# FEDERAL RESERVE BULLETIN 



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COVER: Photograph of the Constitution Avenue entrance of the Federal Reserve Building in Washington, D.C. The building, completed in 1937, houses the Board of Governors of the Federal Reserve System and its staff. In the two-tone reproduction of the photograph, the gray color is printed as a combined "line conversion', with a light-value halftone and the orange is overprinted with a darker-value halftone.

## FEDERAL RESERVE BULLETIN

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## Financial Developments in the First Quarter of 1974

This report, which was sent to the Joint Economic Committee of the U.S. Congress, highlights the important developments in financial markets during the winter and early spring. ${ }^{1}$

Real gross national product declined during the first quarter of 1974, in large part because of the direct and indirect effects of the fuel shortage. At the same time, rapid inflation raised current-dollar expenditures and sharply increased the book values of inventories to be financed, and it was accompanied by intense business demands for credit. Interest rates, which had declined in January and in early February, began rising around the middle of the quarter as credit demands swelled and the Federal Reserve restricted reserve availability in order to resist excessive growth of the monetary aggregates. On balance, short-term rates were little changed over the 3 months, but long-term rates, with the exception of those on mortgages, rose significantly and exceeded the peaks reached in the summer of 1973. Short- and long-term rates rose considerably further in April, and the Federal Reserve discount rate was raised to 8 per cent on April 24.

The narrowly defined money stock, $M_{1}$, contracted slightly in January, but expanded rapidly in February and March, recording a 6.7 per cent seasonally adjusted annual rate of growth from the fourth quarter to the first quarter. The broader measures of the money stock, $M_{2}$ and $M_{3}$, grew at more rapid rates, owing to the continued strength of consumer-type time and savings deposits at commercial banks and nonbank thrift institutions. In seeking lendable funds, banks also made increased use of large negotiable certificates of deposit (CD's) and nondeposit sources.

[^0]MONETARY AGGREGATES

Between December and March, nonborrowed and total reserves rose at annual rates of less than 2 per cent, the slowest quarterly growth in more than a year. Although reserves available to support private nonbank deposits (RPD's) expanded faster than in the final quarter of 1973, most of the RPD increase went to support growth of large CD's and nondeposit liabilities.

As the quarter progressed, banks reduced their holdings of excess reserves and sought additional reserves through borrowings from Federal Reserve Banks and from other commercial banks. The Federal funds rate-the cost of reserves lent by one bank to another-began to rise in mid-February, after having declined moderately since the preceding October. By the end of March the rate reached almost 10 per cent, and it continued upward in April.

Measured on a quarterly average basis, $M_{1}$ (currency plus private demand deposits) expanded at a 6.7 per cent annual rate in the first 3 months of 1974 , slightly above the 6.3 per cent rate for

TABLE 1
CHANGES IN SELECTED MONETARY AGGREGATES
In per cent, quarterly figures are seasonally adjusted annual rates

| Item | 1972 | 1973 | 1973 |  |  | $\frac{1974}{\text { Q1 }}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | Q2 | Q3 | Q4 |  |
| Member bank reserves- 10.6 7.8 6.9 10.6 6.1 1.7 |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
| Nonborrowed ................ | 7.7 | 7.2 | 7.0 | 11.3 | 13.4 | 1.5 |
| Available to support private nonbank deposits ${ }^{1}$ | 10.1 | 9.3 | 12.5 | 14.2 | 1.4 | 6.2 |
| Concepts of money ${ }^{2}$ calculated from-End-month of quarter: |  |  |  |  |  |  |
| $M_{1}$ $M$ | 8.7 11.1 | 6.1 8.9 | 11.5 | 5.3 | 8.9 11.0 | 7.1 9.9 |
| $M_{2}$ $M_{3}$ | 13.0 | 8.8 | 10.6 | 5.1 | 9.8 | 9.4 |
| Quarterly average: |  |  |  |  |  |  |
| $M_{1}$ | 7.7 | 6.3 | 7.5 | 5.6 | 4.5 | 6.7 |
| $M_{2}$ $M$ | 10.9 | 8.9 8.9 | 8.8 | 7.9 | 8.9 | 9.9 |
| Commercial banks (other than large CD's) | 13.5 | 11.4 | 10.6 | 10.6 | 12.6 | 12.5 |
| Nonbank thrift institutions | 16.6 | 8.6 | 9.7 | 4.6 | 7.6 | 8.6 |
| Bank credit proxy, adjusted ${ }^{3}$ | 11.6 | 10.6 | 12.6 | 10.5 | 3.3 | 8.5 |
| MEMO (Change in billions of dollars, seasonally adjusted)- |  |  |  |  |  |  |
| Large CD's ............ | 10.4 | 19.4 | 7.4 | 4.7 | -3.9 | 4.9 |
| deposits at member banks | --- | -1.2 | -2.3 | -. 3 | - . 1 | -1.2 |

