches at Ulster, Phoenicia, and Marlboro, which are, respectively, one mile north, 25 miles northwest, and 25 miles south of Kingston. Kerhonkson Bank is headquartered in Kerhonkson (population 1,200), about 18 miles southwest of Kingston; the bank operates two branches, one at Stone Ridge and one at Hurley, 10 and two miles, respectively, southwest of Kingston.

All offices of the two banks are in Ulster County, which is on the west side of the Hudson River, about midway between Albany and New York City. The county's 1966 population of 137,000 represents an increase of 15 per cent since 1960, and a 47 per cent increase since 1950. Within the last decade many industrial firms have established facilities in Ulster County; about 240 such firms, most of which are located in the Kingston area, employ more than 15,000 persons.

Ten banks operate 29 offices in Ulster County, excluding one office in Wallkill, which is near the county's southern border and 20 miles or more from an office of either Kingston Bank or Kerhonkson Bank. Kingston Bank holds 22 per cent of the deposits held by the 29 offices in this area. The second and third largest banks in terms of area deposits hold 21 per cent and 19 per cent, respectively; the total deposits of the second ranking bank exceed those of Kingston Bank by 50 per cent and the bank is a subsidiary of Bankers Trust New York Corporation, a registered bank holding company and the sixth largest banking organization in the State. In terms of total deposits, Kerhonkson Bank is the smallest of the 10 banks operating in Ulster County; in terms of area deposits, it ranks ninth, with 4 per cent.

Kerhonkson serves as a trade center for a farming and resort area that contains about 6,000 persons. Residents of Kerhonkson and its environs who commute to work go either to Ellenville, seven miles to the southwest, or to Kingston. Stone Ridge and Hurley are residential communities, the residents of which are largely dependent upon Kingston for employment and shopping facilities.

The nearest competitors to Kerhonkson Bank's main office are the two banks in Ellenville, which have deposits of $9 million and $15 million, respectively; the nearest competitor to its Stone Ridge office is the branch at Rosendale (six miles to the east) of a Goshen-headquartered bank that has deposits of $18 million; the nearest competitors to its Hurley branch are the offices of three banks in Kingston, including, of course, Kingston Bank.

It appears that Kerhonkson Bank has not been a very effective competitor. Thus, during the period 1960-66, population growth in the area from which it derives the bulk of its business represented 13 per cent of the population growth in the whole of Ulster County; yet the bank's share of the increase in bank deposits in the county was only 7 per cent. More particularly, the volume of deposits and loans generated by Kerhonkson Bank's Hurley branch (established in 1964), its nearest office to Kingston, is far below what could reasonably be expected for the sole banking office in a community with a 1966 population of 6,100, representing a 35 per cent increase since 1960. Further, during recent months Kerhonkson Bank has experienced a decline in deposits.

The merger of Kerhonkson Bank and Kingston Bank would eliminate such competition as exists between them, as well as the potential for the development of additional competition, and enhance slightly the position of Kingston Bank. Kerhonkson Bank, however, has not been a vigorous competitor, and the merger would remove home-office-protection from Kerhonkson, thus opening the community to *de novo* branching by other banks.

The effect of the proposed merger on competition would be adverse, but not substantially adverse.

Convenience and needs of the communities. The replacement of Kerhonkson Bank by offices of Kingston Bank would make a broader range of banking services more conveniently available in the communities presently served by Kerhonkson Bank, although this would not be particularly significant in Hurley which is only two miles from Kingston. The merger would, of course, eliminate Kerhonkson Bank as an alternative source of banking services. However, it is in the interests of the communities served by Kerhonkson Bank that the bank's problems be resolved fairly promptly; the proposed merger would achieve that end.

Financial and managerial resources and prospects. The banking factors are satisfactory with respect to Kingston Bank, as they would be with respect to the resulting bank.

In early 1967, Kerhonkson Bank's president, who had served the bank for 20 years, became ill, and in September of that year he died. The directors have made a reasonable effort to deal with the

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management problem, but have not succeeded. The problem is complicated by the fact that the bank has only recently sustained an accelerated loss in deposits. During 1967 deposits declined 3 per cent; during the period January 1 to June 17, 1968, deposits declined 6 per cent, or at an annual rate of about 12 per cent.

The directors of Kerhonkson Bank initiated discussions regarding a possible merger with five banks, including Kingston Bank; three other banks expressed an interest in merging with Kerhonkson Bank. In the Board's judgment, the effect on competition of the merger of Kerhonkson Bank with any one of these seven other banks would not differ so significantly from that of its merger with Kingston Bank as to lend much weight to approval or disapproval.

Summary and conclusion. The merger would provide a ready and conclusive solution for the problems of Kerhonkson Bank, which is in the interests of the communities the bank serves. While the directors of Kerhonkson Bank, given more time, might be able to find an adequate solution for these problems that would be somewhat less inimical to the preservation of banking competition and, thus, more consonant with the interests of the communities than the proposed transaction, the Board believes that further delay and uncertainty would be injurious to the bank. The Board concludes, therefore, that the application should be approved, even though it regards the case as a close one.

ORDERS UNDER SECTION 3 OF BANK HOLDING COMPANY ACT

BARNETT NATIONAL SECURITIES CORPORATION, JACKSONVILLE, FLORIDA

In the matter of the application of Barnett National Securities Corporation, Jacksonville, Florida, for approval of acquisition of 80 per cent or more of the voting shares of The Munroe and Chambliss National Bank of Ocala, Ocala, Florida.

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 Barnett National Securities Corporation, Jacksonville, 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 The Munroe and Chambliss National Bank of Ocala, Ocala, Florida.

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 May 8, 1968 (33 Federal Register 6944), 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 Atlanta pursuant to delegated authority.

Dated at Washington, D.C., this 11th day of September, 1968.

By order of the Board of Governors.

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

(Signed) ROBERT P. FORRESTAL,
Assistant Secretary.

[SEAL]

In the matter of the application of Barnett National Securities Corporation, Jacksonville, Florida, for approval of acquisition of 80 per cent or more of the voting shares of Munroe and Chambliss National Bank of East Ocala, Ocala, Florida.

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

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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 Barnett National Securities Corporation, Jacksonville, 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 Munroe and Chambliss National Bank of East Ocala, Ocala, Florida.

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 May 8, 1968 (33 Federal Register 6944), 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 Atlanta pursuant to delegated authority.

Dated at Washington, D. C., this 11th day of September, 1968.

By order of the Board of Governors.

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

(Signed) ROBERT P. FORRESTAL,
Assistant Secretary.

[SEAL]

STATEMENT

Barnett National Securities Corporation, Jacksonville, 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 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 Munroe and Chambliss National Bank of Ocala, Ocala, Florida ("Ocala Bank"), and Munroe and Chambliss National Bank of East Ocala, Ocala, Florida ("East Ocala Bank"). While each of the applications has been separately considered and is the subject of 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 recommendations of supervisory authority. As required by section 3(b) of the Act, the Board notified the Comptroller of the Currency of receipt of the applications and requested his views and recommendations thereon. The Comptroller 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 any other 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 transactions. Applicant, the fourth largest holding company and fourth largest banking organization in the State of Florida, presently controls eleven banks with aggregate deposits of $395 million.[1] The ten largest banking organizations, the seven largest of which are bank holding companies, presently control about 37 per cent of the total commercial bank deposits in the State. Upon consummation of the proposals, Applicant, which now controls 4.08 per cent of the total deposits held by the State's 447 commercial banks, would control 4.3 per cent of such deposits.

[1] Banking data are as of December 31, 1967, unless otherwise noted, and reflect acquisitions approved by the Board to date.

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Approval of the applications would therefore have only slight effect on the present degree of State-wide concentration.

Both of the proposed subsidiary banks are located in the City of Ocala, in Marion County, Florida. Applicant presently has no subsidiary in Marion County and none within 60 miles of Ocala. The Ocala National Forest constitutes a natural barrier between Ocala and Applicant's closest subsidiary bank, which is located in DeLand. None of Applicant's subsidiaries competes with either of the subject banks and, in view of the distances involved and the prohibition against branch banking in Florida, it does not appear likely that such competition would develop in the future.

Although East Ocala Bank serves an area which lies wholly within that served by Ocala Bank, there is no effective competition between them and little prospect that such will develop in the future. East Ocala Bank, which began business in February of this year, was organized by the management of Ocala Bank to provide a more accessible banking facility for residents of the eastern section of Ocala, the largest residential area of the City. Each of the ten directors of East Ocala Bank serves also on the Board of Ocala Bank, its Board Chairman is Executive Vice President of Ocala Bank, its President is a former officer and present director of Ocala Bank, and a majority of its stock is owned by persons who also own a majority of the shares of Ocala Bank. East Ocala Bank is at present heavily dependent on Ocala Bank for earnings assets, and, although it is probable that the necessity for the present affiliation would diminish after the former bank's initial period of growth, such affiliation seems sufficently benefical to both banks to preclude the likelihood of its voluntary dissolution in the indefinite future. Consummation of Applicant's proposal, therefore, would not eliminate existing or potential competition between the two banks.

In addition to Ocala Bank and East Ocala Bank, which have total deposits[2] of $21 million and $1.1 million, respectively, the City of Ocala is served by three other banks: Commercial Bank & Trust Company of Ocala ($29 million deposits); Florida First National Bank at Ocala ($18 million deposits), a subsidiary of the duPont Trust, a registered bank holding company; and First Marion Bank ($4.3 million deposits). Two other banks, each with deposits of about $4 million, are located elsewhere in Marion County. The present levels of concentration in Ocala and Marion County would not be affected by the present proposals, and it does not appear that there would be any significant adverse effect on the viability or competitive effectiveness of competing institutions.

In light of these facts, the Board concludes that consummation of the proposed acquisitions 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 the proposals would have the effect of substantially lessening competition or tending to create a monopoly in any section of the country, nor would they in any other manner be in restraint of trade.

Financial and managerial resources and future prospects. Applicant's financial condition, its management, and its prospects are considered satisfactory.

Management of Ocala Bank and East Ocala Bank, which is to a large extent shared by both, is considered competent. The financial condition of both is considered satisfactory, except that the present capital of Ocala Bank is somewhat below the desirable level for a bank of its size; this fact has been recognized by Applicant, which proposes, if the present application is approved, to provide such additional capital as is found appropriate by the Comptroller of the Currency. The prospects of both banks are considered good, although those of East Ocala Bank, for the immediate future, are heavily dependent on continuation of its present affiliation with Ocala Bank.

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

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

Marion County, which has a population of 65,000, has a diverse economy consisting of agriculture, light industry, mining, and tourism. Principal agricultural products are cattle and citrus, with a moderate amount of truck farming and 100 thoroughbred horse farms; meat packing and citrus concentrate plants are located in the county. The area has several tourist attractions, the largest of which is Silver Springs. Mining activities stem pri-

[2] All deposit data in this paragraph are as of April 18, 1968.

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marily from the County's deposits of limerock and limestone.

The banks operating in Ocala and Marion County provide those areas with reasonably complete banking services. The major improvements contemplated by Applicant with respect to the services rendered by the proposed subsidiary banks are in the areas of trust services and specialized services to the citrus industry. Applicant intends to transfer a qualified trust officer to Ocala Bank from its largest subsidiary, and proposes that the bank will solicit such business more actively than it has done in the past. In addition, Applicant plans to employ a specialist thoroughly familiar with the special problems of financing the citrus industry, and to make his services available to its subsidiary banks.

These considerations are consistent with, and 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.

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Announcements

ELECTION OF DIRECTORS

The Federal Reserve Bank of Kansas City announced the election on September 10 of Mr. C. M. Miller as a Class A director to serve the remainder of a term expiring December 31, 1970. Mr. Miller is president of The Farmers and Merchants State Bank in Colby, Kansas. As a director of the Kansas City Bank he succeeds Mr. Kenneth H. Peters, president of The First State Bank of Larned, Kansas, who died on June 13, 1968.

The Federal Reserve Bank of Kansas City announced the election on October 1 of Mr. Cecil O. Emrich as a Class B director to serve the remainder of a term expiring December 31, 1969. Mr. Emrich is manager of Norfolk Livestock Market, Inc., in Norfolk, Nebraska. As a director of the Kansas City Bank he succeeds Mr. Fred W. Gilmore, who resigned on August 31, 1968, to accept the position of Deputy Governor and Director of Land Bank Service of the Farm Credit Administration in Washington, D.C.

RESIGNATION OF DIRECTOR

Dr. Kenneth S. Pitzer, who served as a Class C director of the Federal Reserve Bank of Dallas from January 1, 1966, resigned effective October 1, 1968, and will assume the Presidency of Stanford University, California, on December 1. Dr. Pitzer was President and Professor of Chemistry at Rice University, Houston, Texas.

ELECTRONIC TRANSFER SYSTEM

In a major preparatory step toward an electronic transfer system for bank deposits and financial data in the 1970's, the Federal Reserve System announced on September 20, 1968, that it has entered into a contract for a key segment of a computerized network to speed up the movement of money, securities, and economic statistics.

A $2,756,835 contract with Marshall Communications, Santa Ana, California, calls for purchase, installation, and maintenance for 5 years of a central communications switch to be located at Culpeper, Virginia. It constitutes another step in the System's program of adapting its operations to the latest developments in data processing and transmission technology.

The new automated communications grid will replace a more than 15-year-old nationwide leased wire network now used for the transfer of money, securities, and economic data among the Federal Reserve Banks and their member commercial banks.

Service is expected to begin late in 1969 or in early 1970. In addition to the central communications switch at Culpeper, the grid will also require advanced communications equipment at the offices of the Board of Governors in Washington, the 12 Federal Reserve Banks, their 24 branches, and the U.S. Treasury Department.

Also in process are plans for early linkage of Federal Reserve Bank offices with computerized facilities operated by or on behalf of commercial banks that hold membership in the Federal Reserve System or participate in its clearing arrangements.

A nationwide electronic grid capable of large volume and high accuracy will require uniformity in coding, transmission, formats, and procedures. To develop the necessary uniformity, the Federal Reserve staff has been conferring and working with representatives of the American Bankers Association, the Bank Administration Institute (formerly NABAC), and others to ascertain the needed standards and to determine which lines of development will yield the greatest benefit and service.

The computerized operation will permit the gradual removal of limitations on the volume of transfers now imposed on the leased wire network by manual operations and outdated equipment.

Money balances and data will be moved over the new system at speeds up to 40 times as fast as the present teletypewriter network. The volume potential of the computerized network will provide a capacity of at least 12 times that now needed to handle the present operational load of the Federal Reserve. It is expected that several thousand additional money transfers daily will go by wire as connections with member banks are automated and existing mechanical limitations on use are overcome. At present, the teletypewriter system handles about 9,000 money transfers involving billions of dollars daily.

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The automation of deposit transfers between and within Federal Reserve offices will open the way for a completely electronic transfer system for a large portion of the country's money movements. Given a Federal Reserve wire system with adequate capacity to respond immediately, member banks should find it desirable to automate their own communications with the Federal Reserve Bank or Branch that serves them. This would enable them to transfer funds to or from any other member bank on a "computer-to-computer" basis. Thus, they would have the capacity to move money, at the direction of their customers, to or from any customer of any other member bank, wherever located.

Last June 25, the Federal Reserve System announced that it was beginning contract negotiations with Marshall Communications for the automated communications switch. This followed a System announcement last February 27 of plans to replace its nationwide leased wire network.

The switch to be installed at Culpeper will be a M1000 Quad Communications Switching System which will be operated by the staff of the Federal Reserve Bank of Richmond on behalf of the entire Federal Reserve System. Target date for the initial phase of installation is the end of 1969.

Terminals in the Federal Reserve offices will consist of teletypewriters; magnetic tape transmitter-receivers; and computers, depending upon the type and volume of traffic at specific points. Although text messages will be handled, most of the volume will consist of wire transfers of funds and securities.

Several types of circuits will be employed. Teletype equipment, in large measure duplicating the 81-D-1 teletype system presently used by the Federal Reserve, will be served by 150-baud, full duplex lines. Transmission of magnetic tapes will utilize 2400-baud circuits. Data transfers originating in, or destined for, computers will use 2400-baud lines as well as certain special arrangements. Eight-level full ASCII code will be used. All Federal Reserve offices will be connected directly with the central switch, although expansion plans provide for secondary "collector" facilities elsewhere if traffic growth makes them desirable.

STUDY ON INTEREST-RATE EXPECTATIONS

Interest-Rate Expectations: Tests on Yield Spreads Among Short-Term Government Securities by Helmut F. Wendel is available for distribution.

In this study expectations have been appraised by indirect measurements, that is, by making various assumptions about their characteristics and about their effects on yield spreads as observed in the market. It was assumed that, if investors make portfolio choices on the basis of interest-rate expectations, they would acquire over a period of time the ability to forecast interest-rate levels with some noticeable degree of accuracy. In addition, simple models demonstrating how investors might formulate expectations at any given period of time were set up, and they were tested to evaluate whether expectations formulated in such a manner would explain changes in yield spreads. A novel feature is that observations other than past interest-rate behavior are introduced into the expectational models.

Requests for copies should be sent to the Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551. Remittance should accompany order and be made payable to the order of the Board of Governors of the Federal Reserve System (prices shown on page A–95).

ERRATUM

The table "Detailed Debit and Credit Balances and Related Items of Member Firms of the New York Stock Exchange and the American Stock Exchange Carrying Margin Accounts on June 28, 1968" as published in the September 1968 BULLETIN on page A–93 is inaccurate. The corrected table appears on p. A–91 of this BULLETIN.

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National Summary of Business Conditions

Released for publication October 16

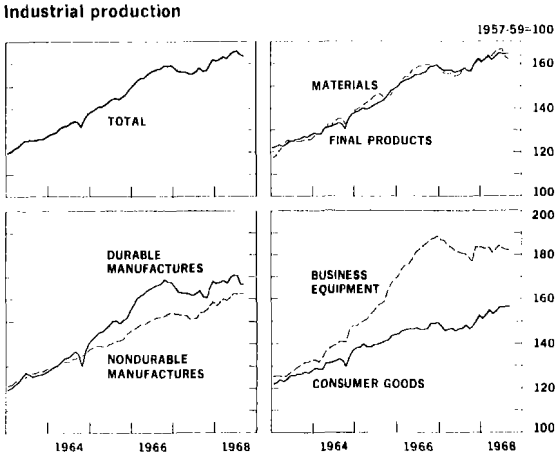
Industrial production declined in September and retail sales continued at advanced levels. Nonfarm employment increased but the unemployment rate edged up. Commercial bank credit and time and savings deposits increased further but the money supply declined. Between mid-September and mid-October, yields on U.S. Government securities and on corporate and municipal bonds rose on balance.

INDUSTRIAL PRODUCTION

Industrial production declined somewhat further in September and was 163.4 per cent of the 1957-59 average, compared with 163.9 per cent in August. Output of final products was unchanged but production of some industrial materials declined.

Auto assemblies dipped slightly in September, but production schedules for October indicate a rise. The dip in auto assemblies in September was offset by small gains in output of some other consumer durable and some nondurable goods. Production of business equipment was unchanged at about the levels prevailing throughout the year. Output of iron and steel declined 6 per cent further and production of some nondurable industrial materials, mainly crude oil and coal, also declined.

Industrial production



F.R. indexes, seasonally adjusted. Latest figures shown are for September.

EMPLOYMENT

Nonfarm payroll employment increased by 125,000 in September; for the May-August period, the average increase had been 180,000. Gains were concentrated in trade, services, and State and local government. Construction employment increased by 43,000 but about three-fourths of the rise resulted from the return to work following contract settlements. Manufacturing employment was unchanged with employment stable in most major industries. The average workweek of manufacturing production workers rose by 0.4 hours. The unemployment rate increased slightly to 3.6 per cent in September from 3.5 per cent in August, reflecting mainly an increase in women jobseekers.

DISTRIBUTION

The volume of retail sales in September was about unchanged from the August level, according to advance Department of Commerce estimates. Sales at nondurable goods stores declined about 1 per cent while durable sales rose 2 per cent. Dealer deliveries of new domestic autos were about unchanged at a 9 million annual rate.

COMMODITY PRICES

Following several months of little change, wholesale prices of industrial commodities rose an estimated 0.3 per cent from mid-August to mid-September with increases for steel and lumber especially important. The rise in the industrial average has apparently continued since mid-September reflecting in part price increases for various chemicals and for 1969 model autos. Wholesale prices of foods and foodstuffs which had declined in August rose in September with egg prices up sharply.

BANK CREDIT, DEPOSITS, AND RESERVES

Commercial bank credit increased $4.3 billion in September—much less than the rapid expansion of the two previous months. Holdings of U.S. Govern-

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ment securities showed little further change, following increases in July and August associated with Treasury financings. Bank acquisitions of municipal and agency issues remained heavy. Growth in total loans continued at about the same pace as in August but was much less rapid than in July when financing of increased security inventories at brokers and dealers was very large.

The money supply declined $700 million in September following reduced growth in August. U.S. Government deposits increased further. Time and savings deposits rose $2.9 billion—about the same as the July-August rate and much more rapidly than in the first half of the year. In September, runoffs of large negotiable CD's associated with tax and dividend payments were much smaller than usual and inflows of consumer-type time and savings deposits recovered somewhat further.

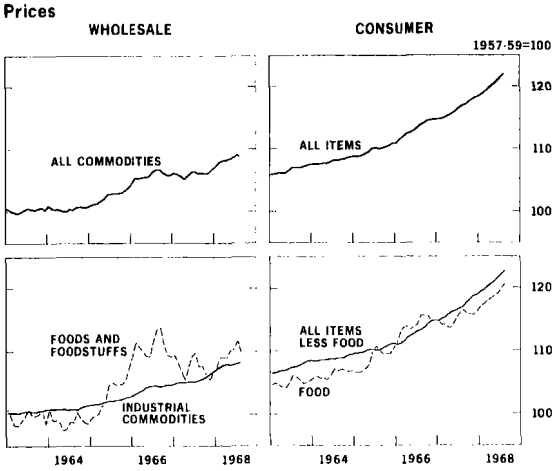
Net borrowed reserves averaged about $160 million over the 4 weeks ending September 25 or somewhat below the $240 million average in August. Member bank borrowings declined while excess reserves remained unchanged. Total reserves, which had increased sharply in August, declined slightly in September.

SECURITY MARKETS

Yields in all maturity sectors of the Treasury securities market, and especially in the longer-term area, have risen on balance since mid-September, largely reflecting stronger than expected economic activity and consequent growing uncertainty over the near-term course of interest rates. The 3-month bill was bid at around 5.35 per cent in the middle of October.

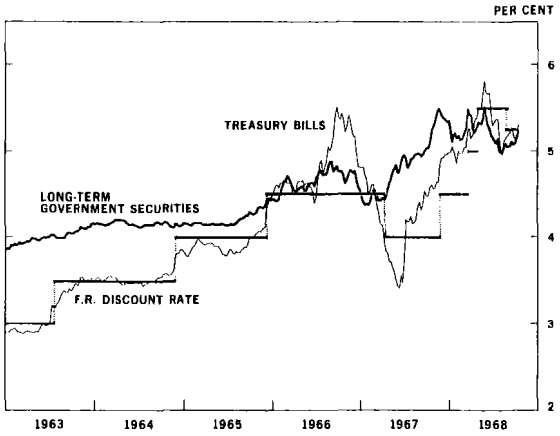
Yields on corporate and municipal bonds were relatively stable from mid-September until early October, but since then they advanced sharply. Common stock prices rose steadily to new highs throughout the period in very heavy trading volume.

Prices



Bureau of Labor Statistics. Latest figures shown are for August.

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 shown, week ending Sept. 13.

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Financial and Business Statistics

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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.

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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								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																	
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—Sept.	46,398	46,377	21	90	1,571	48,147	13,007	6,737	45,189	1,491	566	127	472	65	19,980	4,220	24,200
Oct.	47,367	47,203	164	126	1,408	48,993	13,003	6,779	45,396	1,483	974	125	476	−80	20,402	4,206	24,608
Nov.	48,010	47,885	125	133	1,595	49,752	12,907	6,781	45,969	1,462	1,167	146	449	−211	20,458	4,282	24,740
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—Jan.	49,046	48,982	64	237	1,906	51,287	11,983	6,783	46,389	1,393	1,011	157	481	−566	21,188	4,646	25,834
Feb.	48,930	48,734	196	361	1,515	50,873	11,900	6,791	45,851	1,336	1,021	143	457	−512	21,265	4,345	25,610
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	p4,416	p26,069
Sept.	52,222	52,208	14	515	1,969	54,757	p10,367	p6,737	p48,473	p792	611	131	450	−151	21,555	p4,435	p25,990
Week ending—																	
1967																	
Sept. 6	46,693	46,600	93	79	1,410	48,247	13,008	6,714	45,131	1,495	697	133	471	110	19,932	3,993	23,925
13	46,207	46,207	.....	70	1,544	47,880	13,007	6,726	45,398	1,483	202	126	491	103	19,810	4,229	24,039
20	46,055	46,055	.....	106	1,754	47,971	13,007	6,739	45,223	1,487	362	126	473	24	20,021	4,295	24,316
27	46,452	46,452	.....	74	1,530	48,193	13,006	6,759	45,044	1,502	927	129	454	37	19,865	4,347	24,212
Oct. 4	46,976	46,976	.....	144	1,495	48,773	13,006	6,763	45,107	1,500	866	125	477	54	20,413	4,229	24,642
11	47,563	47,319	244	145	1,418	49,247	13,007	6,767	45,407	1,473	1,002	127	502	93	20,419	3,980	24,399
18	47,802	47,315	487	216	1,402	49,515	13,007	6,781	45,559	1,484	942	131	485	−93	20,795	4,234	25,029
25	47,098	47,098	.....	58	1,564	48,773	13,007	6,792	45,429	1,482	1,087	119	455	−210	20,210	4,339	24,549
Nov. 1	47,220	47,220	.....	80	1,289	48,643	12,978	6,787	45,341	1,483	929	124	462	−210	20,279	4,426	24,705
8	47,865	47,710	155	132	1,407	49,458	12,907	6,777	45,563	1,474	928	127	470	−184	20,762	3,992	24,754
15	47,868	47,713	155	162	1,487	49,570	12,907	6,782	45,878	1,470	1,096	133	451	−240	20,470	4,229	24,699
22	47,837	47,712	125	127	1,777	49,796	12,906	6,782	46,089	1,451	1,051	148	442	−79	20,383	4,239	24,622
29	48,396	48,347	49	119	1,548	50,117	12,908	6,785	46,347	1,457	1,570	175	432	−345	20,176	4,482	24,658
Dec. 6	48,902	48,719	183	87	1,655	50,721	12,770	6,774	46,482	1,441	1,306	160	444	−65	20,498	4,342	24,840
13	48,853	48,853	.....	121	1,652	50,769	12,432	6,773	46,918	1,445	787	140	427	6	20,252	4,458	24,710
20	48,708	48,708	.....	185	2,155	51,119	12,432	6,775	47,093	1,444	844	156	434	−245	20,600	4,603	25,203
27	48,937	48,849	88	345	2,388	51,785	12,434	6,783	47,293	1,405	709	150	412	−251	21,285	4,402	25,687
1968																	
Jan. 3	49,298	49,044	254	495	2,335	52,286	11,982	6,784	47,200	1,395	949	147	567	−685	21,480	4,968	26,448
10	49,183	49,109	74	180	2,334	51,772	11,983	6,781	46,857	1,385	1,054	161	493	−679	21,265	4,646	25,911
17	48,758	48,700	58	224	1,987	51,044	11,984	6,781	46,493	1,397	1,019	156	473	−625	20,896	4,675	25,571
24	49,105	49,105	.....	233	1,726	51,186	11,982	6,784	46,117	1,390	939	149	471	−459	21,346	4,576	25,922
31	48,970	48,936	34	241	1,449	50,751	11,983	6,786	45,763	1,391	1,096	161	467	−426	21,069	4,603	25,672
Feb. 7	49,344	48,925	415	241	1,451	51,099	11,954	6,788	45,777	1,361	912	142	450	−554	21,752	4,169	25,921
14	49,210	48,815	395	384	1,267	50,949	11,882	6,788	45,942	1,343	1,071	137	462	−608	21,272	4,258	25,530
21	48,443	48,443	.....	405	1,734	50,643	11,882	6,792	45,881	1,333	1,051	140	455	−453	20,911	4,364	25,275
28	48,724	48,724	.....	442	1,556	50,779	11,883	6,796	45,817	1,319	1,022	147	461	−444	21,137	4,499	25,636

For notes see opposite page.

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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																	
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	[c]6,766	[c]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
Sept. 4	52,975	52,975	.....	454	1,699	55,180	10,367	6,730	48,431	787	938	140	457	101	21,422	[p]4,449	[p]25,871
11	52,341	52,341	.....	634	1,904	54,930	10,367	6,733	48,685	787	147	134	446	60	21,771	[p]4,425	[p]26,196
18	51,630	51,630	.....	405	2,174	54,259	10,367	6,735	48,567	790	208	128	465	−292	21,496	[p]4,450	[p]25,946
25	51,844	51,844	.....	475	[r]2,191	[r]54,560	10,367	6,742	48,325	798	866	123	445	−293	[p]21,405	[p]4,425	[p]25,830
End of month																	
1968																	
July	52,397	52,160	237	736	1,648	54,880	10,367	6,710	47,979	803	1,113	202	479	−320	21,702	5,060	26,762
Aug.	53,044	53,044	.....	529	[p]1,851	[p]55,475	10,367	6,724	48,353	776	916	127	463	109	[p]21,822	[p]4,187	[p]26,009
Sept.	53,288	52,839	449	390	[p]940	[p]54,704	[p]10,367	[p]6,745	[p]48,314	[p]802	1,036	192	485	−246	[p]21,233	[p]4,608	[p]25,841
Wednesday																	
1968																	
July 3	52,230	52,230	.....	505	1,820	54,613	10,367	6,722	48,205	849	1,148	261	525	−393	21,107	4,584	25,691
10	52,038	52,038	.....	363	1,742	54,201	10,367	6,726	48,381	833	897	155	466	−535	21,097	4,926	26,023
17	52,318	51,969	349	921	2,189	55,563	10,367	6,728	48,219	836	969	135	480	−494	22,513	4,963	27,476
24	51,904	51,904	.....	765	1,774	54,501	10,367	6,716	48,001	839	973	165	459	−421	21,568	5,048	26,616
31	52,397	52,160	237	736	1,648	54,880	10,367	6,710	47,979	803	1,113	202	479	−320	21,702	5,060	26,762
Aug. 7	52,798	52,160	638	514	1,516	54,956	10,367	6,729	48,254	823	358	214	467	−299	22,235	[p]4,496	[p]26,731
14	52,521	52,212	309	291	1,740	54,650	10,367	6,731	48,379	812	931	216	491	−389	21,309	[p]4,905	[p]26,214
21	52,894	52,750	144	416	1,879	55,241	10,367	6,737	48,288	807	1,046	125	450	41	21,587	[p]4,920	[p]26,507
28	52,618	52,618	.....	537	1,549	54,756	10,367	6,739	48,353	808	999	132	459	51	21,060	[p]5,082	[p]26,142
Sept. 4	52,796	52,796	.....	445	1,658	54,951	10,367	6,731	48,694	795	1,041	149	448	68	20,854	[p]4,709	[p]25,563
11	50,952	50,952	.....	115	1,715	52,833	10,367	6,734	48,771	788	21	129	460	−71	19,836	[p]5,064	[p]24,900
18	50,395	50,395	.....	355	2,320	53,119	10,367	6,738	48,527	800	668	125	446	−315	19,974	[p]4,449	[p]24,423
25	52,405	52,405	.....	1,565	[p]1,789	[p]55,808	10,367	6,741	48,356	797	1,027	134	451	−281	[p]22,432	[p]4,425	[p]26,857

[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.

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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	Excess			Total held	Required	Excess			Total held	Required	Excess		
1929—June	2,314	2,275	42	974	−932	762	755	7	174	−167	161	161	1	63	−62
1933—June	[1] 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
1947—Dec.	17,261	16,275	986	224	762	4,404	4,299	105	38	67	1,024	1,011	13	6	7
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—Sept.	24,200	23,842	358	90	268	4,797	4,747	50	11	39	1,172	1,169	3	.....	3
Oct.	24,608	24,322	286	126	160	4,888	4,871	17	27	−10	1,194	1,188	6	2	4
Nov.	24,740	24,337	403	133	270	4,826	4,784	42	19	23	1,191	1,178	13	2	11
Dec.	25,260	24,915	345	238	107	5,052	5,034	18	40	−22	1,225	1,217	8	13	−5
1968—Jan.	25,834	25,453	381	237	144	5,170	5,131	39	48	−9	1,231	1,230	1	3	−2
Feb.	25,610	25,211	399	361	38	5,060	5,011	49	106	−57	1,221	1,215	6	4	2
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.	p26,069	p25,690	p379	565	p−186	p4,940	p4,910	p29	192	p−163	p1,165	p1,162	p4	2	p2
Sept.	p25,990	p25,690	p300	515	p−215	p4,877	p4,870	p7	154	p−147	p1,149	p1,142	p7	23	−16
Week ending—															
1967—Sept. 6	23,925	23,593	332	79	253	4,701	4,671	30	21	9	1,172	1,161	11	.....	11
13	24,039	23,653	386	70	316	4,664	4,630	34	.....	34	1,147	1,132	15	.....	15
20	24,316	23,908	408	106	302	4,782	4,756	26	21	5	1,171	1,171	.....	.....	.....
27	24,212	24,001	211	74	137	4,858	4,839	19	.....	19	1,202	1,194	8	.....	8
1968—Apr. 3	25,463	25,132	331	696	−365	5,082	5,044	38	.....	38	1,142	1,140	2	123	−121
10	25,434	25,028	406	646	−240	4,992	4,858	134	127	7	1,138	1,126	12	26	−14
17	26,090	25,563	527	763	−236	5,085	5,068	17	47	−30	1,188	1,183	5	255	−250
24	25,503	25,377	126	651	−525	5,020	5,023	−3	49	−52	1,165	1,154	11	109	−98
May 1	25,518	25,242	276	674	−398	5,014	4,975	39	63	−24	1,200	1,197	3	52	−49
8	25,698	25,317	381	823	−442	5,023	4,958	65	64	1	1,198	1,194	4	220	−216
15	25,379	24,979	400	712	−312	4,786	4,774	12	124	−112	1,139	1,139	.....	49	−49
22	25,379	25,057	322	669	−347	4,900	4,848	52	.....	52	1,150	1,142	8	23	−15
29	25,322	24,931	391	764	−373	4,866	4,846	20	79	−59	1,134	1,130	4	19	−15
June 5	25,332	25,124	208	759	−551	5,024	5,001	23	79	−56	1,154	1,147	7	18	−11
12	25,400	25,090	310	678	−368	4,932	4,909	23	36	−13	1,123	1,125	−2	20	−22
19	25,597	25,331	266	664	−398	5,067	5,023	44	99	−55	1,138	1,130	8	61	−53
26	26,217	25,639	578	807	−229	5,146	5,107	39	92	−53	1,175	1,175	.....	42	−42
July 3	25,839	25,657	182	493	−311	5,217	5,143	74	26	48	1,180	1,175	5	49	−44
10	25,826	25,393	433	412	21	4,999	4,975	24	2	22	1,140	1,138	2	24	−22
17	26,011	25,737	274	470	−196	5,036	5,008	28	25	3	1,173	1,171	2	42	−40
24	26,261	25,851	410	639	−229	5,108	5,108	.....	11	−11	1,212	1,209	3	171	−168
31	26,186	25,828	358	602	−244	5,176	5,097	79	15	64	1,217	1,208	9	126	−117
Aug. 7	26,227	25,885	342	737	−395	5,113	5,093	20	337	−317	1,187	1,182	5	.....	5
14	25,890	25,576	314	576	−262	4,866	4,834	32	191	−159	1,153	1,147	6	.....	6
21	26,227	25,713	514	619	−105	4,906	4,898	8	278	−270	1,167	1,162	5	.....	5
28	25,791	25,612	179	374	−195	4,893	4,854	39	.....	39	1,147	1,148	−1	10	−11
Sept. 4	p25,871	p25,599	p272	454	p−182	p4,817	p4,839	p−22	111	p−133	p1,186	p1,175	p11	.....	p11
11	p26,196	p25,658	p538	634	p−96	p4,989	p4,854	p135	240	p−105	p1,145	p1,123	p23	.....	p23
18	p25,946	p25,599	p347	405	p−58	p4,851	p4,839	p12	107	p−95	p1,173	p1,175	p−2	11	p−13
25	p25,830	p25,658	p172	475	p−303	p4,830	p4,854	p−24	90	p−114	p1,130	p1,123	p7	86	p−79

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	Excess			Total held	Required	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.
6,861	6,589	271	123	148	4,972	4,375	597	57	540	1947—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.
9,649	9,623	26	32	−6	8,582	8,304	278	47	231	1967—Sept.
9,878	9,860	18	42	−24	8,648	8,402	246	55	191	Oct.
9,900	9,835	65	51	14	8,823	8,540	283	61	222	Nov.
10,081	10,031	50	105	−55	8,901	8,634	267	80	187	Dec.
10,314	10,283	31	111	−80	9,120	8,809	311	75	236	1968—Jan.
10,271	10,218	53	126	−73	9,057	8,766	291	125	166	Feb.
10,247	10,212	35	288	−253	9,009	8,780	229	218	11	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
p10,567	p10,497	p70	161	p−91	p9,396	p9,121	p275	210	p65	Aug.
p10,502	p10,469	p34	194	p−160	p9,461	p9,209	p252	144	p108	Sept.
										Week ending—
9,608	9,570	38	17	21	8,443	8,191	252	41	211	1967—Sept. 6
9,592	9,560	32	19	13	8,636	8,331	305	51	254	13
9,627	9,616	11	50	−39	8,736	8,364	372	35	337	20
9,664	9,662	2	22	−20	8,847	8,307	180	52	128	27
10,261	10,222	39	321	−282	8,978	8,726	252	252	.....	Apr. 3
10,293	10,235	58	184	−126	9,011	8,808	203	309	−106	10
10,405	10,367	38	307	−269	9,412	8,944	468	154	314	17
10,300	10,267	33	316	−283	9,018	8,933	85	177	−92	24
10,290	10,263	27	302	−275	9,014	8,808	206	257	−51	May 1
10,348	10,298	50	253	−203	9,130	8,867	263	286	−23	8
10,230	10,169	61	248	−187	9,225	8,898	327	291	36	15
10,243	10,188	55	259	−204	9,086	8,878	208	387	−179	22
10,152	10,118	34	278	−244	9,171	8,836	335	388	−53	29
10,180	10,138	42	294	−252	8,974	8,837	137	368	−231	June 5
10,182	10,151	31	278	−247	9,163	8,906	257	344	−87	12
10,237	10,212	25	164	−139	9,155	8,965	190	340	−150	19
10,414	10,370	44	340	−296	9,482	8,988	494	333	161	26
10,387	10,335	52	172	−120	9,054	9,003	51	246	−195	July 3
10,328	10,244	84	115	−31	9,359	9,037	322	271	51	10
10,459	10,428	31	121	−90	9,343	9,130	213	282	−69	17
10,499	10,441	58	200	−142	9,442	9,094	348	257	91	24
10,545	10,477	68	179	−111	9,248	9,047	201	282	−81	31
10,538	10,515	23	170	−147	9,390	9,095	295	230	65	Aug. 7
10,534	10,457	77	149	−72	9,336	9,139	197	236	−39	14
10,578	10,536	42	152	−110	9,576	9,117	459	189	270	21
10,530	10,489	41	158	−117	9,221	9,121	100	206	−106	28
p10,509	p10,460	p49	178	p−129	p9,359	p9,125	p234	165	p69	Sept. 4
p10,541	p10,446	p95	261	p−166	p9,520	p9,234	p286	133	p153	11
p10,457	p10,460	p−3	148	p−151	p9,464	p9,125	p339	139	p200	18
p10,431	p10,446	p−15	190	p−205	p9,439	p9,235	p204	109	p95	25

[1] 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		
		Less—		Net—		Gross transactions			Net transactions				
	Excess reserves [1]	Borrowings at F.R. Banks	Net interbank Federal funds trans.	Surplus or deficit	Per cent of avg. required reserves	Purchases	Sales	Total 2-way transactions [2]	Purchases of net buying banks	Sales of net selling banks	Loans to dealers [3]	Borrowings from dealers [4]	Net loans
Total—46 banks													
1968—Aug. 7	19	380	2,133	−2,493	21.5	3,809	1,676	1,381	2,428	295	2,311	165	2,145
14	62	225	2,708	−2,871	25.5	4,456	1,748	1,478	2,978	270	2,122	186	1,936
21	33	363	2,431	−2,762	24.3	4,174	1,743	1,533	2,641	210	2,120	170	1,949
28	33	70	2,494	−2,530	22.4	4,227	1,734	1,513	2,715	221	2,012	163	1,849
Sept. 4	13	194	2,299	−2,479	21.9	4,132	1,833	1,524	2,608	309	2,214	190	2,024
11	213	426	3,573	−3,786	33.7	4,898	1,325	1,181	3,717	144	2,375	179	2,196
18	18	213	3,948	−4,143	36.7	5,467	1,519	1,435	4,032	84	2,718	163	2,555
25	16	297	3,349	−3,629	32.3	4,792	1,443	1,306	3,486	137	2,464	103	2,362
8 in New York City													
1968—Aug. 7	5	337	1,110	−1,442	31.0	1,591	480	480	1,110	.....	1,506	75	1,431
14	24	170	1,373	−1,518	34.5	1,824	452	442	1,382	9	1,146	96	1,051
21	12	274	1,006	−1,267	28.4	1,509	503	497	1,012	6	1,195	80	1,114
28	24	.....	1,152	−1,128	25.5	1,600	448	446	1,154	2	1,167	73	1,094
Sept. 4	−25	104	976	−1,105	25.1	1,495	519	519	976	.....	1,195	100	1,094
11	129	225	1,478	−1,575	35.6	1,781	302	300	1,481	3	1,193	89	1,104
18	19	86	1,416	−1,483	33.6	1,905	490	490	1,416	.....	1,435	95	1,340
25	9	84	1,124	−1,199	27.1	1,635	512	512	1,124	.....	1,403	100	1,303
38 outside New York City													
1968—Aug. 7	14	44	1,022	−1,052	15.1	2,218	1,196	901	1,317	295	805	90	715
14	38	55	1,335	−1,353	19.7	2,632	1,297	1,036	1,596	261	975	90	885
21	20	90	1,425	−1,494	21.6	2,665	1,240	1,036	1,629	204	925	90	835
28	9	70	1,342	−1,403	20.4	2,627	1,286	1,067	1,560	219	845	90	755
Sept. 4	38	90	1,322	−1,374	19.9	2,636	1,314	1,005	1,631	309	1,019	90	929
11	84	201	2,095	−2,211	32.5	3,117	1,022	881	2,236	141	1,182	90	1,092
18	−1	128	2,533	−2,661	38.6	3,562	1,029	945	2,617	84	1,283	68	1,215
25	8	213	2,225	−2,430	35.7	3,156	931	794	2,362	137	1,061	2	1,059
5 in City of Chicago													
1968—Aug. 7	3	.....	408	−405	37.6	631	223	223	408	.....	53	.....	53
14	5	.....	374	−369	35.4	651	276	276	374	.....	39	.....	39
21	3	.....	367	−364	34.4	646	279	272	375	8	32	.....	32
28	.....	10	350	−360	34.6	626	276	263	363	14	75	.....	75
Sept. 4	6	.....	466	−460	42.9	752	286	273	479	13	80	.....	80
11	24	.....	689	−664	65.3	872	183	183	689	.....	74	.....	74
18	−4	11	680	−696	65.0	898	218	218	680	.....	83	.....	83
25	5	86	769	−850	83.4	920	151	151	769	.....	53	.....	53
33 others													
1968—Aug. 7	11	44	614	−647	11.0	1,587	973	678	909	295	752	90	662
14	32	55	961	−984	16.9	1,981	1,020	760	1,222	261	937	90	847
21	17	90	1,058	−1,131	19.3	2,018	961	764	1,255	197	893	90	803
28	10	60	992	−1,043	17.8	2,001	1,009	804	1,197	205	770	90	680
Sept. 4	32	90	856	−914	15.7	1,884	1,028	732	1,152	296	939	90	849
11	60	201	1,406	−1,547	26.8	2,245	839	698	1,547	141	1,108	90	1,018
18	3	116	1,853	−1,965	33.7	2,664	811	727	1,937	84	1,200	68	1,132
25	2	127	1,456	−1,581	27.3	2,236	780	643	1,593	137	1,008	2	1,006

[1] Based upon reserve balances, including all adjustments applicable to the reporting period. Carryover reserve deficiencies, if any, are deducted.

[2] Derived from averages for individual banks for entire week. Figure for each bank indicates extent to which its 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 Sept. 30	Effective date	Previous rate	Rate on Sept. 30	Effective date	Previous rate	Rate on Sept. 30	Effective date	Previous rate
Boston	5¼	Aug. 27, 1968	5½	5¾	Aug. 27, 1968	6	6¼	Aug. 27, 1968	6½
New York	5¼	Aug. 30, 1968	5½	5¾	Aug. 30, 1968	6	6¾	Aug. 30, 1968	7
Philadelphia	5¼	Aug. 23, 1968	5½	5¾	Aug. 23, 1968	6	6¼	Aug. 23, 1968	6½
Cleveland	5¼	Aug. 23, 1968	5½	5¾	Aug. 23, 1968	6	6¾	Aug. 23, 1968	7
Richmond	5¼	Aug. 19, 1968	5½	5¾	Aug. 19, 1968	6	6¼	Aug. 19, 1968	6½
Atlanta	5¼	Aug. 30, 1968	5½	5¾	Aug. 30, 1968	6	6¼	Aug. 30, 1968	6½
Chicago	5¼	Aug. 23, 1968	5½	5¾	Aug. 23, 1968	6	6¼	Aug. 23, 1968	6½
St. Louis	5¼	Aug. 30, 1968	5½	5¾	Aug. 30, 1968	6	6¼	Aug. 30, 1968	6½
Minneapolis	5¼	Aug. 16, 1968	5½	5¾	Aug. 16, 1968	6	6¼	Aug. 16, 1968	6½
Kansas City	5¼	Aug. 23, 1968	5½	5¾	Aug. 23, 1968	6	6¼	Aug. 23, 1968	6½
Dallas	5¼	Aug. 28, 1968	5½	5¾	Aug. 28, 1968	6	6¼	Aug. 28, 1968	6½
San Francisco	5¼	Aug. 30, 1968	5½	5¾	Aug. 30, 1968	6	6¼	Aug. 30, 1968	6½

[1] Discounts of eligible paper and advances secured by such paper or by U.S. Govt. obligations. 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 U.S. Govt. direct obligations. 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
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
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
Aug. 30	5¼	5¼
In effect Sept. 30	5¼	5¼

† Preferential rate of one-half 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					Beginning July 14, 1966							
Effective date [1]	Net demand deposits [2]			Time deposits (all classes of banks)	Effective date [1]	Net demand deposits [2]				Time deposits [4] (all classes of banks)		
	Central reserve city banks [3]	Reserve city banks	Country banks			Reserve city banks		Country banks		Savings deposits	Other time deposits	
						Under $5 million	Over $5 million	Under $5 million	Over $5 million		Under $5 million	Over $5 million
In effect Dec. 31, 1949	22	18	12	5	1966—July 14, 21	[5] 16½		[5] 12		[5] 4	[5] 4	5
					Sept. 8, 15	...		...		...	...	6
1951—Jan. 11, 16	23	19	13	6								
Jan. 25, Feb. 1	24	20	14	...	1967—Mar. 2	...		...		3½	3½	...
1953—July 9, 1	22	19	13	...	Mar. 16	...		...		3	3	...
1954—June 24, 16	21	...	...	5								
July 29, Aug. 1	20	18	12	...	1968—Jan. 11, 18	16½	17	12	12½	...	...	...
1958—Feb. 27, Mar. 1	19½	17½	11½	...								
Mar. 20, Apr. 1	19	17	11	...	In effect Sept. 30, 1968	16½	17	12	12½	3	3	6
Apr. 17	18½	...	...	...								
Apr. 24	18	16½	...	...	Present legal requirement:							
1960—Sept. 1	17½	...	...	...	Minimum	10		7		3	3	3
Nov. 24	...	...	12	...	Maximum	22		14		10	10	10
Dec. 1	16½	...	...	...								
1962—July 28	(3)	...	...	...								
Oct. 25, Nov. 1	...	...	...	4								

[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	Effective date								
	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 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 its market value at the time of extension; 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 March 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					Rates beginning July 20, 1966			
Type of deposit	Effective date				Type of deposit	Effective date		
	Jan. 1, 1962	July 17, 1963	Nov. 24, 1964	Dec. 6, 1965		July 20, 1966	Sept. 26, 1966	Apr. 19, 1968
Savings deposits: [1]					Savings deposits	4	4	4
12 months or more	4	4	4	4	Other time deposits: [2]			
Less than 12 months	3½	3½			Multiple maturity: [3]			
Other time deposits: [2]					90 days or more	5	5	5
12 months or more	4	4	4½	5½	Less than 90 days (30-89 days)	4	4	4
6 months to 12 months	3½				Single-maturity:			
90 days to 6 months	2½				Less than $100,000	5½	5	5
Less than 90 days (30–89 days)	1	1	4		$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, the FDIC has established identical rates for nonmember insured commercial banks.

For rates before 1962 see Board's Annual Reports.