[^1]
## CHART 1 CONCEPTS OF MONEY



Seasonally adjusted monthly averages.
$M_{1}$ is currency plus private demand deposits adjusted.
$M_{2}$ is $M_{1}$ plus commercial bank time and savings deposits adjusted other than large CD's. $M_{3}$ is $M_{2}$ plus deposits at mutual savings banks and savings and loan associations.
all of 1973. On an end-month-of-quarter basis, the December to March expansion of $M_{1}$ was at a 7.1 per cent annual rate. Although the end-month-of-quarter measure frequently is a more sensitive indicator of short-run movements of the money stock, the quarterly average rate is comparable, analytically, with the measurement of other economic aggregates such as GNP.

The month-to-month behavior of $M_{1}$ during the first quarter of 1974 was quite erratic, owing in part to special factors. For example, a holiday-related build-up of deposits of foreign banks that had raised $M_{1}$ in late December reversed itself in January. In February and in March, sizable income tax refunds and a net redemption of maturing Treasury debt resulted in an abrupt shift of demand deposit ownership from the Government to the private sector.

Bank time and savings deposits other than large CD's grew rapidly, particularly in January and February, boosting $M_{2}$ growth for the quarter to a 9.9 per cent annual rate. Inflows to 4 -year certificates accounted for a substantial proportion of consumer-type deposit growth at commercial banks. The same was true at nonbank thrift institutions, where deposits rose moderately and contributed to $M_{3}$ growth at a 9.4 per cent annual rate in the first quarter. :

In the latter part of the quarter, when business loan demands surged, commercial banks greatly increased their reliance on sales of large CD's in order to obtain lendable funds. In addition, banks borrowed more heavily from their foreign branches, taking advan-

# BANK USES OF FUNDS 



Seasonally adjusted. Loans adjusted for transfers between banks and their holding companies, affiliates, subsidiaries, or foreign branches.
tage of relatively low Euro-dollar rates. They also sold assets to bank holding company affiliates, which had acquired funds in the commercial paper market.

Total loans and investments of commercial banks expanded rapidly between December and March, but the composition of bank credit growth shifted as the quarter progressed. Prior to the sharp jump in business loans during March, bank credit growth was buoyed by substantial increases, on a seasonally adjusted basis, in bank holdings of U.S. Treasury and other securities. Growth of real estate loans slackened further in the first quarter, but less so than did consumer loan growth. The relative weakness of these two loan categories reflects the fact that residential construction and consumer durables (especially autos) accounted for much of the first-quarter decline in real GNP.

Total short-term business borrowings, as measured by the sum of bank commercial and industrial loans and dealer-placed commercial paper, grew at an average annual rate of 25 per cent between December and March. The causes of the exceptional strength of over-all business credit demands throughout the quarter are not as yet completely clear, but it appears that requirements for the financing of inventories and accounts receivable played a major role. To a degree, the large increase in book values of inventories simply reflected the process of replacing depleted stocks with higher-priced goods. In many instances, however, the physical volume of inventories expanded as well. In industries most adversely affected by the energy shortage this accumulation was involuntary, but firms in other industries added voluntarily to stocks of raw materials and supplies in anticipation of further price rises and shortages. Another factor boosting short-term credit demands in the latter part of the quarter was postponements and cancellations

TABLE 2
RATE SPREADS AND CHANGES IN BUSINESS LOANS AND COMMERCIAL PAPER

| Month | Prime rate less 30-59 day commercial paper rate (per cent) | Amounts ${ }^{1}$ |  |  | Annual percentage rate of change in total ${ }^{3}$ |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Business loans at all commercial banks ${ }^{2}$ | Dealerplaced commercial paper | Total |  |
| 1974 -Jan. | . 42 | 2.2 | 1.6 | 3.8 | 26.7 |
| Feb. | . 85 | 1.3 | 1.7 | 3.0 | 20.6 |
| Mar. | $-.07$ | 5.7 | -2.1 | 3.6 | 24.3 |

[^2]of planned bond issues, because of the rise in long-term rates. Finally, there is some evidence that the uneven performance of earnings among industry groups resulted in cash-flow problems for individual firms that necessitated additional external financing.

The fact that business credit demands were so heavily directed toward commercial banks in March seems to have been caused by the lag in increases in the bank prime rate as compared with commercial paper rates. As commercial paper became the more expensive source of funds, corporations paid down outstanding paper and drew upon bank lines of credit.

NONBANK INTERMEDIARIES AND MORTGAGE MARKETS


Seasonally adjusted.