DEPOSITS, CASH, AND RESERVES OF MEMBER BANKS

(In millions of dollars)

Item	All member banks	Reserve city banks			Country banks	Item	All member banks	Reserve city banks			Country banks
		New York City	City of Chicago	Other				New York City	City of Chicago	Other	
	Four weeks ending July 17, 1968						Four weeks ending Aug. 14, 1968				
Gross demand—Total	165,890	36,553	7,106	59,322	62,910	Gross demand—Total	162,969	35,225	6,958	58,485	62,302
Interbank	18,997	7,248	1,292	8,180	2,278	Interbank	18,270	6,863	1,262	7,958	2,188
U.S. Govt.	4,968	1,111	228	1,830	1,800	U.S. Govt.	5,365	1,227	290	2,061	1,787
Other	141,926	28,194	5,587	49,313	58,832	Other	139,335	27,135	5,407	48,467	58,326
Net demand [1]	127,461	23,899	5,286	45,492	52,784	Net demand [1]	127,486	23,522	4,299	45,827	52,838
Time	152,872	19,387	5,633	58,256	69,597	Time	155,815	20,013	5,905	59,423	70,475
Demand balances due from dom. banks	8,966	415	421	2,034	6,096	Demand balances due from dom. banks	8,596	369	436	1,961	5,830
Currency and coin	4,459	359	81	1,370	2,649	Currency and coin	4,429	349	76	1,345	2,658
Balances with F.R. Banks	21,515	4,740	1,087	9,027	6,661	Balances with F.R. Banks	21,713	4,717	1,117	9,184	6,696
Total reserves held	25,974	5,099	1,168	10,397	9,310	Total reserves held	26,142	5,066	1,193	10,529	9,354
Required	*25,517*	*5,059*	*1,165*	*10,344*	*8,950*	*Required*	*25,786*	*5,033*	*1,186*	*10,473*	*9,094*
Excess	*457*	*40*	*3*	*53*	*360*	*Excess*	*356*	*33*	*7*	*56*	*260*

[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		
	1968					1968		1967
	Sept. 25	Sept. 18	Sept. 11	Sept. 4	Aug. 28	Sept. 30	Aug. 31	Sept. 30
Assets								
Gold certificate account	10,026	10,026	10,026	10,026	10,026	10,026	10,026	12,510
Cash	313	315	309	321	333	316	332	357
Discounts and advances:								
Member bank borrowings	1,565	355	115	445	537	390	529	74
Other	...	...	...	...	...	...	...	...
Acceptances:	49	49	51	52	52	47	51	52
Bought outright	...	...	...	...	...	39	...	104
Held under repurchase agreements								
Federal agency obligations—Held under repurchase agreements	...	...	...	...	...	9	...	...
U.S. Govt. securities:								
Bought outright:	18,472	16,462	17,019	18,863	18,768	18,794	19,111	14,097
Bills	...	...	...	...	...	...	...	...
Certificates—Special	...	...	...	...	...	...	...	...
Other	28,205	28,205	28,205	28,205	28,143	28,312	28,205	26,198
Notes	5,728	5,728	5,728	5,728	5,707	5,733	5,728	6,621
Bonds								
Total bought outright	52,405	50,395	50,952	52,796	52,618	52,839	53,044	46,916
Held under repurchase agreements	...	...	...	...	...	440	...	...
Total U.S. Govt. securities	52,405	50,395	50,952	52,796	52,618	53,279	53,044	46,916
Total loans and securities	54,019	50,799	51,118	53,293	53,207	53,764	53,624	47,146
Cash items in process of collection	8,162	9,535	8,074	7,401	7,279	p7,548	r6,996	6,758
Bank premises	113	113	113	113	113	115	113	111
Other assets:								
Denominated in foreign currencies	1,271	1,288	1,254	1,102	1,094	1,281	1,055	788
IMF gold deposited[1]	230	230	230	230	230	230	230	233
All other	456	416	397	364	322	480	337	424
Total assets	74,590	72,722	71,521	72,850	72,604	p73,757	r72,713	68,327
Liabilities								
F.R. notes	42,384	42,562	42,793	42,738	42,414	42,346	42,396	39,617
Deposits:								
Member bank reserves	22,432	19,974	19,836	20,854	21,060	p21,233	r21,822	20,686
U.S. Treasurer—General account	1,027	668	21	1,041	999	1,036	916	778
Foreign	134	125	129	149	132	192	127	117
Other:	230	230	230	230	230	230	230	233
IMF gold deposit[1]								258
All other	221	216	230	218	229	255	233	
Total deposits	24,044	21,213	20,446	22,492	22,650	p22,946	r23,328	22,072
Deferred availability cash items	6,373	7,215	6,359	5,743	5,730	6,605	5,145	5,044
Other liabilities and accrued dividends	374	367	387	394	376	411	389	261
Total liabilities	73,175	71,357	69,985	71,367	71,170	p72,308	r71,258	66,994
Capital accounts								
Capital paid in	619	619	618	618	618	619	618	589
Surplus	598	598	598	598	598	598	598	570
Other capital accounts	198	148	320	267	218	232	239	174
Total liabilities and capital accounts	74,590	72,722	71,521	72,850	72,604	p73,757	r72,713	68,327
Contingent liability on acceptances purchased for foreign correspondents	125	123	126	138	149	124	149	205
U.S. Govt. securities held in custody for foreign account	7,639	7,384	7,594	7,848	7,436	7,777	7,590	7,558
Federal Reserve Notes—Federal Reserve Agents' Accounts								
F.R. notes outstanding (issued to Bank)	45,439	45,425	45,359	45,214	45,110	45,470	45,197	42,374
Collateral held against notes outstanding:								
Gold certificate account	4,118	4,118	4,118	4,118	4,118	4,118	4,118	6,727
Eligible paper	...	...	...	...	...	...	...	...
U.S. Govt. securities	42,516	42,416	42,416	42,291	42,291	42,651	42,291	37,081
Total collateral	46,634	46,534	46,534	46,409	46,409	46,769	46,409	43,808

[1] 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 SEPTEMBER 30, 1968

(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	10,026	408	2,084	656	847	946	546	1,878	496	209	341	390	1,225
F.R. notes of other banks	927	90	210	62	64	82	90	50	31	36	31	41	140
Other cash	316	20	35	8	43	19	43	50	30	3	21	15	29
Discounts and advances:													
Secured by U.S. Govt. securities	380	105	21	6	.....	5	41	118	8	11	6	11	48
Other	10	.....	.....	.....	.....	.....	10	.....	.....	.....	.....	.....	.....
Acceptances:													
Bought outright	47	.....	47	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Held under repurchase agreements	39	.....	39	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Federal agency obligations—Held under repurchase agreements	9	.....	9	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
U.S. Govt. securities:													
Bought outright	52,839	2,748	12,706	2,712	4,075	3,948	2,880	8,714	1,891	1,063	2,191	2,277	7,634
Held under repurchase agreements	440	.....	440	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total loans and securities	53,764	2,853	13,262	2,718	4,075	3,953	2,931	8,832	1,899	1,074	2,197	2,288	7,682
Cash items in process of collection	10,249	632	1,766	587	790	783	813	1,775	512	334	732	570	955
Bank premises	115	3	10	2	5	10	19	18	9	3	18	9	9
Other assets:													
Denominated in foreign currencies	1,281	63	[1]329	68	115	67	81	187	44	29	56	73	169
IMF gold deposited [2]	230	.....	230	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
All other	480	25	115	24	37	36	31	76	17	11	21	20	67
Total assets	77,388	4,094	18,041	4,125	5,976	5,896	4,554	12,866	3,038	1,699	3,417	3,406	10,276
Liabilities													
F.R. notes	43,273	2,501	9,851	2,463	3,496	3,974	2,329	7,736	1,601	745	1,628	1,508	5,441
Deposits:													
Member bank reserves	21,233	813	5,563	998	1,500	968	1,316	2,976	794	555	923	1,228	3,599
U.S. Treasurer—General account	1,036	67	171	68	76	99	60	70	92	51	119	52	111
Foreign	192	6	[3]95	7	12	7	8	19	5	3	6	7	17
Other:													
IMF gold deposit [2]	230	.....	230	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
All other	258	1	216	*	.....	10	1	2	*	1	1	1	25
Total deposits	22,949	887	6,275	1,073	1,588	1,084	1,385	3,067	891	610	1,049	1,288	3,752
Deferred availability cash items	9,306	615	1,437	492	736	730	729	1,778	482	303	662	513	829
Other liabilities and accrued dividends	411	20	109	22	29	29	21	66	14	19	17	17	58
Total liabilities	75,939	4,023	17,672	4,050	5,849	5,817	4,464	12,647	2,988	1,667	3,356	3,326	10,080
Capital accounts													
Capital paid in	619	30	158	32	55	32	39	92	21	14	27	36	83
Surplus	598	29	154	32	54	31	38	87	20	14	26	34	79
Other capital accounts	232	12	57	11	18	16	13	40	9	4	8	10	34
Total liabilities and capital accounts	77,388	4,094	18,041	4,125	5,976	5,896	4,554	12,866	3,038	1,699	3,417	3,406	10,276
Contingent liability on acceptances purchased for foreign correspondents	124	6	[4]31	7	11	6	8	18	4	3	6	7	17
F.R. notes outstanding (issued to Bank)	45,470	2,603	10,379	2,547	3,769	4,154	2,471	8,013	1,680	783	1,720	1,612	5,739
Collateral held against notes outstanding:													
Gold certificate account	4,118	330	500	300	600	600	350	1,000	206	77	.....	155	.....
Eligible paper	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
U.S. Govt. securities	42,651	2,301	10,000	2,500	3,300	3,600	2,200	7,150	1,570	725	1,775	1,530	6,000
Total collateral	46,769	2,631	10,500	2,800	3,900	4,200	2,550	8,150	1,776	802	1,775	1,685	6,000

[1] After deducting $952 million participations of other F.R. Banks.
[2] See note 2 to table at top of p. A-73.
[3] After deducting $97 million participations of other F.R. Banks.
[4] After deducting $93 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
1967—Aug.	591	440	400	591	440	400	...	...	−1,225	...	...	1,338
Sept.	1,110	623	127	919	623	127	24	...	...	121	...	44
Oct.	700	27	200	700	27	200	...	...	...	...	...	...
Nov.	1,386	...	168	1,200	...	168	...	...	−1,227	121	...	1,227
Dec.	622	...	250	622	...	250	...	...	169	...	...	−73
1968—Jan.	1,488	1,593	20	1,410	1,593	20	...	...	...	52	...	...
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

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							Outright, net	Under repurchase agreements, net	
	Gross purchases	Gross sales	Exch. or maturity shifts	Gross purchases	Gross sales	Exch. or maturity shifts	Gross purchases	Gross sales					
1967—Aug.	...	...	−113	...	...	...	450	450	−249	...	−14	...	−263
Sept.	27	...	− 44	19	...	...	453	453	361	...	−12	104	453
Oct.	...	...	...	...	...	...	1,427	1,427	474	...	1	−104	370
Nov.	45	...	...	20	...	...	1,369	1,046	1,541	23	5	...	1,570
Dec.	...	...	−96	...	...	...	545	736	182	15	16	89	302
1968—Jan.	21	...	...	5	...	...	1,136	1,031	−20	−38	−12	−69	−139
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	...	4,637	12	...	...	2,497	2,734	647	...	−5	−43	599

[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—June	578	399	29	3	...	1	144	1	1	*	2
July	579	566	4	3	...	1	2	1	1	*	2
Aug.	866	761	3	3	...	1	94	1	1	*	3
Sept.	788	754	13	3	...	1	13	1	1	*	3
Oct.	953	898	*	3	...	1	46	1	1	*	3
Nov.	1,307	1,140	19	3	...	1	140	1	1	*	2
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

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MATURITY DISTRIBUTION OF LOANS AND U.S. GOVERNMENT SECURITIES HELD BY FEDERAL RESERVE BANKS

(In millions of dollars)

Item	Wednesday					End of month		
	1968					1968		1967
	Sept. 25	Sept. 18	Sept. 11	Sept. 4	Aug. 28	Sept. 30	Aug. 31	Sept. 30
Discounts and advances—Total	1,565	355	115	445	537	390	529	74
Within 15 days	1,555	348	112	440	531	387	523	71
16 days to 90 days	10	7	3	5	6	3	6	3
91 days to 1 year	.....	.....	.....	.....	.....	.....	.....	.....
Acceptances—Total	49	49	51	52	52	86	51	156
Within 15 days	10	15	16	16	18	53	16	115
16 days to 90 days	39	34	35	36	34	33	35	41
91 days to 1 year	.....	.....	.....	.....	.....	.....	.....	.....
U.S. Government securities—Total	52,405	50,395	50,952	52,796	52,618	53,288	53,044	46,916
Within 15 days [1]	2,426	1,218	580	2,205	2,652	1,840	1,494	964
16 days to 90 days	14,737	14,130	14,954	14,997	14,553	15,574	15,549	13,962
91 days to 1 year	16,600	16,405	16,776	16,952	16,839	17,150	17,359	15,662
Over 1 year to 5 years	7,902	7,902	7,902	7,902	7,879	7,934	7,902	14,910
Over 5 years to 10 years	10,141	10,141	10,141	10,141	10,107	10,186	10,141	883
Over 10 years	599	599	599	599	588	604	599	535

[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] (in billions of dollars)					Turnover of demand deposits				
	Total 233 SMSA's	Leading SMSA's		Total 232 SMSA's (excl. N.Y.)	226 other SMSA's	Total 233 SMSA's	Leading SMSA's		Total 232 SMSA's (excl. N.Y.)	226 other SMSA's
		N.Y.	6 others[2]				N.Y.	6 others[2]		
1967—Aug.	7,067.8	3,185.7	1,575.0	3,882.1	2,307.1	59.0	128.5	56.6	41.1	34.6
Sept.	6,799.4	2,952.4	1,513.6	3,847.0	2,333.4	57.4	120.6	55.4	40.8	35.1
Oct.	6,993.0	3,102.4	1,537.7	3,890.6	2,352.9	58.3	125.5	54.6	40.8	35.1
Nov.	6,997.7	3,100.8	1,557.8	3,896.9	2,339.1	58.4	130.2	55.7	41.2	34.8
Dec.	7,047.0	3,149.7	1,515.4	3,897.3	2,381.9	58.5	122.1	54.6	41.1	35.3
1968—Jan.	7,369.4	3,323.4	1,584.8	4,046.0	2,461.2	60.2	128.5	55.6	41.6	36.0
Feb.	7,263.9	3,216.8	1,593.3	4,047.1	2,453.8	59.8	129.2	56.9	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

[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.
All data shown here are revised. For description of revision, see 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—July	44,866	31,774	4,674	1,873	137	2,625	7,989	14,476	13,094	3,724	8,844	238	281	3	4
Aug.	45,071	31,884	4,720	1,878	136	2,628	8,001	14,521	13,186	3,749	8,911	238	281	3	4
Sept.	45,031	31,795	4,752	1,886	136	2,621	7,949	14,451	13,236	3,751	8,959	238	281	3	4
Oct.	45,421	32,095	4,803	1,913	136	2,658	8,013	14,572	13,325	3,766	9,031	238	283	3	4
Nov.	46,463	32,937	4,865	1,965	136	2,748	8,266	14,957	13,524	3,832	9,163	239	283	3	4
Dec.	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—Jan.	45,819	32,232	4,927	1,923	136	2,686	7,977	14,583	13,588	3,835	9,221	240	285	3	4
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

[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 Aug. 31, 1968	Held in the Treasury			Held by F.R. Banks and Agents	Currency in circulation [1]		
		As security against gold and silver certificates	Treasury cash	For F.R. Banks and Agents		1968		1967
						Aug. 31	July 31	Aug. 31
Gold	10,367	(10,026)	[2] 342	.....	.....	.....	.....	.....
Gold certificates	(10,026)	.....	.....	[3] 10,024	1	.....	.....	.....
Federal Reserve notes	45,196	.....	104	.....	2,801	42,291	41,982	39,573
Treasury currency—Total	6,724	(.....)	331	.....	332	6,061	5,996	5,498
Standard silver dollars	485	.....	3	.....	.....	482	482	482
Silver bullion	.....	.....	.....	.....	.....	.....	.....	.....
Silver certificates	(.....)	.....	.....	.....	.....	.....	.....	386
Fractional Coin	5,607	.....	313	.....	328	4,967	4,904	4,239
United States notes	323	.....	15	.....	4	303	302	305
In process of retirement [4]	310	.....	.....	.....	.....	309	309	87
Total—Aug. 31, 1968	[5] 62,288	(10,026)	776	10,024	3,135	48,353	.....	.....
July, 31, 1968	[5] 61,926	(10,026)	803	10,024	3,120	.....	47,979	.....
Aug. 31, 1967	[5] 61,895	(12,889)	1,476	12,498	2,849	.....	.....	45,071

[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 $230 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				Not seasonally adjusted				
	Money supply			Time deposits adjusted [1]	Money supply			Time deposits adjusted [1]	U.S. Govt. demand deposits [1]
	Total	Currency component	Demand deposit component		Total	Currency component	Demand deposit component		
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—Sept.	179.1	39.7	139.4	179.4	178.3	39.7	138.5	179.0	5.0
Oct.	180.2	39.9	140.2	180.6	180.5	40.0	140.5	180.4	6.3
Nov.	181.0	40.1	141.0	182.0	182.4	40.4	141.9	181.3	5.3
Dec.	181.3	40.4	140.9	183.5	187.1	41.2	145.9	182.0	5.0
1968—Jan.	182.3	40.6	141.7	184.1	187.6	40.5	147.1	183.7	5.0
Feb.	182.7	40.7	141.9	185.2	181.4	40.3	141.1	185.8	7.2
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. p	190.2	42.5	147.7	193.8	186.8	42.6	144.3	194.3	5.5
Sept. p	189.3	42.6	146.7	196.7	188.5	42.6	145.8	196.3	5.8
Week ending—									
1968—Aug. 7	190.4	42.2	148.1	192.4	188.3	42.6	145.7	193.0	5.7
14	189.7	42.5	147.1	193.3	187.3	42.8	144.5	194.1	4.8
21	190.4	42.6	147.8	194.0	186.0	42.7	143.4	194.6	5.9
28	190.2	42.7	147.5	194.6	185.6	42.4	143.2	195.2	5.9
Sept. 4 p	190.3	42.7	147.6	195.2	187.7	42.7	145.0	195.6	4.2
11 p	190.2	42.6	147.5	195.8	189.4	43.1	146.3	195.8	3.3
18 p	188.7	42.7	146.0	196.9	189.2	42.7	146.5	196.1	5.0
25 p	188.6	42.6	146.0	197.4	186.7	42.4	144.4	196.7	8.5

[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 August 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	Seasonally adjusted							Not seasonally adjusted						
	Member bank reserves [1]			Deposits subject to reserve requirements [2]				Member bank reserves [1]			Deposits subject to reserve requirements [2]			
	Total	Non-borrowed	Required	Total	Time and savings	Private demand	U.S. Govt. demand	Total	Non-borrowed	Required	Total	Time and savings	Private demand	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—Sept.	24.79	24.72	24.48	268.4	146.3	117.6	4.5	24.71	24.62	24.35	267.3	146.0	116.9	4.4
Oct.	25.12	25.02	24.81	270.8	147.4	118.2	5.2	25.12	25.00	24.84	271.1	147.0	118.5	5.7
Nov.	25.28	25.14	24.95	272.9	148.6	118.7	5.6	25.25	25.12	24.85	271.9	147.6	119.7	4.6
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—Jan.	25.50	25.19	25.15	274.7	149.9	119.4	5.4	26.04	25.80	25.65	278.3	149.4	124.4	4.4
Feb.	25.77	25.40	25.39	277.0	150.2	119.7	7.1	25.61	25.25	25.21	276.1	150.9	118.8	6.4
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	157.1	121.7	4.8
Sept.	26.40	25.95	26.16	288.0	159.0	123.7	5.3	26.32	25.84	26.03	286.9	158.7	123.1	5.1

[1] Averages of daily figures. Data reflect percentage reserve requirements made effective Jan. 18, 1968.

[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.

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
1963—Dec. 20	15,582	5,586	333,203	189,433	103,273	69,068	33,552	653	40,497	354,371	323,251	31,118
1966—Dec. 31	13,159	6,317	422,676	261,459	106,472	60,916	44,316	1,240	54,745	442,152	400,999	41,150
1967—Sept. 27	13,000	6,800	451,200	272,000	112,600	64,500	46,700	1,400	66,600	470,900	424,400	46,600
Oct. 25	13,000	6,800	454,700	272,400	115,000	66,600	47,100	1,200	67,300	474,500	428,300	46,200
Nov. 29	12,900	6,800	458,300	273,000	117,100	67,300	48,500	1,300	68,100	478,000	431,500	46,500
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—Jan. 31	12,000	6,800	466,300	279,100	116,900	66,600	49,100	1,200	70,400	485,100	439,800	45,300
Feb. 28	11,900	6,800	466,300	277,700	117,600	67,600	48,800	1,200	71,100	485,000	439,300	45,700
Mar. 27 r	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 r	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 r	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 r	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 r	10,400	6,700	485,500	291,100	118,400	65,700	52,600	100	76,000	502,600	451,700	50,900
Sept. 25 p	10,400	6,700	492,400	295,400	119,200	66,800	52,400	100	77,800	509,500	457,500	52,000

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
1963—Dec. 20	153,100	31,700	121,400	158,104	33,468	124,636	155,713	110,794	44,467	452	1,206	392	6,986	850
1966—Dec. 31	170,400	37,600	132,800	178,304	39,003	139,301	213,961	158,568	55,271	122	1,904	1,176	5,238	416
1967—Sept. 27	176,600	38,600	138,000	175,500	38,700	136,800	237,500	178,300	59,200	.....	1,900	1,500	7,300	711
Oct. 25	177,200	39,100	138,100	177,900	39,000	138,900	239,100	179,800	59,300	.....	1,900	1,500	6,900	900
Nov. 29	178,300	39,000	139,300	180,700	39,700	141,000	240,500	180,900	59,600	.....	1,900	1,500	5,200	1,800
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—Jan. 31	180,600	40,000	140,600	183,000	39,400	143,600	245,200	184,500	60,700	.....	1,900	1,400	7,200	1,200
Feb. 28	179,300	39,900	139,400	178,400	39,400	139,000	247,300	186,300	61,100	.....	2,000	1,300	9,400	900
Mar. 27 r	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 r	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 r	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 r	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 r	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. 25 p	186,500	41,400	145,100	185,300	41,500	143,800	259,500	196,100	63,400	.....	2,100	800	8,900	1,000

[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[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
1966—Dec. 31	381,684	266,022	60,916	54,745	70,085	464,376	407,637	19,770	968	4,999	167,821	214,078	4,929	36,926	14,271
1967—Sept. 27	409,200	278,140	64,500	66,560	62,300	484,480	422,660	17,040	1,530	7,020	159,300	237,770	6,470	38,160	14,244
Oct. 25	412,380	278,430	66,630	67,320	62,300	487,590	425,670	17,170	1,430	6,680	161,030	239,360	6,140	38,650	14,236
Nov. 29	415,110	279,740	67,250	68,120	62,650	490,710	427,760	16,970	1,340	4,980	163,730	240,740	6,920	38,890	14,240
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—Jan. 31	421,940	284,980	66,570	70,390	67,710	503,580	439,740	17,470	1,320	6,920	168,580	245,450	6,820	39,430	14,219
Feb. 28	423,280	284,660	67,550	71,070	65,660	502,570	437,630	16,920	1,370	9,060	162,640	247,640	7,270	39,590	14,219
Mar. 27[r]	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[r]	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[r]	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[r]	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[rp]	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	14,221
Sept. 25[p]	450,010	305,470	66,790	77,750	70,550	535,340	459,410	19,250	1,410	8,540	170,400	259,810	11,660	41,270	14,221
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
1966—Dec. 31	322,661	217,726	56,163	48,772	69,119	403,368	352,287	19,770	967	4,992	167,751	158,806	4,859	32,054	13,767
1967—Sept. 27	345,780	227,430	60,090	58,260	61,300	418,910	363,390	17,040	1,530	7,020	159,230	178,570	6,470	33,190	13,743
Oct. 25	348,810	227,420	62,370	59,020	61,300	421,870	366,250	17,170	1,430	6,680	160,940	180,030	6,140	33,680	13,735
Nov. 29	351,100	228,460	62,850	59,790	61,730	424,650	368,100	16,970	1,340	4,980	163,640	181,170	6,920	33,890	13,739
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—Jan. 31	356,970	233,010	62,230	61,730	66,830	436,580	378,960	17,470	1,320	6,920	168,490	184,760	6,820	34,420	13,717
Feb. 28	357,750	232,420	63,150	62,180	64,760	434,980	376,490	16,920	1,370	9,060	162,550	186,590	7,270	34,520	13,717
Mar. 27[r]	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[r]	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[r]	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[r]	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[rp]	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	13,719
Sept. 25[p]	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	13,719
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
1966—Dec. 31	263,687	182,802	41,924	38,960	60,738	334,559	291,063	18,788	794	4,432	138,218	128,831	4,618	26,278	6,150
1967—Sept. 27	281,993	189,870	45,003	47,120	54,477	346,853	299,334	16,162	1,377	6,318	130,683	144,794	6,141	27,233	6,095
Oct. 25	284,341	189,676	46,967	47,698	54,470	349,107	301,584	16,284	1,275	6,051	132,075	145,899	5,808	27,575	6,086
Nov. 29	285,700	190,515	47,091	48,094	54,809	350,888	302,689	16,082	1,189	4,356	134,283	146,779	6,456	27,734	6,083
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—Jan. 31	290,389	194,262	46,579	49,548	59,102	360,773	311,534	16,668	1,170	6,313	138,263	149,120	6,427	28,142	6,064
Feb. 28	290,844	193,582	47,354	49,908	57,129	358,945	309,012	16,112	1,223	8,094	133,136	150,447	6,825	28,188	6,060
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[r]	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[p]	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	6,021
Sept. 25[p]	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	6,021
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
1966—Dec. 31	59,023	48,296	4,753	5,973	966	61,008	55,350	.....	1	7	70	55,271	69	4,871	504
1967—Sept. 27	63,420	50,710	4,410	8,300	1,000	65,570	59,270	.....	.....	.....	70	59,200	.....	4,970	501
Oct. 25	63,570	51,010	4,260	8,300	1,000	65,720	59,420	.....	.....	.....	90	59,330	.....	4,970	501
Nov. 29	64,010	51,280	4,400	8,330	920	66,060	59,660	.....	.....	.....	90	59,570	.....	5,000	501
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—Jan. 31	64,970	51,970	4,340	8,660	880	67,000	60,780	.....	.....	.....	90	60,690	.....	5,010	502
Feb. 28	65,530	52,240	4,400	8,890	900	67,590	61,140	.....	.....	.....	90	61,050	.....	5,070	502
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[r]	67,770	53,590	4,200	9,980	910	69,900	63,050	.....	.....	.....	80	62,970	.....	5,180	502
Sept. 25[p]	68,170	53,790	4,250	10,130	910	70,300	63,450	.....	.....	.....	80	63,370	.....	5,180	502

For notes see p. A–22.

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Federal Reserve Bank of St. Louis

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[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
1966—Dec. 31	46,536	35,941	4,920	5,674	14,869	64,424	51,837	6,370	467	1,016	26,535	17,449	1,874	5,298	12
1967—Sept. 27	49,435	36,981	5,599	6,855	13,206	65,951	52,050	5,311	816	1,686	24,506	19,731	1,688	5,680	12
Oct. 25	49,718	36,480	6,443	6,795	13,672	66,592	52,552	5,252	757	1,719	24,802	20,022	1,695	5,708	12
Nov. 29	49,805	36,799	6,257	6,749	13,106	66,251	52,163	5,254	752	828	24,836	20,493	1,946	5,729	12
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—Jan. 31	50,898	38,303	5,607	6,988	15,642	70,187	55,544	5,826	719	1,562	27,530	19,907	1,979	5,774	12
Feb. 28	50,198	37,325	5,771	7,102	14,125	67,771	53,282	5,371	712	1,641	25,854	19,704	1,935	5,729	12
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[p]	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
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
1966—Dec. 31	11,802	8,756	1,545	1,502	2,638	14,935	12,673	1,433	25	310	6,008	4,898	484	1,199	11
1967—Sept. 27	12,249	9,065	1,574	1,610	2,791	15,556	12,986	1,230	14	432	5,346	5,964	490	1,224	11
Oct. 25	12,300	8,904	1,652	1,744	2,623	15,416	12,943	1,224	8	347	5,385	5,979	416	1,234	11
Nov. 29	12,350	8,843	1,701	1,806	2,560	15,375	12,860	1,156	9	227	5,430	6,038	650	1,225	10
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—Jan. 31	12,573	8,865	1,752	1,956	2,771	15,931	13,205	1,170	10	427	5,596	6,002	561	1,352	10
Feb. 28	12,771	9,042	1,764	1,965	2,713	16,068	13,162	1,177	10	496	5,439	6,040	585	1,339	10
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[p]	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
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
1966—Dec. 31	95,831	69,464	13,040	13,326	24,228	123,863	108,804	8,593	233	1,633	49,004	49,341	1,952	9,471	169
1967—Sept. 27	102,633	71,321	13,926	17,386	21,617	128,028	111,366	7,532	478	2,499	45,834	55,023	3,304	9,840	164
Oct. 25	103,434	71,515	14,409	17,510	21,311	128,525	112,050	7,705	404	2,474	46,278	55,189	3,037	9,887	162
Nov. 29	103,221	71,628	14,127	17,466	21,957	128,973	112,429	7,555	322	1,803	47,335	55,414	2,937	9,931	163
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—Jan. 31	105,141	73,002	14,340	17,799	22,782	132,083	115,168	7,609	335	2,751	47,681	56,792	3,104	10,069	164
Feb. 28	105,503	72,949	14,700	17,854	22,623	132,185	114,952	7,477	395	3,461	46,256	57,363	3,416	10,075	164
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[r]	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[r]	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[p]	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
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
1966—Dec. 31	109,518	68,641	22,419	18,458	19,004	131,338	117,749	2,392	69	1,474	56,672	57,144	308	10,309	5,958
1967—Sept. 27	117,676	72,503	23,904	21,269	16,863	137,318	122,932	2,089	69	1,701	54,997	64,076	659	10,489	5,908
Oct. 25	118,889	72,777	24,463	21,649	16,864	138,574	124,039	2,103	106	1,511	55,610	64,709	660	10,746	5,901
Nov. 29	120,324	73,245	25,006	22,073	17,186	140,289	125,237	2,117	106	1,498	56,682	64,834	923	10,849	5,898
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—Jan. 31	121,777	74,092	24,880	22,805	17,907	142,572	127,617	2,063	106	1,573	57,456	66,419	783	10,947	5,878
Feb. 28	122,372	74,266	25,119	22,987	17,668	142,921	127,616	2,087	106	2,496	55,587	67,340	889	11,045	5,874
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[r]	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[rp]	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	5,838
Sept. 25[p]	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	5,838

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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 [2]	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 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	112,351	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	31,368	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 [2]	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 shown 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 includes 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—Sept. 27	339.1	219.9	61.4	57.7	338.8	220.4	60.1	58.3
Oct. 25	342.0	221.4	61.9	58.6	341.6	220.2	62.4	59.0
Nov. 29	344.3	222.7	61.2	60.4	344.1	221.5	62.9	59.8
Dec. 30	346.5	225.4	59.7	61.4	354.5	230.5	62.5	61.5
1968—Jan. 31[r]	349.9	227.5	60.0	62.4	350.5	226.5	62.2	61.7
Feb. 28[r]	353.9	229.2	62.0	62.7	350.9	225.5	63.2	62.2
Mar. 27[r]	352.5	229.0	59.9	63.6	351.5	227.2	61.2	63.1
Apr. 24[r]	355.2	231.4	60.3	63.4	354.7	231.0	59.8	63.8
May 29[r]	357.3	232.6	61.0	63.6	355.4	231.6	60.3	63.5
June 29[r]	357.8	233.5	60.4	63.9	361.4	238.4	58.6	64.4
July 31[r]	365.9	238.4	63.1	64.4	366.0	240.9	60.5	64.6
Aug. 28[r]	370.4	241.1	63.9	65.5	367.9	240.4	61.5	66.0
Sept. 25[p]	374.8	243.8	64.0	67.0	374.6	244.5	62.5	67.6

[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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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[1]: Commercial and industrial	Other loans[1]: Agricultural[5]	Other loans[1]: For purchasing or carrying securities: To brokers and dealers	Other loans[1]: For purchasing or carrying securities: To others	Other loans[1]: To financial institutions: Banks	Other loans[1]: To financial institutions: Others	Other loans[1]: Real estate	Other loans[1]: Other, to individuals[3]	Other loans[1]: Other[5]	Investments: U.S. Government securities[6]: Total	Investments: U.S. Government securities[6]: Bills and certificates	Investments: U.S. Government securities[6]: Notes	Investments: U.S. Government securities[6]: 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	n.a.	n.a.	n.a.	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	n.a.	n.a.	n.a.	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	n.a.	n.a.	n.a.	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	n.a.	n.a.	n.a.	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	n.a.	n.a.	n.a.	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	n.a.	n.a.	n.a.	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	n.a.	n.a.	n.a.	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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Federal Reserve Bank of St. Louis

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 other		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																	
1967																	
Sept. 6	198,839	139,352	62,238	1,907	1,057	3,533	77	2,271	1,330	3,557	5,323	4,393	28,107	16,136	1,138	11,243	2,958
13	199,083	139,370	62,285	1,898	1,296	3,542	73	2,281	1,326	3,242	5,265	4,421	28,202	16,125	1,138	11,235	2,959
20	201,313	141,396	63,149	1,893	1,422	3,719	77	2,308	1,336	3,471	5,529	4,566	28,286	16,137	1,133	11,330	2,960
27	201,365	141,648	63,372	1,888	1,279	3,535	96	2,337	1,342	3,639	5,614	4,571	28,337	16,159	1,126	11,312	2,959
1968																	
Aug. 7	215,833	153,416	69,000	2,017	1,363	4,550	98	2,442	1,389	4,005	5,755	4,704	30,466	17,564	1,079	12,219	3,235
14	216,481	153,642	68,787	2,016	1,619	4,387	101	2,473	1,397	4,198	5,668	4,702	30,589	17,593	1,075	12,272	3,235
21	217,191	153,368	68,642	2,003	1,635	4,440	107	2,473	1,399	4,064	5,469	4,692	30,666	17,642	1,064	12,310	3,238
28	216,975	152,846	68,134	2,023	1,764	4,392	108	2,487	1,404	4,231	5,107	4,682	30,740	17,741	1,082	12,189	3,238
Sept. 4	218,461	153,997	68,182	2,025	1,985	4,677	100	2,494	1,434	4,359	5,272	4,662	30,760	17,766	1,105	12,414	3,238
11	220,530	154,351	68,485	2,028	2,785	4,451	112	2,497	1,440	3,696	5,228	4,728	30,844	17,778	1,107	12,415	3,243
18	224,114	157,046	69,569	2,026	3,032	4,664	154	2,518	1,358	4,450	5,480	4,728	30,935	17,815	1,094	12,465	3,242
25	221,098	155,023	69,425	2,018	1,714	4,738	105	2,515	1,378	3,706	5,467	4,706	31,018	17,879	1,096	12,499	3,241
New York City																	
1967																	
Sept. 6	45,740	34,426	20,919	10	493	2,151	12	652	678	883	1,562	1,029	3,014	1,232	773	1,852	834
13	45,410	34,029	20,850	11	502	2,128	12	654	671	708	1,465	1,026	3,018	1,233	761	1,824	834
20	46,615	34,915	21,140	11	518	2,288	12	679	666	780	1,657	1,100	3,033	1,237	759	1,869	834
27	46,658	35,227	21,255	12	420	2,079	12	695	656	1,151	1,716	1,115	3,031	1,237	758	1,924	834
1968																	
Aug. 7	50,406	38,551	23,093	15	571	3,000	15	795	715	1,200	1,662	1,207	3,087	1,334	707	2,092	942
14	49,724	37,673	23,002	15	616	2,701	15	813	745	625	1,612	1,213	3,100	1,327	705	2,126	942
21	50,260	37,992	22,962	15	883	2,753	20	813	718	774	1,503	1,221	3,104	1,334	698	2,140	946
28	50,129	37,687	22,832	15	876	2,722	17	824	713	807	1,401	1,221	3,108	1,321	721	2,055	946
Sept. 4	50,661	38,100	22,824	15	920	2,847	16	824	762	776	1,516	1,205	3,101	1,321	734	2,183	944
11	50,949	37,587	22,929	15	819	2,650	16	824	782	506	1,488	1,205	3,104	1,325	737	2,131	944
18	53,064	38,907	23,336	15	1,056	2,771	17	840	702	963	1,673	1,205	3,116	1,324	723	2,110	944
25	51,715	38,549	23,279	14	895	2,857	17	827	724	702	1,642	1,198	3,142	1,328	725	2,143	944
Outside New York City																	
1967																	
Sept. 6	153,099	104,926	41,319	1,897	564	1,382	65	1,619	652	2,674	3,761	3,364	25,093	14,904	365	9,391	2,124
13	153,673	105,341	41,435	1,887	794	1,414	61	1,627	655	2,534	3,800	3,395	25,184	14,892	377	9,411	2,125
20	154,698	106,481	42,009	1,882	904	1,431	65	1,629	670	2,691	3,872	3,466	25,253	14,900	374	9,461	2,126
27	154,707	106,421	42,117	1,876	859	1,456	84	1,642	686	2,488	3,898	3,456	25,306	14,922	368	9,388	2,125
1968																	
Aug. 7	165,427	114,865	45,907	2,002	792	1,550	83	1,647	674	2,805	4,093	3,497	27,379	16,230	372	10,127	2,293
14	166,757	115,969	45,785	2,001	1,003	1,686	86	1,660	652	3,573	4,056	3,489	27,489	16,266	370	10,146	2,293
21	166,931	115,376	45,680	1,988	752	1,687	87	1,660	681	3,290	3,966	3,471	27,562	16,308	366	10,170	2,292
28	166,846	115,159	45,302	2,008	888	1,670	91	1,663	691	3,424	3,706	3,461	27,632	16,420	361	10,134	2,292
Sept. 4	167,800	115,897	45,358	2,010	1,065	1,830	84	1,670	672	3,583	3,756	3,457	27,659	16,445	371	10,231	2,294
11	169,581	116,764	45,556	2,013	1,966	1,801	96	1,673	658	3,190	3,740	3,523	27,740	16,453	370	10,284	2,299
18	171,050	118,139	46,233	2,011	1,976	1,893	137	1,678	656	3,487	3,807	3,523	27,819	16,491	371	10,355	2,298
25	169,383	116,474	46,146	2,004	819	1,881	88	1,688	654	3,004	3,825	3,508	27,876	16,551	371	10,356	2,297

For notes see p. A-29.

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ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Investments										Cash assets							
U.S. Government securities						Other securities											
			Notes and bonds maturing—			Obligations of States and political subdiv.		Other bonds, corp. stocks and securities				Balances with—					
Total	Bills	Certificates	Within 1 yr.	1 to 5 yrs.	After 5 yrs.	Tax warrants [3]	All other	Certif. of participation [4]	Other securities	Total	Cash items in process of collection	Domestic banks	Foreign banks	Currency and coin	Reserves with F.R. Banks	All other assets	Wednesday
																	Large banks—total
																	1967
26,822	4,676	5	3,534	13,475	5,132	4,272	24,379	1,285	2,729	45,490	22,385	4,229	200	2,565	16,111	8,717	.....Sept. 6
27,138	5,039	5	3,531	13,422	5,141	4,223	24,422	1,252	2,678	44,242	22,124	4,141	203	2,809	14,965	8,631	13
27,423	5,278	.....	3,531	13,811	4,803	4,304	24,285	1,260	2,645	44,112	21,713	4,168	227	2,722	15,282	8,504	20
27,043	5,065	.....	3,541	13,706	4,731	4,387	24,341	1,277	2,669	42,860	20,449	3,842	241	2,807	15,521	8,695	27
																	1968
26,897	3,528	.....	5,103	12,147	6,119	4,286	27,087	1,406	2,741	47,740	23,500	4,362	201	2,628	17,049	9,707	.....Aug. 7
27,037	3,536	.....	5,206	12,117	6,178	4,452	27,058	1,412	2,880	48,962	25,243	4,319	204	2,844	16,352	9,686	14
27,747	3,326	.....	4,844	12,290	7,287	4,592	27,227	1,402	2,855	46,907	23,070	4,325	205	2,824	16,483	9,427	21
27,781	3,380	.....	4,851	12,234	7,316	4,664	27,436	1,395	2,853	46,958	23,521	4,110	201	2,973	16,153	9,598	28
28,029	3,712	.....	4,859	12,215	7,243	4,781	27,369	1,415	2,870	50,644	27,433	4,467	203	2,720	15,821	9,900	.....Sept. 4
28,908	4,387	.....	4,984	12,237	7,300	5,252	27,719	1,416	2,884	49,839	27,262	4,648	241	2,989	14,699	9,690	11
29,800	5,195	.....	5,059	12,286	7,260	5,178	27,875	1,334	2,881	50,538	27,662	4,817	193	2,900	14,966	9,660	18
28,615	3,954	.....	5,179	12,230	7,252	5,172	28,050	1,339	2,898	49,109	24,454	4,205	208	2,983	17,259	9,753	25
																	New York City
																	1967
5,198	1,414	.....	887	1,984	913	1,269	4,208	69	570	13,381	8,424	183	81	349	4,344	3,166	.....Sept. 6
5,289	1,552	.....	904	1,920	913	1,295	4,153	65	579	12,596	7,756	248	93	350	4,149	3,168	13
5,500	1,697	.....	886	2,030	887	1,422	4,144	64	570	12,494	7,668	279	106	342	4,099	3,127	20
5,163	1,488	.....	877	1,912	886	1,494	4,116	61	597	12,875	7,863	287	112	348	4,265	3,211	27
																	1968
5,105	1,220	.....	911	1,520	1,454	1,234	4,675	80	761	14,915	10,353	285	89	341	3,847	3,303	.....Aug. 7
5,262	1,319	.....	931	1,554	1,458	1,231	4,651	121	786	16,145	10,797	318	99	342	4,589	3,323	14
5,393	1,263	.....	856	1,601	1,673	1,305	4,700	113	757	14,605	9,854	348	96	348	3,959	3,236	21
5,436	1,311	.....	832	1,589	1,704	1,334	4,825	115	732	15,967	11,018	294	92	359	4,204	3,330	28
5,459	1,338	.....	802	1,586	1,733	1,396	4,794	158	754	16,797	11,946	311	100	351	4,089	3,481	.....Sept. 4
5,879	1,699	.....	834	1,568	1,778	1,693	4,906	113	771	16,449	12,082	250	124	362	3,631	3,367	11
6,617	2,396	.....	809	1,618	1,794	1,642	5,047	98	753	16,694	12,401	324	88	356	3,525	3,336	18
5,685	1,437	.....	797	1,643	1,808	1,657	4,973	100	751	16,271	11,236	285	106	361	4,283	3,358	25
																	Outside New York City
																	1967
21,624	3,262	5	2,647	11,491	4,219	3,003	20,171	1,216	2,159	32,109	13,961	4,046	119	2,216	11,767	5,551	.....Sept. 6
21,849	3,487	5	2,627	11,502	4,228	2,928	20,269	1,187	2,099	31,646	14,368	3,893	110	2,459	10,816	5,463	13
21,923	3,581	.....	2,645	11,781	3,916	2,882	20,141	1,196	2,075	31,618	14,045	3,889	121	2,380	11,183	5,377	20
21,880	3,577	.....	2,664	11,794	3,845	2,893	20,225	1,216	2,072	29,985	12,586	3,555	129	2,459	11,256	5,484	27
																	1968
21,792	2,308	.....	4,192	10,627	4,665	3,052	22,412	1,326	1,980	32,825	13,147	4,077	112	2,287	13,202	6,404	.....Aug. 7
21,775	2,217	.....	4,275	10,563	4,720	3,221	22,407	1,291	2,094	32,817	14,446	4,001	105	2,502	11,763	6,363	14
22,354	2,063	.....	3,988	10,689	5,614	3,287	22,527	1,289	2,098	32,302	13,216	3,977	109	2,476	12,524	6,191	21
22,345	2,069	.....	4,019	10,645	5,612	3,330	22,611	1,280	2,121	30,991	12,503	3,816	109	2,614	11,949	6,268	28
22,570	2,374	.....	4,057	10,629	5,510	3,385	22,575	1,257	2,116	33,847	15,487	4,156	103	2,369	11,732	6,419	.....Sept. 4
23,029	2,688	.....	4,150	10,669	5,522	3,559	22,813	1,303	2,113	33,390	15,180	4,398	117	2,627	11,068	6,323	11
23,183	2,799	.....	4,250	10,668	5,466	3,536	22,828	1,236	2,128	33,844	15,261	4,493	105	2,544	11,441	6,324	18
22,930	2,517	.....	4,382	10,587	5,444	3,515	23,077	1,239	2,147	32,838	13,218	3,920	102	2,622	12,976	6,395	25

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							Time						
		Total[5]	IPC	States and political subdivisions	U.S. Govt.	Domestic commercial banks	Foreign		Total[7]	IPC		States and political subdivisions	Domestic interbank	Foreign	
							Govt., etc.[6]	Commercial banks		Savings	Other			Govt., etc.	Commercial banks
Large banks—Total															
1967															
Sept. 6	214,607	112,759	81,557	5,533	2,415	14,468	637	1,503	101,848	48,002	37,439	9,813	1,099	5,032	269
13	213,320	111,521	83,826	5,110	1,035	13,812	617	1,554	101,799	48,027	37,406	9,761	1,090	5,052	268
20	215,331	113,917	82,569	5,171	5,061	13,430	667	1,556	101,414	48,109	37,087	9,611	1,056	5,090	270
27	214,702	113,043	81,444	5,665	5,353	12,846	675	1,505	101,659	48,349	37,174	9,542	1,057	5,080	265
1968															
Aug. 7	225,626	118,470	84,019	5,775	4,205	14,867	702	1,718	107,156	48,288	42,467	10,547	807	4,547	255
14	226,486	118,877	86,384	5,671	2,885	14,831	639	1,710	107,609	48,283	42,653	10,737	842	4,586	262
21	225,520	117,473	84,544	5,345	4,342	14,402	658	1,638	108,047	48,296	42,907	10,874	861	4,576	260
28	225,263	117,004	84,929	5,516	3,055	13,635	725	1,638	108,259	48,269	43,042	10,969	880	4,567	268
Sept. 4	229,695	121,425	88,698	5,843	1,197	15,477	794	1,759	108,270	48,283	43,126	10,925	863	4,537	274
11	230,394	122,049	89,384	5,528	1,438	15,973	768	1,716	108,345	48,298	43,254	10,894	876	4,492	273
18	233,155	125,111	88,515	5,460	5,917	15,971	741	1,645	108,044	48,315	43,137	10,682	887	4,474	291
25	230,486	121,834	85,873	5,645	6,207	14,669	711	1,715	108,652	48,354	43,439	10,761	885	4,649	300
New York City															
1967															
Sept. 6	48,906	29,880	18,873	320	579	4,082	495	1,031	19,026	4,720	8,930	1,053	711	3,386	156
13	47,593	28,692	19,337	401	95	3,834	475	1,064	18,901	4,720	8,804	1,056	706	3,390	153
20	48,882	30,150	19,271	387	1,711	3,776	528	1,062	18,732	4,724	8,696	996	673	3,418	153
27	49,339	30,597	19,421	443	1,668	3,881	538	1,018	18,742	4,742	8,741	956	669	3,414	147
1968															
Aug. 7	51,179	32,930	19,959	349	1,088	4,986	541	1,218	18,249	4,590	9,019	1,122	467	2,822	143
14	50,660	32,315	20,125	434	605	4,972	478	1,177	18,345	4,589	9,026	1,163	500	2,831	150
21	50,300	31,894	19,815	333	1,068	4,682	499	1,108	18,406	4,584	9,080	1,168	514	2,821	153
28	51,144	32,733	20,074	437	703	4,456	573	1,118	18,411	4,577	9,089	1,182	518	2,813	155
Sept. 4	52,474	34,085	21,606	386	158	4,867	643	1,238	18,389	4,572	9,095	1,186	506	2,796	157
11	52,299	33,982	21,410	433	102	5,331	599	1,168	18,317	4,570	9,086	1,157	506	2,766	158
18	54,139	36,077	21,438	438	2,300	5,541	573	1,137	18,062	4,569	8,924	1,054	508	2,759	174
25	53,318	34,981	20,490	508	2,153	5,170	549	1,194	18,337	4,568	9,064	1,104	500	2,834	191
Outside New York City															
1967															
Sept. 6	165,701	82,879	62,684	5,213	1,836	10,386	142	472	82,822	43,282	28,509	8,760	388	1,646	113
13	165,727	82,829	64,489	4,709	940	9,978	142	490	82,898	43,307	28,602	8,705	384	1,662	115
20	166,449	83,767	63,298	4,784	3,350	9,654	139	494	82,682	43,385	28,391	8,615	383	1,672	117
27	165,363	82,446	62,023	5,222	3,685	8,965	137	487	82,917	43,607	28,433	8,586	388	1,666	118
1968															
Aug. 7	174,447	85,540	64,060	5,426	3,117	9,881	161	500	88,907	43,698	33,448	9,425	340	1,725	112
14	175,826	86,562	66,259	5,237	2,280	9,859	161	533	89,264	43,694	33,627	9,574	342	1,755	112
21	175,220	85,579	64,729	5,012	3,274	9,720	159	530	89,641	43,712	33,827	9,706	347	1,755	107
28	174,119	84,271	64,855	5,079	2,352	9,179	152	520	89,848	43,692	33,953	9,787	362	1,754	103
Sept. 4	177,221	87,340	67,092	5,457	1,039	10,610	151	521	89,881	43,711	34,031	9,739	357	1,741	117
11	178,095	88,067	67,974	5,095	1,336	10,642	169	548	90,028	43,728	34,168	9,737	370	1,726	115
18	179,016	89,034	67,077	5,022	3,617	10,430	168	508	89,982	43,746	34,213	9,628	379	1,715	117
25	177,168	86,853	65,383	5,137	4,054	9,499	162	521	90,315	43,786	34,375	9,657	385	1,815	109

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
					Total loans (net) adjusted [8]	Total loans (net) adjusted and investments [8]	Demand deposits adjusted [9]	Large certificates of deposit [10]			
From F.R. Banks	From others							Total issued	Issued to IPC's	Issued to others	
											Large banks—
											1967
115	6,184	12,052	20,088	253,046	135,795	195,282	73,491	20,610	13,125	7,485	.....Sept. 6
15	6,402	12,137	20,082	251,956	136,128	195,841	74,550	20,437	12,938	7,499	13
294	6,054	12,199	20,051	253,929	137,925	197,842	73,713	19,899	12,563	7,336	20
117	5,790	12,239	20,072	252,920	138,009	197,726	74,395	19,897	12,557	7,340	27
											1968
397	9,760	16,027	21,470	273,280	149,411	211,828	75,898	r21,915	r14,083	7,832	.....Aug. 7
186	10,777	16,244	21,436	275,129	149,444	212,283	75,918	r22,161	r14,205	7,956	14
334	9,978	16,270	21,423	273,525	149,304	213,127	75,659	r22,234	r14,278	7,956	21
428	9,867	16,523	21,450	273,531	148,615	212,744	76,793	r22,288	r14,264	8,024	28
356	10,727	16,686	21,541	279,005	149,638	214,102	77,318	22,197	14,230	7,967	.....Sept. 4
64	10,491	17,583	21,527	280,059	150,655	216,834	77,376	22,155	14,216	7,939	11
292	11,855	17,511	21,499	284,312	152,596	219,664	75,561	21,833	13,974	7,859	18
1,453	9,354	17,142	21,525	279,960	151,318	217,392	76,504	22,260	14,209	8,051	25
											New York City
											1967
.....	1,854	6,044	5,483	62,287	33,543	44,857	16,795	7,195	4,634	2,561	.....Sept. 6
.....	2,019	6,079	5,483	61,174	33,321	44,702	17,007	7,058	4,473	2,585	13
.....	1,750	6,127	5,477	62,236	34,135	45,835	16,995	6,865	4,376	2,489	20
.....	1,532	6,398	5,475	62,744	34,076	45,507	17,185	6,864	4,368	2,496	27
											1968
131	3,218	8,235	5,861	68,624	37,351	49,206	16,503	6,533	4,414	2,119	.....Aug. 7
15	4,317	8,341	5,859	69,192	37,048	49,099	15,941	6,586	4,432	2,154	14
116	3,380	8,458	5,847	68,101	37,218	49,486	16,290	6,538	4,406	2,132	21
3	3,817	8,626	5,836	69,426	36,880	49,322	16,556	6,530	4,405	2,125	28
180	3,777	8,635	5,873	70,939	37,324	49,885	17,114	6,509	4,409	2,100	.....Sept. 4
4	3,289	9,274	5,899	70,765	37,081	50,443	16,467	6,418	4,353	2,065	11
.....	3,954	9,143	5,858	73,094	37,944	52,101	15,835	6,214	4,183	2,031	18
390	2,799	8,982	5,855	71,344	37,847	51,013	16,422	6,449	4,297	2,152	25
											Outside New York City
											1967
115	4,330	6,008	14,605	190,759	102,252	150,425	56,696	13,415	8,491	4,924	.....Sept. 6
15	4,383	6,058	14,599	190,782	102,807	151,139	57,543	13,379	8,465	4,914	13
294	4,304	6,072	14,574	191,693	103,790	152,007	56,718	13,034	8,187	4,847	20
117	4,258	5,841	14,597	190,176	103,933	152,219	57,210	13,033	8,189	4,844	27
											1968
266	6,542	7,792	15,609	204,656	112,060	162,622	59,395	r15,382	r9,669	5,713	.....Aug. 7
171	6,460	7,903	15,577	205,937	112,396	163,184	59,977	r15,575	r9,773	5,802	14
218	6,598	7,812	15,576	205,424	112,086	163,641	59,369	r15,696	r9,872	5,824	21
425	6,050	7,897	15,614	204,105	111,735	163,422	60,237	r15,758	r9,859	5,899	28
176	6,950	8,051	15,668	208,066	112,314	164,217	60,204	15,688	9,821	5,867	.....Sept. 4
60	7,202	8,309	15,628	209,294	113,574	166,391	60,909	15,737	9,863	5,874	11
292	7,901	8,368	15,641	211,218	114,652	167,563	59,726	15,619	9,791	5,828	18
1,063	6,555	8,160	15,670	208,616	113,471	166,379	60,082	15,811	9,912	5,899	25

[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] Certificates of deposit issued in denominations of $100,000 or more.