Deposits at savings and loan associations and mutual savings banks grew at a seasonally adjusted annual rate of 8.7 per cent between December and March, maintaining essentially the same rate of gain as over the preceding 3 -month period. Higher-yielding certificate deposits continued to account for all of the growth in total deposits; passbook savings remained well below the peak recorded last spring, prior to the increase in deposit rate ceilings in July. The inflows of new money were strongest early in the quarter, and during January and February the thrift institutions were able to reduce their indebtedness, to increase their holdings of liquid assets, and to halt the year-long downtrend in mortgage loan commitments outstanding.

With the rise in interest rates on market instruments in the latter part of the quarter, net inflows of new money slackened, and borrowing from the Federal home loan banks picked up. In early April, mutual savings banks in New York City experienced significant deposit losses as market rates moved higher. Sample data

TABLE 3
NET CHANGE IN MORTGAGE DEBT OUTSTANDING
In billions of dollars, seasonally adjusted annual rates

| Change- | 1973 |  |  |  | $\frac{1974}{\text { Q1e }}$ |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  | Q1 | Q2 | Q3 | Q4 |  |
| By type of debt: 79 76 70 57 58 |  |  |  |  |  |
| Total Residential | 79 59 | 76 55 | 70 49 | 57 37 | 58 39 |
| Residential Other | 20 | 21 | 22 | + 20 | 19 |
| At selected institutions: |  |  |  |  |  |
| Commercial banks | 17 | 20 | 19 | 16 | 12 |
| Savings and loans | 34 | 35 | 25 | 12 | 22 |
| Mutual savings banks | 6 | 7 | 5 | 4 | 4 |
| Insurance companies | 2 | 2 | 6 | 7 3 | 4 |

[^3]suggest that savings and loans suffered small deposit outflows, net of interest credited, in the same period.

Net mortgage debt formation remained near the reduced rate of the fourth quarter of last year on a seasonally adjusted basis. Savings and loan associations increased their rate of mortgage acquisition, apparently in part through expanded purchases in the secondary market. Direct and indirect financing by the Federally sponsored credit agencies declined further in the first quarter because private lenders were able to meet the limited demand for mortgage loans in a housing market that continued to suffer from economic and energy-related uncertainties.

FUNDS RAISED IN SECURITIES MARKETS

Corporations seeking long-term funds to finance capital outlays and to improve liquidity ratios placed heavy demands on the capital markets in the first quarter. Bond offerings were the highest in nearly 3 years and might have been even greater had not several large scheduled offerings been canceled after interest rates began to rise in late February and in March. Bond financings by banks and other financial firms, which had increased sharply in the final quarter of 1973, rose further; manufacturers' bond offerings remained close to their elevated fourth-quarter rate. Stock issuance declined from the fourth-quarter rate, reflecting in part the relatively high cost of equity funds in the still depressed stock markets.

TABLE 4
OFFERINGS OF NEW SECURITY ISSUES
In billions of dollars, seasonally adjusted annual rates

| Type of issue | 1973 |  |  |  | 1974 |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  | Q1 | Q2 | Q3 | Q4 | Q1e |
| Corporate securities-Total | 34 | 32 | 30 | 38 | 39 |
| Bonds | 17 | 23 | 23 | 26 | 31 |
| Stocks | 16 | 9 | 8 | 12 | 8 |
| State and local government bonds | 23 | 24 | 23 | 26 | 23 |

${ }^{e}$ Estimated.
Note.-Details may not sum to totals because of rounding.

State and local governmental units were also substantial borrowers in the bond markets. Total offerings fell moderately from the fourth-quarter rate and were about the same as in the first quarter of 1973.

Credit demands of the Federal sector eased substantially in the first quarter. The Treasury financed a significant part of its deficit by reducing its cash balances, which were large at the end of December. The Federally sponsored credit agencies had a reduced

TABLE 5
FEDERAL GOVERNMENT BORROWING AND CASH BALANCE
Quarterly totals, in billions of dollars, not seasonally adjusted

| Item | 1973 |  |  |  | 1974 |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  | Q1 | Q2 | Q3 | Q4 | Q1 |
| Budget surplus, or deficit | -9.5 | 7.7 | $-1.1$ | -5.0 | $-7.1$ |
| Net cash borrowings, or repayments (-) | 8.4 | -6.5 | - . 7 | 6.7 | 3.4 |
| Other means of financing ${ }^{1}$ | 2.9 | -1.5 | $-2.5$ | . 4 | 1.7 |
| Change in cash balance .......... | 1.8 | -. 3 | -4.3 | 2.1 | -2.0 |
| MEMO: Net borrowings by Feder ally sponsored credit agencies: | 2.0 | 5.0 | 6.1 | 3.2 | $0^{c}$ |

${ }^{1}$ Checks issued less checks paid and other accrued items.
${ }^{2}$ Includes debt of the Federal Home Loan Mortgage Corporation, Federal home loan banks, Federal land banks, Federal intermediate credit banks, banks for cooperatives, and FNMA (including discount notes and securities guaranteed by the Government National Mortgage Association).
${ }^{\text {e Estimated. }}$
need for funds primarily because of their sharply limited participation in the mortgage markets. The Federal Home Loan Bank System paid down nearly $\$ 11 / 2$ billion of maturing debt.