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—							
	1968					1968			1968			1968	1967
	Sept. 25	Sept. 18	Sept. 11	Sept. 4	Aug. 28	Sept.	Aug.	July	III	II	I	1st half	2nd half
Durable goods manufacturing:													
Primary metals	2,115	2,116	2,091	2,068	2,046	69	37	62	168	309	262	571	287
Machinery	4,598	4,674	4,510	4,452	4,473	125	−262	159	22	46	240	286	−630
Transportation equipment	1,811	1,812	1,717	1,732	1,711	100	−112	−33	−45	36	8	44	−136
Other fabricated metal products	1,917	1,936	1,894	1,870	1,885	32	−58	37	11	150	60	210	−281
Other durable goods	2,250	2,274	2,260	2,240	2,236	14	−14	40	40	194	20	214	−142
Nondurable goods manufacturing:													
Food, liquor, and tobacco	2,407	2,346	2,194	2,106	2,133	274	54	−158	170	−227	−294	−521	615
Textiles, apparel, and leather	2,404	2,443	2,435	2,430	2,407	−3	89	42	128	202	325	527	−410
Petroleum refining	1,571	1,544	1,534	1,533	1,537	34	−2	53	85	45	−113	−68	−113
Chemicals and rubber	2,279	2,296	2,253	2,224	2,165	114	−106	−241	−233	55	116	171	−83
Other nondurable goods	1,852	1,867	1,821	1,816	1,807	45	−6	13	52	58	14	72	95
Mining, including crude petroleum and natural gas	4,595	4,604	4,621	4,612	4,619	−24	−69	−54	−147	61	497	558	164
Trade: Commodity dealers	1,024	1,048	1,047	1,054	1,055	−31	−18	−35	−84	−222	−275	−497	679
Other wholesale	3,211	3,203	3,158	3,143	3,138	73	−28	9	54	91	9	100	96
Retail	3,470	3,577	3,495	3,492	3,559	−89	−217	46	−260	232	−28	204	6
Transportation	4,908	4,905	4,877	4,888	4,923	−15	−49	5	−59	405	155	560	428
Communication	988	983	939	938	937	51	−75	−89	−113	174	−72	102	4
Other public utilities	2,560	2,468	2,417	2,430	2,423	137	53	161	351	212	−419	−207	258
Construction	2,839	2,859	2,832	2,801	2,818	21	43	1	65	221	42	263	−103
Services	5,544	5,552	5,487	5,505	5,490	54	−17	−36	1	374	173	547	221
All other domestic loans	7,311	7,273	7,199	7,135	7,090	221	−203	51	69	459	100	559	356
Bankers' acceptances	758	790	784	840	805	−47	−40	34	−53	−272	−120	−392	554
Foreign commercial and industrial loans	2,536	2,526	2,541	2,549	2,558	−22	1	−34	−55	−101	−48	−149	−112
Total classified loans	62,948	63,096	62,106	61,858	61,815	1,133	−999	33	167	2,502	652	3,154	1,753
Total commercial and industrial loans	69,425	69,569	68,485	68,182	68,134	1,291	−1,047	1	245	2,667	695	3,362	2,049

See NOTE to table below.

"TERM" COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Industry	Outstanding									Net change during—				
	1968									1968			1967	1968
	Sept. 25	Aug. 28	July 31	June 26	May 29	Apr. 24	Mar. 27	Feb. 28	Jan. 31	III	II	I	IV	1st half
Durable goods manufacturing:														
Primary metals	1,466	1,426	1,393	1,339	1,199	1,185	1,112	1,027	908	127	227	238	182	465
Machinery	2,338	2,294	2,395	2,279	2,188	2,231	2,154	2,064	2,067	59	125	153	38	278
Transportation equipment	931	910	902	908	944	953	889	849	859	23	19	1	52	20
Other fabricated metal products	801	798	811	759	733	696	692	670	667	42	67	17	4	84
Other durable goods	999	1,003	1,041	1,028	1,003	991	994	984	1,006	−29	34	−23	11	11
Nondurable goods manufacturing:														
Food, liquor, and tobacco	849	823	804	821	817	813	876	865	818	28	−55	118	30	63
Textiles, apparel, and leather	588	575	556	566	556	562	555	524	485	22	11	90	44	101
Petroleum refining	1,228	1,235	1,270	1,226	1,176	1,152	1,164	1,195	1,200	2	62	−92	102	−30
Chemicals and rubber	1,538	1,462	1,516	1,619	1,583	1,647	1,613	1,544	1,538	−81	6	81	10	87
Other nondurable goods	1,087	1,074	1,073	1,051	1,062	1,072	1,061	1,049	1,048	36	−10	−9	44	−19
Mining, including crude petroleum and natural gas	3,963	3,984	4,042	4,121	4,152	4,233	4,047	4,014	3,996	−158	74	476	385	550
Trade: Commodity dealers	112	114	115	113	111	110	115	103	111	−1	−2	8	5	6
Other wholesale	585	603	608	634	637	624	585	588	575	−49	49	9	61	58
Retail	1,114	1,106	1,152	1,144	1,105	1,119	1,098	1,093	1,111	−30	46	15	13	61
Transportation	3,673	3,688	3,688	3,703	3,610	3,503	3,503	3,432	3,426	−30	200	160	236	360
Communication	472	452	453	446	432	404	412	409	419	26	34	−31	4	3
Other public utilities	1,071	1,001	928	815	749	731	710	741	717	256	105	−5	74	100
Construction	794	774	779	769	737	737	706	680	686	25	63	24	−1	87
Services	2,361	2,329	2,324	2,303	2,268	2,243	2,229	2,187	2,163	58	74	108	119	182
All other domestic loans	921	903	942	905	864	877	879	844	871	16	26	6	36	32
Foreign commercial and industrial loans	1,900	1,901	1,918	1,934	1,953	1,971	1,976	1,981	2,009	−34	−42	−51	−59	−93
Total loans	28,791	28,455	28,710	28,483	27,879	27,854	27,370	26,843	26,680	308	1,113	1,293	1,390	2,406

NOTE.—About 161 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	
	Aug. 1968	May 1968	Aug. 1968	May 1968	Aug. 1968	May 1968	Aug. 1968	May 1968	Aug. 1968	May 1968	Aug. 1968	May 1968
	Percentage distribution of dollar amount											
Less than 6.50 per cent	3.1	7.3	3.5	16.0	2.3	6.7	1.9	4.7	3.6	6.3	3.5	8.1
6.50 per cent	33.9	34.5	6.0	7.3	10.4	11.3	19.4	21.4	31.3	32.2	48.4	47.7
6.51–6.99 per cent	24.5	22.9	11.4	9.4	14.7	14.0	26.2	24.1	29.2	30.4	25.2	22.6
7.00 per cent	10.6	9.1	13.4	14.0	15.1	16.3	11.8	13.0	9.1	9.0	9.3	5.4
7.01–7.49 per cent	10.5	11.0	20.5	13.6	20.9	18.4	14.8	15.5	9.2	9.6	6.0	7.7
7.50 per cent	6.5	5.3	13.4	11.0	12.1	10.7	9.6	6.2	7.0	5.5	3.2	3.3
7.51–7.99 per cent	3.9	3.2	14.0	12.1	9.4	8.5	5.5	5.0	2.8	2.5	1.8	0.9
8.00 per cent	3.2	3.2	7.2	6.4	6.0	4.9	4.5	3.7	3.9	2.9	1.4	2.6
Over 8.00 per cent	3.7	3.7	10.5	10.1	8.7	9.1	6.0	6.0	4.0	2.5	1.2	1.7
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)	3,765.1	4,186.0	56.1	60.1	466.3	485.0	886.8	958.7	524.7	625.5	1,831.2	2,056.7
Number (thousands)	36.2	38.5	14.8	15.8	15.1	15.9	4.6	4.9	.9	1.0	.8	.9
Center	Weighted average rates (per cent per annum)											
35 centers	6.89	6.84	7.35	7.18	7.27	7.21	7.07	7.00	6.90	6.81	6.70	6.68
New York City	6.67	6.60	7.30	7.11	7.14	7.07	6.87	6.82	6.69	6.64	6.60	6.52
7 Other Northeast	7.16	7.19	7.49	7.21	7.48	7.49	7.28	7.34	7.14	7.10	6.83	6.90
8 North Central	6.96	6.89	7.35	7.30	7.34	7.26	7.21	7.06	7.08	6.90	6.78	6.76
7 Southeast	6.74	6.61	7.09	6.89	6.96	6.83	6.78	6.65	6.61	6.53	6.54	6.37
8 Southwest	6.86	6.87	7.20	7.16	7.08	7.02	6.91	6.85	6.78	6.72	6.72	6.86
4 West Coast	6.86	6.76	7.73	7.68	7.50	7.37	7.11	6.95	6.78	6.80	6.63	6.54

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 5 per cent during the period Jan. 1, 1960–Aug. 22, 1960. Changes thereafter to new levels (in per cent) occurred on the following dates:

1960—Aug. 23	4½		1967—Jan. 26–27	5½–5¾
1965—Dec. 6	5		Mar. 27	5½
1966—Mar. 10	5½		Nov. 20	6
June 29	5¾		1968—Apr. 19	6½
Aug. 16	6		Sept. 25	6–6¼

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]	
1966	5.55	5.42	5.36	5.11	4.881	4.85	5.082	5.06	5.07	5.17	5.16
1967	5.10	4.89	4.75	4.22	4.321	4.30	4.630	4.61	4.71	4.84	5.07
1967—Sept.	5.00	4.77	4.76	4.00	4.451	4.42	4.964	4.96	5.10	5.21	5.40
Oct.	5.07	4.96	4.88	3.88	4.588	4.55	5.100	5.06	5.21	5.32	5.52
Nov.	5.28	5.17	4.98	4.12	4.762	4.72	5.286	5.24	5.38	5.55	5.73
Dec.	5.56	5.43	5.43	4.51	5.012	4.96	5.562	5.49	5.58	5.69	5.72
1968—Jan.	5.60	5.46	5.40	4.60	5.081	4.99	5.386	5.23	5.29	5.39	5.53
Feb.	5.50	5.25	5.23	4.72	4.969	4.97	5.144	5.17	5.22	5.37	5.59
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
Week ending—											
1968—Aug. 31	5.88	5.70	5.63	5.93	5.173	5.18	5.242	5.26	5.17	5.39	5.33
Sept. 7	5.88	5.63	5.63	5.80	5.194	5.21	5.250	5.22	5.16	5.39	5.30
14	5.88	5.63	5.63	5.84	5.246	5.28	5.277	5.31	5.24	5.46	5.36
21	5.80	5.63	5.63	5.68	5.218	5.18	5.248	5.25	5.27	5.39	5.27
28	5.75	5.58	5.63	5.70	5.151	5.13	5.230	5.24	5.19	5.36	5.20

[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
1960	4.01	3.69	3.26	4.22	4.73	4.41	5.19	4.59	4.92	4.69	4.75	3.47	5.88
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	p5.70
1967—Sept.	4.99	4.14	3.81	4.48	6.00	5.65	6.40	5.93	6.03	6.02	5.41	3.07	5.61
Oct.	5.18	4.25	3.88	4.64	6.14	5.82	6.52	6.05	6.24	6.12	5.59	3.07	.....
Nov.	5.44	4.32	3.99	4.66	6.36	6.07	6.72	6.28	6.42	6.39	5.79	3.18	.....
Dec.	5.36	4.42	4.15	4.73	6.51	6.19	6.93	6.39	6.63	6.57	5.95	3.09	5.72
1968—Jan.	5.18	4.31	4.06	4.66	6.45	6.17	6.84	6.34	6.65	6.47	5.70	3.13	.....
Feb.	5.16	4.28	4.01	4.69	6.40	6.10	6.80	6.31	6.65	6.36	5.65	3.28	.....
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	6.17
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	.....
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	3.00	.....
Week ending—													
1968—June 1	5.43	4.78	4.42	5.18	6.64	6.29	7.10	6.52	6.90	6.64	5.96	3.07	.....
8	5.30	4.65	4.25	5.16	6.64	6.29	7.09	6.52	6.89	6.64	5.89	3.02	.....
15	5.27	4.65	4.25	5.16	6.63	6.28	7.08	6.53	6.89	6.61	5.93	2.96	.....
22	5.18	4.53	4.15	4.96	6.63	6.29	7.07	6.56	6.90	6.59	5.90	3.01	.....
29	5.15	4.54	4.18	4.96	6.61	6.27	7.04	6.55	6.86	6.57	5.87	3.01	.....
July 6	5.12	4.54	4.18	4.96	6.61	6.27	7.04	6.55	6.85	6.58	5.83	2.98	.....
13	5.10	4.54	4.18	4.96	6.61	6.27	7.03	6.54	6.85	6.57	5.81	2.94	.....
20	5.14	4.41	4.10	4.90	6.58	6.26	6.99	6.53	6.83	6.54	5.79	2.96	.....
27	5.03	4.31	4.00	4.80	6.54	6.22	6.95	6.45	6.81	6.48	5.65	3.03	.....
Aug. 3	4.99	4.22	3.90	4.73	6.46	6.14	6.88	6.37	6.75	6.41	5.64	3.10	.....
10	4.99	4.17	3.80	4.68	6.40	6.07	6.83	6.30	6.73	6.33	5.60	3.12	.....
17	5.06	4.29	4.00	4.70	6.36	6.00	6.82	6.24	6.73	6.29	5.57	3.08	.....
24	5.09	4.32	4.05	4.70	6.34	5.98	6.80	6.23	6.70	6.27	5.58	3.08	.....
31	5.06	4.46	4.25	4.80	6.33	5.97	6.79	6.23	6.70	6.25	5.62	3.08	.....
Sept. 7	5.07	4.47	4.25	4.80	6.33	5.95	6.79	6.23	6.72	6.24	5.59	3.00	.....
14	5.12	4.47	4.25	4.80	6.34	5.95	6.80	6.23	6.70	6.26	5.63	3.02	.....
21	5.08	4.44	4.21	4.78	6.35	5.98	6.79	6.25	6.68	6.29	5.64	3.00	.....
28	5.09	4.41	4.20	4.75	6.37	6.00	6.79	6.26	6.69	6.30	5.65	2.97	.....
Number of issues [2]	9–12	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 non-callable 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 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
1965	83.76	110.6	93.9	88.17	93.48	46.78	76.08	47.39	n.a.	n.a.	n.a.	n.a.	12.05	6,174	2,120
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
1967—Sept.	75.04	98.0	80.0	95.81	103.84	49.27	67.45	53.23	55.28	54.89	44.57	52.98	22.05	10,251	5,236
Oct.	73.01	95.9	78.5	95.66	104.16	46.28	64.93	53.13	55.62	51.56	43.33	52.69	22.64	10,223	5,865
Nov.	70.53	95.2	76.8	92.66	100.90	42.95	63.48	51.40	53.79	48.43	42.39	50.19	21.83	10,578	4,543
Dec.	71.22	93.6	75.9	95.30	103.91	43.46	64.61	53.06	55.80	48.73	42.75	52.37	23.57	11,476	5,303
1968—Jan.	73.09	95.6	77.2	95.04	103.11	43.38	68.02	53.24	55.45	47.90	44.87	55.89	24.95	11,947	7,309
Feb.	73.30	94.8	77.5	90.75	98.33	42.35	65.61	50.68	52.63	45.15	43.36	53.88	22.43	9,182	4,065
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	93.9	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
Week ending—															
Aug. 31	74.28	94.1	78.3	98.84	107.63	49.31	66.46	55.41	58.07	49.13	43.99	69.03	28.71	9,649	4,628
Sept. 7	74.22	93.7	78.5	100.32	109.36	49.87	66.77	56.17	58.85	49.76	44.71	69.69	29.08	11,213	5,686
14	73.67	93.1	78.2	100.84	109.94	50.51	66.90	56.48	59.19	50.93	44.62	70.84	29.50	12,761	6,342
21	74.05	94.1	78.6	101.50	110.75	51.01	66.69	56.89	59.68	52.68	44.38	72.07	29.87	14,828	7,169
28	73.96	94.7	78.4	102.38	111.73	52.48	66.64	57.45	60.32	53.76	44.39	73.46	30.32	14,891	6,733

[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 exchange for a 5½-hour trading day.

MORTGAGES: NEW AND EXISTING HOMES

(Per cent)

Period	Secondary market	Contract rate on conventional first mortgages									
				FHA series							
				New							Existing
	Yield on FHA-insured	FHLBB series (effective rate)									
	New	New	Existing	U.S. average	Northeast	Middle Atlantic	Southeast	North Central	Southwest	West	
1963	5.46	.....	.....	5.81	5.81	5.60	5.70	5.79	5.74	6.11	5.87
1964	5.45	.....	.....	5.80	5.65	.....	5.69	5.78	5.74	6.12	5.85
1965	5.47	5.81	5.95	5.83	5.67	.....	5.71	5.78	5.78	6.14	5.89
1966	6.38	6.25	6.41	6.40	6.01	.....	6.31	6.43	6.52	6.79	6.47
1967	6.55	6.46	6.52	6.53	6.07	.....	6.45	6.60	6.69	6.87	6.57
1967—Aug.	6.60	6.40	6.46	6.55	6.05	.....	6.50	6.60	6.65	6.90	6.55
Sept.	6.63	6.44	6.47	6.55	6.05	.....	6.45	6.65	6.65	6.95	6.60
Oct.	6.65	6.47	6.52	6.55	6.05	.....	6.50	6.65	6.70	6.90	6.60
Nov.	6.77	6.45	6.55	6.65	6.10	.....	6.60	6.75	6.90	7.00	6.70
Dec.	6.81	6.54	6.64	6.70	6.10	.....	6.60	6.80	6.95	7.10	6.75
1968—Jan.	6.81	6.52	6.70	6.75	6.30	6.00	6.70	6.80	7.00	7.10	6.80
Feb.	6.78	6.62	6.71	6.75	6.30	6.00	6.70	6.80	7.00	7.15	6.80
Mar.	6.83	6.64	6.72	6.80	6.30	6.15	6.75	6.85	6.95	7.20	6.80
Apr.	6.94	6.71	6.77	6.90	6.45	6.30	6.90	6.90	7.15	7.35	6.95
May	.....	6.84	6.95	7.15	6.70	6.90	7.10	7.00	7.35	7.45	7.20
June	7.52	7.03	7.12	7.25	7.05	7.25	7.15	7.10	7.40	7.50	7.30
July	7.42	7.17	7.23	7.30	7.10	7.40	7.20	7.15	7.45	7.55	7.35
Aug.	7.35	p7.23	p7.24	7.30	7.10	7.40	7.25	7.05	7.40	7.50	7.35
Sept.	7.28	.....	.....	7.30	7.15	7.35	7.25	7.05	7.35	7.45	7.35

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–51) and an assumed prepayment at end of 10 years.

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STOCK MARKET CREDIT

(In millions of dollars)

End of period	Credit extended to margin customers by—			Customers' net debit balances	Customers' net free credit balances	Net credit extended by brokers
	Brokers [1]	Banks [2]	Total			
1967—Aug.	5,650	2,260	7,910	6,677	2,281	4,396
Sept.	5,790	2,340	8,130	6,944	2,401	4,543
Oct.	6,010	2,420	8,430	7,111	2,513	4,598
Nov.	6,050	2,440	8,490	7,200	2,500	4,700
Dec.	6,300	2,460	8,760	7,948	2,763	5,183
1968—Jan.	6,170	2,430	8,600	7,797	2,942	4,855
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[r]	6,510	2,420	8,930	8,861	3,269	5,592
Aug.[p]	6,390	2,490	8,880	8,846	2,983	5,503

[1] End of month data. Total amount of credit extended by member firms of the N.Y. 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 are end-of-month ledger balances as reported to the N.Y. 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						Total adjusted debt (millions of dollars)
	Unrestricted	Restricted					
	30 per cent or less	30–39 per cent		40–49 per cent	50–59 per cent	60 per cent or more	
1967–Aug.	7.2	62.7		9.7	4.5	15.9	10,840
Sept.	16.8	52.6		8.5	4.4	17.7	11,300
Oct.	8.0	58.4		9.9	5.0	18.7	11,550
Nov.	10.7	56.4		9.7	5.1	18.2	11,360
Dec.	19.8	47.9		9.1	4.6	18.7	12,020
1968–Jan.	5.3	60.3		11.7	4.6	10.2	11,940
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
	20 or less	20–29	30–39	40–49	50–59	60 or more	
June	0.8	22.1	[r]47.3	8.5	4.0	17.3	12,590
July[r]	1.2	21.3	43.5	10.4	5.1	18.5	12,070
Aug.[p]	2.7	25.9	37.9	10.1	4.9	18.6	11,820

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 (20 per cent of current market value during the time period covered in this table); 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		60–69	50–59	40–40	Under 40
1967—Aug.	5,650	46.0		32.2	9.4	4.2	8.2
Sept.	5,790	52.1		25.6	8.8	3.9	9.6
Oct.	6,010	45.2		30.4	10.1	4.6	9.6
Nov.	6,050	43.8		31.8	9.7	4.9	9.9
Dec.	6,300	50.6		25.8	9.0	4.1	10.5
1968—Jan.	6,170	40.6		35.4	9.5	4.4	10.0
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
		80 or more	70–79	60–69	50–59	40–49	Under 40
June	6,690	14.9	33.2	28.8	8.2	4.3	10.6
July[r]	6,510	15.4	28.1	30.6	9.5	4.9	11.6
Aug.[p]	6,390	17.3	28.8	28.2	9.1	4.8	11.8

[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		Total balance (millions of dollars)
		60 per cent or more	Less than 60 per cent	
1967—Aug.	47.7	49.3	3.0	5,340
Sept.	50.7	46.6	2.7	5,610
Oct.	47.8	49.0	3.2	5,680
Nov.	48.8	47.8	3.4	5,490
Dec.	50.0	47.0	3.0	5,850
1968—Jan.	50.8	45.6	3.6	6,060
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	[r]6,000
Aug.[p]	49.8	46.4	3.8	5,740

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											
					Held by—						Based on—				
					Accepting banks			F.R. Banks						Goods stored in or shipped between points in—	
	Total	Placed through dealers [1]	Placed directly [2]	Total	Total	Own bills	Bills bought	Own acct.	Foreign corr.	Others	Imports into United States	Exports from United States	Dollar exchange	United States	Foreign countries
1962	6,000	2,088	3,912	2,650	1,153	865	288	110	86	1,301	541	778	186	171	974
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—Aug.	16,816	4,979	11,837	4,103	1,584	1,195	389	65	252	2,203	1,020	989	70	75	1,949
Sept.	16,220	5,124	11,096	4,146	1,635	1,239	396	52	205	2,254	1,037	991	68	91	1,958
Oct.	16,777	5,186	11,591	4,136	1,822	1,298	524	54	163	2,096	1,085	956	51	83	1,961
Nov.	17,147	5,136	12,011	4,218	1,878	1,376	501	59	151	2,130	1,095	975	52	124	1,971
Dec.	17,084	4,901	12,183	4,317	1,906	1,447	459	164	156	2,090	1,086	989	37	162	2,042
1968—Jan.	18,370	5,216	13,154	4,312	1,797	1,307	490	83	141	2,292	1,055	1,013	49	165	2,030
Feb.	17,813	5,493	12,320	4,266	1,808	1,329	479	56	117	2,285	1,091	1,029	33	134	1,979
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

[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]	
	Mortgage	Other	U.S. Govt.	State and local govt.	Corporate and other [1]							Number	Amount
1941	4,787	89	3,592	1,786		829	689	11,772	10,503	38	1,231	.....	.....
1945	4,202	62	10,650	1,257		606	185	16,962	15,332	48	1,582	.....	.....
1960	26,702	416	6,243	672	5,076	874	589	40,571	36,343	678	3,550	58,350	1,200
1961	28,902	475	6,160	677	5,040	937	640	42,829	38,277	781	3,771	61,855	1,654
1962	32,056	602	6,107	527	5,177	956	695	46,121	41,336	828	3,957	114,985	2,548
1963	36,007	607	5,863	440	5,074	912	799	49,702	44,606	943	4,153	104,326	2,249
1964	40,328	739	5,791	391	5,099	1,004	886	54,238	48,849	989	4,400	135,992	2,820
1965	44,433	862	5,485	320	5,170	1,017	944	58,232	52,443	1,124	4,665	120,476	2,697
1966	47,193	1,078	4,764	251	5,719	953	1,024	60,982	55,006	1,114	4,863	88,808	2,010
1967—Aug.	49,322	1,210	4,367	242	7,910	1,034	1,117	65,201	58,499	1,732	4,969	n.a.	2,592
Sept.	49,557	1,152	4,406	243	8,054	999	1,147	65,559	59,066	1,525	4,967	n.a.	2,724
Oct.	49,827	1,169	4,299	228	8,080	959	1,134	65,696	59,257	1,489	4,950	n.a.	2,710
Nov.	50,046	1,243	4,397	222	8,107	915	1,130	66,061	59,462	1,597	5,002	n.a.	2,684
Dec.	50,311	1,203	4,319	219	9,320	993	1,138	66,365	60,121	1,260	4,984	n.a.	2,523
1968—Jan.	50,705	1,260	4,344	218	8,444	877	1,153	67,002	60,581	1,406	5,015	n.a.	2,416
Feb.	50,902	1,334	4,405	220	8,672	903	1,156	67,592	60,945	1,575	5,071	n.a.	2,400
Mar.	51,039	1,341	4,412	229	8,937	914	1,198	68,070	61,615	1,388	5,067	n.a.	2,477
Apr.	51,199	1,267	4,303	221	9,113	871	1,190	68,165	61,554	1,553	5,058	n.a.	2,561
May	51,402	1,474	4,374	214	9,213	877	1,215	68,768	61,926	1,732	5,110	n.a.	2,669
June	51,621	1,387	4,235	206	9,403	951	1,230	69,034	62,411	1,503	5,120	n.a.	2,709
July	51,869	1,385	4,213	205	9,616	924	1,218	69,429	62,607	1,706	5,116	n.a.	2,779
Aug.[p]	52,102	1,489	4,203	201	9,778	912	1,217	69,902	62,851	1,871	5,180	n.a.	2,829

[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 N.Y. State as reported to the Savings Bank Assn. of the State of N.Y. 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			Mortgages	Real estate	Policy loans	Other assets
		Total	United States	State and local	Foreign [1]	Total	Bonds	Stocks				
Statement value:												
1941	32,731	9,478	6,796	1,995	687	10,174	9,573	601	6,442	1,878	2,919	1,840
1945	44,797	22,545	20,583	722	1,240	11,059	10,060	999	6,636	857	1,962	1,738
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
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—July r	173,069	10,547	4,618	3,003	2,926	72,057	63,740	8,317	66,318	5,036	9,734	9,377
Aug.	173,839	10,557	4,665	2,980	2,912	72,666	64,205	8,461	66,506	5,050	9,808	9,252
Sept.	174,664	10,501	4,616	2,966	2,919	73,075	64,456	8,619	66,701	5,080	9,875	9,432
Oct.	175,390	10,551	4,655	2,981	2,915	73,546	64,822	8,724	66,884	5,100	9,933	9,376
Nov.	176,184	10,537	4,642	2,982	2,913	73,934	65,089	8,845	67,097	5,165	9,996	9,455
Dec.	177,201	10,497	4,610	2,973	2,914	73,990	64,992	8,998	67,595	5,185	10,080	9,854
1968—Jan.	178,256	10,548	4,582	2,998	2,968	74,876	65,821	9,055	67,770	5,211	10,167	9,684
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 p	183,094	10,476	4,400	3,038	3,038	77,602	67,659	9,943	68,708	5,424	10,813	10,071

[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 commitments[4]
	Mortgages	U.S. Govt. securities	Cash	Other [1]		Savings capital	Reserves and undivided profits	Borrowed money[3]	Loans in process	Other	
1941	4,578	107	344	775	6,049	4,682	475	256	636		.....
1945	5,376	2,420	450	356	8,747	7,365	644	336	402		.....
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
1967—Aug.	118,674	8,857	3,127	9,221	139,879	120,677	9,265	4,399	2,130	3,408	3,443
Sept.	119,529	9,017	3,078	9,158	140,782	121,870	9,255	4,382	2,158	3,117	3,337
Oct.	120,362	9,171	3,040	9,217	141,790	122,365	9,256	4,373	2,213	3,583	3,310
Nov.	121,127	9,424	3,068	9,352	142,971	122,947	9,248	4,455	2,241	4,070	3,287
Dec.	121,893	9,244	3,408	9,057	143,602	124,562	9,557	4,739	2,281	2,463	3,042
1968—Jan.	122,095	9,505	2,827	9,101	143,528	124,133	9,571	4,735	2,204	2,885	3,128
Feb.	122,637	9,775	2,864	9,263	144,539	124,717	9,567	4,596	2,205	3,454	3,386
Mar.	123,426	9,968	2,909	9,334	145,637	125,993	9,557	4,512	2,324	3,251	3,840
Apr.	124,305	9,824	2,769	9,325	146,223	125,698	9,552	4,807	2,461	3,705	4,051
May	125,262	10,164	2,726	9,641	147,793	126,455	9,547	4,956	2,586	4,249	3,993
June	125,988	9,886	2,972	9,533	148,379	127,950	9,860	5,195	2,616	2,758	3,762
July r	126,707	9,764	2,405	9,472	148,348	127,345	9,851	5,277	2,561	3,314	3,918
Aug. p	127,586	9,684	2,359	9,574	149,203	127,734	9,845	5,276	2,464	3,884	3,851

[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 associations 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
1967—Aug.	4,153	3,160	73	4,395	1,344	1,392	4,474	4,049	1,368	785	3,696	3,465	5,404	4,787
Sept.	4,122	2,898	63	4,160	1,318	1,394	4,838	3,927	1,384	1,094	3,523	3,450	5,449	4,787
Oct.	4,114	2,787	81	4,060	1,323	1,393	5,022	4,432	1,438	1,138	3,460	3,457	5,502	4,871
Nov.	4,188	2,770	77	4,060	1,347	1,394	5,178	4,543	1,475	1,200	3,374	3,259	5,546	4,871
Dec.	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—Jan.	4,442	2,604	88	4,310	1,199	1,401	5,589	5,088	1,565	1,253	3,456	3,236	5,661	4,377
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	r6,465	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

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, AUGUST, 1968

Agency, issue, and coupon rate	Amount (millions of dollars)
Federal home loan banks	
Notes:	
Sept. 25, 1968 ..... 5.70	400
Oct. 25, 1968 ..... 5.85	300
Feb. 25, 1969 ..... 5.65	300
Apr. 25, 1969 ..... 6¼	326
May 26, 1969 6	300
Bonds:	
Nov. 25, 1968 ..... 5⅝	300
Jan. 27, 1969 ..... 5½	300
Mar. 25, 1969 ..... 5⅜	300
June 25, 1969 ..... 6.30	550
Sept. 25, 1969 6	400
Feb. 25, 1970 6	200
Mar. 25, 1970 6	200
Apr. 27, 1970 6	225
Federal National Mortgage Association—Secondary market operations	
Discount notes	1,923
Debentures:	
Sept. 10, 1968 ..... 5⅞	350
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
Apr. 10, 1970 ..... 4⅝	142
June 10, 1970 ..... 6.60	400
Sept. 10, 1970 ..... 4⅛	119
Oct. 13, 1970 ..... 5¾	400
Mar. 11, 1971 6	350
Federal National Mortgage Association—Cont.	
Debentures:	
Aug. 10, 1971 ..... 4⅛	64
Sept. 10, 1971 ..... 4½	96
Feb. 10, 1972 ..... 5⅛	98
June 12, 1972 ..... 4⅜	100
June 12, 1973 ..... 4¼	146
Feb. 10, 1977 ..... 4½	198
Banks for cooperatives	
Debentures:	
Oct. 1, 1968 ..... 5.80	223
Nov. 4, 1968 ..... 5.90	216
Dec. 2, 1968 ..... 6.20	264
Jan. 2, 1969 ..... 6.20	224
Feb. 3, 1969 ..... 5.65	350
Federal intermediate credit banks	
Debentures:	
Sept. 3, 1968 ..... 5.80	375
Oct. 1, 1968 ..... 5.95	423
Nov. 4, 1968 ..... 5¾	r495
Dec. 2, 1968 ..... 5¾	r460
Jan. 2, 1969 ..... 5.95	452
Feb. 3, 1969 ..... 6.10	445
Mar. 3, 1969 ..... 6.45	428
Apr. 1, 1969 ..... 6¼	409
May 1, 1969 ..... 5.95	387
Federal land banks	
Bonds:	
Feb. 15, 1967–72 ..... 4⅛	72
Oct. 1, 1967–70 ..... 4½	75
Federal land banks—Cont.	
Bonds:	
Oct. 21, 1968 ..... 5.50	407
Dec. 23, 1968 ..... 5.95	247
Jan. 20, 1969 ..... 4¾	341
Mar. 20, 1969 ..... 4⅞	100
Apr. 21, 1969 ..... 5.60	250
July 15, 1969 ..... 4¼	130
July 15, 1969 ..... 4⅝	60
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
July 20, 1970 ..... 5⅛	85
July 20, 1970 6	241
May 1, 1971 ..... 3½	60
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	300
Bonds:	
Nov. 15, 1985 ..... 4.40	50
July 1, 1986 ..... 4⅝	50
Feb. 1, 1987 ..... 4½	45
May 15, 1992 ..... 5.70	70
Nov., 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	Derivation of U.S. Government cash transactions												
	Receipts from the public, other than debt				Payments to the public, other than debt				Net rects. or payts.	Net cash borrowing or repayment			
	Budget net	Plus: Trust funds	Less: Intra-govt.[1]	Equals: Total rects.[2]	Budget	Plus: Trust funds[3]	Less: Adjust-ments[4]	Equals: Total payts.		Change in debt (direct & agen.)	Less: Invest. by agen. & trusts	Less: Non-cash debt	Equals: Net
Cal. year—1965	96,679	31,384	4,449	123,376	101,379	31,014	4,473	127,919	−4,543	4,673	1,386	417	2,872
1966	110,802	40,011	4,792	145,137	118,077	36,791	4,003	150,867	−5,730	13,526	8,396	342	4,788
1967	117,708	45,861	6,581	156,300	131,698	38,654	6,779	163,572	−7,272	14,967	7,248	−103	7,822
Fiscal year—1965	93,072	31,047	4,303	119,699	96,507	29,637	3,749	122,395	−2,696	6,933	2,356	250	4,328
1966	104,727	34,853	4,451	134,480	106,978	34,864	4,026	137,817	−3,337	6,710	3,562	530	2,618
1967	115,849	44,640	6,056	153,596	125,718	34,510	5,085	155,142	−1,546	6,734	10,852	−314	−3,804
▶1967	.....	.....	.....	149,555	.....	.....	.....	158,362	−8,807	11,874	9,026	.....	2,848◀
1968p	.....	.....	.....	153,485	.....	.....	.....	178,892	−25,407	28,428	5,338	.....	23,090
Half year:													
1966—July–Dec.	49,185	19,310	2,413	65,681	64,063	17,627	1,605	80,085	−14,404	11,042	3,370	213	7,459
1967—Jan.–June	66,664	25,330	3,643	87,915	61,655	16,883	3,480	75,057	12,858	−4,308	7,482	−527	−11,263
July–Dec.	51,044	20,531	2,938	68,385	70,043	21,771	3,299	88,515	−20,130	19,275	−234	424	19,085
▶July–Dec.	.....	.....	.....	67,101	.....	.....	.....	86,745	−19,644	20,630	1,658	.....	18,972◀
1968—Jan.–June p	.....	.....	.....	86,409	.....	.....	.....	92,147	−5,738	7,797	3,680	.....	4,118
Month:													
▶1967—Aug.	.....	.....	.....	11,556	.....	.....	.....	15,174	−3,618	5,744	2,094	.....	3,650◀
1968—Jan.	.....	.....	.....	12,220	.....	.....	.....	15,453	−3,233	3,044	−919	.....	3,963
Feb.	.....	.....	.....	12,087	.....	.....	.....	14,383	−2,295	5,617	1,533	.....	4,084
Mar.	.....	.....	.....	11,870	.....	.....	.....	14,922	−3,049	−1,776	−428	.....	−1,348
Apr.	.....	.....	.....	19,045	.....	.....	.....	15,678	3,369	−1,113	514	.....	−1,627
May	.....	.....	.....	11,711	.....	.....	.....	16,241	−4,529	5,435	2,634	.....	2,801
June p	.....	.....	.....	19,476	.....	.....	.....	15,470	4,006	−3,409	360	.....	−3,769
July	.....	.....	.....	11,706	.....	.....	.....	14,274	−2,567	3,580	−475	.....	4,055
Aug.	.....	.....	.....	13,195	.....	.....	.....	16,349	−3,155	4,662	1,821	.....	2,841

Period	Effects of operations on Treasurer's account											
	Net operating transactions			Net financing transactions			Change in cash balances		Treasurer's account (end of period)			
				Agencies & trusts						Operating bal.		
	Budget surplus or deficit	Trust funds[3]	Clearing accounts	Market issuance of sec.[3]	Invest. in U.S. Govt. sec.[3]	Change in gross direct public debt	Held outside Treasury	Treas-urer's account	Balance	F.R. Banks	Tax and loan accts.	Other net assets
Fiscal year—1965	−3,435	1,410	−804	1,372	−2,356	5,561	174	1,575	12,610	672	10,689	1,249
1966	−2,251	−12	−956	4,077	−3,562	2,633	132	−203	12,407	766	10,050	1,591
1967	−9,869	10,130	−657	420	−10,852	6,314	135	−4,648	7,759	1,311	4,272	2,176
▶1967	−8,807		793	5,079	−9,026	6,796	−517	−4,648	7,759	1,311	4,272	2,176◀
1968p	−25,407		2,736	5,952	−5,338	22,476	1,483	−1,065	6,694	1,074	4,113	1,507
Half year:												
1966—July–Dec.	−14,878	1,683	−1,021	1,630	−3,370	9,412	−149	−6,396	6,011	416	4,096	1,499
1967—Jan.–June	5,009	8,447	364	−1,210	−7,482	−3,098	284	1,748	7,759	1,311	4,272	2,176
July–Dec.	−19,000	−1,239	−63	833	234	18,442	−80	−713	7,046	1,123	4,329	1,594
▶July–Dec.	−19,644		[5]562	1,752	−1,658	18,878	578	−713	7,046	1,123	4,329	1,594◀
1968—Jan.–June p	−5,738		[5]2,174	4,200	−3,680	3,597	906	−351	6,694	1,074	4,113	1,507
Month:												
▶1967—Aug.	−3,619		[5]−1,039	31	−2,094	5,713	−63	−944	6,607	1,051	3,937	1,619◀
1968—Jan.	−3,233		[5]877	1,434	919	1,610	−168	1,775	8,821	1,153	5,977	1,691
Feb.	−2,295		[5]−564	100	−1,533	5,516	−313	1,539	10,359	1,197	7,601	1,561
Mar.	−3,049		[5]1,473	287	428	−2,063	588	−3,512	6,847	581	4,727	1,539
Apr.	3,369		[5]285	1,357	−514	−2,470	432	1,595	8,442	1,035	5,372	2,035
May	−4,529		[5]−422	120	−2,634	5,315	−215	−1,936	6,506	956	4,225	1,325
June p	4,006		[5]533	902	−360	−4,311	582	188	6,694	1,074	4,113	1,507
July	−2,567		[5]−1,020	68	475	3,512	66	401	7,095	1,113	4,787	1,195
Aug.	−3,155		[5]−778	1,369	−1,821	3,293	251	−1,342	5,753	916	3,564	1,273

For notes see opposite page.

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FEDERAL FISCAL OPERATIONS: DETAIL

(In millions of dollars)

Period	Cash receipts from the public														
	Total	Income taxes			Excise taxes			Social ins. taxes			Estate and gift	Customs	Int. and repayments	Refunds	Other
		Individual		Corporate	Total	Liquor and tobacco	Highway	Total	FICA and R.R.	Unempl.					
		Withheld	Other												
Fiscal year—1965	119,699	36,840	16,820	26,131	14,793	5,921	3,782	22,138	17,833	3,817	2,746	1,478	2,097	6,030	2,686
1966	134,480	42,811	18,486	30,834	13,398	5,888	4,037	25,527	21,243	3,773	3,094	1,811	2,303	7,256	3,472
1967	153,596	50,521	18,850	34,918	14,114	6,156	4,652	32,857	28,700	3,657	3,014	1,972	2,743	9,582	4,189
▶1967	149,555	50,521	18,850	34,918	14,114	6,156	4,652	33,627	28,752	3,666	3,014	1,972	1,805	9,582	316◀
1968[p]	153,485	57,268	20,951	29,889	14,313	n.a.	4,493	34,879	30,186	3,352	3,076	2,113	2,091	11,376	281
Half year:															
1966—July–Dec.	65,681	24,641	3,983	12,045	6,762	3,105	2,313	13,789	11,969	1,569	1,258	1,017	1,493	1,142	1,835
1967—Jan.–June	87,915	25,880	14,867	22,873	7,352	3,051	2,339	19,068	16,731	2,088	1,756	955	1,250	8,440	2,354
July–Dec.	68,385	27,192	4,150	11,345	7,146	3,344	2,253	14,629	13,056	1,333	1,350	1,034	1,363	1,263	1,439
▶July–Dec.	67,101	27,192	4,150	11,345	7,146	3,344	2,253	15,085	13,098	1,337	1,350	1,034	957	1,263	105◀
1968—Jan.–June	[p]86,409	30,076	16,801	18,544	7,167	n.a.	2,240	19,794	17,088	2,015	1,726	1,079	1,134	10,113	201
Month:															
▶1967—Aug.	11,556	5,161	211	642	1,125	487	462	4,016	3,272	627	307	178	159	258	15◀
1968—Jan.	12,220	4,352	3,800	940	1,193	470	366	1,829	1,570	119	238	181	180	500	7
Feb.	12,087	5,801	1,100	650	1,081	470	428	4,283	3,378	807	204	158	182	1,403	31
Mar.	11,870	5,508	697	4,439	1,162	369	311	2,257	2,099	51	235	168	175	2,849	78
Apr.	19,045	4,045	7,687	4,339	1,211	574	348	3,456	3,192	150	450	191	201	2,561	26
May	11,711	5,566	539	763	1,321	514	420	5,175	4,218	843	363	199	191	2,435	29
June[p]	19,476	4,804	2,977	7,412	1,199	n.a.	368	2,791	2,629	44	237	183	205	364	32
July	11,706	4,560	605	2,259	1,459	n.a.	392	2,412	2,171	115	235	210	204	254	16
Aug.	13,195	6,200	272	654	1,186	n.a.	491	4,450	3,733	618	232	217	214	250	20

Period	Cash payments to the public												
	Total [5]	National defense	Intl. affairs	Space research	Agriculture	Natural resources	Commerce and transp.	Housing & coml. devel.	Health, labor, & welfare	Education	Veterans	Interest	General govt.
Fiscal year—1964	120,332	54,514	3,837	4,171	5,416	2,774	6,545	1,674	27,191	1,299	6,107	8,011	2,221
1965	122,395	50,790	4,794	5,093	5,142	2,921	7,421	908	28,191	1,497	6,080	8,605	2,341
1966	137,817	58,464	4,463	5,933	4,114	3,229	6,784	3,425	33,249	2,780	5,556	9,215	2,404
1967	155,142	71,843	4,413	5,426	4,159	3,522	7,102	−1,723	39,002	3,286	6,978	10,371	2,641
▶1967	158,362	70,092	4,650	5,423	4,377	2,132	7,446	2,285	40,084	4,047	6,898	10,280	2,454◀
1968[p]	178,892	[e]80,252	...	...	...	...	...	...	...	...	...	...	...
Half year:													
1966—Jan.–June	70,781	31,377	2,235	3,094	803	1,464	2,829	2,271	16,873	2,072	2,968	4,856	1,146
July–Dec.	80,086	33,850	2,457	2,855	3,630	2,002	4,372	1,801	18,192	1,755	3,475	4,627	1,386
1967—Jan.–June	75,056	37,996	1,955	2,570	523	1,518	2,731	−3,522	20,814	1,530	3,506	5,741	1,260
July–Dec.	88,515	39,251	2,856	2,292	3,154	2,037	4,404	2,082	21,713	1,471	3,487	4,867	1,380
▶July–Dec.	86,809	[e]38,757	...	...	...	...	...	...	...	...	...	...	...
1968—Jan.–June[p]	92,083	[e]41,495	...	...	...	...	...	...	...	...	...	...	...
Month:													
▶1967—Aug.	15,174	[e]6,793	...	...	...	...	...	...	...	...	...	...	...
1968—Jan.	15,453	[e]7,164	...	...	...	...	...	...	...	...	...	...	...
Feb.	14,383	[e]6,412	...	...	...	...	...	...	...	...	...	...	...
Mar.	14,922	[e]6,363	...	...	...	...	...	...	...	...	...	...	...
Apr.	15,678	[e]7,091	...	...	...	...	...	...	...	...	...	...	...
May	16,241	[e]7,191	...	...	...	...	...	...	...	...	...	...	...
June[p]	15,470	[e]7,471	...	...	...	...	...	...	...	...	...	...	...
July	14,274	[e]5,895	...	...	...	...	...	...	...	...	...	...	...
Aug.	16,349	[e]6,746	...	...	...	...	...	...	...	...	...	...	...

▶ Data on new budget basis. Data for any prior entries were derived on basis of cash budget.

[1] Primarily interest payments by Treasury to trust accounts and accumulations to U.S. employee trust funds.

[2] Includes small adjustments not shown separately.

[3] Includes net transactions of Govt.-sponsored enterprises.

[4] Primarily (1) intragovt. transactions, (2) noncash debt, (3) clearing accounts.

[5] Includes technical adjustments not allocated by functions.

NOTE.—Based on Treasury Dept. and Bureau of the Budget data.

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TOTAL DEBT, BY TYPE OF SECURITY

(In billions of dollars)

End of period	Total gross debt [1]	Total gross direct debt [2]	Public issues [3]									Special issues [6]
			Total	Marketable					Convertible bonds	Nonmarketable		
				Total	Bills	Certificates	Notes	Bonds [4]		Total [5]	Savings bonds & notes	
1941—Dec.	64.3	57.9	50.5	41.6	2.0	.....	6.0	33.6	.....	8.9	6.1	7.0
1945—Dec.	278.7	278.1	255.7	198.8	17.0	38.2	23.0	120.6	.....	56.9	48.2	20.0
1947—Dec.	257.0	256.9	225.3	165.8	15.1	21.2	11.4	118.0	.....	59.5	52.1	29.0
1960—Dec.	290.4	290.2	242.5	189.0	39.4	18.4	51.3	79.8	5.7	47.8	47.2	44.3
1961—Dec.	296.5	296.2	249.2	196.0	43.4	5.5	71.5	75.5	4.6	48.6	47.5	43.5
1962—Dec.	304.0	303.5	255.8	203.0	48.3	22.7	53.7	78.4	4.0	48.8	47.5	43.4
1963—Dec.	310.1	309.3	261.6	207.6	51.5	10.9	58.7	86.4	3.2	50.7	48.8	43.7
1964—Dec.	318.7	317.9	267.5	212.5	56.5	.....	59.0	97.0	3.0	52.0	49.7	46.1
1965—Dec.	321.4	320.9	270.3	214.6	60.2	.....	50.2	104.2	2.8	52.9	50.3	46.3
1966—Dec.	329.8	329.3	273.0	218.0	64.7	5.9	48.3	99.2	2.7	52.3	50.8	52.0
1967—Sept.	336.4	335.9	274.7	218.6	63.7	.....	57.6	97.3	2.6	53.5	51.4	57.7
Oct.	341.0	340.5	279.9	223.3	68.9	.....	57.1	97.3	2.6	54.0	51.6	57.2
Nov.	345.6	345.1	284.2	226.1	69.5	.....	61.4	95.3	2.6	55.6	51.7	57.4
Dec.	345.2	344.7	284.0	226.5	69.9	.....	61.4	95.2	2.6	54.9	51.7	57.2
1968—Jan.	346.8	346.3	286.9	229.3	72.7	.....	61.4	95.2	2.6	55.0	51.7	55.9
Feb.	352.1	351.6	291.1	233.3	72.9	.....	66.7	93.6	2.6	55.3	51.7	57.2
Mar.	350.0	349.5	289.4	231.7	71.3	.....	66.7	93.6	2.5	55.2	51.8	56.7
Apr.	347.5	347.0	286.7	228.7	68.6	.....	66.5	93.6	2.5	55.4	51.8	57.0
May	352.9	352.3	289.7	231.8	69.6	.....	71.1	91.1	2.5	55.5	51.9	59.2
June	348.1	347.6	284.9	226.6	64.4	.....	71.1	91.1	2.5	55.8	51.9	59.5
July	351.7	351.1	289.1	231.0	68.9	.....	71.1	91.0	2.5	55.6	52.0	58.9
Aug.	354.9	354.4	291.1	233.2	69.4	.....	75.4	88.4	2.5	55.5	52.0	60.1
Sept.	355.3	354.7	291.9	233.6	69.8	.....	75.4	88.3	2.5	55.8	52.1	59.7

[1] Includes non-interest-bearing debt (of which $640 million on Sept. 30 1968, was not subject to statutory debt limitation) and guaranteed securities not shown separately.
[2] Excludes guaranteed securities.
[3] Includes amounts held by U.S. Govt. agencies and trust funds, which totaled $19,238 million on Aug. 31, 1968.
[4] Includes Treasury bonds and minor amounts of Panama Canal and postal savings bonds.
[5] 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.
[6] Held only by U.S. Govt. agencies and trust funds.

NOTE.—Based on Daily Statement of U.S. Treasury.

OWNERSHIP OF DIRECT AND FULLY GUARANTEED SECURITIES

(Par value in billions of dollars)

End of period	Total gross debt	Held by—		Held by the public									
		U.S. Govt. agencies and trust funds	F.R. Banks	Total	Commercial banks	Mutual savings banks	Insurance companies	Other corporations	State and local govts.	Individuals		Foreign and international [1]	Other misc. investors [2]
										Savings bonds	Other securities		
1941—Dec.	64.3	9.5	2.3	52.5	21.4	3.7	8.2	4.0	.7	5.4	8.2	.4	.5
1945—Dec.	278.7	27.0	24.3	227.4	90.8	10.7	24.0	22.2	6.5	42.9	21.2	2.4	6.6
1947—Dec.	257.0	34.4	22.6	200.1	68.7	12.0	23.9	14.1	7.3	46.2	19.4	2.7	5.7
1960—Dec.	290.4	55.1	27.4	207.9	62.1	6.3	11.9	18.7	18.7	45.6	20.5	13.0	11.2
1961—Dec.	296.5	54.5	28.9	213.1	67.2	6.1	11.4	18.5	19.0	46.4	19.5	13.4	11.6
1962—Dec.	304.0	55.6	30.8	217.6	67.2	6.1	11.5	18.6	20.1	46.9	19.2	15.3	12.7
1963—Dec.	310.1	58.0	33.6	218.5	64.3	5.8	11.3	18.7	21.1	48.1	20.1	15.9	13.3
1964—Dec.	318.7	60.6	37.0	221.1	64.0	5.7	11.1	18.2	21.2	48.9	20.8	16.7	14.5
1965—Dec.	321.4	61.9	40.8	218.7	60.8	5.4	10.4	15.8	22.9	49.6	22.5	16.7	14.7
1966—Dec.	329.8	68.8	44.3	216.7	57.5	4.7	9.6	14.9	25.0	50.2	24.5	14.5	16.0
1967—Aug.	336.4	77.2	46.6	212.6	60.2	4.2	8.7	12.4	25.1	50.8	20.7	14.3	16.2
Sept.	336.4	76.4	46.9	213.1	61.1	4.2	8.7	10.7	24.9	50.8	21.7	14.7	16.2
Oct.	341.0	75.9	47.4	217.7	63.6	4.1	8.8	11.6	24.6	50.9	22.3	14.8	17.0
Nov.	345.6	76.2	48.9	220.5	63.5	4.2	8.7	13.0	24.5	51.0	22.9	16.2	16.5
Dec.	345.2	76.0	49.1	220.1	63.9	4.2	8.7	12.2	25.1	51.1	23.0	15.8	16.2
1968—Jan.	346.8	74.7	49.1	223.0	63.1	4.1	8.6	13.4	25.6	51.0	23.5	15.4	18.3
Feb.	352.1	76.4	49.0	226.7	63.9	4.2	8.5	14.8	26.4	51.1	24.1	15.2	18.5
Mar.	350.0	75.9	49.7	224.5	62.2	4.2	8.6	14.2	27.0	51.1	23.8	14.7	18.5
Apr.	347.5	75.8	50.5	221.3	60.0	4.1	8.4	13.7	26.8	51.1	24.1	14.7	18.5
May	352.9	78.3	50.6	224.0	60.9	4.1	8.5	15.8	26.7	51.2	24.3	14.0	18.6
June	348.1	79.1	52.2	216.8	59.2	4.0	8.2	13.2	26.5	51.2	23.8	12.9	17.8
July	351.7	78.3	52.4	220.9	60.6	3.9	8.2	14.4	26.6	51.2	r24.3	r13.1	18.6
Aug.	354.9	79.4	53.0	222.5	61.5	3.9	8.2	14.6	26.8	51.3	24.5	13.2	18.5

[1] Includes investments of foreign balances and international accounts in the United States.
[2] Includes savings and loan assns., dealers and brokers, nonprofit institutions, and corporate pension funds.

NOTE.—Reported data for F.R. Banks and U.S. Govt. agencies and trust funds; Treasury estimates for other groups.

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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:								
1965—Dec. 31	214,604	93,396	60,177	33,219	60,602	35,013	8,445	17,148
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—July 31	230,977	110,824	68,858	41,966	64,469	30,754	8,406	16,525
Aug. 31	233,167	106,121	69,366	36,755	64,996	37,143	8,402	16,504
U.S Govt. agencies and trust funds:								
1965—Dec. 31	13,406	1,356	968	388	3,161	3,350	2,073	3,466
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—July 31	17,254	3,255	2,022	1,233	4,910	3,457	2,115	3,516
Aug. 31	17,140	3,347	2,051	1,296	5,095	3,067	2,115	3,516
Federal Reserve Banks:								
1965—Dec. 31	40,768	24,842	9,346	15,496	14,092	1,449	147	238
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—July 31	52,397	38,580	18,497	20,083	7,741	5,488	195	392
Aug. 31	53,044	34,401	19,110	15,291	7,902	10,141	200	400
Held by public:								
1965—Dec. 31	160,430	67,198	49,863	17,335	43,349	30,214	6,225	13,444
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—July 31	161,326	68,989	48,339	20,650	51,818	21,809	6,096	12,617
Aug. 31	162,983	68,373	48,205	20,168	51,999	23,935	6,087	12,588
Commercial banks:								
1965—Dec. 31	50,325	18,003	10,156	7,847	19,676	11,640	334	671
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—July 31	49,572	15,681	6,407	9,274	23,180	9,706	494	510
Aug. 31	50,546	15,228	6,133	9,095	23,246	11,035	524	513
Mutual savings banks:								
1965—Dec. 31	5,241	768	445	323	1,386	1,602	335	1,151
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—July 31	3,821	766	427	339	1,225	788	245	797
Aug. 31	3,795	744	384	360	1,211	809	239	792
Insurance companies:								
1965—Dec. 31	8,824	993	548	445	1,938	2,094	1,096	2,703
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—July 31	6,958	685	320	365	1,779	1,013	1,139	2,341
Aug. 31	6,985	672	331	341	1,949	882	1,147	2,335
Nonfinancial corporations:								
1965—Dec. 31	8,014	5,911	4,657	1,254	1,755	225	35	89
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—July 31	5,961	4,349	2,748	1,601	1,393	204	2	12
Aug. 31	6,071	4,119	2,825	1,294	1,518	416	4	14
Savings and loan associations:								
1965—Dec. 31	3,644	597	394	203	948	1,374	252	473
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—July 31	4,777	1,198	686	512	1,669	1,146	308	455
Aug. 31	4,758	1,072	632	440	1,728	1,202	305	450
State and local governments:								
1965—Dec. 31	15,707	5,571	4,573	998	1,862	1,894	1,985	4,395
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—July 31	14,328	5,858	4,636	1,222	2,224	1,052	1,459	3,735
Aug. 31	14,185	5,806	4,704	1,102	2,293	1,012	1,441	3,632
All others:								
1965—Dec. 31	68,675	35,356	29,089	6,267	15,784	11,386	2,187	3,962
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—July 31	75,909	40,452	33,115	7,337	20,348	7,900	2,449	4,767
Aug. 31	76,643	40,732	33,196	7,536	20,054	8,579	2,427	4,852

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 5,842 commercial banks, 501 mutual savings banks, and 756 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 504 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									U.S. Govt. agency securities
	Total	By maturity				By type of customer				
		Within 1 year	1–5 years	5–10 years	Over 10 years	Dealers and brokers		Commercial banks	All other	
						U.S. Govt. securities	Other			
1967—Aug.	1,884	1,578	243	33	30	662	60	662	500	159
Sept.	1,937	1,705	177	30	24	715	52	711	459	200
Oct.	2,168	1,941	150	43	33	795	66	841	465	202
Nov.	2,343	1,935	273	96	40	848	76	862	558	243
Dec.	2,798	2,352	291	94	63	1,079	90	1,028	601	213
1968—Jan.	2,919	2,545	263	64	48	1,160	91	1,051	618	304
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	r280
Aug.	2,214	1,705	228	261	20	849	90	790	485	258
Week ending—										
1968—Aug. 7	2,878	2,176	340	333	30	1,207	135	1,037	498	265
14	2,104	1,426	238	422	17	707	93	838	465	228
21	2,186	1,779	193	201	14	854	80	730	521	253
28r	1,755	1,430	182	125	18	714	60	574	407	235
Sept. 4	2,295	1,960	159	159	18	808	60	793	635	320
11	1,713	1,440	161	97	16	575	61	623	455	189
18	2,395	2,053	211	113	19	1,039	64	844	448	210
25	2,108	1,789	172	122	26	864	70	752	422	270

NOTE.—The transactions data combine market purchases and sales of U.S. Govt. securities dealers reporting to the F.R. Bank of N.Y. 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				U.S. Govt. agency securities
	All maturities	Within 1 year	1–5 years	Over 5 years	
1967—Aug.	2,903	2,564	312	26	265
Sept.	2,545	2,305	202	38	242
Oct.	2,880	2,837	22	20	379
Nov.	3,109	2,793	258	58	312
Dec.	2,410	2,375	35	1	363
1968—Jan.	3,404	3,310	114	−20	393
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 r	4,420	3,972	159	288	644
Aug.	5,262	4,097	283	881	732
Week ending—					
1968—July 3r	2,946	2,540	152	254	602
10r	4,039	3,589	182	268	564
17r	4,409	3,990	148	271	564
24r	4,747	4,312	145	291	666
31r	5,252	4,745	167	338	792
Aug. 7	5,148	4,421	265	462	711
14	5,883	4,485	345	1,053	735
21	5,008	3,709	295	1,003	749
28	5,083	3,842	257	984	710

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		Corporations[1]	All other
		New York City	Elsewhere		
1967—Aug.	2,717	835	734	868	280
Sept.	2,669	1,010	873	582	204
Oct.	2,660	844	688	744	383
Nov.	2,863	650	640	1,176	397
Dec.	2,549	556	482	1,144	367
1968—Jan.	3,209	1,003	816	944	446
Feb.	3,799	1,072	1,008	1,071	648
Mar.	2,651	678	643	829	r501
Apr.	3,073	794	832	937	510
May	3,162	699	923	844	696
June	3,458	867	879	1,010	702
July r	4,341	1,193	1,032	1,415	701
Aug.	5,465	1,431	1,372	1,710	952
Week ending—					
1968—July 3r	2,878	567	700	1,065	546
10r	3,222	498	769	1,253	702
17r	4,685	1,255	1,104	1,465	861
24r	4,939	1,642	1,132	1,541	624
31r	5,079	1,623	1,249	1,515	693
Aug. 7	5,275	1,380	1,286	1,540	1,069
14	5,494	1,295	1,433	1,610	1,156
21	5,603	1,528	1,331	1,766	977
28	5,516	1,521	1,395	1,883	717

[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, SEPTEMBER 30, 1968

(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.**	
Oct. 3, 1968	2,602	Mar. 13, 1969	1,100	Oct. 1, 1971 ... 1½	72	Aug. 15, 1970 ... 4	4,129
Oct. 10, 1968	2,602	Mar. 20, 1969	1,100	Nov. 15, 1971 ... 5⅜	1,734	Aug. 15, 1971 ... 4	2,806
Oct. 17, 1968	2,704	Mar. 24, 1969†	2,015	Feb. 15, 1972 ... 4¾	2,006	Nov. 15, 1971 ... 3⅞	2,760
Oct. 24, 1968	2,702	Mar. 27, 1969	1,102	Apr. 1, 1972 ... 1½	34	Feb. 15, 1972 ... 4	2,344
Oct. 31, 1968	4,201	Mar. 31, 1969	1,500	May 15, 1972 ... 4¾	5,310	Aug. 15, 1972 ... 4	2,579
Nov. 7, 1968	2,702	Apr. 22, 1969†	2,003	Oct. 1, 1972 ... 1½	33	Aug. 15, 1973 ... 4	3,894
Nov. 14, 1968	2,701	Apr. 30, 1969	1,501	Apr. 1, 1973 ... 1½	22	Nov. 15, 1973 ... 4⅛	4,351
Nov. 21, 1968	2,702	May 31, 1969	1,503	Aug. 15, 1974 ... 5⅝	10,284	Feb. 15, 1974 ... 4⅛	3,129
Nov. 29, 1968	2,700	June 30, 1969	1,502	Nov. 15, 1974 ... 5¾	1,652	May 15, 1974 ... 4¼	3,588
Nov. 30, 1968	1,501	July 31, 1969	1,001	Feb. 15, 1975 ... 5¾	5,148	Nov. 15, 1974 ... 3⅞	2,241
Dec. 5, 1968	2,701	Aug. 31, 1969	1,000	May 15, 1975 ... 6	6,750	May 15, 1975–85 ... 4¼	1,215
Dec. 12, 1968	2,701	Sept. 30, 1969	1,001			June 15, 1978–83 ... 3¼	1,567
Dec. 19, 1968	2,702					Feb. 15, 1980 ... 4	2,600
Dec. 26, 1968	2,710	**Treasury notes**				Nov. 15, 1980 ... 3½	1,908
Dec. 31, 1968	1,499	Oct. 1, 1968 ... 1½	115	**Treasury bonds**		May 15, 1985 ... 3¼	1,110
Jan. 2, 1969	1,100	Nov. 15, 1968 ... 5¼	8,984	Dec. 15, 1963–68 ... 2½	1,787	Aug. 15, 1987–92 ... 4¼	3,816
Jan. 9, 1969	1,102	Feb. 15, 1969 ... 5⅝	10,738	June 15, 1964–69 ... 2½	2,542	Feb. 15, 1988–93 ... 4	249
Jan. 16, 1969	1,101	Apr. 1, 1969 ... 1½	61	Dec. 15, 1964–69 ... 2½	2,488	May 15, 1989–94 ... 4⅛	1,559
Jan. 23, 1969	1,100	May 15, 1969 ... 5⅝	4,277	Mar. 15, 1965–70 ... 2½	2,284	Feb. 15, 1990 ... 3½	4,878
Jan. 30, 1969	1,101	Aug. 15, 1969 ... 6	3,366	Mar. 15, 1966–71 ... 2½	1,223	Feb. 15, 1995 ... 3	1,654
Jan. 31, 1969	1,500	Oct. 1, 1969 ... 1½	159	June 15, 1967–72 ... 2½	1,249	Nov. 15, 1998 ... 3½	4,327
Feb. 6, 1969	1,103	Apr. 1, 1970 ... 1½	88	Sept. 15, 1967–72 ... 2½	1,952		
Feb. 13, 1969	1,101	Oct. 1, 1970 ... 1½	113	Dec. 15, 1967–72 ... 2½	2,608		
Feb. 20, 1969	1,101	Nov. 15, 1970 ... 5	7,675	Nov. 15, 1968 ... 3⅞	1,158		
Feb. 27, 1969	1,104	Feb. 15, 1971 ... 5¾	2,509	Feb. 15, 1969 ... 4	3,728	**Convertible bonds**	
Feb. 28, 1969	1,502	Apr. 1, 1971 ... 1½	35	Oct. 1, 1969 ... 4	6,245	**Investment Series B**	
Mar. 6, 1969	1,103	May 15, 1971 ... 5¼	4,265	Feb. 15, 1970 ... 4	4,381	Apr. 1, 1975–80 ... 2¾	2,507

† 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						
		Type of issue				Type of issuer					Use of proceeds					
	Total	General obligations	Revenue	HAA[1]	U.S. Govt. loans	State	Special district and stat. auth.	Other[2]		Total	Education	Roads and bridges	Utilities[4]	Housing[5]	Veterans' aid	Other purposes
1961	8,566	5,724	2,407	315	120	1,928	2,165	4,473	8,301	8,463	2,821	1,167	1,700	385	478	1,913
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	8,946	5,013	477	334	2,842	4,810	7,115	n.a.	14,643	4,473	1,254	2,404	645	.....	5,867
1967—Aug.	860	588	254	.....	18	195	234	430	n.a.	858	212	142	211	52	.....	242
Sept.	1,340	566	648	105	21	246	588	507	n.a.	1,330	333	184	250	110	.....	453
Oct.	975	686	256	.....	32	207	257	510	n.a.	974	269	130	139	18	.....	417
Nov.	1,400	766	592	.....	43	335	548	517	n.a.	1,400	225	43	320	9	.....	803
Dec.	1,182	484	539	138	22	153	507	521	n.a.	1,182	277	43	129	152	.....	580
1968—Jan.	1,175	839	307	.....	29	450	300	427	n.a.	1,133	425	206	174	.....	.....	328
Feb.	1,149	688	448	.....	14	152	382	616	n.a.	1,147	474	110	127	7	.....	429
Mar.	1,396	594	644	144	15	110	r513	771	n.a.	1,384	373	9	130	190	.....	682
Apr.	1,307	791	498	.....	18	80	579	647	n.a.	1,298	292	128	321	112	.....	445
May r	1,120	681	234	144	61	221	305	596	n.a.	1,115	397	52	204	158	.....	304
June r	1,380	686	662	.....	32	87	539	756	n.a.	1,381	371	183	258	8	.....	561
July	1,450	810	621	.....	20	257	585	609	n.a.	1,446	391	113	278	4	.....	660
Aug.	1,683	783	749	129	22	264	786	638	n.a.	1,681	492	123	407	133	.....	526

[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
1967—July	4,375	415	407	925	39	2,589	2,375	1,889	486	85	130	2,546	2,457	2,181	275	89
Aug.	10,625	6,458	250	840	596	2,481	2,231	1,813	418	105	144	2,440	2,406	2,184	222	34
Sept.	4,218	362	599	1,273	220	1,763	1,549	902	647	41	173	1,732	1,723	1,581	142	10
Oct.	4,609	422	708	991	78	2,409	1,940	1,375	566	231	238	2,367	2,289	2,120	168	79
Nov.	8,732	5,054	710	1,320	147	1,500	1,196	645	551	81	222	1,470	1,467	1,305	163	3
Dec.	4,483	371	612	1,093	22	2,385	2,107	1,087	1,020	42	235	2,343	2,336	2,113	223	8
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	r4,984	383	779	1,360	r52	2,411	2,025	1,340	685	24	361	2,367	2,334	1,944	389	33
July	4,942	417	800	1,422	130	2,173	1,804	1,244	561	86	283	2,127	2,120	2,010	111	6

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
1967—July	925	22	388	23	379	20	446	24	39	.....	277	.....
Aug.	1,229	10	95	3	99	.....	509	19	356	.....	119	2
Sept.	637	5	285	3	150	1	265	.....	200	.....	184	.....
Oct.	906	6	126	7	176	.....	573	65	119	.....	388	.....
Nov.	512	1	207	2	88	.....	404	.....	82	.....	174	*
Dec.	1,109	6	409	1	198	.....	278	*	68	*	273	.....
1968—Jan.	537	15	208	11	91	.....	417	.....	r186	.....	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	e750	5	394	1	154	.....	474	27	237	.....	326	1
July	839	4	412	2	195	.....	236	.....	236	.....	203	.....

[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	Retirements	Net change	New issues	Retirements	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—II	7,493	2,599	4,894	4,978	1,318	3,660	1,381	1,041	701	581	680	461
III	8,868	2,690	6,178	6,248	1,394	4,854	1,412	1,232	721	576	691	656
IV	9,414	2,863	6,551	5,349	1,426	3,924	2,446	1,605	747	690	1,699	915
1968—I	7,682	3,049	4,663	3,997	1,286	2,711	2,454	1,230	821	912	1,633	319
II	8,384	3,933	4,431	5,124	1,308	3,816	1,815	1,424	1,053	1,572	762	−147

Period	Type of issuer											
	Manufacturing		Commercial and other [2]		Transportation [3]		Public utility		Communication		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—II	1,858	107	153	52	198	47	1,089	117	320	158	41	754
III	2,253	403	422	29	374	45	867	168	594	92	345	587
IV	1,637	270	399	207	214	54	846	277	291	120	537	698
1968—I	991	−60	257	112	170	−26	956	309	295	31	109	−46
II	1,520	−556	375	−5	260	10	848	214	524	33	288	−219

[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)			Month	Sales and redemption of own shares			Assets (market value at end of period)		
	Sales [1]	Redemptions	Net sales	Total [2]	Cash position [3]	Other		Sales [1]	Redemptions	Net sales	Total [2]	Cash position [3]	Other
1956	1,347	433	914	9,046	492	8,554	1967—Aug.	347	249	98	42,663	2,370	40,293
1957	1,391	406	984	8,714	523	8,191	Sept.	352	246	106	43,585	2,244	41,341
1958	1,620	511	1,109	13,242	634	12,608	Oct.	409	270	139	42,652	2,218	40,434
							Nov.	468	231	237	43,262	2,653	40,609
1959	2,280	786	1,494	15,818	860	14,958	Dec.	501	242	259	44,701	2,566	42,135
1960	2,097	842	1,255	17,026	973	16,053							
1961	2,951	1,160	1,791	22,789	980	21,809	1968—Jan.	556	316	240	42,466	2,679	39,787
1962	2,699	1,123	1,576	21,271	1,315	19,956	Feb.	451	260	191	41,533	3,409	38,124
							Mar.	557	243	314	42,412	3,919	38,493
1963	2,460	1,504	952	25,214	1,341	23,873	Apr.	618	309	309	46,179	3,923	42,256
1964	3,404	1,875	1,528	29,116	1,329	27,787	May	502	366	136	48,054	3,495	44,559
1965	4,359	1,962	2,395	35,220	1,803	33,417	June	535	374	161	48,426	3,273	45,153
1966	4,671	2,005	2,665	34,829	2,971	31,858	July	r582	344	237	47,342	3,113	44,229
1967	4,670	2,745	1,927	44,701	2,566	42,135	Aug.	531	309	222	48,470	3,459	45,011

[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	
						III	IV	I	II	III	IV	I	II
Manufacturing													
Total (177 corps.):													
Sales	147,380	158,253	177,237	195,738	201,399	46,202	51,991	48,585	51,679	48,317	52,818	[c]54,338	55,691
Profits before taxes	17,337	18,734	22,046	23,487	20,898	4,881	6,126	5,153	5,608	4,232	5,867	[c]6,280	7,157
Profits after taxes	9,138	10,462	12,461	13,307	12,664	2,845	3,466	2,918	3,190	2,381	3,268	3,497	[1]3,468
Dividends	5,444	5,933	6,527	6,920	6,989	1,631	1,965	1,670	1,701	1,721	1,897	1,710	1,694
Nondurable goods industries (78 corps.):[2]													
Sales	55,372	59,770	64,897	73,643	77,969	18,297	19,129	18,743	19,535	19,695	19,996	[c]20,594	19,879
Profits before taxes	6,333	6,881	7,846	9,181	9,039	2,305	2,232	2,153	2,250	2,209	2,427	[c]2,789	2,826
Profits after taxes	3,646	4,121	4,786	5,473	5,379	1,389	1,352	1,319	1,343	1,313	1,431	1,609	[1]1,434
Dividends	2,265	2,408	2,527	2,729	3,027	673	723	720	756	770	781	742	720
Durable goods industries (99 corps.):[3]													
Sales	92,008	98,482	112,341	122,094	123,429	27,905	32,861	29,842	32,144	28,622	32,821	[c]33,744	35,812
Profits before taxes	11,004	11,853	14,200	14,307	11,822	2,577	3,895	3,000	3,358	2,024	3,440	3,491	4,331
Profits after taxes	5,492	6,341	7,675	7,834	6,352	1,456	2,115	1,599	1,847	1,068	1,838	1,888	[1]2,034
Dividends	3,179	3,525	4,000	4,191	3,964	958	1,242	950	945	952	1,117	968	973
Selected industries:													
Foods and kindred products (25 corps.):													
Sales	14,301	15,284	16,427	19,038	20,134	4,759	5,011	4,963	5,060	5,131	4,980	[c]4,698	5,268
Profits before taxes	1,546	1,579	1,710	1,916	1,967	504	485	447	482	526	512	497	603
Profits after taxes	747	802	896	1,008	1,041	262	259	236	253	284	268	262	[1]272
Dividends	448	481	509	564	583	139	146	148	144	146	145	150	146
Chemical and allied products (20 corps.):													
Sales	14,623	16,469	18,158	20,007	20,561	4,824	5,072	4,998	5,163	5,116	5,284	[c]6,447	5,870
Profits before taxes	2,286	2,597	2,891	3,073	2,731	789	650	694	700	636	701	916	721
Profits after taxes	1,182	1,400	1,630	1,737	1,579	443	386	396	404	363	416	501	[1]384
Dividends	904	924	926	948	960	234	269	238	235	235	252	236	236
Petroleum refining (16 corps.):													
Sales	16,043	16,589	17,828	20,887	23,258	5,298	5,530	5,390	5,808	5,985	6,075	[c]5,829	6,303
Profits before taxes	1,487	1,560	1,962	2,681	3,004	631	726	684	741	744	835	[c]1,028	1,089
Profits after taxes	1,204	1,309	1,541	1,898	2,038	479	495	505	504	489	540	655	[1]544
Dividends	608	672	737	817	1,079	204	209	232	280	286	281	253	255
Primary metals and products (34 corps.):													
Sales	22,116	24,195	26,548	28,558	26,532	7,309	7,225	6,801	7,040	6,525	6,166	[c]7,089	7,746
Profits before taxes	2,178	2,556	2,931	3,277	2,487	857	810	693	670	477	647	636	848
Profits after taxes	1,183	1,475	1,689	1,903	1,506	490	475	395	411	290	410	368	[1]455
Dividends	734	763	818	924	892	230	260	222	214	228	228	224	229
Machinery (24 corps.):													
Sales	21,144	22,558	25,364	29,512	32,721	7,538	8,100	7,704	7,933	8,090	8,994	8,327	8,945
Profits before taxes	2,394	2,704	3,107	3,612	3,482	851	952	868	807	837	970	920	994
Profits after taxes	1,177	1,372	1,626	1,875	1,789	444	495	421	417	438	513	475	[1]444
Dividends	577	673	774	912	921	226	244	232	233	227	229	244	244
Automobiles and equipment (14 corps.):													
Sales	32,927	35,338	42,712	43,641	42,306	8,046	12,149	10,413	11,875	8,354	11,664	12,154	13,950
Profits before taxes	5,004	4,989	6,253	5,274	3,906	313	1,567	1,050	1,436	216	1,204	1,485	1,846
Profits after taxes	2,387	2,626	3,294	2,877	1,999	224	826	583	782	62	572	795	[1]823
Dividends	1,447	1,629	1,890	1,775	1,567	361	551	363	365	362	477	362	364
Public utility													
Railroad:													
Operating revenue	9,560	9,778	10,208	10,654	10,366	2,690	2,718	2,536	2,628	2,529	2,673	2,610	n.a.
Profits before taxes	816	829	980	1,088	391	280	268	145	163	83	1	125	n.a.
Profits after taxes	651	694	816	902	325	227	244	121	143	78	−17	110	n.a.
Dividends	383	438	468	496	539	113	161	124	156	103	155	114	n.a.
Electric power:													
Operating revenue	14,294	15,156	15,816	16,908	17,894	4,236	4,246	4,697	4,280	4,406	4,511	5,138	4,580
Profits before taxes	3,735	3,926	4,213	4,395	4,564	1,153	1,041	1,279	1,026	1,161	1,099	1,284	1,018
Profits after taxes	2,187	2,375	2,586	2,764	2,911	702	673	799	666	717	729	863	641
Dividends	1,567	1,682	1,838	1,932	2,071	475	505	518	510	509	534	539	555
Telephone:													
Operating revenue	9,796	10,550	11,320	12,420	13,311	3,135	3,202	3,229	3,312	3,341	3,429	3,486	3,544
Profits before taxes	2,815	3,069	3,185	3,537	3,694	911	868	869	923	953	949	971	989
Profits after taxes	1,417	1,590	1,718	1,903	1,997	487	468	472	497	515	513	525	441
Dividends	988	1,065	1,153	1,248	1,363	317	320	334	337	341	351	351	318

[1] Reflects each company's adjustment for 10% surcharge.
[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	1966—III	86.7	35.0	51.6	21.9	29.7	40.1
							IV	85.0	34.4	50.7	21.6	29.1	41.0
1962	55.4	24.2	31.2	15.2	16.0	30.1							
1963	59.4	26.3	33.1	16.5	16.6	31.8	1967—I	79.9	32.8	47.1	22.5	24.6	41.9
1964	66.8	28.3	38.4	17.8	20.6	33.9	II	80.3	33.0	47.3	23.2	24.1	42.9
							III	80.8	33.2	47.6	23.5	24.1	44.1
1965	77.8	31.3	46.5	19.8	26.7	36.4	IV	85.4	35.1	50.3	22.5	27.9	44.9
1966	85.6	34.6	51.0	21.7	29.3	39.7							
1967	81.6	33.5	48.1	22.9	25.2	43.4	1968—I	88.9	39.8	49.1	23.6	25.5	45.7
							II	91.8	41.1	50.7	24.4	26.3	46.7

[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	180.1	406.6	49.7	16.5	3.9	187.9	125.7	22.9	226.5	3.1	158.0	18.8	46.6
1966—III	188.0	429.5	47.3	14.3	4.2	201.1	138.3	24.4	241.5	4.0	167.8	17.7	52.1
IV	189.4	439.6	49.8	15.2	4.5	202.6	143.2	24.2	250.2	4.4	173.7	18.8	53.3
1967—I	191.7	440.2	46.9	14.1	4.4	202.6	146.8	25.4	248.5	4.9	171.2	18.4	54.1
II	192.8	441.1	47.4	11.3	4.6	204.9	147.9	24.9	248.2	5.4	174.6	12.5	55.7
III	196.3	448.9	48.8	10.6	4.7	208.9	149.9	26.0	252.6	5.7	176.1	13.3	57.4
IV	200.1	460.1	52.0	12.1	5.1	211.8	152.5	26.6	260.0	5.8	181.0	14.9	58.2
1968—I	204.9	467.5	50.1	13.9	4.8	213.9	155.3	29.4	262.6	6.1	179.3	17.1	60.1
II	208.6	477.9	51.1	12.9	4.7	220.8	158.5	29.8	269.2	6.2	185.4	15.1	62.4

[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	12.74	.....
1968[2]	64.37	13.42	13.13	1.49	1.52	4.55	11.29	6.42	12.56	.....
1966—III	15.57	3.54	3.30	.37	.48	.82	2.36	1.36	3.33	61.25
IV	17.00	4.07	3.68	.38	.55	.86	2.36	1.58	3.52	62.80
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	14.28	2.96	2.82	.36	.37	.98	2.33	1.48	2.96	64.90
II	15.90	3.22	3.28	.36	.38	1.04	2.97	1.51	3.14	62.75
III[2]	16.44	3.32	3.33	.38	.34	1.23	2.98	4.84		64.90
IV[2]	17.75	3.91	3.69	.38	.43	1.30	3.00	5.04		65.15

[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								
	All holders	Financial institutions[1]	Other holders[2]		All holders	Financial institutions[1]	Other holders[3]	All holders	1- to 4-family houses[4]			Multifamily and commercial properties[5]			Mortgage type[6]	
			U.S. agencies	Individuals and others					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
1962	248.6	192.5	12.2	44.0	15.2	5.5	9.7	233.4	166.5	140.4	26.0	66.9	46.6	20.4	69.4	164.1
1963	274.3	217.1	11.2	45.9	16.8	6.2	10.7	257.4	182.2	156.0	26.2	75.3	54.9	20.3	73.4	184.0
1964	r300.1	241.0	11.4	r47.7	18.9	7.0	11.9	r281.2	r197.6	r170.3	r27.3	83.6	r63.7	r19.9	77.2	r204.0
1965	r325.8	264.6	12.4	r48.7	21.2	7.8	13.4	r304.6	r212.9	r184.3	r28.7	91.6	r72.5	r19.1	81.2	r223.4
1966p	347.0	280.8	15.7	50.4	23.3	8.4	14.9	323.6	223.6	192.2	31.5	100.0	80.2	19.8	84.1	239.6
1967p	369.5	298.9	18.5	52.1	25.2	9.1	16.0	344.3	236.0	201.9	34.1	108.3	87.9	20.4	88.2	256.1
1966—Ip	331.9	269.6	13.5	48.8	21.8	8.0	13.7	310.2	216.2	187.0	29.2	94.0	74.6	19.4	82.1	228.1
IIp	338.6	274.7	14.4	49.4	22.5	8.2	14.2	316.1	219.6	189.6	29.3	96.5	76.8	19.7	82.6	233.5
IIIp	343.3	278.2	15.2	50.0	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	15.7	50.4	23.3	8.4	14.9	323.6	223.6	192.2	31.5	100.0	80.2	19.8	84.1	239.6
1967—Ip	350.0	282.9	16.4	50.7	23.7	8.5	15.2	326.3	224.9	192.8	32.0	101.5	81.6	19.9	84.4	242.4
IIp	355.6	287.7	16.7	51.3	24.2	8.7	15.5	331.4	227.8	195.4	32.4	103.6	83.6	20.0	85.3	246.1
IIIp	362.6	293.4	17.5	51.8	24.7	8.9	15.8	337.9	232.0	198.7	33.2	105.9	85.7	20.2	86.4	251.5
IVp	369.5	298.9	18.5	52.1	25.2	9.1	16.0	344.3	236.0	201.9	34.1	108.3	87.9	20.4	88.2	256.1
1968—Ip	374.9	302.7	19.6	52.5	25.7	9.3	16.4	349.2	239.3	204.1	35.2	109.9	89.4	20.5	89.4	259.8
IIp	381.9	308.2	20.6	53.1	26.3	9.6	16.7	355.6	243.4	207.1	36.3	112.2	91.5	20.8	90.1	265.5

[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 3 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
1961	30,442	21,225	5,975	2,627	12,623	7,470	1,747	29,145	26,341	8,045	9,267	9,029	2,753	51
1962	34,476	23,482	6,520	2,654	14,308	8,972	2,022	32,320	29,181	9,238	9,787	10,156	3,088	51
1963	39,414	26,476	7,105	2,862	16,509	10,611	2,327	36,224	32,718	10,684	10,490	11,544	3,454	52
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	17,772	5,732	117
1966—I	50,650	32,822	7,717	2,659	22,446	14,840	2,988	45,370	40,700	13,956	11,408	15,336	4,617	53
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

[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
1967—July[r]	650	593	52	29	512	57	66,318	60,916	12,309	6,170	42,437	5,402
Aug.	676	618	68	32	518	58	66,506	61,073	12,289	6,144	42,640	5,433
Sept.	688	631	62	36	533	57	66,701	61,239	12,263	6,131	42,845	5,462
Oct.	675	623	68	40	515	52	66,884	61,401	12,236	6,124	43,041	5,483
Nov.	662	603	50	30	523	59	67,097	61,595	12,214	6,112	43,269	5,502
Dec.	1,077	953	58	33	862	124	67,595	62,038	12,192	6,104	43,742	5,557
1968—Jan.	632	558	62	37	459	74	67,770	62,223	12,192	6,106	43,925	5,547
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

[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	17,364	5,081	7,207	68,834	4,167	7,152	57,515
1962	20,754	5,979	8,524	78,770	4,476	7,010	67,284
1963	24,735	7,039	9,920	90,944	4,696	6,960	79,288
1964	24,505	6,515	10,397	101,333	4,894	6,683	89,756
1965	23,847	5,922	10,697	110,306	5,145	6,398	98,763
1966	16,720	3,606	7,746	114,447	5,270	6,158	103,019
1967	19,891	4,190	9,505	121,893	5,794	6,356	109,743
1967—Aug.	2,228	424	1,186	118,674	5,514	6,223	106,937
Sept.	1,971	381	1,017	119,529	5,576	6,258	107,695
Oct.	1,950	413	949	120,362	5,660	6,292	108,410
Nov.	1,801	388	856	121,127	5,714	6,336	109,077
Dec.	1,759	380	780	121,893	5,794	6,356	109,743
1968—Jan.	1,389	291	665	122,095	5,787	6,405	109,903
Feb.	1,456	305	704	122,637	5,853	6,447	110,337
Mar.	1,766	409	840	123,426	5,903	6,482	111,041
Apr.	1,952	475	934	124,305	5,964	6,528	111,813
May	2,087	505	1,041	125,262	6,029	6,564	112,669
June	1,965	426	1,066	125,988	6,082	6,599	113,307
July	1,844	396	1,031	126,707	6,181	6,637	113,889
Aug.[p]	1,983	414	1,146	127,586	6,274	6,697	114,615

[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
1967—Aug.	134	202	4,153	3,659	494	1,343
Sept.	102	133	4,122	3,642	480	1,317
Oct.	160	169	4,114	3,681	433	1,323
Nov.	176	102	4,188	3,793	395	1,347
Dec.	252	54	4,386	3,985	401	1,432
1968—Jan.	308	251	4,442	3,963	479	1,198
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

[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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GOVERNMENT-UNDERWRITTEN RESIDENTIAL LOANS MADE

(In millions of dollars)

Period	FHA-insured					VA-guaranteed		
	Total	Mortgages		Projects [1]	Property improvements [2]	Total [3]	Mortgages	
		New homes	Existing homes				New homes	Existing homes
1945	665	257	217	20	171	192	.....	.....
1961	6,546	1,783	2,982	926	855	1,829	1,170	656
1962	7,184	1,849	3,421	1,079	834	2,652	1,357	1,292
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
1967—Aug.	762	129	525	45	62	340	97	243
Sept.	758	129	514	58	56	352	101	251
Oct.	817	150	515	88	64	434	125	310
Nov.	746	149	471	72	53	383	127	255
Dec.	594	124	334	90	47	340	124	217
1968—Jan.	693	147	431	70	45	349	135	213
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

[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.

MORTGAGE DEBT OUTSTANDING ON NON-FARM 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
1961	153.1	59.1	29.5	29.6	93.9
1962	166.5	62.2	32.3	29.9	104.3
1963	182.2	65.9	35.0	30.9	116.3
1964	r197.6	69.2	38.3	30.9	r128.3
1965	r212.9	73.1	42.0	31.1	r139.8
1966	r223.6	76.0	44.8	r31.3	r147.6
1967p	236.0	79.9	47.4	32.5	156.1
1966—I	r216.2	74.1	43.0	31.1	r142.1
II	r219.6	74.6	43.7	r31.0	145.2
III	r221.9	75.4	44.4	31.0	r146.5
IV	r223.6	76.0	44.8	r31.3	r147.6
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	236.0	79.9	47.4	32.5	156.1
1968—Ip	239.3	81.0	48.1	32.9	158.3
IIp	243.3	81.4	48.7	32.7	162.0

[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.

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	
1961	6,093	3,490	2,603	815	541	631
1962	5,923	3,571	2,353	740	498	355
1963	4,650	3,017	1,634	290	1,114	191
1964	4,412	2,996	1,416	424	251	313
1965	4,731	3,404	1,327	913	200	793
1966	7,063	5,407	1,656	2,701	.....	705
1967	8,870	6,803	2,066	2,260	12	1,672
1967—Aug.	7,872	6,076	1,796	291	1	1,447
Sept.	8,105	6,249	1,856	272	.....	1,473
Oct.	8,371	6,441	1,930	307	.....	1,535
Nov.	8,610	6,615	1,995	279	.....	1,676
Dec.	8,870	6,803	2,066	299	.....	1,672
1968—Jan.	9,220	7,052	2,168	388	.....	1,588
Feb.	9,525	7,268	2,257	341	1	1,494
Mar.	9,800	7,474	2,326	316	.....	1,451
Apr.	10,046	7,657	2,389	289	.....	1,454
May	10,282	7,837	2,445	280	.....	1,906
June	10,503	8,001	2,502	267	.....	1,759
July	10,656	8,117	2,539	194	.....	2,011
Aug.	10,798	8,229	2,569	184	.....	2,219

NOTE.—Federal National Mortgage Assn. data, including mortgages subject to participation pool of Government Mortgage Liquidation Trust, but excluding conventional mortgage loans acquired by FNMA from the RFC Mortgage Co., the Defense Homes Corp., the Public Housing Admin., and Community Facilities Admin.

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
1961	176.0	143.0	33.0	23.0	14.8	8.2
1962	192.5	157.9	34.6	25.8	17.5	8.3
1963	211.2	176.7	34.5	29.0	20.7	8.3
1964	r231.1	r195.4	35.7	r33.6	r25.1	8.5
1965	r250.1	r213.2	r36.9	r37.2	r29.0	r8.2
1966p	263.8	223.7	40.1	40.1	31.5	8.6
1967p	279.8	236.7	43.1	43.7	34.7	9.0
1966—Ip	254.4	216.7	37.7	38.2	29.8	8.4
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	236.7	43.1	43.7	34.7	9.0
1968—Ip	283.5	239.2	44.3	44.2	35.1	9.1
IIp	288.6	243.1	45.5	45.2	36.0	9.2

[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).

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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	18.5	5.87	.55	21.8	72.7	21.6	15.7
1966	6.14	.71	24.7	73.0	26.6	19.4	6.30	.72	21.7	72.0	22.2	16.1
1967	6.33	.81	25.2	73.6	28.0	20.6	6.40	.76	22.5	72.7	24.1	17.5
1967—Aug.	6.28	.78	25.2	73.7	28.5	21.0	6.34	.72	22.8	73.4	24.7	18.1
Sept.	6.31	.78	25.3	74.2	28.8	21.4	6.36	.73	22.5	72.7	23.9	17.4
Oct.	6.34	.82	25.4	73.8	28.7	21.2	6.39	.78	22.5	73.0	23.7	17.3
Nov.	6.33	.76	25.3	73.4	28.9	21.2	6.42	.77	22.7	72.9	25.1	18.3
Dec.	6.41	.84	25.4	72.7	29.6	21.5	6.51	.83	23.1	73.1	25.2	18.4
1968—Jan.	6.39	.86	25.4	72.9	29.7	21.7	6.57	.82	22.7	73.7	24.9	18.4
Feb.	6.47	.94	25.5	74.5	29.8	22.2	6.58	.81	22.6	73.6	24.5	18.0
Mar.	6.50	.88	25.7	74.3	30.2	22.4	6.59	.79	23.0	73.3	25.4	18.6
Apr.	6.57	.88	25.3	73.4	30.3	22.2	6.64	.80	22.6	72.8	25.1	18.3
May	6.69	.95	25.0	73.2	30.2	22.1	6.81	.87	22.5	73.1	25.3	18.5
June	6.88	.95	25.4	74.4	30.4	22.6	6.97	.86	22.6	73.1	25.2	18.4
July	7.04	.85	25.5	73.7	30.5	22.5	7.10	.83	22.5	72.6	25.7	18.6
Aug.[p]	7.09	.87	25.5	73.8	31.2	23.0	7.11	.82	22.6	72.8	25.6	18.5

[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 home-builders; 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 Mortgages: New and Existing Homes, p. A-33.

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	
1961	3.10	2.27	.50	.33	.29
1962	3.04	2.26	.50	.29	.30
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
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

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.

NONFARM MORTGAGE FORECLOSURES

Period	Number (thousands)	Rate (per cent of mortgaged structures)
1961	73.1	.37
1962	86.4	.42
1963	98.2	.45
1964	108.6	.48
1965	116.7	.49
1966	117.5	.48
1967	110.5	.44
1965—II	30.1	.52
III	29.1	.50
IV	29.6	.50
1966—I	28.8	.48
II	30.8	.51
III	29.3	.48
IV	28.6	.46
1967—I	29.5	.48
II	29.0	.47
III	27.2	.43
IV	24.9	.40
1968—I	24.4	.38
II[p]	24.3	.38

NOTE.—Federal Home Loan Bank Board estimates of number of nonfarm mortgaged structures at end of period and of nonfarm properties acquired during period through foreclosure proceedings (excluding voluntary deeds in lieu of foreclosure and defaults on real estate contracts). Data exclude Alaska and Hawaii.

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TOTAL CREDIT

(In millions of dollars)

End of period	Total	Instalment					Noninstalment			
		Total	Automobile paper	Other consumer goods paper	Repair and modernization 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
1960	56,028	42,832	17,688	11,525	3,139	10,480	13,196	4,507	5,329	3,360
1961	57,678	43,527	17,223	11,857	3,191	11,256	14,151	5,136	5,324	3,691
1962	63,164	48,034	19,540	12,605	3,246	12,643	15,130	5,456	5,684	3,990
1963	70,461	54,158	22,433	13,856	3,405	14,464	16,303	6,117	5,871	4,315
1964	78,442	60,548	25,195	15,593	3,532	16,228	17,894	6,954	6,300	4,640
1965	87,884	68,565	28,843	17,693	3,675	18,354	19,319	7,682	6,746	4,891
1966	94,786	74,656	30,961	19,834	3,751	20,110	20,130	7,844	7,144	5,142
1967	99,228	77,946	31,197	21,328	3,731	21,690	21,282	8,267	7,595	5,420
1967—Aug.	95,684	75,889	31,455	19,755	3,743	20,936	19,795	8,136	6,368	5,291
Sept.	95,886	76,039	31,296	19,914	3,742	21,087	19,847	8,179	6,387	5,281
Oct.	96,094	76,223	31,237	20,042	3,746	21,198	19,871	8,189	6,471	5,211
Nov.	96,802	76,680	31,217	20,340	3,748	21,375	20,122	8,237	6,614	5,271
Dec.	99,228	77,946	31,197	21,328	3,731	21,690	21,282	8,267	7,595	5,420
1968—Jan.	98,225	77,467	31,061	21,097	3,678	21,631	20,758	8,288	6,970	5,500
Feb.	97,672	77,327	31,137	20,785	3,653	21,752	20,345	8,325	6,386	5,634
Mar.	97,875	77,581	31,380	20,692	3,636	21,873	20,294	8,370	6,263	5,661
Apr.	99,142	78,345	31,766	20,802	3,649	22,128	20,797	8,488	6,559	5,750
May	100,275	79,270	32,240	20,953	3,699	22,378	21,005	8,508	6,830	5,667
June	101,467	80,363	32,774	21,176	3,727	22,686	21,104	8,519	6,912	5,673
July	102,439	81,308	33,253	21,356	3,769	22,930	21,131	8,543	6,955	5,633
Aug.	103,775	82,455	33,684	21,637	3,823	23,311	21,320	8,622	7,085	5,613

[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 May 1966 BULLETIN.

INSTALMENT CREDIT

(In millions of dollars)

End of period	Total	Financial institutions						Retail outlets					
		Total	Commercial banks	Sales finance cos.	Credit unions	Consumer finance [1]	Other [1]	Total	Department stores [2]	Furniture stores	Appliance stores	Automobile dealers [3]	Other
1939	4,503	3,065	1,079	1,197	132	.....	657	1,438	354	439	183	123	339
1941	6,085	4,480	1,726	1,797	198	.....	759	1,605	320	496	206	188	395
1945	2,462	1,776	745	300	102	.....	629	686	131	240	17	28	270
1960	42,832	37,218	16,672	11,472	3,923	3,670	1,481	5,615	2,414	1,107	333	359	1,402
1961	43,527	37,935	17,008	11,273	4,330	3,799	1,525	5,595	2,421	1,058	293	342	1,481
1962	48,034	41,782	19,005	12,194	4,902	4,131	1,550	6,252	3,013	1,073	294	345	1,527
1963	54,158	47,405	22,023	13,523	5,622	4,590	1,647	6,753	3,427	1,086	287	328	1,625
1964	60,548	53,141	25,094	14,762	6,458	5,078	1,749	7,407	3,922	1,152	286	370	1,677
1965	68,565	60,273	29,173	16,138	7,512	5,606	1,844	8,292	4,488	1,235	302	447	1,820
1966	74,656	65,565	32,155	16,936	8,549	6,014	1,911	9,091	n.a.	n.a.	n.a.	490	n.a.
1967	77,946	68,273	33,992	16,851	9,169	6,294	1,967	9,673	n.a.	n.a.	n.a.	506	n.a.
1967—Aug.	75,889	67,273	33,536	16,755	8,991	6,036	1,955	8,616	n.a.	n.a.	n.a.	508	n.a.
Sept.	76,039	67,376	33,637	16,701	9,026	6,067	1,945	8,663	n.a.	n.a.	n.a.	507	n.a.
Oct.	76,223	67,513	33,723	16,698	9,054	6,086	1,952	8,710	n.a.	n.a.	n.a.	506	n.a.
Nov.	76,680	67,763	33,819	16,722	9,113	6,138	1,971	8,917	n.a.	n.a.	n.a.	506	n.a.
Dec.	77,946	68,273	33,992	16,851	9,169	6,294	1,967	9,673	n.a.	n.a.	n.a.	506	n.a.
1968—Jan.	77,467	68,076	34,017	16,775	9,063	6,251	1,970	9,391	n.a.	n.a.	n.a.	504	n.a.
Feb.	77,327	68,215	34,155	16,706	9,094	6,270	1,990	9,112	n.a.	n.a.	n.a.	507	n.a.
Mar.	77,581	68,570	34,411	16,700	9,172	6,289	1,998	9,011	n.a.	n.a.	n.a.	514	n.a.
Apr.	78,345	69,332	34,908	16,790	9,311	6,336	1,987	9,013	n.a.	n.a.	n.a.	522	n.a.
May	79,270	70,231	35,450	16,892	9,475	6,361	2,053	9,039	n.a.	n.a.	n.a.	531	n.a.
June	80,363	71,272	35,980	17,095	9,671	6,470	2,056	9,091	n.a.	n.a.	n.a.	540	n.a.
July	81,308	72,199	36,521	17,265	9,787	6,552	2,074	9,109	n.a.	n.a.	n.a.	549	n.a.
Aug.	82,455	73,262	37,113	17,454	9,955	6,626	2,114	9,193	n.a.	n.a.	n.a.	557	n.a.