INTEREST RATES
Most private short-term interest rates traced a U -shaped pattern over the first 3 months of the year, declining 1 to $1 \frac{1}{4}$ percentage points between early January and mid-February, and then rising again to finish the quarter roughly unchanged on balance. The initial decline was fostered by an easing of bank reserve positionsreflected in a decline in the Federal funds rate-and by market expectations that the Federal Reserve would be encouraging further rate declines in light of the slowdown in economic activity. This expectation was largely reversed in late February when reserve positions tightened again and the Federal funds rate began to rise. A surge in short-term credit demands by businesses toward the end of March and in April pushed interest rates toward the peak levels reached in the summer of 1973.

Interest rate movements in the long-term debt markets to a considerable degree mirrored those in short-term markets. However, the large calendars of new corporate and State and local government security issues and the persistence of strong inflationary expectations limited the decline in long-term rates in the first part of the quarter. Rates on new high-grade utility issues declined only $1 / 4$ of a percentage point before rising by more than 1 point between mid-February and early April. Simultaneously, the Bond Buyer municipal bond yield average dipped only slightly before rising $1 / 2$ of a percentage point by early April. Corporate and Treasury bond yields in April reached their highest levels since 1970.

The continued strength of deposit flows at thrift institutions delayed and limited the impact of changes in market interest rates

## CHART 2 INTEREST RATES


*Level of series was affected by issue of new 20-year U.S. Government bond in January. Monthly averages except for conventional mortgages (based on quotations for one day each month). Yields: U.S. Treasury bills, market yields on 3-month issues; prime commercial paper, dealer offering rates; Conventional mortgages, rates on first mortgages in primary markets, unweighted and rounded to nearest 5 basis points, from Dept. of Housing and Urban Development; Corporate bonds, weighted averages of new publicly offered bonds rated Aaa, Aa, and A by Moody's Investors Service and adjusted to an Aaa utility basis; U.S. Govt. bonds, market yields adjusted to 20 -year constant maturity by U.S. Treasury; State and local govt. bonds (20 issues, mixed quality), Bond Buyer.
on mortgage rates during the first quarter. The average offering rate on conventional mortgage commitments for new homes declined from 8.75 per cent in late December to 8.55 per cent in late February, and rebounded to only 8.60 per cent by the end of March. The average auction yield on Federal National Mortgage Association forward commitments to purchase Government-insured home mortgages-a more sensitive indicator of mortgage market conditions-declined from 8.71 per cent in mid-January to 8.43 per cent in late February. It remained at 8.44 per cent in early March, and then rose to 8.62 per cent later in the month. In recognition of the rise in mortgage rates, the ceiling rates on mortgages underwritten by the Federal Housing and Veterans Administrations were raised by $1 / 4$ of a percentage point in April to $81 / 2$ per cent.

## Numerical Specifications of Financial Variables and Their Role in Monetary Policy

The policy record of the Federal Open Market Committee (FOMC) for the meeting held January 21-22, 1974-published in the Bulletin for April, pages 275-83-differs from earlier policy records in that it contains the numerical specifications that guide open market operations in the period between Committee meetings for the money stock as narrowly defined ( $M_{1}$ ), the money stock more broadly defined ( $M_{2}$ ), reserves against private nonbank deposits (RPD's), and the Federal funds rate. Specifications adopted at the meeting held on February 20 are contained in the policy record published in this Bulletin.

Earlier policy records had contained numerical specifications only for RPD's. Following extensive discussion, and in light of the further development of the operating procedures followed by the FOMC, the Committee concluded that it would be appropriate also to publish specifications for other financial variables, beginning with the policy record for the first meeting of 1974.

Specifications for $M_{1}, M_{2}$, and RPD's are expressed as ranges of tolerance covering rates of growth for a 2 -month period, including the month of the meeting and the subsequent month. For the January meeting, these specifications cover the January-February period; for the February meeting, they cover the Febru-ary-March period. The 2-month ranges of tolerance for aggregates adopted at these two meetings are tabulated on page 335.