[1] Consumer finance companies included with "other" financial institutions until 1950.
[2] Includes mail-order houses.
[3] 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
1960	16,672	5,316	2,820	2,759	2,200	3,577
1961	17,008	5,391	2,860	2,761	2,198	3,798
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	29,173	10,310	5,721	4,266	2,543	6,333
1966	32,155	11,370	6,165	5,101	2,567	6,952
1967	33,992	11,400	6,569	5,808	2,523	7,692
1967—Aug.	33,536	11,538	6,494	5,556	2,536	7,412
Sept.	33,637	11,497	6,490	5,619	2,538	7,493
Oct.	33,723	11,463	6,515	5,656	2,539	7,550
Nov.	33,819	11,428	6,545	5,696	2,534	7,616
Dec.	33,992	11,400	6,569	5,808	2,523	7,692
1968—Jan.	34,017	11,364	6,600	5,850	2,482	7,721
Feb.	34,155	11,401	6,653	5,867	2,459	7,775
Mar.	34,411	11,489	6,749	5,897	2,444	7,832
Apr.	34,908	11,643	6,854	5,985	2,457	7,969
May	35,450	11,841	6,982	6,076	2,479	8,072
June	35,980	12,043	7,101	6,172	2,502	8,162
July	36,521	12,248	7,195	6,302	2,532	8,244
Aug.	37,113	12,465	7,260	6,423	2,565	8,400

See 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
1960	11,472	7,528	2,739	139	1,066
1961	11,273	6,811	3,100	161	1,201
1962	12,194	7,449	3,123	170	1,452
1963	13,523	8,228	3,383	158	1,754
1964	14,762	8,701	3,889	142	2,030
1965	16,138	9,241	4,429	123	2,345
1966	16,936	9,391	4,829	110	2,606
1967	16,851	8,959	5,017	103	2,772
1967—Aug.	16,755	9,200	4,781	107	2,667
Sept.	16,701	9,079	4,824	107	2,691
Oct.	16,698	9,024	4,863	107	2,704
Nov.	16,722	8,990	4,907	105	2,720
Dec.	16,851	8,959	5,017	103	2,772
1968—Jan.	16,775	8,873	5,032	98	2,772
Feb.	16,706	8,845	4,977	93	2,791
Mar.	16,700	8,865	4,947	89	2,799
Apr.	16,790	8,931	4,957	86	2,816
May	16,892	9,004	4,973	83	2,832
June	17,095	9,130	5,028	82	2,855
July	17,265	9,254	5,043	82	2,886
Aug.	17,454	9,329	5,098	80	2,947

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
1960	9,074	1,665	771	800	5,837
1961	9,654	1,819	743	832	6,257
1962	10,583	2,111	751	815	6,906
1963	11,859	2,394	835	870	7,760
1964	13,285	2,699	997	933	8,656
1965	14,962	3,124	1,153	1,009	9,676
1966	16,474	3,545	1,303	1,074	10,552
1967	17,430	3,763	1,336	1,105	11,226
1967—Aug.	16,982	3,715	1,310	1,100	10,857
Sept.	17,038	3,723	1,315	1,097	10,903
Oct.	17,092	3,729	1,319	1,100	10,944
Nov.	17,222	3,748	1,326	1,109	11,039
Dec.	17,430	3,763	1,336	1,105	11,226
1968—Jan.	17,284	3,720	1,328	1,098	11,138
Feb.	17,354	3,731	1,336	1,101	11,186
Mar.	17,459	3,763	1,351	1,103	11,242
Apr.	17,634	3,816	1,369	1,106	11,343
May	17,889	3,882	1,396	1,137	11,474
June	18,197	3,960	1,425	1,143	11,669
July	18,413	4,007	1,451	1,155	11,800
Aug.	18,695	4,073	1,480	1,178	11,964

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 loans.

See also 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	Department stores[1]	Other retail outlets	Credit cards[2]	
1939	2,719	625	162	236	1,178	.....	518
1941	3,087	693	152	275	1,370	.....	597
1945	3,203	674	72	290	1,322	.....	845
1960	13,196	3,884	623	941	3,952	436	3,360
1961	14,151	4,413	723	948	3,907	469	3,691
1962	15,130	4,690	766	927	4,252	505	3,990
1963	16,303	5,205	912	895	4,456	520	4,315
1964	17,894	5,950	1,004	909	4,756	635	4,640
1965	19,319	6,587	1,095	968	5,055	723	4,891
1966	20,130	6,714	1,130	n.a.	n.a.	874	5,142
1967	21,282	7,064	1,203	n.a.	n.a.	1,054	5,420
1967—Aug.	19,795	6,950	1,186	n.a.	n.a.	1,057	5,291
Sept.	19,847	6,994	1,185	n.a.	n.a.	1,083	5,281
Oct.	19,871	7,001	1,188	n.a.	n.a.	1,056	5,211
Nov.	20,122	7,034	1,203	n.a.	n.a.	1,046	5,271
Dec.	21,282	7,064	1,203	n.a.	n.a.	1,054	5,420
1968—Jan.	20,758	7,075	1,213	n.a.	n.a.	1,081	5,500
Feb.	20,345	7,098	1,227	n.a.	n.a.	1,040	5,634
Mar.	20,294	7,136	1,234	n.a.	n.a.	1,025	5,661
Apr.	20,797	7,246	1,242	n.a.	n.a.	1,069	5,750
May	21,005	7,242	1,266	n.a.	n.a.	1,092	5,667
June	21,104	7,259	1,260	n.a.	n.a.	1,144	5,673
July	21,131	7,279	1,264	n.a.	n.a.	1,227	5,633
Aug.	21,320	7,338	1,284	n.a.	n.a.	1,288	5,613

[1] Includes mail-order houses.

[2] Service station and miscellaneous credit-card accounts and home-heating-oil accounts.

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		Automobile paper		Other consumer goods paper		Repair and modernization loans		Personal loans	
	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									
1961	.....	48,396	.....	16,007	.....	14,578	.....	2,068	.....	15,744
1962	.....	55,126	.....	19,796	.....	15,685	.....	2,051	.....	17,594
1963	.....	61,295	.....	22,292	.....	17,102	.....	2,198	.....	19,703
1964	.....	67,505	.....	24,435	.....	19,473	.....	2,204	.....	21,393
1965	.....	75,508	.....	27,914	.....	21,454	.....	2,238	.....	23,902
1966	.....	78,896	.....	28,491	.....	23,502	.....	2,136	.....	24,767
1967	.....	81,263	.....	27,221	.....	25,787	.....	2,076	.....	26,179
1967—Aug.	6,929	7,223	2,285	2,392	2,212	2,229	175	210	2,257	2,392
Sept.	6,973	6,590	2,322	2,042	2,234	2,205	166	176	2,251	2,167
Oct.	6,942	6,912	2,321	2,355	2,165	2,215	171	178	2,285	2,164
Nov.	7,032	7,032	2,305	2,222	2,242	2,375	180	178	2,305	2,257
Dec.	7,035	7,829	2,306	2,094	2,321	3,088	169	141	2,239	2,506
1968—Jan.	7,089	6,363	2,437	2,178	2,223	1,992	165	132	2,264	2,061
Feb.	7,245	6,372	2,519	2,301	2,250	1,854	179	138	2,297	2,079
Mar.	7,380	7,100	2,567	2,589	2,331	2,140	183	162	2,299	2,209
Apr.	7,342	7,694	2,517	2,789	2,354	2,280	187	190	2,284	2,435
May	7,479	7,883	2,578	2,875	2,319	2,334	194	232	2,388	2,442
June	7,516	7,693	2,574	2,761	2,364	2,302	180	193	2,398	2,437
July	7,683	8,206	2,669	2,986	2,363	2,396	198	226	2,453	2,598
Aug.	7,788	8,070	2,679	2,783	2,432	2,447	187	223	2,490	2,617
	Repayments									
1961	.....	47,700	.....	16,472	.....	14,246	.....	2,015	.....	14,967
1962	.....	50,620	.....	17,478	.....	14,939	.....	1,996	.....	16,206
1963	.....	55,171	.....	19,400	.....	15,850	.....	2,038	.....	17,883
1964	.....	61,121	.....	21,676	.....	17,737	.....	2,078	.....	19,630
1965	.....	67,495	.....	24,267	.....	19,355	.....	2,096	.....	21,777
1966	.....	72,805	.....	26,373	.....	21,361	.....	2,060	.....	23,011
1967	.....	77,973	.....	26,985	.....	24,293	.....	2,096	.....	24,599
1967—Aug.	6,585	6,682	2,240	2,301	2,079	2,081	171	178	2,095	2,122
Sept.	6,689	6,440	2,280	2,201	2,106	2,046	178	177	2,125	2,016
Oct.	6,631	6,728	2,301	2,414	2,093	2,087	170	174	2,067	2,053
Nov.	6,614	6,575	2,240	2,242	2,105	2,077	177	176	2,092	2,080
Dec.	6,652	6,563	2,250	2,114	2,167	2,100	167	158	2,068	2,191
1968—Jan.	6,691	6,842	2,302	2,314	2,088	2,223	183	185	2,118	2,120
Feb.	6,679	6,512	2,308	2,225	2,110	2,166	170	163	2,091	1,958
Mar.	6,814	6,846	2,330	2,346	2,173	2,233	182	179	2,129	2,088
Apr.	6,800	6,930	2,339	2,403	2,159	2,170	173	177	2,129	2,180
May	6,869	6,958	2,343	2,401	2,159	2,183	180	182	2,187	2,192
June	6,884	6,600	2,337	2,227	2,183	2,079	169	165	2,195	2,129
July	7,001	7,261	2,405	2,507	2,185	2,216	177	184	2,234	2,354
Aug.	6,935	6,923	2,352	2,352	2,181	2,166	165	169	2,237	2,236
	Net change in credit outstanding [2]									
1961	.....	696	.....	−465	.....	332	.....	53	.....	777
1962	.....	4,506	.....	2,318	.....	746	.....	55	.....	1,388
1963	.....	6,124	.....	2,892	.....	1,252	.....	160	.....	1,820
1964	.....	6,384	.....	2,759	.....	1,736	.....	126	.....	1,763
1965	.....	8,013	.....	3,647	.....	2,099	.....	142	.....	2,125
1966	.....	6,091	.....	2,118	.....	2,141	.....	76	.....	1,756
1967	.....	3,290	.....	236	.....	1,494	.....	−20	.....	1,580
1967—Aug.	344	541	45	91	133	148	4	32	162	270
Sept.	284	150	42	−159	128	159	−12	−1	126	151
Oct.	311	184	20	−59	72	128	1	4	218	111
Nov.	418	457	65	−20	137	298	3	2	213	177
Dec.	383	1,266	56	−20	154	988	2	−17	171	315
1968—Jan.	398	−479	135	−136	135	−231	−18	−53	146	−59
Feb.	566	−140	211	76	140	−312	9	−25	206	121
Mar.	566	254	237	243	158	−93	1	−17	170	121
Apr.	542	764	178	386	195	110	14	13	155	255
May	610	925	235	474	160	151	14	50	201	250
June	632	1,093	237	534	181	223	11	28	203	308
July	682	945	264	479	178	180	21	42	219	244
Aug.	853	1,147	327	431	251	281	22	54	253	381

[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 May 1966 BULLETIN.

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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									
1961	.....	48,396	.....	17,711	.....	10,667	.....	12,282	.....	7,736
1962	.....	55,126	.....	20,474	.....	11,999	.....	13,525	.....	9,128
1963	.....	61,295	.....	23,344	.....	12,664	.....	14,894	.....	10,393
1964	.....	67,505	.....	25,950	.....	14,020	.....	16,251	.....	11,284
1965	.....	75,508	.....	29,738	.....	15,075	.....	18,120	.....	12,575
1966	.....	78,896	.....	31,114	.....	14,951	.....	18,986	.....	13,845
1967	.....	81,263	.....	32,314	.....	14,675	.....	19,633	.....	14,641
1967—Aug.	6,929	7,223	2,796	2,945	1,203	1,260	1,677	1,775	1,253	1,243
Sept.	6,973	6,590	2,828	2,636	1,206	1,142	1,675	1,588	1,264	1,224
Oct.	6,942	6,912	2,767	2,769	1,263	1,284	1,686	1,606	1,226	1,253
Nov.	7,032	7,032	2,785	2,633	1,283	1,283	1,698	1,707	1,266	1,409
Dec.	7,035	7,829	2,814	2,650	1,275	1,376	1,656	1,837	1,290	1,966
1968—Jan.	7,089	6,363	2,884	2,710	1,264	1,141	1,668	1,463	1,273	1,049
Feb.	7,245	6,372	2,967	2,725	1,309	1,157	1,732	1,535	1,237	955
Mar.	7,380	7,100	3,038	2,962	1,329	1,289	1,733	1,680	1,280	1,169
Apr.	7,342	7,694	3,036	3,323	1,289	1,336	1,708	1,795	1,309	1,240
May	7,479	7,883	3,091	3,370	1,314	1,373	1,809	1,888	1,265	1,252
June	7,516	7,693	3,067	3,157	1,292	1,350	1,846	1,923	1,311	1,263
July	7,683	8,206	3,149	3,479	1,393	1,504	1,844	1,970	1,297	1,253
Aug.	7,788	8,070	3,222	3,382	1,394	1,443	1,857	1,948	1,315	1,297
	Repayments									
1961	.....	47,700	.....	18,294	.....	10,943	.....	11,715	.....	6,749
1962	.....	50,620	.....	18,468	.....	11,434	.....	12,593	.....	8,125
1963	.....	55,171	.....	20,326	.....	12,211	.....	13,618	.....	9,016
1964	.....	61,121	.....	22,971	.....	13,161	.....	14,825	.....	10,164
1965	.....	67,495	.....	25,663	.....	13,699	.....	16,443	.....	11,690
1966	.....	72,805	.....	28,132	.....	14,153	.....	17,474	.....	13,046
1967	.....	77,973	.....	30,477	.....	14,760	.....	18,677	.....	14,059
1967—Aug.	6,585	6,682	2,566	2,644	1,255	1,252	1,578	1,592	1,186	1,194
Sept.	6,689	6,440	2,616	2,535	1,252	1,196	1,615	1,532	1,206	1,177
Oct.	6,631	6,728	2,600	2,683	1,249	1,287	1,573	1,552	1,209	1,206
Nov.	6,614	6,575	2,579	2,537	1,263	1,259	1,572	1,577	1,200	1,202
Dec.	6,652	6,563	2,640	2,477	1,246	1,247	1,527	1,629	1,239	1,210
1968—Jan.	6,691	6,842	2,624	2,685	1,245	1,217	1,607	1,609	1,215	1,331
Feb.	6,679	6,512	2,665	2,587	1,225	1,226	1,580	1,465	1,209	1,234
Mar.	6,814	6,846	2,720	2,706	1,232	1,295	1,607	1,575	1,255	1,270
Apr.	6,800	6,930	2,750	2,826	1,206	1,246	1,592	1,620	1,252	1,238
May	6,869	6,958	2,751	2,828	1,252	1,271	1,637	1,633	1,229	1,226
June	6,884	6,600	2,759	2,627	1,210	1,147	1,656	1,615	1,259	1,211
July	7,001	7,261	2,807	2,938	1,302	1,334	1,657	1,754	1,235	1,235
Aug.	6,935	6,923	2,769	2,790	1,284	1,254	1,669	1,666	1,213	1,213
	Net change in credit outstanding [2]									
1961	.....	696	.....	335	.....	−199	.....	578	.....	−20
1962	.....	4,506	.....	1,997	.....	921	.....	932	.....	656
1963	.....	6,124	.....	3,018	.....	1,329	.....	1,276	.....	501
1964	.....	6,384	.....	3,065	.....	1,239	.....	1,426	.....	654
1965	.....	8,013	.....	4,075	.....	1,376	.....	1,677	.....	885
1966	.....	6,091	.....	2,982	.....	798	.....	1,512	.....	799
1967	.....	3,290	.....	1,837	.....	−85	.....	956	.....	582
1967—Aug.	344	541	230	301	−52	8	99	183	67	49
Sept.	284	150	212	101	−46	−54	60	56	58	47
Oct.	311	184	167	86	14	−3	113	54	17	47
Nov.	418	457	206	96	20	24	126	130	66	207
Dec.	383	1,266	174	173	29	129	129	208	51	756
1968—Jan.	398	−479	260	25	19	−76	61	−146	58	−282
Feb.	566	−140	302	138	84	−69	152	70	28	−279
Mar.	566	254	318	256	97	−6	126	105	25	−101
Apr.	542	764	286	497	83	90	116	175	57	2
May	610	925	340	542	62	102	172	255	36	26
June	632	1,093	308	530	82	203	190	308	52	52
July	682	945	342	541	91	170	187	216	62	18
Aug.	853	1,147	453	592	110	189	188	282	102	84

[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[p]	1967 Aug.	1967 Sept.	1967 Oct.	1967 Nov.	1967 Dec.	1968 Jan.	1968 Feb.	1968 Mar.	1968 Apr.	1968 May	1968 June[r]	1968 July[r]	1968 Aug.
Total index	100.00	158.0	158.1	156.8	156.9	159.5	162.0	161.2	162.0	163.0	162.5	164.2	165.4	165.6	163.9
Final products, total	*47.35*	*158.3*	*158.2*	*157.0*	*156.9*	*160.0*	*161.9*	*160.8*	*162.0*	*163.5*	*161.7*	*163.0*	*164.9*	*164.5*	*164.6*
Consumer goods	32.31	148.4	148.6	147.0	147.9	150.1	152.8	151.3	152.9	155.0	153.5	154.6	156.4	156.2	156.5
Equipment, including defense	15.04	179.6	178.9	178.6	176.1	181.1	181.5	181.4	181.6	181.8	179.4	181.1	183.0	182.3	181.8
Materials	52.65	157.7	157.9	156.7	157.4	159.5	162.2	161.7	161.8	162.8	163.1	165.2	166.2	166.7	162.9
Consumer goods															
Automotive products	*3.21*	*149.1*	*161.1*	*142.1*	*145.2*	*152.4*	*170.0*	*164.2*	*162.7*	*173.4*	*168.7*	*178.1*	*180.7*	*180.4*	*176.9*
Autos	1.82	145.7	163.7	133.4	135.3	144.5	175.1	163.2	158.0	172.7	166.8	182.3	183.5	183.7	182.4
Auto parts and allied products	1.39	153.6	157.8	153.6	158.2	162.9	163.3	165.4	168.8	174.4	171.2	172.6	177.0	176.0	169.7
Home goods and apparel	*10.00*	*149.9*	*147.9*	*148.7*	*149.9*	*152.7*	*152.4*	*151.4*	*153.0*	*155.3*	*153.8*	*153.7*	*149.9*	*153.4*	*154.7*
Home goods	4.59	166.0	163.4	164.1	166.4	170.8	168.3	169.1	171.5	172.9	170.1	170.4	172.0	171.8	172.1
Appliances, TV, and radios	1.81	159.5	155.0	155.9	162.9	168.4	158.7	159.3	162.6	164.8	156.8	156.7	161.2	160.9	161.9
Appliances	1.33	163.1	153.9	153.7	164.2	168.7	160.8	165.1	165.9	168.4	158.9	158.5	164.7	165.4	164.6
TV and home radios	.47	149.2	158.3	162.0	159.2	167.6	152.7	142.7	153.1	154.8	151.0	151.7	151.3	148.5	154.5
Furniture and rugs	1.26	159.6	156.9	157.8	159.7	163.4	166.5	166.4	169.2	169.9	170.1	174.6	174.5	173.8	172.9
Miscellaneous home goods	1.52	179.0	178.8	179.0	176.1	179.6	181.3	182.9	184.0	185.0	185.9	183.1	182.8	183.0	183.4
Apparel, knit goods, and shoes	5.41	136.2	134.8	135.7	136.0	137.4	139.0	136.5	137.3	140.3	139.9	139.5	140.8	139.8	.....
Consumer staples	*19.10*	*147.5*	*146.9*	*146.9*	*147.3*	*148.4*	*150.1*	*149.0*	*151.2*	*151.7*	*150.7*	*151.2*	*153.2*	*153.5*	*154.1*
Processed foods	8.43	130.0	129.8	129.7	129.5	129.5	130.4	129.5	130.6	131.3	131.2	131.0	132.2	132.9	133.5
Beverages and tobacco	2.43	136.4	137.9	135.8	137.6	139.2	142.2	136.8	141.8	141.7	139.4	136.6	142.9	139.6	.....
Drugs, soap, and toiletries	2.97	183.0	178.0	179.8	181.6	183.1	184.3	184.2	185.9	187.5	186.1	190.0	192.0	192.4	193.5
Newspapers, magazines, and books	1.47	140.1	140.9	136.2	134.8	135.7	138.5	138.4	141.5	142.1	142.1	145.3	143.6	144.2	143.6
Consumer fuel and lighting	3.67	168.3	168.8	170.5	171.2	174.1	176.8	176.9	179.6	179.4	177.3	177.0	180.8	181.1	.....
Fuel oil and gasoline	1.20	132.5	130.7	138.5	138.1	135.4	137.8	131.8	135.4	136.2	136.3	140.2	142.8	141.2	138.0
Residential utilities	2.46	185.7	187.4	186.0	187.4	192.9	195.8	198.8	201.2	200.4	197.2	194.9	199.3	200.6	.....
Electricity	1.72	199.8	201.6	199.5	201.4	209.1	213.0	215.4	218.4	217.3	212.5	209.0	218.0	219.0	.....
Gas	.74	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Equipment															
Business equipment	*11.63*	*182.9*	*180.6*	*179.8*	*176.9*	*183.5*	*183.4*	*183.3*	*182.9*	*183.3*	*180.9*	*182.5*	*184.3*	*183.0*	*182.1*
Industrial equipment	6.85	170.3	166.8	166.6	162.3	170.4	168.9	168.0	165.8	167.0	165.9	165.8	168.0	167.4	164.4
Commercial equipment	2.42	200.9	201.9	200.3	199.0	200.9	204.7	204.2	206.1	205.4	204.4	203.6	204.5	201.0	205.0
Freight and passenger equipment	1.76	215.4	214.1	210.4	209.9	222.9	228.4	226.4	230.1	227.8	220.8	231.5	234.1	234.3	232.8
Farm equipment	.61	158.7	154.3	158.5	157.5	147.2	131.2	148.3	146.4	150.6	140.3	145.1	144.2	139.5	.....
Defense equipment	*3.41*	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Materials															
Durable goods materials	*26.73*	*152.1*	*151.8*	*148.5*	*149.0*	*152.3*	*155.7*	*154.9*	*155.4*	*156.7*	*157.1*	*159.4*	*159.7*	*159.8*	*152.0*
Consumer durable	3.43	144.6	142.7	134.9	133.3	143.8	159.4	162.3	162.2	160.1	154.6	163.0	166.2	167.5	152.6
Equipment	7.84	184.5	186.3	184.7	184.1	186.0	184.9	183.9	186.7	185.1	181.9	183.6	184.7	185.7	185.1
Construction	9.17	140.1	139.0	140.0	140.0	141.5	142.4	142.8	144.8	145.8	144.4	145.3	144.0	143.7	142.3
Metal materials n.e.c.	6.29	133.5	129.8	125.1	128.6	132.2	139.3	137.3	141.4	140.7	144.5	145.0	143.3	146.6	128.6
Nondurable materials	*25.92*	*163.4*	*164.2*	*165.2*	*166.0*	*166.9*	*168.9*	*168.7*	*168.3*	*169.1*	*169.3*	*171.2*	*172.9*	*173.9*	*174.0*
Business supplies	9.11	152.2	151.7	153.1	152.5	153.2	154.7	154.4	151.1	150.1	152.0	154.5	159.3	157.9	157.6
Containers	3.03	148.5	143.0	150.4	153.7	152.6	152.0	154.3	144.5	142.8	150.9	155.6	158.9	154.3	148.3
General business supplies	6.07	154.1	156.0	154.5	151.9	153.5	156.0	154.5	154.4	153.8	152.6	154.0	159.5	159.7	162.3
Nondurable materials n.e.c.	7.40	201.8	198.9	203.0	206.8	209.3	216.1	213.5	213.9	215.7	214.9	216.4	215.8	218.1	220.4
Business fuel and power	9.41	144.0	149.1	147.3	146.9	146.9	145.6	147.2	149.1	150.8	150.2	151.7	152.8	154.6	153.5
Mineral fuels	6.07	128.9	137.1	133.4	131.0	130.3	128.7	128.9	131.4	134.3	132.6	133.7	135.9	137.9	136.8
Nonresidential utilities	2.86	183.2	182.5	183.8	187.9	188.5	188.3	193.4	194.4	193.6	194.6	197.0	196.4	197.6	.....
Electricity	2.32	185.7	185.1	186.6	191.6	192.2	191.8	197.7	199.0	198.3	199.2	202.0	198.9	200.2	.....
General industrial	1.03	182.7	183.9	185.5	186.6	187.7	188.0	192.0	193.0	191.8	195.4	197.4	193.7	195.1	.....
Commercial and other	1.21	196.8	194.5	196.1	204.9	205.3	204.1	212.0	213.8	213.4	212.1	215.7	213.0	214.8	.....
Gas	.54	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Supplementary groups of consumer goods															
Automotive and home goods	7.80	159.0	162.5	155.0	157.7	163.2	169.0	167.0	167.9	173.1	169.5	173.6	175.6	175.3	174.1
Apparel and staples	24.51	145.0	144.2	144.4	144.8	145.9	147.6	146.2	148.1	142.9	148.3	148.6	150.6	150.5	.....

For footnotes see opposite page.

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INDUSTRY GROUPINGS

(1957–59 = 100)

Grouping	1957–59 proportion	1967 average p	1967 Aug.	1967 Sept.	1967 Oct.	1967 Nov.	1967 Dec.	1968 Jan.	1968 Feb.	1968 Mar.	1968 Apr.	1968 May	1968 June r	1968 July r	1968 Aug.
Total index	100.00	158.0	158.1	156.8	156.9	159.5	162.0	161.2	162.0	163.0	162.5	164.2	165.4	165.6	163.9
Manufacturing, total	*86.45*	*159.6*	*159.4*	*158.1*	*158.3*	*161.1*	*164.0*	*162.7*	*163.6*	*164.6*	*163.7*	*165.8*	*167.1*	*166.7*	*165.0*
Durable	48.07	163.8	163.6	161.1	160.7	164.1	168.1	167.2	167.6	168.2	167.2	169.8	170.8	170.3	167.0
Nondurable	38.38	154.4	154.0	154.2	155.2	157.2	158.9	157.1	158.6	160.0	159.5	160.8	162.4	162.2	162.4
Mining	8.23	123.5	127.8	124.3	122.4	123.6	122.3	121.6	123.9	126.2	127.1	126.9	128.9	130.7	129.4
Utilities	5.32	184.4	185.4	185.6	188.7	191.5	192.6	196.7	199.0	198.0	196.5	196.1	197.7	199.0	199.8
Durable manufactures															
Primary and fabricated metals	*12.32*	*145.4*	*142.3*	*141.8*	*143.3*	*145.8*	*150.3*	*148.3*	*150.8*	*151.7*	*151.2*	*155.7*	*156.2*	*154.6*	*141.0*
Primary metals	6.95	132.5	129.3	129.2	131.7	135.0	140.9	136.3	139.3	140.2	143.3	148.5	148.6	145.9	124.0
Iron and steel	5.45	126.8	124.3	125.6	127.7	133.3	140.9	134.2	137.8	140.8	143.1	146.4	148.4	146.7	113.8
Nonferrous metals and products	1.50	153.1	144.2	141.1	142.8	142.2	145.3	145.6	154.1	151.3	154.5	161.2	150.4	153.4	156.2
Fabricated metal products	5.37	162.0	159.1	158.1	158.2	159.8	162.4	163.9	165.7	166.6	161.4	165.0	166.0	165.8	163.0
Structural metal parts	2.86	158.1	156.8	156.0	156.4	158.8	160.0	159.4	160.9	162.7	156.9	159.8	161.6	159.2	158.9
Machinery and related products	*27.98*	*177.6*	*179.6*	*175.0*	*173.4*	*177.8*	*181.7*	*181.6*	*181.5*	*182.3*	*179.2*	*181.4*	*183.1*	*183.3*	*183.8*
Machinery	14.80	183.4	182.8	182.2	179.6	183.2	182.2	183.4	183.2	183.3	179.4	179.9	181.1	181.5	182.9
Nonelectrical machinery	8.43	183.4	182.6	182.1	177.2	180.9	179.5	180.7	180.6	180.2	176.9	176.6	177.7	177.8	179.2
Electrical machinery	6.37	183.3	183.2	182.4	182.8	186.3	185.8	186.9	186.6	187.3	182.8	184.2	185.5	186.5	187.7
Transportation equipment	10.19	166.0	171.9	159.2	159.2	165.6	177.5	175.6	175.1	177.6	175.3	180.4	182.6	183.2	181.3
Motor vehicles and parts	4.68	147.0	158.0	129.4	128.6	141.4	166.9	162.2	161.1	167.8	164.8	173.6	174.2	174.3	174.5
Aircraft and other equipment	5.26	182.2	183.6	184.3	185.2	186.0	186.3	186.8	186.5	185.4	183.5	185.4	188.6	189.3	185.8
Instruments and related products	1.71	184.8	183.2	183.1	183.2	185.4	186.3	186.7	184.7	183.8	181.4	181.2	181.3	179.2	182.3
Ordnance and accessories	1.28	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Clay, glass, and lumber	*4.72*	*130.6*	*126.7*	*129.6*	*131.4*	*132.4*	*137.0*	*132.5*	*130.7*	*128.8*	*138.0*	*137.7*	*136.8*	*135.7*	*133.8*
Clay, glass, and stone products	2.99	138.7	136.9	138.4	139.7	139.2	143.6	140.8	137.3	131.0	146.1	146.4	145.1	144.0	145.5
Lumber and products	1.73	116.5	109.2	114.3	117.0	120.6	125.7	118.1	119.3	125.0	123.9	122.7	122.5	121.5	113.5
Furniture and miscellaneous	*3.05*	*162.6*	*159.9*	*161.4*	*160.9*	*161.5*	*163.3*	*165.2*	*166.9*	*166.9*	*166.5*	*169.8*	*169.4*	*168.2*	*169.3*
Furniture and fixtures	1.54	167.8	164.8	166.3	166.6	167.8	170.7	171.3	173.0	173.7	174.1	178.9	177.7	175.3	177.4
Miscellaneous manufactures	1.51	157.4	154.9	156.4	155.0	155.1	155.7	158.9	160.7	159.9	158.8	160.6	160.9	161.0	161.1
Nondurable manufactures															
Textiles, apparel, and leather	*7.60*	*139.6*	*137.6*	*139.1*	*140.4*	*143.0*	*145.9*	*141.0*	*141.9*	*143.9*	*142.9*	*144.1*	*145.5*	*144.4*	*143.9*
Textile mill products	2.90	142.2	138.7	141.3	144.9	147.4	151.6	147.6	148.8	149.9	146.3	147.2	149.8	150.7	149.4
Apparel products	3.59	147.7	146.4	146.8	146.2	148.6	150.9	145.2	146.4	148.5	148.9	149.6	151.3	150.7	.....
Leather and products	1.11	106.5	106.5	108.4	109.7	113.3	115.1	110.4	109.7	113.7	114.6	118.0	115.8	107.7	.....
Paper and printing	*8.17*	*149.6*	*150.3*	*148.5*	*148.6*	*149.9*	*149.5*	*148.6*	*150.6*	*152.0*	*151.6*	*154.5*	*155.2*	*154.9*	*154.2*
Paper and products	3.43	153.6	152.8	152.9	154.5	156.1	157.0	155.9	157.1	159.2	159.5	161.1	162.9	162.4	159.4
Printing and publishing	4.74	146.8	148.6	145.4	144.3	145.5	144.1	143.3	145.9	146.8	145.8	149.8	149.6	149.5	150.5
Newspapers	1.53	134.2	137.0	135.7	134.0	134.4	129.9	129.9	131.4	133.7	130.8	134.4	134.7	134.7	136.0
Chemicals, petroleum, and rubber	*11.54*	*189.5*	*189.5*	*191.2*	*192.8*	*195.8*	*199.0*	*197.7*	*200.2*	*201.6*	*200.9*	*203.1*	*205.3*	*205.9*	*206.8*
Chemicals and products	7.58	203.8	200.7	202.3	205.5	208.0	210.5	211.8	213.8	215.0	215.2	216.6	219.4	219.9	220.6
Industrial chemicals	3.84	234.8	231.4	234.2	238.8	242.3	246.9	250.9	251.8	252.7	256.2	255.5	258.1	259.6	.....
Petroleum products	1.97	133.9	133.2	137.0	137.6	136.8	138.0	134.8	135.7	136.1	137.3	139.9	140.6	140.1	139.1
Rubber and plastics products	1.99	190.3	203.1	202.4	199.1	207.5	215.4	206.7	212.3	215.7	209.4	214.3	215.8	217.7	.....
Foods, beverages, and tobacco	*11.07*	*131.5*	*131.0*	*130.4*	*131.1*	*132.2*	*133.1*	*132.0*	*133.1*	*133.7*	*133.6*	*132.9*	*134.5*	*134.2*	*134.9*
Foods and beverages	10.25	132.4	131.7	131.2	132.2	133.5	134.1	133.5	133.2	134.5	135.3	134.0	135.5	135.1	135.8
Food manufactures	8.64	130.1	129.0	128.9	129.3	130.2	130.5	130.7	130.7	131.4	131.9	131.9	132.2	132.7	133.2
Beverages	1.61	144.7	146.3	143.8	147.5	151.2	153.3	148.2	146.7	151.2	153.3	145.0	153.1	147.9	.....
Tobacco products	.82	120.0	121.4	120.2	118.0	115.5	120.5	114.4	132.1	122.9	112.1	120.0	122.8	123.4	.....
Mining															
Coal, oil, and gas	*6.80*	*122.4*	*128.8*	*125.4*	*123.7*	*124.5*	*122.2*	*121.9*	*123.2*	*126.0*	*124.7*	*125.6*	*127.7*	*129.6*	*128.0*
Coal	1.16	118.1	117.2	115.5	112.3	115.3	116.1	113.4	116.8	126.0	124.4	120.4	126.7	126.6	121.8
Crude oil and natural gas	5.64	123.2	131.2	127.5	126.1	126.4	123.5	123.6	124.5	126.0	124.8	126.6	127.9	130.2	129.3
Oil and gas extraction	4.91	131.4	141.9	137.7	135.4	133.9	131.7	132.5	134.8	136.2	134.5	136.8	138.1	140.6	140.4
Crude oil	4.25	126.4	138.0	133.1	130.3	128.7	126.4	127.4	129.7	130.9	128.7	131.2	132.4	135.5	134.9
Gas and gas liquids	.66	163.3	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Oil and gas drilling	.73	67.9	58.9	58.5	63.4	76.1	68.0	63.5	55.0	56.7	59.1	57.7	59.1	60.0	.....
Metal, stone, and earth minerals	*1.43*	*128.8*	*123.4*	*119.1*	*116.2*	*119.5*	*122.7*	*120.3*	*127.0*	*127.4*	*138.3*	*133.5*	*134.3*	*135.8*	*135.9*
Metal mining	.61	119.9	105.7	95.6	93.8	93.2	95.7	100.0	102.8	108.7	139.9	131.4	130.8	134.1	134.8
Stone and earth minerals	.82	135.4	136.6	136.5	132.9	139.0	142.7	135.3	145.0	141.2	137.1	135.0	136.9	137.1	136.8
Utilities															
Electric	4.04	191.7	192.1	192.1	195.8	199.4	200.8	205.2	207.3	206.4	204.9	205.0	207.0	208.2	.....
Gas	1.28	161.2	164.1	165.1	166.5	166.6	166.8	169.8	172.8	171.8	170.0	168.4	.....	.....	.....

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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MARKET GROUPINGS

(1957–59 = 100)

Grouping	1957–59 proportion	1967 average[p]	1967 Aug.	1967 Sept.	1967 Oct.	1967 Nov.	1967 Dec.	1968 Jan.	1968 Feb.	1968 Mar.	1968 Apr.	1968 May	1968 June[r]	1968 July[r]	1968 Aug.
Total index	100.00	158.0	157.9	161.1	161.5	161.2	160.7	159.1	162.7	164.6	163.2	165.2	169.2	160.0	163.0
Final products, total	*47.35*	*158.3*	*156.9*	*163.3*	*162.2*	*161.3*	*161.0*	*159.1*	*162.4*	*164.8*	*160.8*	*162.6*	*168.8*	*159.1*	*162.9*
Consumer goods	32.31	148.4	147.7	155.7	155.4	152.0	150.3	148.9	153.4	156.2	151.7	153.7	161.2	149.6	155.6
Equipment, including defense	15.04	179.6	176.4	179.5	176.8	181.3	183.9	181.0	181.7	183.4	180.4	181.6	185.1	179.5	178.8
Materials	52.65	157.7	158.9	159.1	160.8	161.1	160.4	159.1	162.8	164.5	165.4	167.6	169.5	160.9	163.7
Consumer goods															
Automotive products	*3.21*	*149.1*	*106.1*	*148.2*	*155.6*	*159.5*	*177.7*	*173.0*	*171.2*	*183.7*	*178.7*	*189.5*	*194.7*	*148.4*	*100.9*
Autos	1.82	145.7	62.2	140.1	148.8	159.0	192.6	179.5	173.8	193.4	183.5	202.4	208.3	134.1	45.6
Auto parts and allied products	1.39	153.6	163.9	158.8	164.6	160.0	158.1	164.5	167.9	170.8	172.3	172.7	176.7	167.3	173.7
Home goods and apparel	*10.00*	*149.9*	*149.0*	*155.0*	*159.6*	*157.8*	*148.0*	*145.5*	*159.0*	*160.6*	*154.9*	*153.1*	*161.0*	*140.5*	*156.2*
Home goods	4.59	166.0	159.3	172.0	180.1	180.3	172.6	164.9	177.2	177.1	172.5	170.8	177.4	156.9	168.8
Appliances, TV, and radios	1.81	159.5	140.4	165.1	182.2	181.4	160.6	159.1	180.9	176.9	168.7	163.3	171.7	139.7	149.3
Appliances	1.33	163.1	134.5	160.4	180.1	178.2	163.4	168.7	187.9	185.3	180.3	167.4	180.3	149.4	144.7
TV and home radios	.47	149.2	157.2	178.2	187.8	190.4	152.7	131.9	161.1	153.1	135.9	151.7	147.5	112.4	162.2
Furniture and rugs	1.26	159.6	160.5	163.8	168.0	169.4	172.7	162.7	167.2	167.9	165.3	168.0	174.5	165.5	176.9
Miscellaneous home goods	1.52	179.0	180.6	187.1	187.7	187.9	186.7	173.8	181.2	184.8	183.1	182.0	186.4	170.2	185.2
Apparel, knit goods, and shoes	5.41	136.2	140.2	140.5	142.3	138.8	127.2	129.0	143.5	146.6	139.9	138.1	147.1	126.5	.....
Consumer staples	*19.10*	*147.5*	*154.1*	*157.4*	*153.2*	*147.7*	*146.9*	*146.7*	*147.4*	*149.2*	*145.5*	*148.1*	*155.8*	*154.6*	*164.4*
Processed foods	8.43	130.0	137.1	149.7	143.7	134.4	128.2	123.0	122.1	123.8	122.8	125.1	132.2	132.2	145.5
Beverages and tobacco	2.43	136.4	149.3	139.3	141.6	131.9	123.1	120.1	129.8	138.5	141.0	146.7	163.7	146.4	.....
Drugs, soap, and toiletries	2.97	183.0	183.9	185.2	186.0	184.0	185.2	182.9	185.9	189.4	183.7	192.8	198.7	187.6	199.9
Newspapers, magazines, and books	1.47	140.1	142.6	137.4	134.7	133.9	138.2	137.2	140.9	144.2	142.7	144.9	143.0	142.8	145.3
Consumer fuel and lighting	3.67	168.3	176.7	172.3	162.5	163.9	177.8	192.2	187.6	183.2	169.3	165.7	174.1	189.1	.....
Fuel oil and gasoline	1.20	132.5	134.5	138.5	134.5	134.6	141.0	137.5	139.1	134.9	129.3	135.6	141.3	143.6	142.2
Residential utilities	2.46	185.7	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Electricity	1.72	199.8	215.7	203.5	185.3	188.0	213.0	244.1	232.8	226.4	200.4	188.1	204.9	234.3	.....
Gas	.74	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Equipment															
Business equipment	*11.63*	*182.9*	*178.0*	*181.1*	*177.3*	*182.2*	*184.9*	*182.1*	*183.0*	*185.7*	*182.7*	*183.6*	*187.3*	*180.1*	*178.7*
Industrial equipment	6.85	170.3	166.3	168.1	161.3	168.9	170.8	166.7	165.0	167.2	165.9	166.0	169.7	165.7	163.9
Commercial equipment	2.42	200.9	201.9	203.3	202.4	205.9	209.2	204.4	204.7	203.6	200.5	201.2	205.1	198.2	205.0
Freight and passenger equipment	1.76	215.4	205.5	212.5	215.1	218.4	226.1	221.9	230.1	238.1	232.9	238.4	243.5	229.6	218.8
Farm equipment	.61	158.7	135.8	148.6	147.9	132.6	128.0	151.0	162.6	170.4	156.7	153.6	152.9	126.7	.....
Defense equipment	*3.41*	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Materials															
Durable goods materials	*26.73*	*152.1*	*152.5*	*152.0*	*152.6*	*153.7*	*154.3*	*151.7*	*156.1*	*157.7*	*158.8*	*162.4*	*164.7*	*155.1*	*152.9*
Consumer durable	3.43	144.6	147.0	133.6	135.3	148.1	167.4	168.0	164.6	164.9	159.2	167.9	169.5	153.3	145.0
Equipment	7.84	184.5	180.7	182.9	183.5	186.2	187.7	185.6	188.4	187.1	183.9	184.9	186.5	179.9	179.5
Construction	9.17	140.1	148.7	148.4	147.0	142.0	135.3	129.0	134.7	139.2	143.0	147.5	154.8	149.4	152.3
Metal materials n.e.c.	6.29	133.5	126.0	128.9	131.7	133.3	133.2	133.7	142.7	144.1	150.3	153.0	149.3	133.4	124.9
Nondurable materials	*25.92*	*163.4*	*165.4*	*166.4*	*169.3*	*168.7*	*166.7*	*166.7*	*169.7*	*171.5*	*172.2*	*173.0*	*174.4*	*166.8*	*174.8*
Business supplies	9.11	152.2	151.9	154.9	158.6	155.3	151.6	149.0	150.6	152.9	156.4	157.1	158.9	146.7	156.2
Containers	3.03	148.5	153.0	155.5	161.5	148.3	141.4	146.6	142.8	143.5	156.3	157.2	163.8	150.4	158.7
General business supplies	6.07	154.1	151.3	154.5	157.2	158.9	156.8	150.2	154.4	157.6	156.4	157.1	156.5	144.8	155.0
Nondurable materials n.e.c.	7.40	201.8	198.9	203.0	210.9	213.5	211.8	212.4	218.2	220.0	221.3	221.8	222.9	209.4	220.4
Business fuel and power	9.41	144.0	152.1	148.7	146.9	146.3	145.8	147.9	150.1	151.2	148.9	150.1	151.2	152.9	156.8
Mineral fuels	6.07	128.9	135.5	131.9	131.5	131.5	130.3	130.9	135.6	137.2	134.3	133.8	132.3	131.2	135.2
Nonresidential utilities	2.86	183.2	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Electricity	2.32	185.7	201.8	197.2	190.2	186.3	187.8	194.4	190.8	191.8	189.8	195.3	202.9	212.2	.....
General industrial	1.03	182.7	189.4	188.3	187.0	187.7	186.1	191.0	187.0	190.8	192.9	198.4	197.6	198.0	.....
Commercial and other	1.21	196.8	221.7	214.1	202.0	194.0	198.0	206.7	203.1	201.9	196.2	202.1	217.3	235.2	.....
Gas	.54	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Supplementary groups of consumer goods															
Automotive and home goods	7.80	159.0	137.4	162.2	170.0	171.7	174.7	168.3	174.7	179.8	175.1	178.5	184.5	153.4	140.8
Apparel and staples	24.51	145.0	151.1	153.7	150.8	145.7	142.5	142.8	146.6	148.7	144.2	145.9	153.8	148.4	.....

For notes see opposite page.