For the Federal funds rate (the day-to-day interest cost of reserves borrowed by banks from each other) the specifications are expressed as a range for weekly average levels during the period until the next meeting. In January it was decided that the weekly average Federal funds rate would be permitted to vary in an orderly fashion between $83 / 4$ and 10 per cent until the

February meeting; in February the range adopted was from $8 \frac{1}{4}$ to $91 / 2$ per cent. These ranges were considered to be consistent with guidelines for the monetary aggregates.

While these short-run specifications guide the System Account Manager in the conduct of open market operations between Committee meetings, they are determined in the context of the Committee's longer-run objectives for monetary aggregates and credit conditions generally. The longer-run financial objectives, in turn, reflect the basic posture of monetary policy as it contributes to achievement of national goals for economic activity, the general price level, and the balance of payments.

## LONGER-RUN GOALS

The Committee discusses, and if necessary resets, its longer-run financial objectives at each meeting. In developing these objectives, the Committee is aided by staff presentations of the current economic outlook and, as conditions change, of the differential impacts of alternative monetary policies on economic activity, the general level of prices, unemployment, and the balance of payments. Analysis of the economic outlook and of the implication of alternative policy assumptions makes use of econometric techniques as well as judgmental evaluation of current economic relationships. The analysis takes into account the latest economic evidence on prices, production, employment, and spending; evaluates the impact of fiscal and other governmental policies (such as wage-price controls or housing-support programs); and assesses the relation of economic activity abroad, the balance of payments, and exchange market developments to domestic economic activity and prices.

After a full Committee discussion-in which individual members present their own assess-
ment of the economic outlook and how financial objectives might be adapted to achieve national goals-a set of longer-run financial objectives is adopted. These objectives are usually expressed as growth rates for money and credit aggregates over a period of 6 months or so. They also involve expectations as to associated developments in over-all credit market conditions.

Over the years the monetary aggregates, especially the money stock, have been given increased weight in the formulation of financial objectives. This has the advantage of providing a measure of protection against unexpected, and undesired, shifts in the demand for goods and services. If demands for goods and services, and the accompanying transaction demands for money, turn out to be stronger than desired, the rise in interest rates that would result from efforts to restrain growth in the aggregates would work toward moderating the unexpected strength in spending. On the other hand if demands are weaker than desired, the drop in interest rates that would result from efforts to maintain monetary growth would work to strengthen spending.

The Committee has recognized, however, that the rates of growth in the monetary aggregates that will contribute to attainment of the Nation's economic objectives will vary with economic and financial conditions. The relationship between growth in the monetary aggre-gates-and especially any particular aggregate such as the narrowly defined money stock-and ultimate economic objectives is itself complex and uncertain. The public's demands for cash or liquidity at any given level of income may shift-as a result, for example, of financial innovations (such as the development of large certificates of deposits (CD's)) or of a changed attitude toward inflation. Or, the volume of spending by business, consumers, or home buyers in response to emerging credit conditions may be unexpectedly strong or weak. Under such circumstances, a modification of policy toward monetary aggregates would be needed to avert the undesirable effects on economic activity that would be associated with excessive tightness or ease in credit markets.

## MONETARY AGGREGATES IN THE SHORT RUN

While basic monetary objectives are established for longer-run periods, open market operations require shorter-run guides for purposes of carrying out day-to-day open market operations in the interval between Committee meetings. Monetary aggregates are included among these guides, but their operating role is complicated by the fact that their growth rates tend to be highly variable in the short run, often in unexpected ways. This is because the public's cash inflows and need for credit are quite volatile. In part this is the natural outgrowth of huge flows of funds-some of which may be delayed, and others accelerated, relative to normal-in a large, complex economy such as ours. Thus, the basic thrust of monetary policy is not indicated by monthly, or even bimonthly, changes in monetary aggregates. Rather, these must be averaged out over a longer period of 6 months or so in evaluating the course of monetary policy. The accompanying chart shows how volatile monthly changes in money compare with 6 -month average rates of change.

The inherent short-run volatility of the monetary aggregates is one reason why the Committee expresses its short-run guides in terms of ranges of tolerance. In practice, these ranges may vary considerably from month to month. In any particular month, they may be higher or lower than longer-run objectives for the aggregates. This may reflect transitory factors that are influencing money but that are expected to be self-correcting, as for instance, when a sharp drop in U.S. Government deposits results in temporary bulges in private demand balances before the funds are invested in other assets by the holders.

Another reason why short-run guides may differ from longer-run objectives is that there are lags between open market operations and money growth. When current rates of growth in money are relatively high or low, a few months may be required to bring the rates of growth back to levels more consonant with longer-run objectives if associated changes in money market conditions and interest rates gen-

## MONEY STOCK MEASURES



Seasonally adjusted annual rates.
erally are to be effected in an orderly fashion. This results from the fact that changes in the public's demand for money tend to lag behind the changes in interest rates that make it more or less desirable to hold cash.