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INDUSTRY GROUPINGS

(1957–59 = 100)

Grouping	1957–59 proportion	1967 average[p]	1967					1968							
			Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June[r]	July[r]	Aug.
Total index	100.00	158.0	157.9	161.1	161.5	161.2	160.7	159.1	162.7	164.6	163.2	165.2	169.2	160.0	163.0
Manufacturing, total	*86.45*	*159.6*	*158.3*	*162.6*	*163.7*	*163.5*	*162.6*	*160.1*	*164.2*	*166.4*	*165.1*	*167.4*	*171.4*	*160.1*	*162.8*
Durable	48.07	163.8	158.9	163.8	164.4	167.1	169.3	166.1	168.9	170.5	169.4	172.1	175.3	164.0	160.2
Nondurable	38.38	154.4	157.4	161.2	162.9	159.0	154.2	152.5	158.3	161.2	159.8	161.6	166.6	155.1	166.1
Mining	8.23	123.5	129.0	125.6	124.7	124.2	121.4	120.2	123.7	125.3	127.3	128.6	128.5	127.8	130.7
Utilities	5.32	184.4	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Durable manufactures															
Primary and fabricated metals	*12.32*	*145.4*	*142.2*	*145.1*	*146.0*	*147.9*	*149.3*	*147.8*	*152.9*	*154.9*	*154.8*	*158.3*	*159.6*	*146.1*	*140.3*
Primary metals	6.95	132.5	125.4	129.2	133.0	136.3	136.7	138.3	147.2	148.9	151.5	153.7	150.8	132.8	119.0
Iron and steel	5.45	126.8	120.6	125.6	129.6	134.6	137.4	136.9	144.7	147.8	148.8	149.3	148.4	131.3	109.2
Nonferrous metals and products	1.50	153.1	142.8	142.1	145.5	142.2	134.3	143.1	156.4	153.0	161.3	169.7	159.7	138.1	154.6
Fabricated metal products	5.37	162.0	163.9	165.7	162.9	163.0	165.6	160.0	160.2	162.6	159.0	164.2	171.0	163.3	167.9
Structural metal parts	2.86	158.1	160.7	162.2	161.1	161.2	161.6	156.2	154.5	156.4	152.2	159.0	164.8	159.2	162.9
Machinery and related products	*27.98*	*177.6*	*169.1*	*175.8*	*176.2*	*180.8*	*185.7*	*182.9*	*184.4*	*185.9*	*182.0*	*184.4*	*187.6*	*175.7*	*169.7*
Machinery	14.80	183.4	177.2	182.6	181.4	185.2	184.1	182.7	185.6	185.8	182.4	182.4	185.8	175.9	177.8
Nonelectrical machinery	8.43	183.4	175.8	179.7	174.0	179.8	180.8	180.7	183.1	185.2	182.2	181.0	183.7	175.1	172.6
Electrical machinery	6.37	183.3	178.9	186.4	191.3	192.3	188.3	185.3	188.8	186.6	182.6	184.1	188.5	176.9	184.8
Transportation equipment	10.19	166.0	150.8	160.8	163.6	170.5	185.0	180.4	179.8	183.9	179.0	185.3	188.0	170.5	149.8
Motor vehicles and parts	4.68	147.0	116.0	134.0	137.2	149.1	176.1	171.1	168.6	178.1	171.3	184.1	188.3	152.0	109.8
Aircraft and other equipment	5.26	182.2	180.3	183.6	186.1	188.8	192.8	188.7	189.3	188.2	184.4	184.7	186.0	184.8	182.5
Instruments and related products	1.71	184.8	184.7	185.1	185.2	186.9	188.5	184.5	183.8	182.9	178.7	179.4	183.1	177.4	183.8
Ordnance and accessories	1.28	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Clay, glass, and lumber	*4.72*	*130.6*	*139.1*	*138.7*	*139.2*	*133.9*	*125.6*	*119.0*	*122.2*	*124.8*	*137.6*	*139.2*	*146.3*	*142.4*	*146.8*
Clay, glass, and stone products	2.99	138.7	149.5	146.3	147.4	143.4	134.6	126.7	125.6	126.4	145.5	148.7	155.1	154.5	158.9
Lumber and products	1.73	116.5	121.2	125.7	125.2	117.6	110.0	105.7	116.3	121.9	123.9	122.7	131.1	121.5	126.0
Furniture and miscellaneous	*3.05*	*162.6*	*164.5*	*167.4*	*169.4*	*169.3*	*167.3*	*158.7*	*162.9*	*163.8*	*162.2*	*165.9*	*170.4*	*163.7*	*174.2*
Furniture and fixtures	1.54	167.8	169.4	171.3	172.9	172.5	177.2	167.9	171.3	171.6	169.4	173.5	179.1	172.7	182.4
Miscellaneous manufactures	1.51	157.4	159.5	163.4	165.8	166.0	157.3	149.4	154.3	155.9	154.8	158.2	161.7	154.6	165.9
Nondurable manufactures															
Textiles, apparel, and leather	*7.60*	*139.6*	*142.0*	*142.6*	*146.9*	*144.7*	*136.2*	*137.9*	*149.7*	*152.4*	*145.8*	*144.3*	*151.1*	*129.2*	*148.2*
Textile mill products	2.90	142.2	142.2	144.1	152.1	151.1	144.0	146.9	152.5	155.1	149.2	151.6	156.2	136.4	152.4
Apparel products	3.59	147.7	150.8	151.6	153.5	150.1	138.8	139.4	157.4	160.4	153.4	148.9	158.2	133.4	.....
Leather and products	1.11	106.5	113.4	110.0	112.4	111.0	107.4	109.8	117.3	119.4	112.3	110.9	115.2	96.9	.....
Paper and printing	*8.17*	*149.6*	*149.0*	*150.5*	*156.3*	*153.1*	*146.1*	*146.3*	*151.2*	*155.4*	*156.0*	*156.4*	*156.3*	*145.6*	*153.8*
Paper and products	3.43	153.6	154.3	155.2	166.5	156.9	144.4	155.1	161.0	164.0	165.9	163.5	166.6	149.4	161.0
Printing and publishing	4.74	146.8	145.2	147.2	149.0	150.3	147.3	139.9	144.2	149.2	148.8	151.2	148.8	142.9	148.6
Newspapers	1.53	134.2	125.4	135.0	143.8	147.8	133.1	119.5	126.1	137.0	139.3	143.3	135.4	117.2	128.8
Chemicals, petroleum, and rubber	*11.54*	*189.5*	*190.8*	*194.7*	*197.2*	*196.4*	*197.6*	*195.1*	*201.9*	*203.7*	*203.5*	*206.8*	*210.5*	*198.1*	*208.0*
Chemicals and products	7.58	203.8	202.3	206.1	209.0	210.0	211.2	208.2	215.4	217.7	218.9	222.0	224.2	212.9	222.3
Industrial chemicals	3.84	234.8	230.2	237.7	243.6	248.4	251.8	247.1	255.6	255.2	261.3	260.7	259.4	250.5	.....
Petroleum products	1.97	133.9	140.3	142.5	139.0	135.0	134.7	130.8	133.0	131.3	131.8	139.9	144.8	147.5	146.5
Rubber and plastics products	1.99	190.3	197.0	203.0	210.0	205.4	207.9	208.8	218.7	222.4	215.9	215.4	223.4	191.6	.....
Foods, beverages, and tobacco	*11.07*	*131.5*	*139.5*	*146.9*	*143.1*	*134.1*	*127.3*	*122.7*	*124.2*	*127.2*	*126.8*	*130.0*	*139.1*	*135.1*	*143.7*
Foods and beverages	10.25	132.4	140.1	148.6	144.2	135.4	129.7	123.5	123.6	127.7	128.0	130.5	139.7	137.2	144.6
Food manufactures	8.64	130.1	136.7	149.0	143.5	134.8	128.5	123.5	122.6	124.0	122.9	125.3	132.2	131.9	141.2
Beverages	1.61	144.7	158.4	146.7	148.2	139.1	135.7	123.6	129.1	147.4	155.8	158.1	180.1	165.3	.....
Tobacco products	.82	120.0	131.4	124.9	128.5	117.8	98.1	113.1	131.4	121.1	111.9	124.3	131.4	109.2	.....
Mining															
Coal, oil, and gas	*6.80*	*122.4*	*127.7*	*124.4*	*124.4*	*125.6*	*123.6*	*123.8*	*126.9*	*128.2*	*125.9*	*125.4*	*124.4*	*123.6*	*126.9*
Coal	1.16	118.1	123.3	122.2	122.4	120.0	114.0	111.1	118.2	127.0	125.3	121.6	118.3	105.2	128.1
Crude oil and natural gas	5.64	123.2	128.6	124.9	124.8	126.7	125.6	126.4	128.7	128.5	126.0	126.2	125.6	127.4	126.7
Oil and gas extraction	4.91	131.4	138.3	134.1	133.7	134.3	134.1	135.6	139.8	139.5	136.4	136.6	135.7	137.3	136.9
Crude oil	4.25	126.4	135.2	130.4	129.0	128.7	127.7	129.3	133.6	133.5	130.8	131.9	131.1	132.8	132.2
Gas and gas liquids	.66	163.3	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Oil and gas drilling	.73	67.9	62.6	62.1	65.0	75.7	67.9	64.5	54.2	53.7	56.0	55.7	57.9	60.4	.....
Metal, stone, and earth minerals	*1.43*	*128.8*	*135.3*	*131.4*	*126.3*	*117.6*	*111.2*	*103.2*	*108.4*	*111.6*	*134.1*	*143.7*	*148.4*	*147.7*	*148.8*
Metal mining	.61	119.9	114.2	108.0	100.4	86.7	86.1	88.0	92.5	96.7	130.1	144.5	147.8	143.5	145.6
Stone and earth minerals	.82	135.4	150.9	148.8	145.5	140.4	129.9	114.5	120.2	122.6	137.1	143.1	148.8	150.9	151.2
Utilities															
Electric	4.04	191.7	207.7	199.9	188.1	187.0	198.5	215.6	208.7	206.6	194.3	192.3	203.7	221.6	.....
Gas	1.28	161.2	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

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								Capacity utilization in mfg. (per cent)	Construction contract	Nonagricultural employment—Total [1]	Manufacturing [2]		Total retail sales [3]	Prices [4]	
	Total	Major market groupings				Major industry groupings										
		Final products			Materials							Employment	Payrolls		Consumer	Wholesale commodity
		Total	Consumer goods	Equipment		Mfg.	Mining	Utilities								
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	127	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
1967p	158.0	158.3	148.4	179.6	157.7	159.6	123.5	184.4	85.3	153	125.7	113.5	155.0	153	116.3	106.1
1967—Aug.	158.1	158.2	148.6	178.9	157.9	159.4	127.8	185.4	[5]p84.3	165	126.0	113.2	155.9	155	116.9	106.1
Sept.	156.8	157.0	147.0	178.6	156.7	158.1	124.3	185.6		168	125.9	112.1	155.4	156	117.1	106.2
Oct.	156.9	156.9	147.9	176.1	157.4	158.3	122.4	188.7		171	126.2	112.2	155.2	153	117.5	106.1
Nov.	159.5	160.0	150.1	181.1	159.5	161.1	123.6	191.5	84.7	168	127.1	113.8	158.9	154	117.8	106.2
Dec.	162.0	161.9	152.8	181.5	162.2	164.0	122.3	192.6		166	127.7	114.3	161.2	155	118.2	106.8
1968—Jan.	161.2	160.8	151.3	181.4	161.7	162.7	121.6	195.9		166	127.7	114.4	161.2	158	118.6	107.2
Feb.	162.0	162.0	152.9	181.6	161.8	163.6	123.9	197.5	p84.9	152	128.7	114.3	162.8	160	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	164	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	164	120.3	108.5
June	165.4	164.9	156.4	183.0	166.2	167.1	128.9	197.7		.....	129.5	115.3	167.7	165	120.9	108.7
July	165.6	164.5	156.2	182.3	166.7	166.7	130.7	199.0	.....	.....	129.8	r115.2	167.2	170	121.5	109.1
Aug.	163.9	164.6	156.5	181.8	162.9	165.0	129.4	199.8	p83.3	192	130.1	r115.1	r168.0	171	121.9	108.7
Sept.p	163.4	164.6	156.7	181.8	162.0	164.7	126.4	200.2	.....	.....	130.3	114.7	169.4	169	.....	109.1

[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 3rd quarter 1967.

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	1966	1967	1967					1968							
			Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.
Total construction [1]	**50,150**	**52,895**	r5,262	4,695	5,053	4,258	3,996	3,714	3,704	5,417	4,878	6,170	5,589	5,956	6,318
By type of ownership:															
Public	18,152	19,039	1,824	1,677	1,526	1,435	1,507	1,300	1,041	1,698	1,554	2,036	1,860	2,256	1,924
Private [1]	31,998	33,856	r3,438	3,018	3,527	2,823	2,490	2,414	2,664	3,719	3,324	4,135	3,730	3,700	4,394
By type of construction:															
Residential building [1]	17,827	19,536	r2,070	1,741	1,887	1,717	1,404	1,462	1,495	2,220	2,312	2,543	2,243	2,287	.....
Nonresidential building	19,393	20,139	1,847	1,786	1,874	1,585	1,550	1,347	1,251	1,835	1,522	2,227	2,030	2,414	.....
Nonbuilding	12,930	13,220	1,345	1,169	1,292	956	1,042	905	958	1,362	1,044	1,400	1,316	1,255	.....

[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 to 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 [3]	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 [4]	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 [5]	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
1967—Aug.	76,741	51,641	25,015	26,626	6,061	6,576	5,209	8,780	25,100	740	8,155	2,207	13,998
Sept.	78,253	52,841	25,770	27,071	6,395	6,732	5,077	8,867	25,412	728	8,452	2,145	14,087
Oct.	78,883	53,520	26,427	27,093	6,173	6,996	5,064	8,860	25,363	782	8,353	2,158	14,070
Nov.	79,609	53,946	27,222	26,724	5,681	7,018	5,144	8,881	25,663	776	8,198	2,194	14,495
Dec.	81,207	53,965	27,635	26,330	5,822	6,688	4,885	8,935	27,242	865	9,172	2,226	14,979
1968—Jan. r	82,873	55,316	26,928	28,328	6,330	7,721	5,274	9,003	27,557	...	...	...	...
Feb. r	83,884	55,380	26,754	28,626	5,740	8,328	5,417	9,141	28,504	...	...	...	...
Mar r	83,572	56,055	27,698	28,357	5,528	8,258	5,412	9,159	27,517	...	...	...	...
Apr. r	84,579	56,683	28,600	28,083	5,484	8,512	5,100	8,987	27,896	...	...	...	...
May r	84,651	56,204	28,572	27,632	5,275	8,111	5,121	9,125	28,447	...	...	...	...
June r	82,478	54,454	27,660	26,794	4,852	8,122	4,678	9,142	28,024	...	...	...	...
July	82,698	54,658	27,440	27,218	4,752	8,272	4,623	9,571	28,040	...	...	...	...
Aug. p	83,940	55,302	27,928	27,374	5,264	8,155	4,684	9,271	28,638	...	...	...	...

[1] Includes religious, educational, hospital, institutional, and other buildings.
[2] Sewer and water, formerly shown separately, now included in "Other."
[3] Beginning with 1959, includes data for Alaska and Hawaii.
[4] Beginning July 1962, reflects inclusion of new series affecting most private nonresidential groups.
[5] 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
1967—Aug.	1,407	1,381	130	90	40	127	84	4	40	3	23	17	6
Sept.	1,445	1,415	126	88	37	122	78	4	40	4	20	16	5
Oct.	1,496	1,478	137	99	38	135	82	5	49	2	25	19	5
Nov.	1,590	1,567	120	85	35	118	69	3	46	2	20	15	4
Dec.	1,250	1,235	83	64	20	80	47	3	30	3	19	16	4
1968—Jan.	1,456	1,430	83	64	19	81	45	3	33	2	17	14	3
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	p1,532	p1,508	p143	101	42	p140	87	4	49	p3	24	19	5
Aug.	p1,508	p1,486	p140	101	39	p136	82	4	50	p4	26	21	5

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		
1962	122,981	49,539	73,442	70,614	66,702	61,759	4,944	3,911	5.5
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
1967[3]—Sept.	133,847	52,865	81,263	77,807	74,638	70,941	3,697	3,169	4.1
Oct.	134,045	52,450	81,535	78,072	74,735	71,017	3,718	3,337	4.3
Nov.	134,224	52,641	81,459	77,989	75,005	71,166	3,839	2,984	3.8
Dec.	134,405	52,879	81,942	78,473	75,577	71,361	4,216	2,896	3.7
1968—Jan.	134,576	54,765	81,386	77,923	75,167	71,164	4,003	2,756	3.5
Feb.	134,744	53,876	82,138	78,672	75,731	71,604	4,127	2,941	3.7
Mar.	134,904	53,965	82,150	78,658	75,802	71,788	4,014	2,856	3.6
Apr.	135,059	53,919	81,849	78,343	75,636	71,656	3,980	2,707	3.5
May	135,249	53,479	82,149	78,613	75,829	71,936	3,893	2,784	3.5
June	135,440	50,986	82,585	79,018	76,048	72,197	3,851	2,970	3.8
July	135,639	51,088	82,572	78,985	76,038	72,202	3,836	2,947	3.7
Aug.	135,839	52,047	82,279	78,690	75,929	72,196	3,733	2,761	3.5
Sept.	136,036	53,900	82,422	78,831	75,957	72,355	3,602	2,874	3.6

[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
1962	55,596	16,853	650	2,902	3,906	11,566	2,800	8,028	8,890
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
SEASONALLY ADJUSTED									
1967—Sept.	66,123	19,285	606	3,182	4,278	13,684	3,251	10,139	11,698
Oct.	66,286	19,302	603	3,184	4,267	13,729	3,261	10,171	11,769
Nov.	66,778	19,518	603	3,214	4,297	13,791	3,273	10,270	11,812
Dec.	67,060	19,593	603	3,275	4,302	13,793	3,289	10,316	11,889
1968—Jan.	67,058	19,612	604	3,107	4,317	13,818	3,291	10,331	11,978
Feb.	67,600	19,612	608	3,388	4,342	13,920	3,304	10,405	12,021
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.[p]	68,335	19,760	638	3,190	4,365	14,179	3,377	10,550	12,276
Sept.[p]	68,458	19,752	633	3,233	4,377	14,199	3,389	10,587	12,288
NOT SEASONALLY ADJUSTED									
1967—Sept.	66,656	19,546	613	3,440	4,329	13,672	3,261	10,180	11,615
Oct.	66,858	19,491	605	3,391	4,293	13,757	3,254	10,191	11,876
Nov.	67,397	19,660	605	3,307	4,318	14,017	3,260	10,219	12,011
Dec.	67,903	19,609	602	3,134	4,311	14,618	3,269	10,223	12,137
1968—Jan.	66,017	19,398	590	2,771	4,252	13,602	3,252	10,124	12,028
Feb.	66,393	19,425	591	2,893	4,264	13,585	3,271	10,228	12,136
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.[p]	68,526	19,894	653	3,547	4,417	14,139	3,431	10,677	11,768
Sept.[p]	68,998	20,019	640	3,495	4,430	14,185	3,399	10,629	12,201

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			
	1967	1968			1967	1968		
	Sept.	July	Aug.p	Sept.p	Sept.	July	Aug.p	Sept.p
Total	14,116	14,512	14,492	14,449	14,369	14,415	14,576	14,710
Durable goods	8,179	8,458	8,417	8,390	8,254	8,397	8,323	8,470
Ordnance and accessories	182	200	201	200	183	197	199	201
Lumber and wood products	514	517	519	517	529	538	543	532
Furniture and fixtures	370	389	393	393	375	385	397	398
Stone, clay, and glass products	491	516	518	515	507	533	537	532
Primary metal industries	1,020	1,044	1,029	1,021	1,019	1,056	1,035	1,020
Fabricated metal products	1,029	1,068	1,067	1,066	1,038	1,053	1,066	1,076
Machinery	1,361	1,322	1,331	1,324	1,354	1,319	1,320	1,317
Electrical equipment and supplies	1,289	1,308	1,314	1,315	1,298	1,284	1,308	1,324
Transportation equipment	1,311	1,478	1,422	1,418	1,319	1,426	1,282	1,427
Instruments and related products	277	272	278	278	278	270	279	280
Miscellaneous manufacturing industries	335	344	345	343	354	336	357	363
Nondurable goods	5,937	6,054	6,075	6,059	6,115	6,018	6,253	6,240
Food and kindred products	1,183	1,185	1,182	1,174	1,312	1,216	1,305	1,302
Tobacco manufactures	71	74	77	74	85	64	83	89
Textile-mill products	848	876	877	873	854	867	884	880
Apparel and related products	1,231	1,249	1,246	1,254	1,247	1,207	1,267	1,270
Paper and allied products	525	542	546	542	531	543	552	548
Printing, publishing, and allied industries	661	665	667	665	662	663	666	666
Chemicals and allied products	593	610	615	615	593	613	621	616
Petroleum refining and related industries	116	119	119	118	118	122	122	120
Rubber and misc. plastic products	408	433	439	438	411	424	439	442
Leather and leather products	301	301	307	306	302	299	314	307

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.)			
	1967	1968			1967	1968			1967	1968		
	Sept.	July	Aug.p	Sept.p	Sept.	July	Aug.p	Sept.p	Sept.	July	Aug.p	Sept.p
Total	40.9	40.9	40.6	40.9	116.85	122.10	121.39	124.23	2.85	3.00	2.99	3.03
Durable goods	41.4	41.5	41.0	41.4	125.75	131.02	129.97	133.22	3.03	3.18	3.17	3.21
Ordnance and accessories	42.3	41.3	41.8	42.0	135.36	131.61	134.69	136.92	3.20	3.21	3.23	3.26
Lumber and wood products	40.3	40.7	40.6	40.7	98.42	105.01	106.86	107.16	2.43	2.58	2.60	2.62
Furniture and fixtures	40.5	40.7	40.6	40.7	97.41	99.14	102.18	103.25	2.37	2.46	2.48	2.50
Stone, clay, and glass products	41.8	41.9	41.8	41.9	120.69	126.72	127.75	129.02	2.86	3.01	3.02	3.05
Primary metal industries	41.1	41.9	40.1	40.3	138.92	148.75	142.00	145.48	3.38	3.55	3.55	3.61
Fabricated metal products	41.6	41.7	41.7	41.9	126.42	130.41	132.09	135.36	3.01	3.15	3.16	3.20
Machinery	42.5	42.0	41.9	42.1	136.10	140.11	139.44	142.80	3.21	3.36	3.36	3.40
Electrical equipment and supplies	40.4	40.3	40.5	40.8	112.31	116.51	117.97	120.36	2.78	2.92	2.92	2.95
Transportation equipment	42.3	42.6	41.7	42.6	147.48	152.52	149.97	157.93	3.47	3.64	3.64	3.69
Instruments and related products	41.2	40.5	40.4	40.4	119.23	119.39	120.90	122.21	2.88	2.97	3.00	3.01
Miscellaneous manufacturing industries	39.5	39.2	39.1	39.3	93.06	96.36	97.86	98.89	2.35	2.49	2.49	2.51
Nondurable goods	40.0	39.9	39.9	40.1	104.92	110.00	110.55	112.03	2.61	2.75	2.75	2.78
Food and kindred products	41.0	40.8	41.1	40.8	110.09	115.92	114.96	116.20	2.64	2.80	2.77	2.80
Tobacco manufactures	38.3	38.1	38.9	38.3	86.33	99.53	95.55	93.46	2.18	2.64	2.45	2.36
Textile-mill products	41.4	41.5	41.1	41.7	86.94	89.19	92.51	94.24	2.10	2.17	2.24	2.26
Apparel and related products	36.2	36.1	36.0	36.3	74.73	79.06	81.40	81.45	2.07	2.19	2.23	2.25
Paper and allied products	42.7	43.1	42.9	43.3	125.85	132.32	132.62	135.47	2.92	3.07	3.07	3.10
Printing, publishing, and allied industries	38.2	38.3	38.4	38.5	128.21	132.94	135.49	137.74	3.33	3.48	3.51	3.55
Chemicals and allied products	41.5	41.7	41.8	42.1	130.31	136.45	137.19	139.35	3.14	3.28	3.29	3.31
Petroleum refining and related industries	42.5	42.8	42.1	42.6	155.16	163.18	157.78	162.86	3.60	3.76	3.73	3.77
Rubber and misc. plastic products	41.8	41.8	41.4	41.5	119.71	121.42	122.30	124.74	2.83	2.94	2.94	2.97
Leather and leather products	38.9	38.1	37.8	38.6	80.26	85.31	85.41	86.11	2.09	2.21	2.23	2.26

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						Apparel and upkeep	Transportation	Health and recreation				
			Total	Rent	Homeownership	Fuel oil and coal	Gas and electricity	Furnishings and operation			Total	Medical care	Personal care	Reading 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
1967—Aug.	116.9	116.6	114.7	112.6	120.8	111.7	108.5	108.3	113.8	116.4	124.2	137.5	116.1	120.0	118.8
Sept.	117.1	115.9	115.0	112.8	121.1	112.3	108.9	108.8	115.1	116.8	124.9	138.5	116.4	120.5	119.7
Oct.	117.5	115.7	115.3	113.0	121.5	112.5	108.9	109.1	116.0	117.7	125.5	139.0	116.5	121.4	120.3
Nov.	117.8	115.6	115.5	113.2	121.9	112.7	109.0	109.3	116.6	118.3	126.2	139.7	116.9	122.0	121.0
Dec.	118.2	116.2	116.0	113.5	122.6	113.1	108.7	109.7	116.8	117.9	126.6	140.4	117.2	122.2	121.4
1968—Jan.	118.6	117.0	116.4	113.7	122.9	113.7	108.9	110.6	115.9	118.7	127.1	141.2	117.6	122.7	121.9
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

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	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
1967—Aug.	106.1	99.2	112.1	106.3	101.7	114.4	104.7	98.0	97.8	106.1	104.0	109.2	111.8	101.0	104.5	n.a.	110.0
Sept.	106.2	98.4	112.7	106.5	102.0	114.4	104.5	97.9	98.2	108.7	104.1	109.6	111.9	101.2	104.7	n.a.	110.2
Oct.	106.1	97.1	111.7	106.8	102.2	114.8	103.0	98.2	98.8	107.3	104.3	109.8	112.2	101.7	104.9	n.a.	110.5
Nov.	106.2	96.4	110.9	107.1	103.0	115.4	102.8	98.2	99.1	106.7	104.6	110.5	112.6	102.0	105.1	n.a.	110.6
Dec.	106.8	98.9	111.5	107.4	103.8	116.0	102.6	98.4	99.2	107.6	104.8	111.0	113.2	102.1	105.3	n.a.	110.7
1968—Jan.	107.2	99.0	112.4	107.8	104.3	116.5	101.8	98.2	99.5	108.6	105.2	111.7	113.9	103.0	106.0	n.a.	111.0
Feb.	108.0	101.3	113.3	108.3	104.6	116.7	102.5	98.1	99.5	111.6	105.7	112.8	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	r108.8	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

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WHOLESALE PRICES: DETAIL

(1957-59= 100)

Group	1967	1968		
	Aug.	June	July	Aug.
Farm products:				
Fresh and dried produce	96.6	106.4	108.2	97.4
Grains	86.1	82.0	80.0	75.1
Livestock	106.3	106.2	109.5	106.2
Live poultry	77.3	89.6	93.8	87.8
Plant and animal fibers	71.4	76.0	76.0	76.8
Fluid milk	120.9	129.4	130.7	130.7
Eggs	82.1	88.3	91.4	98.4
Hay and seeds	111.6	112.9	113.2	113.0
Other farm products	99.3	101.6	101.8	103.1
Processed foods and feeds:				
Cereal and bakery products	116.8	117.0	118.4	119.3
Meat, poultry and fish	107.4	109.8	113.6	109.7
Dairy products	122.1	128.7	128.8	128.8
Processed fruits and vegetables	107.1	114.8	114.7	113.6
Sugar and confectionery	113.8	116.0	116.4	116.2
Beverages and beverage materials	106.6	109.4	109.5	109.8
Animal fats and oils	83.0	63.5	64.2	64.2
Crude vegetable oils	89.8	87.5	84.5	87.0
Refined vegetable oils	91.9	94.4	93.5	102.1
Vegetable oil end products	101.0	100.2	100.2	100.6
Miscellaneous processed foods	112.1	114.5	114.7	114.8
Manufactured animal feeds	119.6	119.4	119.4	118.6
Textile products and apparel:				
Cotton products	98.8	104.7	105.2	105.3
Wool products	102.9	103.8	103.9	104.1
Man-made fiber textile products	85.9	89.9	90.4	90.7
Silk yarns	172.6	184.0	182.5	175.1
Apparel	107.3	110.1	110.7	110.9
Textile housefurnishings	105.3	110.6	110.5	110.6
Miscellaneous textile products	116.0	112.4	113.8	117.0
Hides, skins, leather, and products:				
Hides and skins	86.8	95.1	101.5	102.8
Leather	109.2	112.8	113.8	113.6
Footwear	121.2	127.1	127.3	127.2
Other leather products	112.5	112.6	112.5	112.6
Fuels and related products, and power:				
Coal	103.0	105.3	105.4	105.5
Coke	112.0	117.0	117.0	117.0
Gas fuels (Jan. 1958= 100)	132.0	123.3	120.8	120.6
Electric power (Jan. 1958= 100)	100.5	101.3	101.2	101.8
Crude petroleum	99.0	99.3	99.4	99.7
Petroleum products, refined	104.6	103.1	102.8	101.0
Chemicals and allied products:				
Industrial chemicals	97.1	98.6	98.2	98.4
Prepared paint	108.8	114.4	114.4	114.4
Paint materials	90.7	92.4	92.3	92.1
Drugs and pharmaceuticals	93.6	93.5	93.4	93.2
Fats and oils, inedible	77.2	72.8	69.1	71.2
Agricultural chemicals and products	101.8	101.3	101.3	99.4
Plastic resins and materials	89.5	81.0	81.1	80.9
Other chemicals and products	108.7	110.5	110.4	110.5
Rubber and products:				
Crude rubber	84.8	85.2	85.0	85.3
Tires and tubes	98.7	98.7	100.9	99.5
Miscellaneous rubber products	102.3	106.9	106.9	107.8
Lumber and wood products:				
Lumber	109.0	125.0	127.7	129.8
Millwork	112.6	118.3	118.3	118.8
Plywood	90.9	98.2	101.3	102.3
Other wood products (Dec. 1966= 100)	101.6	106.3	106.6	106.7
Pulp, paper, and allied products:				
Pulp, paper, and products, excluding building paper and board	104.5	105.2	105.4	105.3
Woodpulp	98.0	98.0	98.0	98.0
Wastepaper	74.6	103.1	110.5	112.8
Paper	110.9	112.7	113.0	113.0
Paperboard	97.3	90.6	90.6	90.6
Converted paper and paperboard	104.6	105.3	105.3	105.0
Building paper and board	91.3	92.3	92.3	92.9
Metals and metal products:				
Iron and steel	103.3	104.8	104.8	104.8
Steelmill products	105.6	108.0	108.0	108.0
Nonferrous metals	118.9	123.6	122.3	121.7
Metal containers	111.7	116.9	116.8	116.8
Hardware	115.2	116.8	116.9	116.9
Plumbing equipment	110.1	114.1	114.1	114.2
Heating equipment	92.5	95.3	95.3	95.4
Fabricated structural metal products	105.5	107.5	107.6	107.9
Miscellaneous metal products	114.2	115.7	115.7	115.8
Machinery and equipment:				
Agricultural machinery and equip.	122.0	126.5	126.8	127.0
Construction machinery and equip.	122.4	129.4	129.2	129.0
Metalworking machinery and equip.	124.4	128.2	129.1	129.3
General purpose machinery and equipment	113.6	117.2	117.3	117.6
Special industry machinery and equipment (Jan. 1961= 100)	116.7	121.9	122.0	122.5
Electrical machinery and equip.	101.6	102.7	102.7	102.9
Miscellaneous machinery	109.4	114.3	114.3	114.6
Furniture and household durables:				
Household furniture	112.8	117.0	117.2	117.5
Commercial furniture	111.9	115.6	115.9	116.0
Floor coverings	92.6	95.0	95.0	95.3
Household appliances	90.1	92.0	92.4	92.5
Home electronic equipment	81.8	81.3	80.7	80.7
Other household durable goods	117.9	124.5	124.5	125.0
Nonmetallic mineral products:				
Flat glass	106.9	110.5	110.5	110.5
Concrete ingredients	106.0	109.3	109.4	109.6
Concrete products	105.8	108.2	108.1	108.5
Structural clay products excluding refractories	110.4	112.3	112.5	113.7
Refractories	104.9	112.5	112.5	112.6
Asphalt roofing	91.8	96.7	97.6	97.6
Gypsum products	100.7	105.1	105.0	106.6
Glass containers	101.1	109.8	109.8	109.8
Other nonmetallic minerals	101.8	105.1	105.2	105.8
Transportation equipment:				
Motor vehicles and equipment	101.3	104.5	r104.2	104.4
Railroad equipment (Jan. 1961= 100)	102.9	105.4	106.9	107.1
Miscellaneous products:				
Toys, sporting goods, small arms, ammunition	105.8	108.2	108.7	108.9
Tobacco products	114.8	114.9	114.9	114.9
Notions	100.8	108.1	101.0	101.2
Photographic equipment and supplies	111.3	113.8	112.8	112.8
Other miscellaneous products	108.5	110.6	110.7	110.9

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	1963	1964	1965	1966	1967	1967			1968	
										II	III	IV	I	II[r]
Gross national product	**103.1**	**55.6**	**124.5**	**284.8**	**590.5**	**632.4**	**684.9**	**747.6**	**789.7**	**780.2**	**795.3**	**811.0**	**831.2**	**852.9**
Final purchases	*101.4*	*57.2*	*120.1*	*278.0*	*584.6*	*626.6*	*675.3*	*732.8*	*783.6*	*778.0*	*789.9*	*802.7*	*829.1*	*842.1*
Personal consumption expenditures	**77.2**	**45.8**	**80.6**	**191.0**	**375.0**	**401.2**	**432.8**	**465.5**	**492.2**	**490.3**	**495.5**	**502.2**	**519.4**	**527.9**
Durable goods	9.2	3.5	9.6	30.5	53.9	59.2	66.3	70.5	72.6	73.4	73.1	74.2	79.0	81.0
Nondurable goods	37.7	22.3	42.9	98.1	168.6	178.7	191.1	206.7	215.8	215.3	216.4	218.4	226.5	228.2
Services	30.3	20.1	28.1	62.4	152.4	163.3	175.5	188.3	203.8	201.6	205.9	209.6	213.9	218.7
Gross private domestic investment	**16.2**	**1.4**	**17.9**	**54.1**	**87.1**	**94.0**	**108.1**	**120.8**	**114.3**	**107.6**	**114.7**	**121.8**	**119.7**	**127.3**
Fixed investment	*14.5*	*3.0*	*13.4*	*47.3*	*81.3*	*88.2*	*98.5*	*106.1*	*108.2*	*105.4*	*109.3*	*113.5*	*117.6*	*116.5*
Nonresidential	*10.6*	*2.4*	*9.5*	*27.9*	*54.3*	*61.1*	*71.3*	*81.3*	*83.6*	*82.7*	*83.3*	*85.0*	*88.6*	*87.0*
Structures	5.0	.9	2.9	9.2	19.5	21.2	25.5	28.5	27.9	27.2	27.7	27.7	29.6	28.5
Producers' durable equipment	5.6	1.5	6.6	18.7	34.8	39.9	45.8	52.8	55.7	55.5	55.6	57.3	59.0	58.5
Residential structures	4.0	.6	3.9	19.4	27.0	27.1	27.2	24.8	24.6	22.7	26.0	28.5	29.1	29.5
Nonfarm	3.8	.5	3.7	18.6	26.4	26.6	26.7	24.3	24.0	22.1	25.4	27.9	28.5	28.9
Change in business inventories	1.7	−1.6	4.5	6.8	5.9	5.8	9.6	14.7	6.1	2.3	5.3	8.3	2.1	10.8
Nonfarm	1.8	−1.4	4.0	6.0	5.1	6.4	8.6	14.9	5.6	2.2	4.8	7.1	1.6	10.4
Net exports of goods and services	**1.1**	**.4**	**1.3**	**1.8**	**5.9**	**8.5**	**6.9**	**5.1**	**4.8**	**5.1**	**5.4**	**3.4**	**1.5**	**2.0**
Exports	7.0	2.4	5.9	13.8	32.3	37.1	39.2	43.1	45.8	45.5	46.1	46.0	47.5	49.9
Imports	5.9	2.0	4.6	12.0	26.4	28.6	32.3	38.1	41.0	40.4	40.6	42.6	46.0	47.9
Government purchases of goods and services	**8.5**	**8.0**	**24.8**	**37.9**	**122.5**	**128.7**	**137.0**	**156.2**	**178.4**	**177.3**	**179.6**	**183.5**	**190.5**	**195.7**
Federal	*1.3*	*2.0*	*16.9*	*18.4*	*64.2*	*65.2*	*66.9*	*77.4*	*90.6*	*90.0*	*91.3*	*93.5*	*97.1*	*100.0*
National defense	.....	.....	13.8	14.1	50.8	50.0	50.1	60.6	72.4	72.1	72.9	74.6	76.8	79.0
Other	.....	.....	3.1	4.3	13.5	15.2	16.8	16.8	18.2	17.9	18.4	19.0	20.3	21.0
State and local	7.2	6.0	7.9	19.5	58.2	63.5	70.1	78.8	87.8	87.2	88.4	90.0	93.4	95.6
Gross national product in constant (1958) dollars	**203.6**	**141.5**	**263.7**	**355.3**	**551.0**	**581.1**	**617.8**	**657.1**	**673.1**	**669.2**	**675.6**	**681.8**	**692.7**	**703.4**

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	1963	1964	1965	1966	1967	1967			1968	
										II	III	IV	I	II
National income	**86.8**	**40.3**	**104.2**	**241.1**	**481.9**	**518.1**	**564.3**	**620.8**	**652.9**	**645.1**	**656.9**	**670.9**	**688.1**	**705.4**
Compensation of employees	**51.1**	**29.5**	**64.8**	**154.6**	**341.0**	**365.7**	**393.8**	**435.6**	**468.2**	**461.8**	**471.5**	**482.7**	**496.8**	**507.1**
Wages and salaries	*50.4*	*29.0*	*62.1*	*146.8*	*311.1*	*333.7*	*358.9*	*394.6*	*423.4*	*417.6*	*426.3*	*436.4*	*448.3*	*457.6*
Private	45.5	23.9	51.9	124.4	251.6	269.4	289.6	316.9	337.1	332.8	339.4	346.0	355.7	362.8
Military	.3	.3	1.9	5.0	10.8	11.7	12.1	14.6	16.3	15.9	16.1	17.1	17.5	17.8
Government civilian	4.6	4.9	8.3	17.4	48.6	52.6	57.1	63.1	70.0	68.8	70.8	73.3	75.2	77.0
Supplements to wages and salaries	*.7*	*.5*	*2.7*	*7.8*	*29.9*	*32.0*	*35.0*	*41.1*	*44.8*	*44.2*	*45.2*	*46.2*	*48.4*	*49.4*
Employer contributions for social insurance	.1	.1	2.0	4.0	15.0	15.4	16.2	20.2	21.5	21.3	21.6	22.1	23.5	23.7
Other labor income	.6	.4	.7	3.8	14.9	16.6	18.7	20.8	23.3	22.9	23.7	24.2	25.0	25.7
Proprietors' income	**15.1**	**5.9**	**17.5**	**37.5**	**51.0**	**52.3**	**57.3**	**60.7**	**60.7**	**60.5**	**61.2**	**61.1**	**61.8**	**62.6**
Business and professional	9.0	3.3	11.1	24.0	37.9	40.2	42.4	44.8	46.3	46.1	46.6	46.8	47.2	47.8
Farm	6.2	2.6	6.4	13.5	13.1	12.1	14.8	15.9	14.4	14.4	14.6	14.3	14.6	14.8
Rental income of persons	**5.4**	**2.0**	**3.5**	**9.4**	**17.1**	**18.0**	**19.0**	**19.8**	**20.3**	**20.2**	**20.4**	**20.5**	**20.7**	**20.9**
Corporate profits and inventory valuation adjustment	**10.5**	**−1.2**	**15.2**	**37.7**	**58.9**	**66.3**	**76.1**	**83.9**	**80.4**	**79.6**	**80.2**	**82.3**	**83.8**	**89.2**
Profits before tax	*10.0*	*1.0*	*17.7*	*42.6*	*59.4*	*66.8*	*77.8*	*85.6*	*81.6*	*80.3*	*80.8*	*85.4*	*88.9*	*91.8*
Profits tax liability	1.4	.5	7.6	17.8	26.3	28.3	31.3	34.6	33.5	33.0	33.2	35.1	39.8	41.1
Profits after tax	*8.6*	*.4*	*10.1*	*24.9*	*33.1*	*38.4*	*46.5*	*51.0*	*48.1*	*47.3*	*47.6*	*50.3*	*49.1*	*50.7*
Dividends	5.8	2.0	4.4	8.8	16.5	17.8	19.8	21.7	22.9	23.2	23.5	22.5	23.6	24.4
Undistributed profits	2.8	−1.6	5.7	16.0	16.6	20.6	26.7	29.3	25.2	24.1	24.1	27.9	25.5	26.3
Inventory valuation adjustment	.5	−2.1	−2.5	−5.0	−.5	−.5	−1.7	−1.7	−1.2	−.7	−.6	−3.1	−5.1	−2.7
Net interest	**4.7**	**4.1**	**3.2**	**2.0**	**13.8**	**15.8**	**18.2**	**20.8**	**23.3**	**22.9**	**23.6**	**24.3**	**25.0**	**25.8**

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 SAVING

(In billions of dollars)

Item	1929	1933	1941	1950	1963	1964	1965	1966	1967	1967			1968	
										II	III	IV	I	II
Gross national product	**103.1**	**55.6**	**124.5**	**284.8**	**590.5**	**632.4**	**684.9**	**747.6**	**789.7**	**780.2**	**795.3**	**811.0**	**831.2**	**852.9**
Less: Capital consumption allowances	7.9	7.0	8.2	18.3	52.6	56.1	59.8	64.1	69.2	68.4	70.0	71.1	72.3	73.7
Indirect business tax and nontax liability	7.0	7.1	11.3	23.3	54.7	58.4	62.5	65.3	69.6	69.0	70.1	71.2	72.8	74.8
Business transfer payments	.6	.7	.5	.8	2.3	2.5	2.7	3.0	3.1	3.1	3.2	3.2	3.2	3.3
Statistical discrepancy	.7	.6	.4	1.5	−.3	−1.3	−3.1	−3.3	−3.5	−3.8	−3.4	−4.2	−4.7	−3.6
Plus: Subsidies less current surplus of government enterprises	−.1	.....	.1	.2	.8	1.3	1.3	2.3	1.6	1.6	1.5	1.3	.5	.7
Equals: National income	**86.8**	**40.3**	**104.2**	**241.1**	**481.9**	**518.1**	**564.3**	**620.8**	**652.9**	**645.1**	**656.9**	**670.9**	**688.1**	**705.4**
Less: Corporate profits and inventory valuation adjustment	10.5	−1.2	15.2	37.7	58.9	66.3	76.1	83.9	80.4	79.6	80.2	82.3	83.8	89.2
Contributions for social insurance	.2	.3	2.8	6.9	26.9	27.9	29.6	38.0	41.9	41.6	42.1	43.0	45.8	46.5
Excess of wage accruals over disbursements	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Plus: Government transfer payments	.9	1.5	2.6	14.3	33.0	34.2	37.2	41.0	48.6	48.3	48.9	49.7	52.5	55.0
Net interest paid by government and consumer	2.5	1.6	2.2	7.2	17.6	19.1	20.5	22.3	23.6	23.2	23.5	24.2	24.9	25.7
Dividends	5.8	2.0	4.4	8.8	16.5	17.8	19.8	21.7	22.9	23.2	23.5	22.5	23.6	24.4
Business transfer payments	.6	.7	.5	.8	2.3	2.5	2.7	3.0	3.1	3.1	3.2	3.2	3.2	3.3
Equals: Personal income	**85.9**	**47.0**	**96.0**	**227.6**	**465.5**	**497.5**	**538.9**	**586.8**	**628.8**	**621.6**	**633.7**	**645.2**	**662.7**	**678.1**
Less: Personal tax and nontax payments	2.6	1.5	3.3	20.7	60.9	59.4	65.7	75.3	82.5	80.1	83.6	85.6	88.3	91.9
Equals: Disposable personal income	**83.3**	**45.5**	**92.7**	**206.9**	**404.6**	**438.1**	**473.2**	**511.6**	**546.3**	**541.5**	**550.0**	**559.6**	**574.4**	**586.3**
Less: Personal outlays	79.1	46.5	81.7	193.9	384.7	411.9	444.8	478.6	506.2	504.5	509.5	516.1	533.5	542.3
Personal consumption expenditures	77.2	45.8	80.6	191.0	375.0	401.2	432.8	465.5	492.2	490.3	495.5	502.2	519.4	527.9
Consumer interest payments	1.5	.5	.9	2.4	9.1	10.1	11.3	12.5	13.1	13.1	13.2	13.3	13.4	13.6
Personal transfer payments to foreigners	.3	.2	.2	.5	.6	.6	.7	.6	.8	1.2	.8	.7	.7	.8
Equals: Personal saving	**4.2**	**−.9**	**11.0**	**13.1**	**19.9**	**26.2**	**28.4**	**32.9**	**40.2**	**37.0**	**40.5**	**43.4**	**40.8**	**44.0**
Disposable personal income in constant (1958) dollars	**150.6**	**112.2**	**190.3**	**249.6**	**381.3**	**407.9**	**435.0**	**459.2**	**478.0**	**476.3**	**479.5**	**483.7**	**491.8**	**497.1**

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	1966	1967	1967					1968							
			Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.[p]
Total personal income	**586.8**	**628.8**	**634.2**	**637.0**	**638.0**	**644.9**	**652.6**	**654.9**	**663.0**	**670.0**	**672.6**	**678.2**	**683.7**	**689.2**	**694.3**
Wage and salary disbursements	**394.6**	**423.4**	**426.6**	**428.8**	**429.6**	**435.4**	**444.2**	**443.0**	**449.7**	**452.2**	**453.2**	**457.5**	**462.2**	**465.4**	**468.8**
Commodity-producing industries	159.4	166.6	167.7	167.8	167.6	171.0	173.0	173.1	176.6	177.0	176.7	179.3	179.9	180.6	181.4
Manufacturing only	*128.0*	*134.1*	*135.3*	*135.1*	*134.8*	*137.5*	*139.1*	*140.0*	*141.6*	*142.2*	*141.6*	*144.3*	*145.6*	*146.0*	*146.7*
Distributive industries	93.9	100.5	101.2	102.1	102.4	103.1	103.8	104.5	105.9	106.5	106.9	107.4	109.7	109.9	110.9
Service industries	63.6	70.0	70.8	71.3	71.6	72.3	73.2	73.6	74.6	75.2	75.5	76.1	77.0	77.5	78.2
Government	77.7	86.3	86.8	87.6	88.1	89.0	94.2	91.9	92.6	93.4	94.2	94.7	95.5	97.4	98.2
Other labor income	20.8	23.3	23.7	23.9	24.0	24.2	24.4	24.7	25.0	25.2	25.5	25.7	26.0	26.3	26.5
Proprietors' income	60.7	60.7	61.2	61.5	60.7	61.1	61.3	61.5	61.8	62.3	62.4	62.6	62.7	62.9	63.2
Business and professional	44.8	46.3	46.6	46.7	46.5	46.8	47.0	47.1	47.2	47.5	47.6	47.8	47.9	48.0	48.1
Farm	15.9	14.4	14.6	14.8	14.2	14.3	14.3	14.4	14.6	14.8	14.8	14.8	14.8	14.9	15.1
Rental income	19.8	20.3	20.4	20.4	20.5	20.5	20.6	20.6	20.7	20.7	20.8	20.9	20.9	21.0	21.0
Dividends	21.7	22.9	23.5	23.4	23.2	23.1	21.1	23.2	23.6	23.9	24.3	24.7	24.3	25.0	25.2
Personal interest income	43.1	46.8	47.2	47.6	48.0	48.5	49.0	49.4	49.8	50.2	50.8	51.3	51.9	52.5	53.2
Transfer payments	43.9	51.7	52.2	51.9	52.6	53.0	53.2	54.5	54.9	57.8	58.1	58.2	58.5	59.1	59.5
Less: Personal contributions for social insurance	17.8	20.4	20.6	20.5	20.7	20.9	21.2	22.1	22.4	22.4	22.6	22.8	22.9	23.1	23.2
Nonagricultural income	566.1	609.3	614.4	617.1	618.8	625.4	633.0	635.1	643.1	649.9	652.5	658.1	663.4	668.9	673.7
Agriculture income	20.7	19.5	19.8	19.9	19.2	19.5	19.6	19.8	20.0	20.1	20.1	20.2	20.2	20.3	20.6

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 I	1966 II	1966 III	1966 IV	1967 I	1967 II	1967 III	1967 IV	1968 I	
	I. Saving and investment															
1	**Gross national saving**	**144.5**	**160.3**	**181.6**	**196.7**	**192.1**	**192.4**	**195.2**	**196.7**	**202.5**	**188.2**	**185.8**	**193.2**	**200.2**	**202.4**	1
2	Households	85.8	98.3	108.9	118.6	129.6	116.2	114.2	118.5	125.3	125.3	125.4	129.6	137.1	138.6	2
3	Farm and noncorp. business	13.5	14.5	15.2	15.9	16.8	15.3	15.7	15.7	17.0	17.1	17.0	17.0	16.2	17.3	3
4	Corporate nonfin. business	43.9	50.5	56.6	61.1	61.5	59.2	60.1	61.0	63.9	60.2	60.6	61.8	63.5	60.4	4
5	U.S. Government	−.6	−4.3	−.1	−.6	−14.1	.7	2.2	−1.4	−4.0	−12.7	−15.3	−14.1	−14.3	−9.9	5
6	State and local govt	−1.5	−1.4	−2.4	−2.7	−5.6	−2.6	−2.1	−2.3	−3.7	−5.7	−6.7	−5.3	−4.6	−6.1	6
7	Financial sectors	3.5	2.7	3.5	4.5	3.8	3.6	5.1	5.1	4.1	4.0	4.7	4.3	2.2	2.2	7
8	**Gross national investment**	**143.8**	**158.0**	**178.2**	**193.1**	**188.1**	**190.1**	**190.8**	**193.6**	**197.8**	**184.4**	**179.4**	**190.7**	**196.8**	**196.3**	8
9	Consumer durable goods	53.9	59.2	66.3	70.5	72.6	71.6	68.2	71.0	71.1	69.8	72.4	73.1	74.2	79.0	9
10	Business inventories	5.9	5.8	9.6	14.7	6.1	10.9	15.4	12.8	19.8	8.4	2.3	5.3	8.3	2.1	10
11	Gross pvt. fixed investment	81.3	88.2	98.5	106.1	108.2	105.9	105.6	107.0	105.9	104.6	105.4	109.3	113.5	117.6	11
12	Households	22.4	23.0	22.9	21.5	20.3	23.2	22.4	21.5	18.9	17.6	18.4	21.5	23.6	25.0	12
13	Nonfinan. business	57.9	64.3	74.8	83.6	87.0	81.7	82.2	84.6	86.0	86.2	86.1	86.7	88.9	91.8	13
14	Financial sectors	1.0	.9	.8	1.0	.9	1.0	1.0	1.0	1.0	.8	.8	1.1	.9	.9	14
15	Net financial investment	2.8	4.7	3.7	1.8	1.2	1.8	1.6	2.8	1.0	1.6	−.6	2.9	.7	−2.4	15
16	Discrepancy (1-8)	.6	2.3	3.5	3.6	4.0	2.3	4.5	3.0	4.7	3.8	6.4	2.5	3.4	6.1	16
	II. Financial flows—Summary															
17	**Net funds raised—Nonfinan. sectors**	**58.5**	**67.0**	**72.3**	**69.9**	**83.1**	**84.1**	**83.2**	**62.6**	**49.9**	**74.3**	**44.3**	**104.6**	**108.9**	**103.7**	17
18	Loans and short-term securities	19.0	26.4	33.1	27.4	27.2	26.4	22.7	30.7	29.8	33.8	−16.1	46.8	44.2	51.1	18
19	Long-term securities and mtgs	39.5	40.6	39.2	42.5	55.9	57.6	60.5	31.9	20.0	40.6	60.4	57.8	64.7	52.6	19
	By sector															
20	U.S. Government	5.0	7.1	3.6	6.3	12.7	10.8	6.7	4.9	2.9	8.0	−21.3	34.7	29.2	34.7	20
21	Short-term mkt. securities	1.4	4.0	3.5	2.2	6.4	−1.5	−7.3	7.6	10.1	9.9	−35.7	30.9	20.7	29.9	21
22	Other securities	3.6	3.0	.2	4.1	6.2	12.3	14.1	−2.7	−7.2	−1.9	14.5	3.9	8.5	4.8	22
23	Foreign borrowers	3.3	4.4	2.6	1.5	4.0	2.7	2.5	−.4	1.2	5.5	3.7	3.9	2.8	4.4	23
24	Loans	2.2	3.7	1.9	1.0	2.7	1.3	2.3	−.4	1.0	4.5	2.7	2.2	1.4	2.8	24
25	Securities	1.1	.7	.8	.5	1.3	1.4	.2	*	.2	1.0	1.0	1.6	1.4	1.6	25
26	Pvt. domestic nonfin. sectors	50.2	55.5	66.0	62.0	66.4	70.5	73.9	58.0	45.7	60.8	61.9	66.0	76.9	64.6	26
27	Loans	15.5	18.7	27.7	24.1	18.0	26.6	27.8	23.4	18.7	19.4	16.9	13.7	22.1	18.4	27
28	*Consumer credit*	7.3	8.0	9.4	6.9	4.4	9.3	7.0	6.8	4.6	4.1	4.0	4.9	4.8	8.3	28
29	*Bank loans n.e.c.*	5.4	6.5	13.6	9.8	9.1	9.5	15.5	9.0	5.2	6.7	11.7	3.8	14.4	2.5	29
30	*Other loans*	2.7	4.1	4.7	7.4	4.5	7.8	5.3	7.7	9.0	8.6	1.3	5.1	2.9	7.6	30
31	Securities and mortgages	34.7	36.9	38.3	37.9	48.4	43.9	46.1	34.6	27.0	41.4	44.9	52.3	54.8	46.2	31
32	*State and local obligations*	6.7	5.9	7.3	6.0	10.1	6.3	6.9	4.6	6.1	10.3	11.5	7.5	11.2	10.0	32
33	*Corporate securities*	3.6	5.4	5.4	11.4	17.4	12.2	15.5	11.3	6.6	14.3	15.8	21.4	18.1	12.5	33
34	*1- to 4-family mortgages*	15.2	15.7	16.2	11.0	11.5	14.2	12.5	9.1	8.1	8.9	8.3	13.7	15.1	14.5	34
35	*Other mortgages*	9.3	10.0	9.4	9.6	9.4	11.3	11.2	9.6	6.2	7.9	9.3	9.8	10.4	9.3	35
36	**Net sources of credit (= line 17)**	**58.5**	**67.0**	**72.3**	**69.9**	**83.1**	**84.1**	**83.2**	**62.6**	**49.9**	**74.3**	**44.3**	**104.6**	**108.9**	**103.7**	36
37	Chg. in U.S. Govt. cash balance	−.4	.2	−1.0	−.4	1.2	−3.3	6.7	−6.2	1.2	−.5	−14.8	13.4	6.8	−5.9	37
38	U.S. Govt. lending	2.7	3.8	4.7	7.9	4.5	11.1	10.0	7.8	2.8	6.1	−.8	5.0	8.0	14.0	38
39	Foreign funds	1.9	2.5	.8	−.9	5.4	−1.5	4.4	−5.3	−1.2	1.4	8.3	2.4	9.4	1.6	39
40	Pvt. insur. & pension reserves	10.1	11.1	11.6	12.8	13.2	12.8	10.8	13.1	14.5	12.2	12.4	14.0	14.1	13.7	40
41	Sources n.e.c.	4.7	5.7	7.1	7.7	5.8	11.3	6.1	14.1	−.8	1.8	6.0	11.5	3.9	16.1	41
42	Pvt. domestic nonfin. sectors	39.5	43.8	49.0	42.8	53.0	53.6	45.2	39.0	33.5	53.3	33.1	58.5	66.9	64.2	42
43	Liquid assets	37.4	33.0	43.4	23.9	49.1	33.3	21.8	18.5	22.1	54.4	38.4	58.7	44.8	47.9	43
44	Deposits	34.4	35.3	40.4	22.7	50.9	29.1	24.6	15.8	21.2	61.5	51.7	56.2	34.1	27.5	44
45	Demand dep. and currency	5.9	6.5	7.7	2.9	12.0	4.0	1.6	−.5	6.5	10.8	10.6	15.2	11.1	−5.1	45
46	Time and svgs. accounts	28.5	28.8	32.7	19.8	39.0	25.1	23.0	16.4	14.6	50.7	41.0	41.0	23.0	32.6	46
47	*At commercial banks*	13.4	13.0	19.5	12.5	22.4	15.4	18.1	11.1	5.4	33.8	20.4	23.0	12.3	20.2	47
48	*At savings instit.*	15.1	15.8	13.2	7.3	16.6	9.8	4.9	5.3	9.3	16.9	20.6	18.0	10.7	12.4	48
49	Short-term U.S. Govt. sec.	3.0	−2.3	3.0	1.2	−1.8	4.2	−2.9	2.7	.9	−7.1	−13.3	2.5	10.6	20.4	49
50	Other U.S. Govt. securities	1.7	3.1	.1	6.8	−1.2	5.2	14.5	3.3	4.3	−11.2	−3.9	−3.3	13.7	−3.6	50
51	Pvt. credit mkt. instruments	2.3	7.5	5.9	11.9	7.2	15.4	10.5	15.4	6.5	9.6	1.2	6.2	11.9	17.8	51
52	Less security debt	2.0	−.2	.3	−.2	2.2	.3	1.5	−1.9	−.6	−.5	2.5	3.1	3.5	−2.1	52
	III. Direct lending in credit markets															
53	**Total funds raised**	**58.5**	**67.0**	**72.3**	**69.9**	**83.1**	**84.1**	**83.2**	**62.6**	**49.9**	**74.3**	**44.3**	**104.6**	**108.9**	**103.7**	53
54	Less change in U.S. Govt. cash	−.3	.2	−1.0	−.4	1.2	−3.3	6.7	−6.1	1.2	−.6	−14.9	13.4	6.7	−6.2	54
55	Total net of U.S. Govt. cash	58.8	66.8	73.3	70.3	81.9	87.3	76.4	68.7	48.7	74.9	59.1	91.2	102.2	109.9	55
56	**Funds supplied directly to cr. mkts.**	**58.8**	**66.8**	**73.3**	**70.3**	**81.9**	**87.3**	**76.4**	**68.7**	**48.7**	**74.9**	**59.1**	**91.2**	**102.2**	**109.9**	56
57	*Federal Reserve System*	2.6	3.2	3.8	3.3	3.9	2.5	−.1	6.6	4.2	2.9	−.3	7.9	4.5	7.9	57
58	Total	2.9	3.4	3.8	3.5	4.8	2.5	2.1	5.0	4.3	5.2	2.9	3.7	6.9	4.8	58
59	Less change in U.S. Govt. cash	.3	.2	*	.2	.9	.1	2.1	−1.6	.1	2.4	3.2	−4.2	2.4	−3.0	59
60	Commercial banks, net	19.7	21.8	29.3	17.9	35.9	22.7	28.0	14.1	6.8	41.9	40.3	37.2	24.6	26.3	60
61	Total	19.4	22.4	29.1	17.4	36.4	19.5	32.9	9.6	7.9	39.7	22.3	54.8	28.9	23.1	61
62	Less chg. in U.S. Govt. cash	−.6		−1.0	−.5	.2	−3.3	4.6	−4.5	1.1	−3.0	−18.1	17.6	4.4	−3.2	62
63	Security issues	.3	.6	.8	.1	.2	.1	.3	*	*	.8	.1	*	.....	*	63
64	Nonbank finance, net	28.0	29.1	26.9	22.5	32.4	28.0	16.7	21.0	24.2	29.0	35.0	38.1	27.4	21.8	64
65	Total	34.4	33.5	32.9	25.8	33.6	35.8	18.8	21.7	27.2	30.9	19.3	51.0	33.0	24.4	65
66	Less credit raised	6.4	4.4	5.9	3.3	1.2	7.7	2.0	.7	2.9	1.9	−15.7	12.9	5.7	2.6	66
67	U.S. Government	2.7	3.8	4.7	7.9	4.5	11.1	10.0	7.8	2.8	6.1	−.8	5.0	8.0	14.0	67
68	Foreign	.9	.6	−.1	−1.4	3.2	−1.3	1.2	−4.1	−1.6	3.3	3.6	.9	5.1	3.3	68
69	Pvt. domestic nonfin.	5.1	8.5	8.6	20.1	2.0	24.5	20.6	23.2	12.3	−8.1	−18.6	2.3	32.7	36.7	69
70	Households	.4	3.2	2.2	10.5	−4.0	14.0	15.3	11.0	1.9	−13.1	−18.1	−1.3	16.7	17.0	70
71	Business	3.1	1.5	1.0	3.2	.4	5.7	1.4	3.4	2.5	1.2	−5.6	.2	5.9	10.7	71
72	State and local govts.	3.5	3.7	5.8	6.2	7.8	5.0	5.4	7.0	7.3	3.2	7.7	6.5	13.7	6.8	72
73	Less net security credit	2.0	−.2	.3	−.2	2.2	.3	1.5	−1.9	−.6	−.5	2.5	3.1	3.5	−2.1	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 *Survey of Current Business* but financial data are unrevised before 1968 relative to tables in the May 1968 BULLETIN. Financial revisions for 1965–67 will be published later this year.