The Committee's ranges of tolerance can be made wider or narrower, shaded on the high or low sides, depending on economic and financial circumstances. For example, the $2-$ month operating ranges might be widened by reducing the low side if a rapid growth in the aggregates had been experienced over the past several months. Thus, the System Account Manager under the circumstances would in effect be instructed to permit a sizable drop in rates of growth in the aggregates over the short term without setting in motion offsetting procedures.

Despite the use of ranges in specifications, experience has shown that large, short-run, and often transitory changes in the monetary and reserve aggregates will frequently result in 2month rates of growth that are outside the Committee's ranges of tolerance for at least some of the aggregates. There may be unforeseen special factors that are influencing shortterm rates of growth. The money stock, for
example, may be temporarily affected by unexpectedly large changes in U.S. Government deposits or sizable international flows of funds. The relationship between RPD's and money stock aggregates can also diverge from expectations because banks issue more or fewer large negotiable CD's than anticipated (which, as money market instruments, are not included in the definition of either $M_{1}$ or $M_{2}$ but are required to be supported by reserves) or hold more or less excess reserves than expected (which are part of RPD's). Or the relationship between $M_{1}$ and $M_{2}$ can diverge from expectations because of shifts in the public's preferences for cashcurrency and demand deposits-as compared with time and savings deposits (other than large CD's).

A comparison of the ranges of tolerance adopted for the aggregates at the January and February meetings of the FOMC with actual results, shown in the tabulation below, illus-

|  | January-February <br> Range of <br> tolerance |  | February-March |  |
| :--- | :---: | :---: | :---: | :---: | :---: |
| Range of |  |  |  |  |
| tolerance |  |  |  |  |$\quad$ Actual

trates the inherent variability of these relationships. All figures represent annual percentage rates of change.
Ranges of tolerance for $M_{1}$ and $M_{2}$ for Feb-ruary-March were higher than for JanuaryFebruary. The higher range of tolerance for $M_{1}$ for the February-March period was believed to be consistent with longer-range objectives. It was set in light of the decline that had occurred in $M_{1}$ in January. Thus, a relatively high growth rate was required in February-March to compensate for the shortfall. Moreover, it was anticipated that the high growth rate would be temporary, because a decline in U.S. Government deposits was expected to have a transitory upward impact on $M_{1}$ growth in February and thereby on the February-March average.

As it happened, growth in $M_{1}$ for the Febru-ary-March period turned out to be well above the upper limits of its range of tolerance, as February growth was influenced by a much sharper-than-anticipated drop in U.S. Government deposits and as growth remained strong in March. At the same time the growth in RPD's was in the upper half of its range of tolerance and growth in $M_{2}$ was at the midpoint. In January-February, by contrast, $M_{1}$ had been around the midpoint, while $M_{2}$ had been above the upper limit and RPD's below the lower limit of their tolerance ranges.

The Committee has recognized the great difficulty in achieving very short-term control over the monetary aggregates. A memorandum submitted by Chairman Burns in connection with hearings held by the Joint Economic Committee of the U.S. Congress on June 27, 1973, discussed the problems encountered in controlling the money stock, particularly in the short run. This memorandum also noted that " . . . precise control of very short-term fluctuations in money is comparatively unimportant, since only the longer-lasting changes in money supply appear to have much economic significance."

The short-run ranges of tolerance are general guides for the conduct of open market policy in inter-meeting periods. If significant inconsistencies develop among the various short-run operating variables, the Chairman of the FOMC is promptly notified and he may call on the

Committee to consider modifying its instructions. The Committee's instructions were modified twice following the February 1974 meeting, as explained in the policy record for that meeting published in this Bulletin. These modifications affected the extent to which the System Account Manager adjusted reserve-supplying operations, with implications for the degree of tightness in money market conditions, in light of the tendency for the aggregates, particularly $M_{1}$, to strengthen relative to the ranges of tolerance and in light of the sensitive state of financial markets in the aftermath of a large Treasury refunding.

## ROLE OF MONEY MARKET CONDITIONS

Operating procedures of the Federal Open Market Committee have evolved over time. For a number of years money market conditionsdefined to include the Federal funds rate and member bank borrowing from Federal Reserve Banks, among other indicators-were taken as the primary guide for day-to-day open market operations. In the 1970's, increased emphasis has been given to monetary aggregates, principally measures of the money stock. In 1972 the FOMC introduced, on an experimental basis, reserves against private nonbank deposits as a guide to reserve provision in the interim between Committee meetings.