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Federal Reserve Bank of St. Louis

PRINCIPAL FINANCIAL TRANSACTIONS

(In billions of dollars)

Transaction category, or sector	1963	1964	1965	1966	1967	1966 I	1966 II	1966 III	1966 IV	1967 I	1967 II	1967 III	1967 IV	1968 I	
I. Demand deposits and currency															
1 Net incr. in banking system liability	5.8	7.4	7.6	2.6	14.7	−.3	10.1	−8.0	8.8	8.2	−.9	29.4	21.8	−7.9	1
2 U.S. Govt. deposits	−.3	.2	−1.0	−.4	1.2	−3.3	6.7	−6.1	1.2	−.6	−14.9	13.4	6.7	−6.2	2
3 Other	6.1	7.3	8.6	3.0	13.5	3.0	3.3	−1.9	7.6	8.8	14.0	16.0	15.0	−1.7	3
4 Domestic sectors	6.0	6.8	8.3	3.3	12.7	2.9	2.1	−.1	8.2	12.0	11.5	15.5	11.5	−.6	4
5 Households	4.3	6.4	7.1	1.9	12.4	−2.2	1.4	.5	8.1	13.6	14.2	7.3	14.5	−14.8	5
6 Nonfinancial business	−.8	−2.1	−1.7	.7	−1.5	2.3	.2	1.5	−1.3	−4.1	−3.9	4.2	−2.5	7.7	6
7 State and local govts	2.4	1.2	−.2	.8	.3	2.7	1.3	−.7	−.1	3.3	*	1.0	−2.9	1.0	7
8 Financial sectors	.2	.3	.7	.4	.7	−1.1	.5	.5	1.6	1.3	.9	.4	.4	4.4	8
9 Mail float	−.1	.9	2.5	−.5	.8	1.2	−1.3	−1.8	−.2	−2.0	.4	2.6	2.1	1.1	9
10 Rest of the world	.1	.5	.3	−.3	.8	.1	1.2	−1.8	−.6	−3.2	2.4	.5	3.5	−1.0	10
II. Time and savings accounts															
11 Net increase—Total	29.5	30.4	33.0	20.3	40.8	24.6	24.5	16.7	15.5	52.3	45.4	42.0	23.5	32.4	11
12 At commercial banks—Total	14.3	14.5	20.0	13.3	23.8	15.1	20.1	11.6	6.2	35.1	23.7	23.7	12.7	19.8	12
13 Corporate business	3.9	3.2	3.9	−.7	4.1	4.1	1.7	−3.9	−4.6	10.0	−.9	3.7	3.7	.5	13
14 State and local govts	1.6	1.7	2.4	1.3	2.4	−.4	2.1	1.9	1.5	5.7	3.4	.6	.1	1.5	14
15 Foreign depositors	1.0	1.4	.6	.8	1.3	−.2	2.0	.6	1.0	1.2	2.3	1.1	.8	−.7	15
16 Households	7.9	8.2	13.3	11.9	15.8	11.6	14.3	13.0	8.5	18.0	17.9	18.7	8.5	18.2	16
17 At savings institutions	15.2	15.9	13.0	7.1	17.0	9.5	4.4	5.1	9.3	17.2	21.7	18.3	10.7	12.6	17
18 Memo: Households total	23.0	23.9	26.5	19.2	32.4	21.4	19.2	18.3	17.8	35.0	38.6	36.7	19.2	30.6	18
III. U.S. Govt. securities															
19 Total net issues	5.0	7.1	3.6	6.3	12.7	10.8	6.7	4.9	2.9	8.0	−21.3	34.7	29.2	34.7	19
20 Short-term marketable	1.4	4.0	3.5	2.2	6.4	−1.5	−7.3	7.6	10.1	9.9	−35.7	30.9	20.7	29.9	20
21 Other	3.6	3.0	.2	4.1	6.2	12.3	14.1	−2.7	−7.2	−1.9	14.5	3.9	8.5	4.8	21
22 Net acquisitions, by sector	5.0	7.1	3.6	6.3	12.7	10.8	6.7	4.9	2.9	8.0	−21.3	34.7	29.2	34.7	22
23 Federal Reserve System	2.8	3.5	3.7	3.5	4.8	2.8	1.7	5.7	3.8	5.5	2.8	3.6	6.9	5.1	23
24 Short-term	4.9	2.1	3.7	5.4	1.9	2.8	−.3	6.7	12.4	−.1	−4.2	2.3	9.3	1.1	24
25 Commercial banks	−2.6	.4	−2.3	−3.5	8.8	−3.0	−.3	−5.7	−4.8	17.9	−.3	23.6	−5.9	8.6	25
26 Short-term marketable	−3.5	3.9	−1.7	−4.5	4.6	−10.2	−.5	−2.8	−4.4	10.2	−7.2	18.3	−2.7	4.8	26
27 Other direct	.5	−4.1	−1.4	1.1	1.4	7.2	−2.3	−.3	−.3	5.5	2.4	2.8	−5.2	2.6	27
28 Nonguaranteed	.3	.6	.8	*	2.8	*	2.6	−2.6	−.1	2.2	4.4	2.5	2.1	1.2	28
29 Nonbank finance	−.5	2.0	−.8	.9	*	4.0	−4.6	3.4	.8	.2	−8.5	9.6	−1.4	4.7	29
30 Short-term marketable	−1.3	1.2	−.4	1.5	1.0	3.2	−2.6	3.8	1.4	4.6	−10.7	10.6	−.4	5.3	30
31 Other direct	.6	.5	−.7	−1.0	−1.5	−.2	−2.4	−.5	−.9	−5.2	.9	−.7	−1.1	−3.0	31
32 Nonguaranteed	.3	.3	.3	.4	.5	.9	.4	.1	.4	.8	1.4	−.3	.1	2.3	32
33 Foreign	.6	.5	−.1	−2.6	2.1	−2.3	−1.6	−4.4	−2.1	2.6	1.9	−1.4	5.2	−.4	33
34 Short-term	−.6	.1	−.4	−.8	1.6	−1.2	−.3	−2.4	.7	3.1	.7	−2.1	4.8	−1.5	34
35 Pvt. domestic nonfinan. sector	4.7	.8	3.1	8.0	−3.0	9.3	11.6	6.0	5.2	−18.2	−17.2	−.8	24.4	16.8	35
36 Short-term marketable	1.8	−3.2	2.4	.7	−2.7	3.8	−3.5	2.3	.....	−7.9	−14.4	1.8	9.7	20.1	36
37 Other direct	1.0	2.8	−1.2	2.2	−1.6	1.1	.2	1.8	5.8	−9.6	−3.0	−1.8	8.1	−5.8	37
38 Nonguaranteed	.7	.4	1.3	4.6	.4	4.1	14.3	1.5	−1.4	−1.5	−.9	−1.5	5.6	2.2	38
39 Savings bonds—Households	1.2	.9	.6	.6	.9	.3	.7	.3	.9	.8	1.1	.7	.9	.2	39
IV. Other securities															
40 Total net issues, by sector	13.1	14.6	16.2	18.7	29.6	21.7	23.4	17.2	12.5	28.1	28.1	31.4	30.8	25.5	40
41 State and local govts	6.7	5.9	7.3	6.0	10.1	6.3	6.9	4.6	6.1	10.3	11.5	7.5	11.2	10.0	41
42 Nonfinancial corporations	3.6	5.4	5.4	11.4	17.4	12.2	15.5	11.3	6.6	14.3	15.8	21.4	18.1	12.5	42
43 Commercial banks	.3	.6	.8	.1	.2	.1	.3	*	*	.8	.1	*	.....	*	43
44 Finance companies	1.4	2.1	1.9	.8	.6	1.7	.5	1.2	−.4	1.7	−.3	1.0	.1	1.5	44
45 Rest of the world	1.1	.7	.8	.5	1.3	1.4	.2	*	.2	1.0	1.0	1.6	1.4	1.6	45
46 Net purchases	13.1	14.6	16.2	18.7	29.6	21.7	23.4	17.2	12.5	28.1	28.1	31.4	30.8	25.5	46
47 Households	−2.9	1.5	.1	2.9	−2.5	7.3	4.5	3.4	−3.5	−4.0	−6.6	−.9	1.3	7.2	47
48 Nonfinancial corporations	.9	.2	.7	.8	.7	.8	.8	.7	.8	.7	.7	.8	.7	.8	48
49 State and local govts	2.5	2.8	2.8	4.1	6.0	3.5	2.4	5.6	5.0	7.0	6.9	4.8	5.5	5.5	49
50 Commercial banks	5.2	3.7	5.0	2.4	9.8	2.9	7.6	−.1	−.7	9.6	14.5	4.8	10.3	4.6	50
51 Insurance and pension funds	7.6	7.5	9.5	9.5	13.5	11.6	8.3	9.5	8.6	13.9	11.0	14.6	14.4	13.8	51
52 Finance n.e.c.	−.2	−.8	−1.7	−2.2	−1.1	−5.3	−2.2	−2.8	1.5	−1.9	−2.8	2.1	−1.9	−11.1	52
53 Security brokers and dealers	.2	*	−.1	.1	.1	−2.8	−.3	1.0	2.6	−1.9	−2.9	2.6	2.5	−2.9	53
54 Investment cos., net	−.5	−.8	−1.5	−2.4	−1.2	−2.5	−1.9	−3.8	−1.2	−.1	*	−.5	−4.4	−8.3	54
55 Portfolio purchases	.8	1.1	1.6	1.3	1.6	3.0	.8	−1.1	2.5	3.0	1.3	3.1	−1.1	−1.3	55
56 Net issues of own shares	1.2	1.9	3.1	3.7	2.8	5.6	2.7	2.8	3.6	3.1	1.3	3.6	3.3	6.9	56
57 Rest of the world	.3	−.1	−.4	.9	1.0	.7	2.1	.4	.4	.5	1.3	2.2	*	2.8	57
V. Mortgages															
58 Total net lending	25.0	25.3	25.5	19.6	21.9	25.7	22.6	17.0	13.2	17.3	19.0	24.8	26.3	24.1	58
59 1- to 4-family	15.7	15.4	16.1	10.0	12.5	14.4	11.4	7.4	6.9	9.4	9.7	15.0	16.0	14.8	59
60 In process	.5	−.3	*	−.9	1.0	.3	−1.1	−1.7	−1.2	.5	1.4	1.3	.9	.3	60
61 Disbursed	15.2	15.7	16.2	11.0	11.5	14.2	12.5	9.1	8.1	8.9	8.3	13.7	15.1	14.5	61
62 Other	9.3	10.0	9.4	9.6	9.4	11.3	11.2	9.6	6.2	7.9	9.3	9.8	10.4	9.3	62
63 Net acquisitions	25.0	25.3	25.5	19.6	21.9	25.7	22.6	17.0	13.2	17.3	19.0	24.8	26.3	24.1	63
64 Households	−.3	−.2	−.9	−.4	−.6	−2.3	−.2	.6	.5	−.5	−1.7	−.4	.2	.7	64
65 U.S. Government	−1.0	.2	1.0	3.4	2.7	4.4	4.1	3.1	1.8	2.4	1.6	3.1	3.7	4.6	65
66 Commercial banks	4.9	4.5	5.6	4.6	4.6	5.4	5.3	4.3	3.6	2.0	3.5	6.0	6.7	5.6	66
67 Savings institutions	16.1	14.8	13.1	6.6	10.8	11.5	7.3	3.7	3.7	6.8	10.3	13.1	12.9	10.7	67
68 Insurance	4.0	5.1	5.5	5.1	3.1	5.7	5.9	5.3	3.6	5.2	2.9	2.0	2.3	2.0	68
69 Mortgage companies	.8	.4	.5	−.6	.4	.3	−.6	−.9	−1.1	.3	1.3	−.2	.1	−.2	69
VI. Bank loans n.e.c.															
70 Total net borrowing	7.6	8.7	16.4	8.2	6.5	9.7	16.0	5.2	2.0	1.7	7.7	6.7	9.8	2.5	70
71 Nonfinancial business	5.0	5.1	12.2	9.9	7.4	10.1	15.2	9.6	4.7	5.8	11.0	2.0	10.8	4.8	71
72 Nonbank finance	1.7	.5	2.4	−1.4	−2.4	.6	−.1	−3.5	−2.7	−4.3	−3.3	2.1	−4.0	.4	72
73 Households	.4	1.4	1.3	−.1	1.7	−.6	.3	−.7	.5	.9	.7	1.7	3.5	−2.4	73
74 Rest of the world	.5	1.7	.4	−.2	−.3	−.4	.5	−.3	−.5	−.6	−.8	.8	−.5	−.4	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	1965	1966	1967	1967				1968	
				I	II	III	IV	I	II[p]
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]	**39,196**	**43,142**	**45,756**	**11,371**	**11,377**	**11,513**	**11,496**	**11,860**	**12,478**
Merchandise	26,244	29,176	30,468	7,661	7,703	7,626	7,478	7,924	8,302
Military sales	830	829	1,240	335	336	245	323	306	362
Transportation	2,413	2,608	2,701	670	670	680	681	709	703
Travel	1,380	1,590	1,646	421	384	417	424	442	421
Investment income receipts, private	5,384	5,659	6,235	1,443	1,391	1,671	1,729	1,544	1,699
Investment income receipts, Govt.	509	593	624	151	165	156	153	198	217
Other services	2,436	2,687	2,843	690	728	718	708	737	774
Imports of goods and services—Total	**−32,295**	**−38,063**	**−40,989**	**−10,078**	**−10,108**	**−10,154**	**−10,648**	**−11,504**	**−11,986**
Merchandise	−21,516	−25,541	−26,991	−6,686	−6,605	−6,541	−7,159	−7,837	−8,293
Military expenditures	−2,945	−3,735	−4,340	−1,072	−1,065	−1,098	−1,104	−1,110	−1,143
Transportation	−2,679	−2,923	−2,982	−767	−745	−720	−750	−805	−777
Travel	−2,438	−2,657	−3,195	−704	−841	−925	−725	−773	−769
Investment income payments	−1,729	−2,074	−2,293	−560	−560	−575	−598	−660	−695
Other services	−989	−1,132	−1,189	−289	−292	−295	−312	−319	−309
Balance on goods and services[1]	**6,901**	**5,080**	**4,768**	**1,293**	**1,269**	**1,359**	**848**	**356**	**492**
Remittances and pensions	**−1,027**	**−1,015**	**−1,276**	**−262**	**−392**	**−358**	**−263**	**−266**	**−280**
1. Balance on goods, services, remittances and pensions	**5,874**	**4,065**	**3,492**	**1,031**	**877**	**1,001**	**585**	**90**	**212**
2. U.S. Govt. grants and capital flow, net	**−3,370**	**−3,444**	**−4,210**	**−1,176**	**−1,039**	**−988**	**−1,008**	**−1,164**	**−1,101**
Grants,[2] loans, and net change in foreign currency holdings, and short-term claims	−4,242	−4,676	−5,191	−1,394	−1,305	−1,226	−1,266	−1,510	−1,413
Scheduled repayments on U.S. Govt. loans	651	803	975	218	266	233	258	304	309
Nonscheduled repayments and selloffs	221	429	6	.....	*	5	*	42	3
3. U.S. private capital flow, net	**−3,794**	**−4,298**	**−5,504**	**−975**	**−1,104**	**−1,788**	**−1,638**	**−646**	**−1,230**
Direct investments	−3,468	−3,623	−3,020	−653	−651	−902	−815	−374	−1,034
Foreign securities	−759	−481	−1,266	−259	−199	−476	−332	−385	−81
Other long-term claims:									
Reported by banks	−232	337	285	153	188	−72	16	199	53
Reported by others	−88	−112	−289	−68	−170	42	−93	45	−26
Short-term claims:									
Reported by banks	325	−84	−744	−74	−386	−363	79	165	151
Reported by others	428	−334	−470	−74	114	−17	−493	−296	−293
4. Foreign capital flow, net, excluding change in liquid assets in U.S.	**270**	**2,532**	**3,185**	**866**	**1,202**	**766**	**352**	**1,365**	**2,172**
Long-term investments	−68	2,156	2,344	693	982	359	310	1,174	1,270
Short-term claims	149	296	388	94	80	174	40	−21	138
Nonliquid claims on U.S. Govt. associated with—									
Military contracts	306	346	64	95	147	−67	−111	−29	−3
U.S. Govt. grants and capital	−86	−205	−85	−38	−12	−23	−12	−5	1
Other specific transactions	−24	−12	5	22	5	−12	−10	−27	−6
Other nonconvertible, nonmarketable, medium-term U.S. Govt. securities[3]	−7	−49	469	*	*	335	135	273	772
5. Errors and unrecorded transactions	**−315**	**−210**	**−532**	**−250**	**−458**	**207**	**−34**	**−305**	**−222**
Balances									
A. Balance on liquidity basis									
Seasonally adjusted (= 1+2+3+4+5)	**−1,335**	**−1,357**	**−3,571**	**−505**	**−522**	**−802**	**−1,742**	**−660**	**−170**
Less: Net seasonal adjustments	.....	.....	.....	−267	−302	410	159	−411	−303
Before seasonal adjustment	**−1,335**	**−1,357**	**−3,571**	**−238**	**−220**	**−1,212**	**−1,901**	**−249**	**133**
B. Balance on basis of official reserve transactions									
Balance A, seasonally adjusted	**−1,335**	**−1,357**	**−3,571**	**−505**	**−522**	**−802**	**−1,742**	**−660**	**−170**
Plus: Seasonally adjusted change in liquid assets in the U.S. of:									
Commercial banks abroad	116	2,697	1,262	−979	355	1,119	767	409	2,376
Other private residents of foreign countries	306	212	413	80	12	96	225	3	95
International and regional organizations other than IMF	−291	−525	−218	−36	−78	−55	−49	71	−78
Less: Change in certain nonliquid liabilities to foreign central banks and govts.	85	761	1,291	324	573	111	283	358	764
Balance B, seasonally adjusted	**−1,289**	**266**	**−3,405**	**−1,764**	**−806**	**247**	**−1,082**	**−535**	**1,459**
Less: Net seasonal adjustments	.....	.....	.....	−485	−101	272	314	−629	−102
Before seasonal adjustment	**−1,289**	**266**	**−3,405**	**−1,279**	**−705**	**−25**	**−1,396**	**94**	**1,561**

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1. U.S. BALANCE OF PAYMENTS—Continued

(In millions of dollars)

Item	1965	1966	1967	1967 I	1967 II	1967 III	1967 IV	1968 I	1968 II[p]
Transactions by which balances were settled—Not seasonally adjusted									
A. To settle balance on liquidity basis	**1,335**	**1,357**	**3,571**	**238**	**220**	**1,212**	**1,901**	**249**	**-133**
Change in U.S. official reserve assets (increase, −)	1,222	568	52	1,027	−419	−375	−181	904	−137
Gold	[4]1,665	571	1,170	51	15	92	1,012	1,362	22
Convertible currencies	−349	−540	−1,024	1,007	−424	−462	−1,145	−401	267
IMF gold tranche position	[4]−94	537	−94	−31	−10	−5	−48	−57	−426
Change in liquid liabilities to all foreign accounts	113	789	3,519	−789	639	1,587	2,082	−655	4
Foreign central banks and govts.:									
Convertible nonmarketable U.S. Govt. securities[5]	122	−945	455	72	46	125	212	100	*
Marketable U.S. Govt. bonds and notes[5]	−20	−245	48	5	52	−6	−3	−359	−3
Deposits, short-term U.S. Govt. securities, etc.	−154	−582	1,537	−174	441	162	1,108	−1,113	−2,181
IMF (gold deposits)	34	177	22	17	5	*	.....	8	−11
Commercial banks abroad	116	2,697	1,262	−753	161	1,265	589	635	2,182
Other private residents of foreign countries	306	212	413	80	12	96	225	3	95
International and regional organizations other than IMF	−291	−525	−218	−36	−78	−55	−49	71	−78
B. Official reserve transactions	**1,289**	**−266**	**3,405**	**1,279**	**705**	**25**	**1,396**	**−94**	**−1,561**
Change in U.S. official reserve assets (increase, −)	1,222	568	52	1,027	−419	−375	−181	904	−137
Change in liquid liabilities to foreign central banks and govts. and IMF (see detail above under A.)	−18	−1,595	2,062	−80	544	281	1,317	−1,364	−2,195
Change in certain nonliquid liabilities to foreign central banks and govts.:									
Of U.S. private organizations	−38	793	839	304	587	−212	160	119	144
Of U.S. Govt.	123	−32	452	28	−7	331	100	247	627

[1] Excludes transfers under military grants.
[2] Excludes military grants.
[3] Includes certificates sold abroad by Export-Import Bank.
[4] Reflects $259 million payment of gold portion of increased U.S. subscription to IMF.
[5] 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] 1965	Exports [1] 1966	Exports [1] 1967[r]	Exports [1] 1968	Imports [2] 1965	Imports [2] 1966	Imports [2] 1967[r]	Imports [2] 1968[r]	Export surplus 1965	Export surplus 1966	Export surplus 1967	Export surplus 1968
Month:												
Jan.	[3]1,228	2,264	2,617	2,785	[3]1,199	1,918	2,256	2,609	[3]28	347	361	176
Feb.	[3]1,623	2,376	2,605	2,773	[3]1,606	2,024	2,229	2,602	[3]17	352	376	171
Mar.	[3]2,739	2,554	2,549	[3]2,455	[3]1,861	2,080	2,200	2,612	[3]878	474	349	−158
Apr.	[3]2,406	2,354	2,653	[3]2,889	[3]1,811	2,113	2,226	2,641	[3]595	241	427	248
May	[3]2,299	2,416	2,547	2,720	[3]1,797	2,082	2,137	2,752	[3]503	334	410	−32
June	[3]2,235	2,487	2,577	2,759	[3]1,848	2,142	2,227	2,839	[3]386	346	350	−80
July	2,300	2,455	2,585	2,803	[4]1,742	2,178	2,209	2,664	[4]558	277	376	139
Aug.	2,329	2,444	2,549	2,916	1,825	2,119	2,125	2,827	504	324	424	89
Sept.	2,291	2,540	2,638	.....	1,858	2,295	2,209	.....	433	244	429	.....
Oct.	2,349	2,588	2,394	.....	1,885	2,250	2,198	.....	464	338	196	.....
Nov.	2,378	2,503	2,691	.....	1,941	2,186	2,382	.....	438	317	310	.....
Dec.	2,362	2,409	2,603	.....	1,911	2,225	2,525	.....	451	184	78	.....
Quarter:												
I	[3]5,589	7,195	7,770	8,012	[3]4,666	6,021	6,684	7,823	[3]923	1,173	1,086	189
II	[3]6,940	7,257	7,777	8,368	[3]5,456	6,336	6,590	8,232	[3]1,484	921	1,187	136
III	6,920	7,439	7,772	.....	[4]5,425	6,592	6,542	.....	[4]1,495	846	1,230	.....
IV	7,090	7,500	7,689	.....	5,736	6,661	7,105	.....	1,353	839	584	.....
Year[5]	26,700	29,379	31,007	.....	[4]21,366	25,542	26,922	.....	5,334	3,837	4,086	.....

[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] Significantly affected by strikes and by change in statistical procedures.
[5] 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	1959	1960	1961	1962	1963	1964	1965	1966	1967	1967			1968	
										II	III	IV	I	II
Western Europe:														
Austria	–83	–1	.....	–143	–82	–55	–100	–25	.....	.....	.....	.....	.....	.....
Belgium	–39	–141	–144	–63	.....	–40	–83	.....	.....	.....	.....	.....	–25	–33
France	–266	–173	.....	–456	–518	–405	–884	–601	.....	.....	.....	.....	.....	220
Germany, Fed. Rep. of	.....	–34	–23	.....	.....	–225	.....	.....	.....	.....	.....	.....	.....	.....
Ireland	.....	.....	.....	.....	.....	–1	–2	–2	–2	–1	*	–1	–12	–32
Italy	.....	.....	100	.....	.....	200	–80	–60	–85	.....	.....	–85	–184	–25
Netherlands	–30	–249	–25	.....	.....	–60	–35	.....	.....	.....	.....	.....	–49	30
Spain	.....	–114	–156	–146	–130	–32	–180	.....	.....	.....	.....	.....	.....	.....
Switzerland	20	–324	–125	102	.....	–81	–50	–2	–30	–30	.....	.....	–25	–25
United Kingdom	–350	–550	–306	–387	329	618	150	80	–879	–34	–77	–771	–900	50
Bank for Intl. Settlements	–32	–36	–23	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Other	–48	–96	–53	–12	1	–6	–35	–49	16	20	19	–6	–1	–22
Total	–827	–1,718	–754	–1,105	–399	–88	–1,299	–659	–980	–44	–58	–863	–1,195	163
Canada	.....	.....	.....	190	.....	.....	.....	200	150	50	.....	100	50	.....
Latin American republics:														
Argentina	.....	–50	–90	85	–30	.....	.....	–39	–1	*	*	*	.....	–5
Brazil	–11	–2	–2	57	72	54	25	–3	–1	*	*	*	.....	*
Colombia	.....	–6	.....	38	.....	10	29	7	.....	.....	.....	.....	.....	.....
Venezuela	65	.....	.....	.....	.....	.....	–25	.....	.....	.....	.....	.....	.....	.....
Other	–35	–42	–17	–5	–11	–9	–13	–6	11	13	6	–7	–28	–7
Total	19	–100	–109	175	32	56	17	–41	9	12	6	–7	–28	–12
Asia:														
Iraq	.....	–30	.....	.....	.....	.....	–10	–4	–21	*	.....	–21	–14	–28
Japan	–157	–15	.....	.....	.....	.....	.....	–56	.....	.....	.....	.....	.....	.....
Lebanon	.....	.....	–21	–32	.....	–11	.....	–11	–1	.....	.....	.....	–74	–21
Malaysia	.....	.....	.....	–1	.....	.....	.....	.....	.....	.....	.....	.....	–10	–24
Saudi Arabia	.....	–11	–48	–13	.....	.....	.....	.....	.....	.....	.....	.....	.....	–25
Singapore	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	–30	–23
Other	–28	–57	–32	–47	12	14	–14	–15	–22	–1	–1	–1	–15	–26
Total	–186	–113	–101	–93	12	3	–24	–86	–44	–1	–1	–22	–143	–146
All other	–5	–38	–6	–1	–36	–7	–16	–22	[1]–166	–6	–1	[1]–162	–1	–15
Total foreign countries	–998	–1,969	–970	–833	–392	–36	–1,322	–608	–1,031	12	–53	–953	–1,317	–10
Intl. Monetary Fund	[2] –44	[3] 300	150	.....	.....	.....	[4]–225	[5]177	[5]22	55	[5]*	.....	[5] 8	[5]–11
Grand total	–1,041	–1,669	–820	–833	–392	–36	–1,547	–431	–1,009	17	–53	–953	–1,309	–22

[1] Includes sale of $150 million to Algeria.
[2] Payment to the IMF of $344 million increase in U.S. gold subscription, less sale by the IMF of $300 million (see note 3).
[3] 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.
[4] Payment to the IMF of $259 million increase in U.S. gold subscription, less gold deposits by the IMF.
[5] 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		
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

End of month	Total reserve assets	Gold stock [1]		Convertible foreign currencies [5]	Reserve position in IMF [3]
		Total [2]	Treasury		
1967—Sept.	14,649	13,077	13,006	1,200	372
Oct.	14,927	13,039	12,905	1,509	379
Nov.	15,438	12,965	12,908	2,092	381
Dec.	14,830	12,065	11,982	2,345	420
1968—Jan.	14,620	12,003	11,984	2,176	441
Feb.	14,790	11,900	11,882	2,235	655
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

[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]	Drawings of 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
1967—Sept.	.....	.....	.....	−1	−3	.....	−4	4,788	93	372
Oct.	.....	.....	.....	3	−10	.....	−7	4,781	93	379
Nov.	.....	.....	.....	2	−4	.....	−2	4,779	93	381
Dec.	.....	.....	.....	.....	−39	.....	−39	4,740	92	420
1968—Jan.	.....	.....	.....	3	−24	.....	−21	4,719	91	441
Feb.	.....	.....	.....	2	−216	.....	−214	4,505	87	655
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

[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] Represents purchases from the IMF of currencies of other members for equivalent amounts of dollars. 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]	Non-marketable 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—July	30,082	1,033	233	800	14,158	12,867	917	374	14,055	13,514	541	836	609	227
Aug.	30,834	1,033	233	800	14,067	12,707	911	449	14,948	14,400	548	786	579	207
Sept.	31,227	1,033	233	800	14,369	12,959	911	499	15,089	14,537	552	736	528	208
Oct.	32,467	1,033	233	800	14,897	13,385	911	601	15,811	15,250	561	726	519	207
Nov.	33,846	1,033	233	800	15,946	14,327	908	711	16,111	15,564	547	756	552	204
Dec.[8]	33,305	1,033	233	800	15,683	14,064	908	711	15,898	15,340	558	691	487	204
	r33,169	1,033	233	800	15,677	14,058	908	711	r15,773	r15,215	558	r686	r482	204
1968—Jan.	r33,149	1,033	233	800	15,236	13,808	717	711	r16,188	r15,618	570	692	488	204
Feb.	r33,352	1,033	233	800	15,356	13,993	652	711	r16,327	r15,734	593	636	431	205
Mar.	r32,517	1,041	241	800	14,305	12,945	549	811	r16,416	r15,812	604	r755	r550	205
Apr.	r33,022	1,045	245	800	14,402	13,042	549	811	r16,752	r16,140	612	823	618	205
May	33,127	1,047	247	800	13,635	12,278	546	811	17,823	17,213	610	622	455	167
June	32,518	1,030	230	800	12,108	10,751	546	811	18,700	18,087	613	680	514	166
July[p]	33,036	1,030	230	800	12,609	11,251	546	812	18,631	18,004	627	766	606	160

[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 $32 million at the end of 1966, 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]
1963	14,353	8,445	1,789	1,058	2,731	154	176
1964	15,424	9,220	1,608	1,238	3,020	160	178
1965	15,372	8,608	1,528	1,497	3,300	194	245
1966 [3]	13,600	7,488	1,189	1,134	3,284	277	228
	13,655	7,488	1,189	1,134	3,339	277	228
1967—July	14,158	8,297	909	1,315	3,160	246	231
Aug.	14,067	8,357	912	1,186	3,118	253	241
Sept.	14,369	8,649	903	1,179	3,167	224	247
Oct.	14,897	9,065	968	1,214	3,166	228	256
Nov.	15,946	10,257	901	1,261	3,048	224	255
Dec.	15,677	9,872	996	1,131	3,173	246	259
1968—Jan.	15,236	9,373	1,091	1,210	3,084	226	252
Feb.	15,356	9,179	1,403	1,170	3,115	269	220
Mar.	14,305	8,881	851	1,174	2,956	227	216
Apr.	14,402	8,624	1,040	1,371	2,889	244	234
May	13,635	7,908	1,035	1,380	2,823	248	241
June	12,108	7,034	671	1,197	2,761	256	189
July[p]	12,609	7,040	709	1,518	2,876	281	185

[1] Includes Bank for International Settlements and European Fund.
[2] Includes countries in Oceania and Eastern Europe, and Western European dependencies in Latin America.
[3] 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.

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—Aug.	28,486	1,379	1,248	131	27,107	12,707	14,400	14,958	2,253	4,012	5,241	367	277
Sept.	28,824	1,328	1,205	123	27,496	12,959	14,537	15,137	2,329	4,039	5,367	329	296
Oct.	29,954	1,319	1,191	128	28,635	13,385	15,250	15,834	2,688	4,121	5,352	332	309
Nov.	31,243	1,352	1,221	131	29,891	14,327	15,564	17,142	2,613	4,221	5,281	328	306
Dec. [4]	30,691	1,287	1,181	106	29,404	14,064	15,340	16,378	2,706	4,140	5,521	349	310
	r30,555	r1,282	1,181	r101	r29,273	14,058	r15,215	16,199	2,709	4,137	r5,570	349	310
1968—Jan.	r30,714	1,288	1,190	98	r29,426	13,808	r15,618	16,033	3,101	4,194	r5,461	326	312
Feb.	r30,958	1,231	1,117	114	r29,727	13,993	r15,734	16,129	3,201	4,126	r5,550	434	286
Mar.	r30,107	r1,350	1,258	r92	r28,757	12,945	r15,812	15,861	2,791	4,075	r5,404	339	287
Apr.	r30,600	1,418	1,326	92	r29,182	13,042	r16,140	15,846	2,943	4,299	r5,432	366	295
May	30,746	1,255	1,166	89	29,491	12,278	17,213	16,100	3,055	4,289	5,365	371	310
June	30,152	1,314	1,219	95	28,838	10,751	18,087	15,797	2,842	4,174	5,394	370	261
July[p]	30,661	1,406	1,300	106	29,255	11,251	18,004	15,704	2,894	4,476	5,539	397	246
Aug.[p]	31,225	1,404	1,297	107	29,821	11,191	18,630	15,977	3,140	4,403	5,681	356	264

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—Aug.	14,958	181	563	235	91	1,064	2,278	122	1,773	367	396	370	191	674
Sept.	15,137	188	586	242	102	1,048	2,294	148	1,916	403	370	378	187	663
Oct.	15,834	176	625	211	98	1,083	2,221	161	2,002	497	379	409	158	640
Nov.	17,142	184	612	201	99	1,434	2,276	161	2,001	545	389	414	130	498
Dec. [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—Jan.	16,033	165	582	213	116	1,350	1,924	165	1,896	530	367	437	137	516
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	16,100	165	530	178	140	959	2,009	154	1,364	272	404	381	153	582
June	15,797	164	420	185	150	1,262	1,705	152	988	245	411	338	144	510
July[p]	15,704	172	373	144	161	881	1,834	173	998	242	435	325	151	514
Aug.[p]	15,977	148	381	149	156	977	1,779	184	1,109	315	485	323	196	543

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—Aug.	1,657	23	4,329	25	581	4	35	4,012	604	196	229	135	9	702
Sept.	1,701	29	4,226	26	592	5	32	4,039	601	216	224	166	9	693
Oct.	1,630	27	4,868	25	585	6	33	4,121	576	263	222	151	10	685
Nov.	1,653	38	5,948	26	491	4	37	4,221	589	273	230	158	9	703
Dec.[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	4,137	479	237	252	169	9	720
1968—Jan.	1,539	39	5,142	42	834	7	31	4,194	427	277	251	159	9	722
Feb.	1,511	39	5,431	56	653	6	29	4,126	414	291	239	165	8	747
Mar.	1,657	29	5,583	52	439	4	35	4,075	430	301	263	157	8	721
Apr.	r1,544	28	5,881	60	438	4	31	4,299	444	351	260	163	8	745
May	1,553	25	6,792	59	350	4	26	4,289	473	310	241	190	8	813
June	1,741	25	6,966	51	297	5	40	4,174	429	258	245	201	8	789
July[p]	1,863	22	6,957	20	401	6	32	4,476	640	248	251	182	8	813
Aug.[p]	1,745	18	7,006	29	395	5	34	4,403	502	301	304	189	8	776

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—Aug.	157	257	128	725	520	209	116	24	5,241	36	181	242	50	148
Sept.	159	250	138	706	521	219	121	17	5,367	36	187	243	47	142
Oct.	164	250	131	778	515	234	123	18	5,352	36	194	233	59	147
Nov.	181	264	137	792	520	236	111	20	5,281	36	209	250	39	147
Dec.[4]	170	274	147	793	523	233	111	18	5,521	36	215	354	34	137
	170	274	147	793	523	233	111	18	r5,570	36	217	354	34	137
1968—Jan.	160	281	143	851	512	276	108	18	r5,461	37	r228	329	40	125
Feb.	153	267	152	770	559	252	89	17	r5,550	36	226	351	42	146
Mar.	137	259	143	730	579	242	86	19	r5,404	37	228	319	39	122
Apr.	136	276	140	814	603	242	90	25	r5,432	36	221	342	46	131
May	142	272	144	780	579	226	86	25	5,365	36	238	368	41	140
June	150	278	138	742	592	220	100	25	5,394	36	243	384	74	139
July[p]	151	268	133	797	622	245	91	27	5,539	36	255	376	51	149
Aug.[p]	144	278	140	792	621	234	86	28	5,681	36	255	394	51	149

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—Aug.	2,439	184	271	230	685	775	367	17	33	73	21	224	277	252	25
Sept.	2,550	192	287	230	684	768	329	14	37	55	17	205	296	271	25
Oct.	2,519	193	273	229	663	805	332	16	32	59	15	210	309	284	25
Nov.	2,458	203	286	220	629	802	328	13	26	63	17	209	306	276	30
Dec.[4]	2,563	176	291	226	630	858	349	33	18	61	16	221	310	283	27
	r2,612	176	291	222	630	859	349	33	18	61	16	221	310	283	27
1968—Jan.	r2,508	195	299	216	655	830	326	30	17	61	18	201	312	285	27
Feb.	r2,559	181	293	211	661	843	434	30	22	53	15	315	286	254	33
Mar.	r2,551	174	292	209	669	764	339	28	22	57	17	215	287	258	29
Apr.	r2,555	185	288	196	692	740	366	27	14	54	19	252	295	270	25
May	2,482	178	267	197	690	729	371	25	10	60	20	257	310	285	25
June	2,537	172	268	196	689	655	370	21	21	47	19	261	261	232	29
July[p]	2,662	178	269	206	684	671	397	22	20	51	19	284	246	220	25
Aug.[p]	2,827	179	263	201	698	627	356	18	19	52	21	246	264	240	24

[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	1966	1967		1968
	Dec.	Apr.	Dec.	Apr.
Other Western Europe:				
Cyprus	1.7	1.5	1.7	20.9
Iceland	6.6	5.7	4.3	3.3
Ireland, Rep. of	8.9	7.4	9.4	14.7
Luxembourg	25.3	21.7	31.3	([8])
Other Latin American republics:				
Bolivia	66.9	57.9	59.9	61.0
Costa Rica	34.6	41.9	42.6	55.0
Dominican Republic	53.2	53.9	55.1	60.2
Ecuador	86.3	92.4	85.6	64.1
El Salvador	68.9	96·4	72.8	83.6
Guatemala	64.2	83.9	73.0	96.4
Haiti	16.3	16.8	15.8	17.4
Honduras	26.8	28.6	29.7	31.4
Jamaica	11.7	19.3	22.4	n.a.
Nicaragua	72.8	62.7	45.6	57.9
Paraguay	14.9	16.6	12.7	13.6
Trinidad & Tobago	4.7	5.4	6.1	9.2
Other Latin America:				
British West Indies	14.6	14.2	13.8	20.6
Other Asia:				
Afghanistan	9.5	7.8	5.5	5.6
Burma	34.4	20.3	10.8	16.6
Cambodia	1.1	1.3	1.9	2.7
Ceylon	3.2	2.7	5.0	4.5
Iran	36.6	44.0	49.6	38.4
Iraq	17.6	28.0	34.6	n.a.
Other Asia—Cont.:				
Jordan	39.7	45.2	39.8	6.6
Kuwait	49.2	28.6	36.6	34.0
Laos	4.6	6.5	3.6	4.0
Lebanon	100.1	112.2	113.3	97.2
Malaysia	38.3	34.9	63.9	52.1
Pakistan	49.2	45.3	54.8	54.1
Ryukyu Islands (incl. Okinawa)	15.9	31.2	14.5	26.4
Saudi Arabia	176.1	96.4	61.2	70.3
Singapore	34.6	60.3	159.5	156.9
Syria	3.4	4.7	6.3	6.5
Vietnam	132.0	146.3	148.2	123.0
Other Africa:				
Algeria	11.3	13.4	6.9	7.9
Ethiopia, (incl. Eritrea)	53.5	40.2	23.8	22.5
Ghana	6.9	5.3	4.3	13.0
Kenya	1.2	2.1	16.4	19.8
Liberia	21.2	21.6	24.9	26.4
Libya	37.1	76.0	17.9	45.0
Nigeria	25.7	36.5	37.9	n.a.
Southern Rhodesia	2.7	3.3	2.4	4.2
Sudan	3.4	6.7	2.3	2.1
Tanzania	6.5	9.1	20.3	n.a.
Tunisia	1.1	1.0	10.3	2.0
Uganda	.7	.7	1.4	10.0
Zambia	34.7	25.9	24.8	21.3
All other:				
New Zealand	13.6	16.7	17.5	15.4

[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										Payable in foreign currencies
		To banks, official and international institutions [1]					To all other foreigners					
		Total	Deposits		U.S. Treasury bills and certificates	Other [3]	Total	Deposits		U.S. Treasury bills and certificates	Other [3]	
			Demand	Time [2]				Demand	Time [2]			
1966	27,599	23,266	8,371	4,050	7,464	3,381	3,744	1,513	1,819	83	329	589
1967—Aug.	28,486	24,223	8,915	3,737	7,896	3,675	3,831	1,515	1,916	69	331	432
Sept.	28,824	24,539	9,044	3,800	8,035	3,660	3,907	1,579	1,937	76	315	379
Oct.	29,954	25,690	9,846	3,956	8,117	3,771	3,983	1,577	1,999	84	322	282
Nov.	31,243	26,936	9,994	3,853	9,444	3,644	4,077	1,630	2,047	76	324	231
Dec.[4]	30,691	26,334	10,054	3,764	9,093	3,423	4,128	1,693	2,052	81	302	229
	r30,555	r26,198	9,884	3,753	9,093	r3,468	4,128	1,693	2,057	81	297	229
1968—Jan.	r30,714	r26,376	r10,148	3,678	8,867	r3,682	4,046	1,576	2,083	103	283	291
Feb.	r30,958	r26,559	10,203	3,600	8,943	r3,813	4,091	1,581	2,090	104	315	308
Mar.	r30,107	r25,699	10,487	3,459	8,098	r3,654	4,085	1,585	2,055	101	344	323
Apr.	r30,600	r26,221	10,750	3,522	8,047	r3,903	4,080	1,607	2,059	86	327	300
May	30,746	26,371	11,914	3,415	7,082	3,960	4,055	1,582	2,048	88	337	320
June	30,152	25,655	12,252	3,340	6,067	3,995	4,174	1,694	2,050	88	342	323
July[p]	30,661	26,035	12,370	3,416	6,031	4,219	4,114	1,613	2,070	79	352	512
Aug.[p]	31,225	26,596	12,855	3,494	6,171	4,077	4,120	1,581	2,071	82	386	509

[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	1966	1967					1968							
		Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July[p]	Aug.[p]
Europe:														
Austria	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Denmark	13	12	12	12	12	12	12	12	12	12	11	11	11	11
France	7	6	6	7	7	7	7	7	7	7	7	7	7	7
Germany	1	1	1	1	1	2	2	2	2	2	2	2	2	1
Italy	2	9	9	9	9	9	9	6	6	6	6	6	6	6
Netherlands	5	4	4	5	5	5	4	4	4	4	4	4	4	4
Norway	51	51	51	51	51	51	51	49	49	49	46	46	46	27
Spain	2	2	2	2	2	2	2	2	2	1	1	1	1	1
Sweden	24	24	24	24	24	24	24	24	24	26	26	26	26	6
Switzerland	93	87	87	91	91	91	91	92	91	91	92	91	91	90
United Kingdom	348	375	379	383	371	380	390	415	423	431	427	432	445	455
Other Western Europe	49	51	51	51	51	51	51	51	38	38	39	38	38	38
Eastern Europe	7	7	7	7	7	7	7	7	7	7	7	7	7	6
Total	605	633	637	646	634	643	652	674	669	677	671	674	686	655
Canada	692	717	718	716	715	716	527	463	378	377	377	377	376	374
Latin America:														
Latin American republics	8	6	6	6	6	6	6	6	5	5	5	5	5	5
Other Latin America	19	18	18	18	18	18	20	20	20	19	19	19	22	24
Total	25	24	24	24	24	24	25	26	25	24	25	25	27	29
Asia:														
Japan	9	9	9	9	9	9	9	9	9	9	10	10	10	10
Other Asia	42	54	54	54	54	54	54	54	54	54	54	54	54	52
Total	50	63	63	63	63	63	63	62	63	63	63	63	63	62
Africa	15	22	22	22	19	19	19	19	19	19	19	19	19	24
Other countries	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Total foreign countries	1,388	1,459	1,463	1,472	1,455	1,466	1,287	1,245	1,153	1,161	1,156	1,159	1,173	1,145
International and regional:														
International	250	169	169	169	169	168	168	168	168	168	129	129	122	122
Latin American regional	75	38	38	38	35	35	36	36	36	36	37	37	38	38
Other regional	.....	1	1	1	1	1	1	1	1	1	1	1	1	1
Total	325	207	207	207	204	204	204	205	205	205	166	167	160	160
Grand total	1,713	1,666	1,671	1,679	1,659	1,670	1,491	1,450	1,358	1,366	1,323	1,325	1,333	1,305

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	Total	Austria	Belgium	Germany[3]	Italy	Switzerland	B.I.S.
1964	1,440	354	.....	329	.....	.....	.....	25	.....	1,086	50	30	679	.....	257	70
1965	1,692	484	.....	299	.....	160	.....	25	.....	1,208	101	30	602	125	257	93
1966	695	353	.....	144	.....	184	.....	25	.....	342	25	30	50	125	111	.....
1967—Sept.	1,257	546	.....	344	.....	178	.....	25	.....	710	50	.....	376	125	159	.....
Oct.	1,483	546	.....	344	.....	178	.....	25	.....	937	50	.....	551	125	211	.....
Nov.	1,563	516	.....	314	.....	177	.....	25	.....	1,047	50	60	601	125	211	.....
Dec.	1,563	516	.....	314	.....	177	.....	25	.....	1,047	50	60	601	125	211	.....
1968—Jan.	1,484	312	.....	114	.....	173	.....	25	.....	1,172	50	60	726	125	211	.....
Feb.	1,479	307	.....	114	.....	168	.....	25	.....	1,172	50	60	726	125	211	.....
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	.....