With the increased emphasis on reserves and other aggregates, it was expected that money market conditions might fluctuate more widely from day to day than they had in the past, since open market operations would be somewhat more responsive to current changes in the aggregates in order to guard against the development of cumulative overshoots or shortfalls in monetary growth. On the other hand, because of the demonstrated volatility in the aggregates, it was recognized that changes in reserve availability and in money market conditions would need to be effected gradually-avoiding large and abrupt responses to unexpected changes in the aggregates, since these might in any event prove to be self-correcting.

There is little reason to permit sharp short-run swings in interest rates (for example, 4 or 5
percentage points over a month or so) in an effort to smooth out temporary variations in money and credit demand. Such extreme swings, and the associated uncertainties as to credit conditions generally, could reduce the efficiency with which financial markets function and tend to increase financing costs to ultimate borrowers.
The range for the Federal funds rate indicates, in terms of the money market, the extent to which conditions of reserve availability may be adjusted in the period between FOMC meetings, although the Committee may, of course, agree to change the instructions during the intermeeting period. When the Federal Reserve Trading Desk increases the volume of bank reserves by buying securities, the initial effect is to exert downward pressure on the Federal funds rate and on short-term interest rates more generally. On the other hand, when the Trading Desk holds back on reserve provision, the money market tightens.

The range of the Federal funds rate may be narrower or wider, depending on circumstances. If the FOMC is most concerned with moving monetary aggregates back fairly promptly toward longer-run goals, it may specify a wider range for the funds rate than it would otherwise.

A narrow range for that rate limits the ability of open market operations to work against an unduly large or small growth in the aggregates. On the other hand, the range for the funds rate may be narrowed at times when there is reason to believe that a greater degree of stability in credit markets needs to be assured-for example, when financial markets are being buffeted by extreme pressures reflecting sudden shifts in flows of funds or in expectations.

The extent to which money market conditions are permitted to fluctuate in the short run is also affected by the unique role of the Federal Reserve System as the Nation's lender of last resort. Liquidity pressures ultimately devolve on the money market, and the Federal Reserve has a responsibility for maintaining orderly conditions in that market.

The numerical specifications for the various short-run operating guides now published reflect the evolution of the System's operating procedures. They indicate that weight is given to monetary aggregates, bank reserves, and money market conditions in operations. The relative importance of each of these variables, however, may vary considerably, depending on the particular economic and financial circumstances that monetary policy appears to be confronting.

# Open Market Operations in 1973 


#### Abstract

This article is adapted from a report submitted to the Federal Open Market Committee by Alan R. Holmes, Manager of the System Open Market Account and Senior Vice President of the Federal Reserve Bank of New York.


The Federal Reserve implemented an active policy of restraint during 1973 to counter the powerful resurgence of inflationary pressures in the economy. The System moved forcefully to limit monetary growth through the conduct of open market operations and through several regulatory changes, bringing short-term rates of interest to unprecedented levels by the summer. The Federal Open Market Committee (FOMC) continued to express its policy intent in terms of quantitative objectives for the deposit and reserve aggregates, although these targets were frequently qualified by concern for domestic financial markets and the international financial situation. The $M_{1}$ definition of the money stock-demand deposits and currency in the hands of the public-remained the central focus of policy formulation and implementation. The Committee lowered its longer-run objective for $M_{1}$ a number of times during the year in response to the acceleration of demands on the limited capacity of the economy.

The Committee's quantitative objectives for the aggregates continue to be framed with a view to the long-range economic outlook. They are changed relatively infrequently, and reflect the leverage the Committee seeks to exert on underlying economic forces. The FOMC's operational instructions to the Manager convey the thrust of its policy intent and specify a response to emerging patterns of monetary growth. In 1973, the Committee continued its practice of using 2 -month tolerance ranges ${ }^{1}$ for the deposit

[^4]and reserve aggregates to generate modifications in the Manager's weekly nonborrowed reserve targets. The tolerance range for growth in reserves to support private deposits (RPD's) was designed to foster the desired growth of $M_{1}$ and $M_{2}-M_{1}$ plus time and savings deposits other than large negotiable certificates of deposit (CD's). In practice, the relation between RPD's and these two aggregates often proved hard to predict, leading to somewhat more emphasis on the underlying behavior of the aggregates themselves.

The Committee's instructions to the Manager involved (1) specifying his response to incoming information on the aggregates and (2) specifying a range within which the Federal funds rate was allowed to move in the period between meetings. When the aggregates were strong relative to their prescribed ranges, the Manager was to restrain nonborrowed reserves so that the Federal funds rate would rise, and conversely when the aggregates were weak. Unduly sharp fluctuations in money market conditions were to be avoided.