[1] Includes bonds issued to the Government of Canada in connection with transactions under the Columbia River treaty. Amounts outstanding were $204 million, Sept. 1964 through Oct. 1965; $174 million, Nov. 1965 through Oct. 1966; $144 million, Nov. 1966 through Oct. 1967; and $114 million, Nov. 1967 through latest date.

[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
1964	7,957	*	1,230	1,004	2,235	3,294	131	64
1965 [1]	7,632	*	1,201	593	2,288	3,343	139	67
	7,734	*	1,208	669	2,293	3,358	139	67
1966 [1]	7,819	1	1,366	620	2,489	3,135	147	62
	7,853	1	1,374	611	2,453	3,206	147	62
1967—Aug.	8,282	1	1,342	602	2,587	3,560	119	71
Sept.	8,349	*	1,317	574	2,579	3,692	115	71
Oct.	8,275	*	1,268	572	2,554	3,704	108	70
Nov.	8,360	*	1,224	564	2,603	3,791	107	71
Dec. [1]	8,597	*	1,234	611	2,707	3,875	102	67
	r8,620	*	1,238	611	2,707	r3,894	102	67
1968—Jan.	r8,448	*	1,138	554	r2,687	r3,899	101	70
Feb.	r8,542	*	1,133	547	r2,716	r3,957	117	71
Mar.	r8,401	*	1,060	527	r2,696	r3,944	106	68
Apr.	r8,409	*	1,101	510	r2,696	r3,932	105	65
May	8,342	*	1,156	490	2,699	3,813	116	68
June	8,241	1	1,101	476	2,705	3,776	120	63
July[p]	8,193	1	1,019	512	2,738	3,735	124	65
Aug.[p]	8,227	1	1,006	488	2,812	3,731	120	70

12a. Europe

End of period	Total	Austria	Belgium–Luxembourg[2]	Denmark	Finland	France	Germany, Fed. Rep. of	Greece	Italy	Netherlands	Norway	Portugal	Spain	Sweden
1964	1,230	11	48	26	84	81	152	10	114	36	43	23	40	49
1965 [1]	1,201	8	52	37	87	72	190	13	110	38	51	26	50	52
	1,208	8	52	37	87	72	190	13	110	38	51	26	50	52
1966 [1]	1,366	16	67	62	91	73	215	16	108	40	76	41	67	74
	1,374	16	67	62	91	74	227	16	110	40	76	41	67	75
1967—Aug.	1,342	16	65	37	93	74	184	15	61	30	51	26	61	68
Sept.	1,317	24	66	33	90	79	189	18	57	36	52	26	53	65
Oct.	1,268	10	72	36	85	60	198	20	79	31	52	24	56	71
Nov.	1,224	10	63	48	83	82	174	18	69	49	57	14	53	67
Dec. [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—Jan.	1,138	9	57	34	78	60	151	19	51	38	61	22	54	65
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[p]	1,019	6	54	31	68	50	108	15	76	35	45	16	50	57
Aug.[p]	1,006	13	49	32	66	51	114	15	71	33	47	16	46	54

12a. Europe—Continued

End of period	Switzerland	Turkey	United Kingdom	Yugoslavia	Other Western Europe[3]	U.S.S.R.	Other Eastern Europe
1964	111	37	310	16	20	*	20
1965 [1]	73	42	210	28	28	6	27
	73	42	216	28	28	6	27
1966 [1]	83	52	210	19	37	2	16
	88	52	193	19	40	2	16
1967—Aug.	119	47	321	22	28	*	24
Sept.	111	49	290	23	36	2	20
Oct.	118	34	250	19	33	*	19
Nov.	110	23	232	19	34	*	19
Dec. [1]	98	38	244	13	30	3	18
	98	38	244	13	13	3	18
1968—Jan.	106	37	232	15	24	3	21
Feb.	106	37	249	15	11	2	20
Mar.	76	28	241	15	11	1	23
Apr.	93	33	238	17	12	3	25
May	104	34	279	19	11	2	31
June	76	41	267	20	11	*	26
July[p]	78	23	249	17	11	*	29
Aug.[p]	78	28	241	15	12	1	23

12b. Latin America

End of period	Total	Argentina	Brazil	Chile	Colombia	Cuba	Mexico
1964	2,235	203	126	176	338	17	644
1965 [1]	2,288	232	94	174	270	16	669
	2,293	232	94	174	270	16	674
1966 [1]	2,489	193	114	159	308	16	767
	2,453	187	112	158	305	16	757
1967—Aug.	2,587	185	117	160	242	16	943
Sept.	2,579	189	118	170	244	16	944
Oct.	2,554	199	124	172	227	16	929
Nov.	2,603	208	136	175	227	16	910
Dec. [1]	2,707	221	173	177	217	16	960
	2,707	221	173	177	217	16	960
1968—Jan.	r2,687	218	197	r193	201	15	950
Feb.	r2,716	227	221	r182	193	15	991
Mar.	r2,696	198	213	r184	190	15	1,007
Apr.	r2,696	208	233	176	188	15	983
May	2,699	210	249	166	190	15	977
June	2,705	195	238	166	202	14	972
July[p]	2,738	203	283	169	202	14	988
Aug.[p]	2,812	206	350	174	195	14	966

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)

	12b. Latin America—Continued								12c. Asia					
End of period	Panama	Peru	Uruguay	Venezuela	Other L.A. republics	Bahamas & Bermuda	Neth. Antilles & Surinam	Other Latin America	Total	China Mainland	Hong Kong	India	Indonesia	Israel
1964	49	108	78	168	224	65	18	21	3,294	2	28	21	7	47
1965[1]	59	170	45	220	250	53	14	23	3,343	1	29	17	2	86
	59	170	45	220	250	53	14	23	3,358	1	29	17	2	86
1966[1]	84	211	45	226	272	61	18	17	3,135	1	31	16	6	98
	85	212	45	220	261	61	18	16	3,206	1	31	16	6	98
1967—Aug.	62	244	60	214	249	59	18	19	3,560	1	35	11	5	69
Sept.	60	231	45	211	258	58	15	19	3,692	1	36	12	5	59
Oct.	53	236	43	211	266	49	9	19	3,704	1	36	11	6	59
Nov.	55	248	46	211	288	54	10	20	3,791	2	29	11	6	58
Dec.[1]	47	249	42	226	289	63	10	18	3,875	1	28	10	5	57
	47	249	42	226	289	63	10	18	r3,894	1	30	10	5	57
1968—Jan.	52	248	40	224	266	53	10	19	r3,899	1	28	14	5	50
Feb.	52	246	38	228	252	46	10	18	r3,957	1	30	12	9	46
Mar.	53	233	40	221	254	62	9	18	r3,944	1	30	12	9	47
Apr.	52	230	35	r215	261	71	10	19	r3,932	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[p]	50	205	36	211	276	73	13	15	3,735	1	29	20	20	53
Aug.[p]	50	199	45	211	278	93	14	17	3,731	1	27	13	22	56

	12c. Asia—Continued						12d. Africa						12e. Other countries		
End of period	Japan	Korea	Philippines	Taiwan	Thailand	Other Asia	Total	Congo (Kinshasa)	Morocco	South Africa	U.A.R. (Egypt)	Other Africa	Total	Australia	All other
1964	2,810	21	203	9	65	82	131	1	2	20	42	67	64	48	16
1965[1]	2,751	22	231	15	82	108	139	1	2	34	43	60	67	52	15
	2,768	22	230	15	82	107	139	1	2	34	43	60	67	52	15
1966[1]	2,502	31	220	14	81	134	147	1	2	50	25	69	62	52	10
	2,572	31	220	15	81	135	147	1	2	50	25	69	62	52	10
1967—Aug.	2,864	46	299	23	88	119	119	*	2	33	25	59	71	59	13
Sept.	2,977	47	324	29	84	119	115	*	3	35	18	60	71	58	13
Oct.	2,986	48	323	27	84	124	108	*	2	35	18	53	70	57	13
Nov.	3,062	46	326	31	90	131	107	1	2	37	14	54	71	58	13
Dec.[1]	3,147	59	295	37	100	137	102	1	2	37	11	52	67	54	13
	3,154	59	r303	37	100	r138	102	1	2	37	11	52	67	54	13
1968—Jan.	3,181	48	r298	41	r106	r127	101	1	2	37	12	49	70	58	13
Feb.	3,213	52	r313	44	107	r129	117	1	3	39	11	64	71	59	12
Mar.	3,213	54	r313	44	92	r130	106	1	2	37	11	55	68	55	13
Apr.	3,223	54	r291	42	r91	r128	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[p]	2,986	48	319	40	88	129	124	5	7	41	14	57	65	51	14
Aug.[p]	3,007	51	291	40	95	130	120	3	4	42	13	58	70	57	14

[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							
1964	7,957	7,333	2,773	221	1,403	1,150	1,135	2,621	803	624	336	187	102
1965 [2]	7,632	7,158	2,967	271	1,566	1,130	1,268	2,501	422	474	325	54	95
	7,734	7,243	2,970	271	1,567	1,132	1,272	2,508	492	492	329	68	96
1966 [2]	7,819	7,399	3,138	256	1,739	1,143	1,367	2,450	443	420	240	70	110
	7,853	7,433	3,141	256	1,739	1,145	1,288	2,540	464	420	241	70	110
1967—Aug.	8,282	7,771	2,918	287	1,497	1,134	1,440	2,944	470	510	368	70	73
Sept.	8,349	7,927	3,046	271	1,595	1,181	1,452	2,929	500	422	291	48	83
Oct.	8,275	7,842	2,977	270	1,556	1,152	1,456	2,899	510	433	293	61	79
Nov.	8,360	7,950	3,033	264	1,566	1,204	1,508	2,942	467	410	269	71	70
Dec.[2]	8,597	8,172	3,151	306	1,603	1,242	1,511	3,013	498	425	287	74	63
	r8,620	r8,196	3,164	306	1,616	1,242	1,552	3,013	r467	425	287	74	63
1968—Jan.	r8,448	r8,045	3,073	293	1,557	1,223	1,560	3,025	r387	403	261	70	72
Feb.	r8,542	r8,176	3,166	303	1,652	1,212	1,628	2,978	r403	366	254	55	57
Mar.	r8,401	r8,076	3,045	306	1,527	1,212	1,630	2,991	r410	325	219	50	56
Apr.	r8,409	r8,062	3,036	278	1,563	1,194	1,612	3,016	r399	347	240	50	57
May	8,342	8,021	3,090	268	1,621	1,201	1,610	2,886	435	321	220	48	53
June	8,241	7,916	3,041	288	1,604	1,149	1,615	2,796	464	325	228	43	55
July[p]	8,193	7,855	3,020	276	1,570	1,173	1,586	2,787	463	338	230	51	57
Aug.[p]	8,227	7,903	3,023	300	1,573	1,151	1,606	2,824	450	325	225	46	55

[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										
					Type			Country or area						
	Total	Foreign countries	International and regional	Total	Payable in dollars		Payable in foreign currencies	United Kingdom	Other Europe	Canada	Latin America	Japan	Other Asia	Other countries [1]
					Loans	All other								
1964	310	204	106	4,285	3,995	288	1	87	1,632	327	1,275	430	255	278
1965	513	203	311	4,517	4,211	297	9	86	1,506	358	1,296	445	391	436
1966	1,494	988	506	4,180	3,915	247	18	70	1,143	326	1,346	326	409	562
1967—Aug.	2,533	1,891	642	3,894	3,635	242	17	51	942	352	1,455	176	396	522
Sept.	2,324	1,670	654	3,911	3,623	268	19	52	909	364	1,500	171	395	520
Oct.	2,289	1,663	626	3,980	3,694	271	15	52	856	377	1,534	204	408	549
Nov.	2,351	1,691	660	3,961	3,677	267	17	51	825	377	1,555	193	416	545
Dec.	2,507	1,819	689	r3,911	3,621	r274	15	56	720	413	1,556	180	r449	537
1968—Jan.	2,508	1,825	683	r3,900	3,579	r308	12	57	708	416	1,519	176	r491	533
Feb.	2,530	1,851	679	r3,845	3,521	r314	10	55	684	400	1,477	175	r515	539
Mar.	2,571	1,937	634	r3,771	3,448	r312	11	54	671	401	1,441	172	r522	509
Apr.	2,615	1,990	625	r3,831	r3,491	r330	11	65	661	421	1,450	r162	r553	519
May	2,712	2,032	680	3,773	3,414	348	11	65	632	415	1,442	151	553	514
June	2,754	2,098	656	3,736	3,377	348	11	65	601	417	1,435	152	559	506
July[p]	2,592	1,963	629	3,605	3,250	344	11	65	552	400	1,408	145	545	491
Aug.[p]	2,700	2,073	627	3,611	3,256	344	12	70	519	418	1,401	138	564	502

[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									
1964	−338	−315	−23	−59	36	3,537	3,710	−173	915	1,843	−928	748	548	200
1965	−76	−151	75	−20	95	4,395	4,770	−375	1,198	2,440	−1,242	906	617	290
1966	−616	−427	−189	−245	56	6,318	5,616	703	1,778	2,692	−914	960	731	229
1967	−43	−121	78	45	33	10,272	9,205	1,067	r2,024	r3,187	r−1,163	880	1,037	−157
1967—Aug.	−19	−20	1	−6	7	877	793	84	147	225	−78	67	106	−39
Sept.	5	*	5	.....	5	1,109	858	251	350	481	−131	81	125	−44
Oct.	9	*	8	.....	8	960	1,148	−188	195	326	−131	77	91	−14
Nov.	−20	−4	−16	−3	−14	883	922	−39	112	142	−30	75	89	−14
Dec.	10	*	10	.....	10	1,034	795	240	r120	r262	r−142	94	155	−61
1968—Jan.	−178	1	−179	−191	13	r1,163	854	r309	r81	r276	r−196	68	79	−11
Feb.	−42	*	−42	−65	23	r1,021	689	r332	r160	r266	r−105	70	80	−10
Mar.	−92	*	−92	−103	11	1,089	809	279	r320	r415	r−95	110	148	−38
Apr.	8	*	8	.....	8	1,288	r998	r291	r161	r369	r−207	73	79	−6
May	−44	−39	−5	−3	−2	1,769	1,315	454	305	185	120	87	110	−22
June	3	*	2	−1	3	1,415	1,117	297	100	237	−136	94	113	−19
July[p]	8	−6	14	.....	14	1,371	1,035	336	167	253	−86	81	81	−1
Aug.[p]	−28	*	−28	−36	8	1,229	968	261	141	225	−84	100	179	−79

[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
1964	−173	−349	176	−37	−200	−4	14	−228	3	25	10	*	−1	18
1965	−375	−413	38	14	14	−522	47	−446	42	−13	24	−4	2	21
1966	703	−333	1,036	37	65	−80	116	140	224	65	18	1	4	251
1967	1,067	753	313	182	427	−452	225	381	305	115	79	34	17	136
1967—Aug.	84	71	13	11	29	5	−4	41	25	*	9	*	1	8
Sept.	251	143	108	37	49	15	25	126	42	15	8	*	1	60
Oct.	−188	58	−246	12	47	−302	28	−213	6	24	3	*	*	−8
Nov.	−39	139	−178	9	55	−221	37	−120	49	8	11	*	11	3
Dec.	240	158	82	12	87	13	29	141	32	44	23	*	3	−4
1968—Jan.	r309	167	r141	r18	r104	r11	r74	r207	62	r17	5	3	1	14
Feb.	r332	78	r254	r32	90	r89	r91	r302	23	r−6	5	*	*	8
Mar.	279	247	32	10	34	7	268	319	29	−14	5	1	*	−59
Apr.	r291	261	r30	22	103	4	22	151	r81	36	16	*	*	7
May	454	82	372	42	81	166	159	447	19	21	12	*	1	−46
June	297	179	118	16	109	55	26	206	52	17	19	*	*	3
July[p]	336	198	138	36	151	3	59	248	61	6	20	*	1	−1
Aug.[p]	261	82	178	32	69	50	89	240	7	−4	8	−1	*	10

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
1964	−728	−140	−588	163	−670	−36	−77	7	25
1965	−953	−164	−788	108	−659	−55	−131	3	−54
1966	−685	−171	−514	214	−726	−9	−7	16	−2
1967	r1,320	−393	r−927	3	r−768	38	−152	−20	−27
1967—Aug.	−117	−43	−75	−23	−24	2	−31	−1	2
Sept.	−175	−72	−103	−4	−101	3	5	−8	2
Oct.	−144	13	−157	7	−148	−6	−9	−3	2
Nov.	−44	−37	−7	−4	6	*	−11	*	2
Dec.	r−203	−4	−200	−62	r125	2	−14	*	*
1968—Jan.	r−206	64	r−142	r3	r−132	−1	−12	−1	1
Feb.	r−115	10	r−125	r49	−112	r−54	−3	−5	*
Mar.	r−133	−33	r−99	r−31	−9	−40	10	−31	2
Apr.	r−213	−54	r−159	r6	r−158	−8	−2	*	2
May	97	137	−40	−13	−37	−6	18	−4	1
June	−155	2	−157	8	−103	−27	−20	−17	2
July[p]	−87	−14	−72	55	−56	−60	−7	−4	*
Aug.[p]	−164	−13	−151	−53	−90	−2	−8	*	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
1964	229	8,389	12,698
1965	150	8,272	12,896
1966	174	7,036	12,946
1967—Sept.	117	7,558	12,992
Oct.	135	7,861	13,000
Nov.	168	9,456	13,032
Dec.	135	9,223	13,253
1968—Jan.	160	8,861	13,201
Feb.	192	8,922	13,232
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

[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		1967		1968	
Jan. 29	1,040	Jan. 26	1,688	July 5	3,078	Feb. 7	4,352
Feb. 26	1,077	Feb. 23	1,902	12	3,304	14	4,474
Mar. 25	1,046	Mar. 30	1,879	19	3,558	21	4,739
Apr. 29	1,146	Apr. 27	1,909	26	3,660	28	4,530
May 27	1,132	May 25	2,003	Aug. 2	3,370	Mar. 6	4,513
June 24	917	June 29	1,951	9	3,669	13	4,805
July 29	1,008	July 27	2,786	16	3,877	20	4,430
Aug. 26	1,166	Aug. 31	3,134	23	4,031	27	4,920
Sept. 30	1,166	Sept. 28	3,472	30	3,976	Apr. 3	4,768
Oct. 28	1,198	Oct. 26	3,671	Sept. 6	3,848	10	4,606
Nov. 25	1,380	Nov. 30	3,786	13	3,840	17	4,845
Dec. 30	1,183	Dec. 28	4,036	20	3,930	24	5,020
1965		1967		27	4,059	May 1	4,784
Jan. 27	1,358	Jan. 25	3,653	Oct. 4	4,047	8	5,235
Feb. 24	1,592	Feb. 22	3,396	11	4,293	15	5,426
Mar. 31	1,431	Mar. 29	3,412	18	4,235	22	5,968
Apr. 28	1,433	Apr. 26	3,047	25	4,322	29	5,888
May 26	1,432	May 3	2,843	Nov. 1	4,320	June 5	6,053
June 30	1,436	10	2,790	8	4,560	12	6,285
July 28	1,572	17	2,950	15	4,623	19	6,203
Aug. 25	1,792	24	3,254	22	4,864	26	6,241
Sept. 29	1,611	31	2,776	29	4,206	July 3	6,816
Oct. 27	1,719	June 7	3,059	Dec. 6	4,480	10	r6,959
Nov. 24	1,697	14	2,991	13	4,634	17	r6,678
Dec. 29	1,345	21	3,215	20	4,365	24	r6,681
		28	3,166	27	4,241	31	r6,183
				1968		Aug. 7	6,688
				Jan. 3	4,157	14	6,836
				31	4,092	21	6,967
				10	4,289	28	7,025
				17	4,367		
				24	4,516		
				31	4,259		

[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
	Mar.	June	Sept.	Dec.	Mar.p	Mar.	June	Sept.	Dec.	Mar.p
Europe:										
Austria	2	2	2	2	2	8	9	7	8	20
Belgium-Luxembourg[1]	34	28	32	27	29	63	39	45	42	44
Denmark	5	8	8	7	38	11	10	9	9	10
Finland	1	2	2	3	4	4	5	6	6	7
France	61	55	61	64	68	121	102	99	111	128
Germany, Fed. Rep. of	81	85	94	92	108	119	121	111	134	128
Greece	2	2	3	8	9	17	18	20	20	20
Italy	62	65	66	61	59	98	80	93	103	111
Netherlands	80	78	82	79	68	45	47	45	51	78
Norway	2	3	3	4	4	7	7	8	8	10
Portugal	7	5	6	6	4	6	7	6	7	6
Spain	30	36	35	31	32	76	62	77	90	88
Sweden	19	21	24	24	17	18	18	20	24	26
Switzerland	47	51	84	86	63	26	24	24	29	31
Turkey	2	2	2	3	3	7	8	7	9	9
United Kingdom	236	244	312	306	251	646	577	542	690	1,027
Yugoslavia	1	*	1	*	*	4	3	3	4	6
Other Western Europe[1]	5	5	3	4	4	12	13	13	14	12
Eastern Europe	1	1	1	1	1	3	5	4	8	10
Total	678	692	820	807	765	1,293	1,155	1,138	1,367	1,773
Canada	173	199	190	200	185	482	494	461	545	499
Latin America:										
Argentina	3	4	4	4	5	39	35	29	29	29
Brazil	11	10	10	9	13	61	60	75	85	82
Chile	5	6	7	8	10	30	31	26	34	31
Colombia	5	9	13	9	6	24	24	20	22	25
Cuba	*	*	*	*	*	2	2	2	2	2
Mexico	16	16	12	10	7	96	125	118	114	111
Panama	4	3	2	4	5	11	10	14	14	10
Peru	6	5	7	6	6	31	29	32	29	28
Uruguay	1	1	1	1	2	7	9	6	5	4
Venezuela	38	37	36	33	35	56	53	54	59	63
Other L.A. republics	15	17	19	24	15	62	56	59	60	57
Bahamas and Bermuda	7	5	4	8	5	12	21	24	23	35
Neth. Antilles & Surinam	6	8	5	5	5	5	5	5	7	5
Other Latin America	1	1	1	1	2	9	10	7	10	11
Total	118	122	122	121	117	445	470	471	490	494
Asia:										
Hong Kong	4	4	4	5	4	7	9	11	8	7
India	13	15	12	12	13	33	35	39	43	42
Indonesia	2	4	5	4	4	5	5	3	3	5
Israel	*	1	1	3	4	5	4	5	6	7
Japan	30	38	44	62	72	163	179	195	212	193
Korea	2	2	1	1	1	7	6	8	8	11
Philippines	6	7	7	8	8	17	23	22	27	20
Taiwan	5	2	1	5	6	12	10	10	11	9
Thailand	4	4	5	5	2	10	8	10	10	10
Other Asia	41	39	45	46	46	88	79	78	89	86
Total	107	114	126	150	160	346	357	380	416	392
Africa:										
Congo (Kinshasa)	1	1	1	*	1	2	2	2	3	4
South Africa	5	8	7	8	7	16	16	14	14	17
U.A.R. (Egypt)	2	2	3	3	4	9	7	7	7	5
Other Africa	7	8	11	12	16	35	32	31	34	38
Total	15	19	21	23	29	62	58	54	58	64
Other countries:										
Australia	52	49	61	58	47	54	44	44	57	53
All other	6	7	8	7	5	8	6	7	7	9
Total	58	56	70	65	52	61	50	50	64	62
International and regional	*	*	*	*	*	*	*	1	*	*
Grand total	1,148	1,203	1,349	1,367	1,308	2,689	2,585	2,555	2,941	3,284

[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
1963—Dec.	626	479	148	2,188	1,778	199	211
1964—Mar.	631	475	156	2,407	1,887	239	282
June	622	471	151	2,482	2,000	220	262
June[1]	585	441	144	2,430	1,952	219	260
Sept.	650	498	152	2,719	2,168	249	302
Dec.	695	553	141	2,776	2,306	189	281
Dec.[2]	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.[2]	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.	1,349	1,025	324	2,555	2,116	192	246
Dec.	1,367	1,023	343	2,941	2,523	201	216
1968—Mar.[p]	1,308	949	359	3,284	2,849	209	226

[1] Includes reports from firms having $500,000 or more of liabilities or of claims; for previous series the exemption level was $100,000.

[2] 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.	415	1,452	40	212	309	212	84	283	109	103	87	13
Dec.	418	1,546	43	257	311	212	85	288	128	117	89	16
1968—Mar.[p]	572	1,501	36	259	320	206	54	268	128	127	84	19

[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
1961	41,120	2,077	16,947	22,095	36	190	162	303	1,248	285	.....	946	48
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—Aug.	.....	2,678	13,075	.....	35	84	229	701	1,516	45	84	1,086	46
Sept.	42,955	2,679	13,077	27,200	33	84	228	701	1,514	45	84	1,099	46
Oct.	.....	2,680	13,039	.....	33	84	230	701	1,512	45	84	1,104	46
Nov.	.....	2,682	12,965	.....	33	84	229	701	1,510	45	84	1,110	45
Dec.	41,600	2,682	12,065	26,855	33	84	231	701	1,480	45	84	1,015	45
1968—Jan.	.....	2,684	12,003	.....	33	84	233	701	1,460	45	84	1,025	45
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	.....	33	84	232	701	1,450	45	84	976	45
May	.....	2,735	10,468	.....	33	84	235	701	1,450	45	84	926	44
June	[p]40,525	2,210	10,681	[p]27,635	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	.....	260	714	1,518	.....	84	926	45

End of period	Colombia	Denmark	Finland	France	Germany, Fed. Rep. of	Greece	India	Iran	Iraq	Ireland	Israel	Italy	Japan
1961	88	107	47	2,121	3,664	87	247	130	84	18	10	2,225	287
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—Aug.	30	108	47	5,234	4,283	149	243	145	94	24	46	2,400	.....
Sept.	30	108	47	5,234	4,284	130	243	145	94	24	46	2,401	335
Oct.	31	108	47	5,234	4,281	132	243	145	94	24	46	2,398	.....
Nov.	31	108	47	5,234	4,277	132	243	145	94	25	46	2,394	.....
Dec.	31	107	45	5,234	4,228	130	243	144	115	25	46	2,400	338
1968—Jan.	32	107	45	5,234	4,140	131	243	144	151	25	46	2,364	.....
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	209	52	46	2,401	341
May	33	107	46	5,235	3,973	141	243	166	209	62	46	2,452	341
June	33	113	46	4,739	4,312	142	243	166	209	71	46	2,673	355
July	33	113	46	4,576	4,350	141	243	166	209	78	46	2,698	355
Aug.	32	113	45	4,366	4,421	140	243	158	209	81	46	2,730	355

End of period	Kuwait	Lebanon	Libya	Malaysia	Mexico	Morocco	Netherlands	Norway	Pakistan	Peru	Philippines	Portugal	Saudi Arabia
1961	43	140	.....	.....	112	29	1,581	30	53	47	27	443	65
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—Aug.	89	193	68	2	157	21	1,731	18	53	20	56	686	69
Sept.	89	193	68	6	155	21	1,731	18	53	20	57	690	69
Oct.	89	193	68	10	155	21	1,731	18	53	20	58	692	69
Nov.	89	193	68	24	164	21	1,731	18	53	20	59	698	69
Dec.	136	193	68	31	166	21	1,711	18	53	20	60	699	69
1968—Jan.	134	193	68	31	164	21	1,682	18	53	20	62	699	69
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	.....	21	1,697	24	54	20	69	.....	94
Aug.	116	288	85	.....	.....	21	1,697	24	54	20	61	.....	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	Switzerland	Taiwan	Thailand	Turkey	U.A.R. (Egypt)	United Kingdom	Uruguay	Venezuela	Yugoslavia	Bank for Intl. Settlements [4]
1961	298	316	180	2,560	43	104	139	174	2,268	180	401	6	115
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—Aug.	487	784	203	2,843	81	92	96	93	.....	146	401	22	−375
Sept.	489	785	203	2,841	81	92	97	93	1,831	146	401	22	−364
Oct.	518	785	203	2,840	81	92	97	93	.....	147	401	22	−358
Nov.	558	785	203	2,753	81	92	97	93	.....	140	401	22	−275
Dec.	583	785	203	3,089	81	92	97	93	1,291	140	401	22	−624
1968—Jan.	625	785	203	2,978	83	92	97	93	.....	133	401	22	−529
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	r225	2,600	81	89	97	93	.....	133	403	32	−274
Aug.	1,016	785	225	2,629	.....	89	97	93	.....	.....	403	32	−269

[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 production [1]	Africa				North and South America					Asia		Other	
		South Africa	Rhodesia	Ghana	Congo (Kinshasa)	United States	Canada	Mexico	Nicaragua	Colombia	India	Philippines	Australia	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	17.5	28.4	63.2
1967—July	.....	88.9	.....	.....	.....	.....	8.4	.4	.....	.7	.....	.....	2.4	.....
Aug.	.....	90.5	.....	.....	.....	.....	8.3	.4	.....	.8	.....	.....	2.1	.....
Sept.	.....	90.5	.....	.....	.....	.....	8.0	.7	.....	.8	[2] 2.9	[2] 4.2	2.2	.....
Oct.	.....	84.1	.....	.....	.....	.....	8.6	.5	.....	.7	.....	.....	2.7	.....
Nov.	.....	90.0	.....	.....	.....	.....	8.2	.7	.....	.8	.....	.....	2.4	.....
Dec.	.....	88.5	.....	.....	.....	.....	8.7	.4	.....	.6	[2] 2.8	[2] 4.6	2.2	.....
1968—Jan.	.....	90.3	.....	.....	.....	.....	7.7	.5	.....	.9	.....	.....	2.0	.....
Feb.	.....	90.0	.....	.....	.....	.....	7.7	.5	.....	.7	.....	.....	2.0	.....
Mar.	.....	91.8	.....	.....	.....	.....	8.3	.....	.....	.7	.....	.....	2.8	.....
Apr.	.....	91.8	.....	.....	.....	.....	8.2	.....	.....	.7	.....	.....	.....	.....
May	.....	93.1	.....	.....	.....	.....	8.4	.....	.....	.7	.....	.....	.....	.....
June	.....	91.5	.....	.....	.....	.....	7.5	.....	.....	.6	.....	.....	.....	.....
July	.....	90.5	.....	.....	.....	.....	7.4	.....	.....	.....	.....	.....	.....	.....

[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 Sept. 30, 1967		Changes during the last 12 months												Rate as of Sept. 30, 1968
			1967			1968									
	Per cent	Month effective	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	
Argentina	6.0	Dec. 1957													6.0
Austria	4.25	Apr. 1967	3.75												3.75
Belgium	4.25	Sept. 1967	4.00					3.75							3.75
Brazil	12.0	Jan. 1965													12.0
Burma	4.0	Feb. 1962													4.0
Canada [1]	5.0	Sept. 1967		6.0		7.0		7.5				[2]6.5		6.0	6.0
Ceylon	5.0	May 1965								5.5					5.5
Chile [3]	15.84	July 1966				16.61									16.61
Colombia	8.0	May 1963													8.0
Costa Rica	3.0	Apr. 1939													3.0
Denmark	6.5	June 1964			7.5			7.0			6.5		6.0		6.0
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			5.0
Germany, Fed. Rep. of	3.0	May 1967													3.0
Ghana	6.0	May 1967						5.5							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	6.0	Feb. 1965						5.0							5.0
Indonesia	9.0	Aug. 1963													9.0
Iran	5.0	Aug. 1966													5.0
Ireland	5.53	Sept. 1967	5.94	7.75	7.78	7.69	7.62	7.39	7.38	7.31	7.44		7.25		7.25
Israel	6.0	Feb. 1955													6.0
Italy	3.5	June 1958													3.5
Jamaica	5.0	May 1967		6.0										5.0	5.0
Japan	5.84	Sept. 1967				6.21							5.84		5.84
Korea	28.0	Dec. 1965													28.0
Mexico	4.5	June 1942													4.5
Netherlands	4.5	Mar. 1967													4.5
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	6.0	June 1967					7.5								7.5
Portugal	2.5	Sept. 1965													2.5
South Africa	6.0	July 1966											5.5		5.5
Spain	4.0	June 1961													4.0
Sweden	5.0	Mar. 1967			6.0		5.5								5.5
Switzerland	3.0	July 1967													3.0
Taiwan [5]	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	5.5	May 1967	6.0	[6]8.0				7.5						7.0	7.0
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.

[5] Rediscount rate for export and special production loans.

[6] Effective Nov. 9 the rate was 6.5 per cent.

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
1965—Dec.	4.45	4.03	5.91	5.48	4.79	4.00	4.48	3.88	4.67	4.29	3.47	3.00
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—Aug.	4.33	4.16	5.53	5.32	4.56	3.50	4.46	2.75	2.45	4.49	3.83	4.00
Sept.	4.50	4.24	5.54	5.34	4.58	3.50	4.34	2.75	3.12	4.48	3.69	4.00
Oct.	4.91	4.82	5.79	5.60	4.81	3.71	4.48	2.75	2.06	4.50	4.60	3.75
Nov.	5.15	4.69	6.88	6.55	5.80	4.90	4.67	2.75	2.16	4.50	3.23	3.75
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—Jan.	6.01	5.32	7.78	7.48	6.85	6.00	5.00	2.75	2.26	4.33	3.12	3.75
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	.....	2.75	3.07	4.47	3.81	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] Beginning with Oct. 1968 BULLETIN all data shown in this column are 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)
						Canada					
	United Kingdom (adj. to U.S. quotation basis)	United States	Spread (favor of London)			As quoted in Canada	Adj. to U.S. quotation basis	United States	Spread (favor of Canada)		
1968											
May 3	6.94	5.44	1.50	−4.06	−2.56	7.00	6.79	5.44	+1.35	−1.62	−.27
10	6.92	5.52	1.40	−4.95	−3.55	6.92	6.71	5.52	+1.19	−1.25	−.06
17	6.94	5.75	1.19	−5.28	−4.09	6.93	6.72	5.75	+.97	−1.21	−.24
24	7.03	5.70	1.33	−6.10	−4.77	6.97	6.76	5.70	+1.06	−1.38	−.32
31	7.06	5.65	1.41	−6.79	−5.38	6.94	6.73	5.65	+1.08	−1.36	−.28
June 7	7.03	5.62	1.41	−6.10	−4.69	6.94	6.73	5.62	+1.11	−1.90	−.79
14	7.00	5.64	1.36	−4.45	−3.09	6.77	6.57	5.64	+.93	−.91	+.02
21	7.03	5.32	1.71	−4.29	−2.58	6.66	6.46	5.32	+1.14	−.84	+.30
28	7.03	5.26	1.77	−5.23	−3.46	6.54	6.35	5.26	+1.09	−.95	+.14
July 5	7.03	5.35	1.68	−5.56	−3.88	6.50	6.31	5.35	+.96	−1.01	−.05
12	7.09	5.33	1.76	−3.54	−1.78	6.35	6.17	5.33	+.84	−1.14	−.30
19	7.03	5.27	1.76	−2.64	−.88	6.10	5.93	5.27	+.66	−1.51	−.85
26	6.90	5.17	1.73	−2.14	−.41	6.00	5.83	5.17	+.66	−1.61	−.95
Aug. 2	6.90	4.86	2.04	−2.04	.00	5.99	5.82	4.86	+.96	−1.52	−.56
9	6.78	4.94	1.84	−2.17	−.33	5.87	5.71	4.94	+.77	−1.54	−.77
16	6.75	5.07	1.68	−2.42	−.74	5.83	5.67	5.07	+.60	−1.19	−.59
23	6.72	5.10	1.62	−2.36	−.74	5.73	5.57	5.10	+.47	−1.15	−.68
30	6.78	5.18	1.60	−2.60	−1.00	5.47	5.32	5.18	+.14	−1.02	−.88
Sept. 6	6.78	5.20	1.58	−2.81	−1.23	5.59	5.44	5.20	+.24	−.89	−.65
13	6.69	5.25	1.44	−2.46	−1.02	5.59	5.42	5.25	+.17	−.79	−.62
20	6.46	5.13	1.33	−2.03	−.70	5.58	5.43	5.13	+.30	−.97	−.67
27	6.49	5.06	1.43	−1.71	−.28	5.70	5.54	5.06	+.48	−.86	−.38
Oct. 4	6.36	5.19	1.17	−1.38	−.21	5.64	5.49	5.19	+.30	−.65	−.35

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. 1460, 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)
1963	.72447	223.10	.....	3.8690	2.0052	92.699	21.015	14.484	[1]131.057
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	[2]223.41	[3]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	[4]29.553
1967—Sept.	.28507	.....	110.90	3.8720	2.0146	92.989	20.894	14.417	31.062
Oct.	.28503	.....	110.88	3.8693	2.0147	93.149	20.889	14.416	[4]26.672
Nov.	.28488	.....	111.28	3.8656	2.0145	93.004	[5]19.806	14.028	23.714
Dec.	.28449	.....	111.85	3.8696	2.0138	92.559	16.660	13.404	23.716
1968—Jan.	.28465	.....	111.98	3.8648	2.0123	92.181	16.688	13.409	23.745
Feb.	.28469	.....	111.98	3.8645	2.0142	91.962	16.688	13.412	23.763
Mar.	.28468	.....	[6]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

Period	France (franc)	Germany (deutsche mark)	India (rupee)	Ireland (pound)	Italy (lira)	Japan (yen)	Malaysia (dollar)	Mexico (peso)	Netherlands (guilder)
1963	[7]20.404	25.084	20.966	280.00	.16087	.27663	32.664	8.0056	27.770
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	[8]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
1967—Sept.	20.382	24.988	13.217	278.37	.16049	.27618	32.441	8.0056	27.799
Oct.	20.393	24.974	13.215	278.32	.16061	.27622	32.432	8.0056	27.809
Nov.	20.401	25.072	[5]13.236	[9]266.18	.16059	.27621	[10]32.472	8.0056	27.805
Dec.	20.381	25.094	13.334	240.63	.16019	.27633	32.687	8.0056	27.804
1968—Jan.	20.307	24.974	13.337	240.91	.16004	.27612	32.712	8.0056	27.747
Feb.	20.315	24.987	13.337	240.92	.16004	.27616	32.721	8.0056	27.719
Mar.	20.316	25.067	13.319	[6]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

Period	New Zealand (pound)	New Zealand (dollar)	Norway (krone)	Portugal (escudo)	South Africa (rand)	Spain (peseta)	Sweden (krona)	Switzerland (franc)	United Kingdom (pound)
1963	277.22	.....	13.987	3.4891	139.48	1.6664	19.272	23.139	280.00
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	[11]276.69	[12]131.97	13.985	3.4784	139.09	1.6383	19.373	23.104	275.04
1967—Sept.	.....	137.81	13.978	3.4755	138.66	1.6640	19.381	23.027	278.37
Oct.	.....	137.78	13.979	3.4736	138.64	1.6635	19.341	23.035	278.32
Nov.	.....	128.28	13.985	3.4654	139.05	[9]1.5831	19.326	23.146	[9]266.18
Dec.	.....	111.95	13.996	3.4817	139.84	1.4236	19.341	23.158	240.63
1968—Jan.	.....	112.09	13.997	3.4861	140.00	1.4236	19.366	23.017	240.91
Feb.	.....	112.10	14.001	3.4866	140.01	1.4231	19.361	22.994	240.92
Mar.	.....	[6]111.66	14.005	3.4854	[6]139.46	1.4264	19.345	23.085	[6]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

[1] A new markka, equal to 100 old markkaa, was introduced on Jan. 1, 1963.
[2] Based on quotations through Feb. 11, 1966.
[3] 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.
[4] Effective Oct. 12, 1967, the Finnish markka was devalued from 3.2 to 4.2 markkaa per U. S. dollar. Quotation not available Oct. 12.
[5] Quotations not available Nov. 21–24, 1967.
[6] Quotations not available Mar. 15, 1968.
[7] Effective Jan. 1, 1963, the franc again became the French monetary unit. It replaces, at a 1 to 1 ratio, the new franc introduced Jan. 1, 1960.
[8] Effective June 6, 1966, the Indian rupee was devalued from 4.76 to 7.5 rupees per U.S. dollar.
[9] Quotations not available Nov. 21, 1967.
[10] Quotations not available Nov. 21-27, 1967.
[11] Based on quotations through July 7, 1967.
[12] 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. The averages for Nov. 1967 reflect the extent of the devaluation.

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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DETAILED DEBIT AND CREDIT BALANCES AND RELATED ITEMS OF MEMBER FIRMS OF THE NEW YORK STOCK EXCHANGE AND THE AMERICAN STOCK EXCHANGE CARRYING MARGIN ACCOUNTS ON JUNE 28, 1968

(In millions of dollars)

Item	NYSE member firms	AMEX member firms[1]	Total all firms
DEBIT BALANCES			
Cash on hand and in banks	868	11	879
Securities—			
Borrowed	1,347	14	1,361
Sold, delivery pending (failed to deliver)	3,722	121	3,843
Net debit balances due from member firms of national securities exchanges	484	23	507
Debit balances due from all other customers, exclusive of general partners or voting stockholders—Total	9,249	38	9,287
In stock margin accounts	*6,130*	*20*	*6,150*
In convertible bond margin accounts	*100*	.....	*101*
In subscription accounts	*104*	.....	*105*
In cash accounts	*2,675*	*15*	*2,690*
In other (including U.S. Govt. securities)	*240*	*2*	*241*
Net debit balances in general partners' or voting stockholders' individual investment and trading accounts	100	2	102
Debit balances in—			
Firm investment accounts	637	44	682
Firm trading and underwriting accounts	1,673	128	1,801
Commodity margins on deposit with banks, and commodity guaranty funds on deposit	66	.....	67
All other debit balances	1,103	9	1,112
Total	19,250	390	19,640
CREDIT BALANCES			
Money borrowed—Total[2]	4,017	127	4,144
From banks and trust companies:			
In New York City	*2,419*	*41*	*2,460*
Elsewhere in the U.S.	*927*	*39*	*966*
From U.S. agencies of foreign banks	*581*	*20*	*601*
From other lenders (not including members of national securities exchanges)	*89*	*28*	*117*
Securities—			
Loaned	1,542	2	1,544
Bought, delivery pending (failed to receive)	4,014	113	4,127
Net credit balances due to member firms of national securities exchanges	431	14	446
Credit balances due to other customers exclusive of general partners or voting stockholders—Total	[c]5,565	46	[c]5,611
In free credit balances in cash accounts	*[c]2,687*	*22*	*[c]2,709*
In free credit balances in margin accounts	*[c]728*	*3*	*[c]731*
In credit balances in short accounts	*1,064*	*7*	*1,072*
In other net credit balances	*1,086*	*14*	*1,100*
Credit balances and money borrowed which are subordinated to general creditors under approved agreements	243	5	248
Net credit balances in general partners or voting stockholders individual investment and trading accounts	[c]99	3	[c]102
Credit balances in firm investment and trading accounts	589	26	616
Net balance in capital accounts [3] and profit and loss accounts and general partners' or voting stockholders' drawing accounts	[c]1,736	37	[c]1,773
All other credit balances	[c]1,014	16	[c]1,030
Total	[c]19,250	[c]390	[c]19,640
Memorandum:			
Money borrowed, according to collateral:			
Secured by customers' collateral:			
Entirely by obligations of U.S. Govt. or its agencies	61	2	63
Entirely by bonds other than convertible bonds and U.S. Govt. securities	30	.....	30
By nonexempt securities or mixed collateral	[c]2,805	13	[c]2,818
Secured by firm or general partners' or voting stockholders' collateral:			
Entirely by obligations of U.S. Govt. or its agencies	48	94	142
Entirely by bonds other than convertible bonds and U.S. Govt. securities	101	1	102
By nonexempt securities or mixed collateral	957	14	972
Unsecured borrowing other than subordinated to general creditors	13	3	16
Total	4,017	127	4,144
Amount to be repaid for securities sold under repurchase agreements	[c]192	67	[c]259
Number of firms	346	19	365

[1] These are members of the American Stock Exchange (AMEX) that are not members of the New York Stock Exchange (NYSE); AMEX members that are also NYSE members are included under NYSE.
[2] Excluding subordinated borrowing.
[3] Excluding subordinated indebtedness included in the item above, "Credit balances and money borrowed, etc."

NOTE—Details may not add to totals because of rounding.

This table was published in the Sept. 1968 BULLETIN, p. A–93. Howerever some of the figures under Credit Balances and Memorandum were incorrect. These errors have been corrected, and this table should replace the earlier one. Data for the period 1960–67 (for member firms of the New York Stock Exchange) can be found on p. A–92 of the Sept. 1968 BULLETIN.

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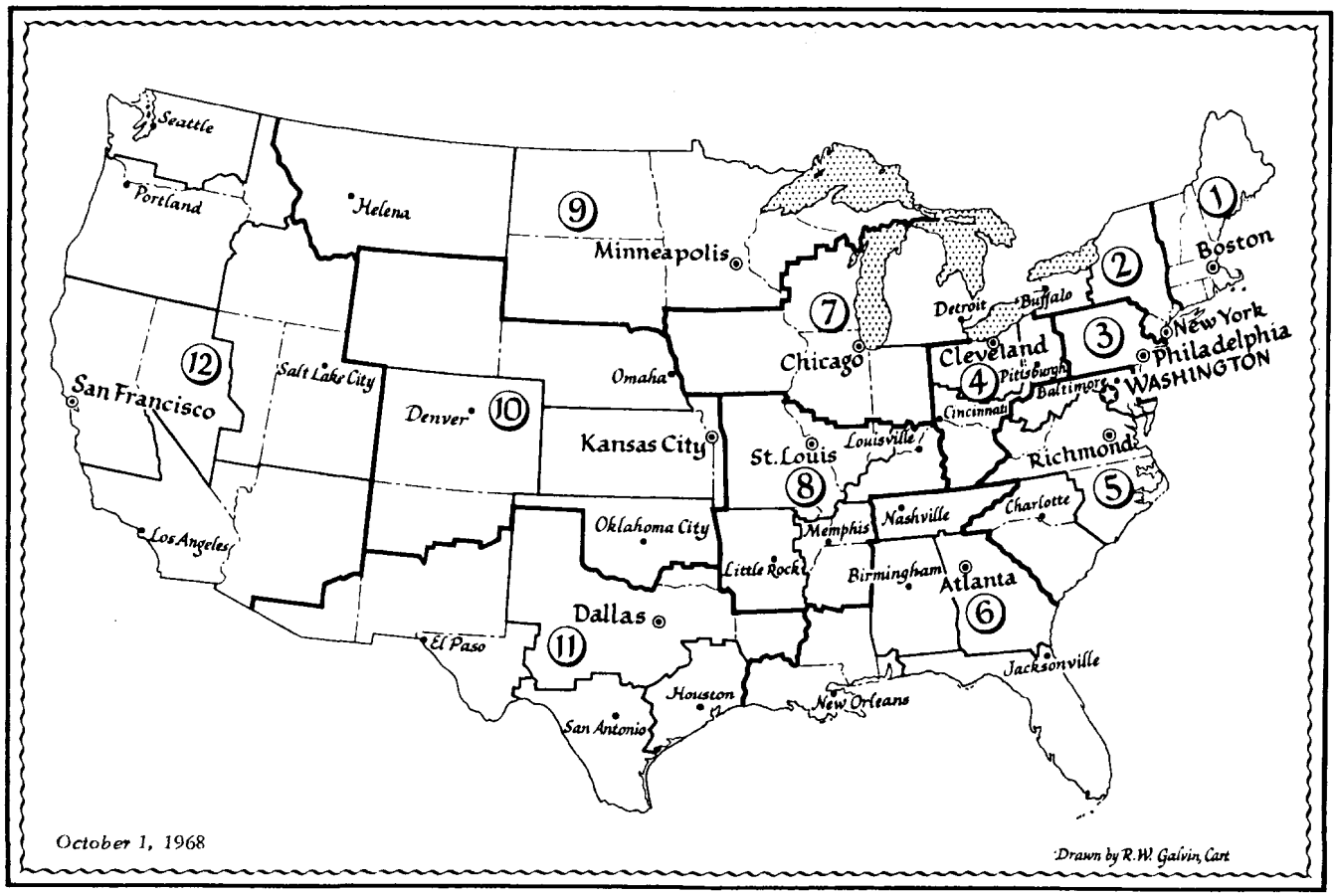

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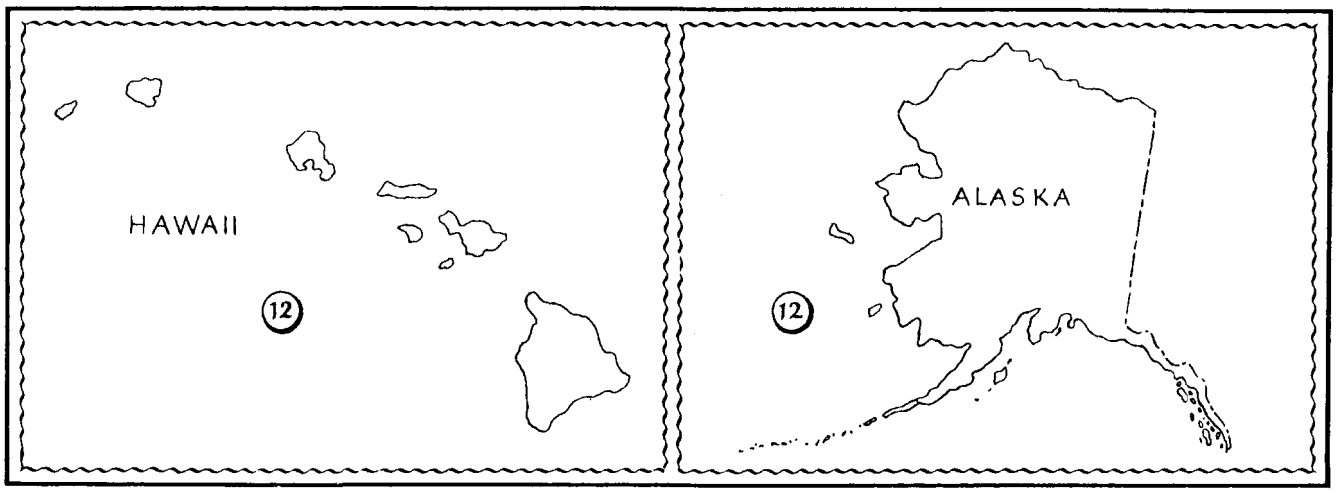

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