The Committee's operational strategy, as implemented by the Manager, initiates a series of reactions in the banking system and in the financial markets. Market participants' assessments of the economic outlook interact with anticipations of monetary policy's likely response to these prospects. Participants have developed a heightened awareness of the System's use of quantitative targets in recent years. They seek to anticipate System-engineered changes in reserve availability and in the Federal funds rate in making trading decisions and portfolio adjustments. These expectations and reactions, together with the institutional setting and underlying economic forces, act as major determinants of monetary and credit flows.

The interplay between the various factors in the monetary process rarely results in smooth growth of the aggregates. In 1973, the narrow
money stock, $M_{1}$, increased by 5.7 per cent. ${ }^{2}$ While this reflects a moderation from growth in 1972, the quarterly changes were remarkably diverse and often not indicative of underlying economic trends. $M_{2}$ expanded at an 8.6 per cent rate. The slower growth compared with the previous year was mainly related to the deceleration in $M_{1}$; an upward revision of Regulation $Q$ ceilings in early summer and a temporary suspension of the interest rate constraint on 4 -year or longer time deposits in denominations of more than $\$ 1,000$ sustained the inflow of such deposits at commercial banks.

Of far greater import for both the pattern of interest rates and credit flows was the absence of interest rate ceilings on large CD's during a period of monetary stringency. Demands on the banking system were bolstered during part of the year by the feverish speculative activity in the foreign exchange markets and shifts of borrowers out of the commercial paper market. The adjusted credit proxy, a more inclusive measure of member bank deposit liabilities, registered a 10.6 per cent gain as banks accommodated enormous loan demands over the first two-thirds of the year. Partly for this reason, RPD's increased by 9.2 per cent over the year, well above the growth in $M_{1}$. Total loans and investments at all commercial banks rose by 12.6 per cent, just a bit below the 14.6 per cent expansion in 1972.

## 1973—AN OVERVIEW

The FOMC's policy over the year. In setting its long-run goals for the aggregates, the Committee initially sought to offset the overly rapid monetary expansion of 1972. The surge in spending and the bleak outlook for prices encouraged it to emphasize monetary restraint. At its March meeting, the FOMC lowered its longer-run objective for growth in $M_{1}$, and it retained an objective of moderate growth over the remainder of the year.

[^5]The Committee's reaction to deviations in money stock growth from the long-run path was influenced by its consideration of shifts in the underlying economic situation. Given continuing indications of a booming economy and the strength shown by the broad measures of the aggregates, it avoided a significant easing of money market conditions after $M_{1}$ decelerated in the first quarter. In the spring, the FOMC moved promptly to resist the renewal of rapid monetary growth, which brought expansion in $M_{1}$ to an unexpectedly strong 11.9 per cent growth rate in the second quarter from 3.8 per cent in the first. The Committee resisted accommodating the cumulation of bank demands for reserves in the spring and summer by permitting the Federal funds rate to rise more rapidly and even further than originally contemplated at its meetings. It maintained this posture and accepted an emerging shortfall of $M_{1}$ growth toward the end of the summer as inflationary pressures persisted.

The Committee began to temper its approach as the cumulative impact of increasing restraint, including sharply higher interest rates, was expected to keep monetary growth weak. It appeared toward the end of the third quarter that the "no growth"' quarter just ended would be followed by further sluggishness in the final quarter. The staff suggested that delays in responding to this weakness could require increasingly sharp short-run adjustments to return $M_{1}$ to a longer-run path of moderate expansion. The Committee's desire to get back on this moderate growth path was also a response to signs that expansion in real output would slow slightly in the fourth quarter and slacken further in the first half of 1974. Concern that the Mideast oil embargo would significantly worsen these prospects mounted as the year drew to a close. At the same time, growth in the money stock rebounded to a 7.5 per cent rate in the final quarter of the year and the Committee moved cautiously in light of these contrary forces.
The FOMC's operational instructions to the manager over the year. The FOMC stipulated explicit responses to the behavior of the aggregates during the year, underscoring its basic policy intent by adjusting its tolerance
ranges for RPD's and the aggregates. At its first three meetings of the year and again in June, the Committee reduced the lower ends of the ranges suggested by the staff as consistent with longer-run objectives. In this way, the FOMC indicated its tolerance of relatively slow growth in the near term and forestalled the possibility of a reduction in the prevailing restraint on bank reserve growth. In August, the Committee reduced the entire suggested range for RPD's to indicate its concern with the rapid pace at which this measure had expanded in previous months. Thereafter, given indications of rather weak money stock growth in the months ahead, the FOMC generally raised the upper ends of the tolerance ranges by modest amounts. This increased the potential for some easing of reserve pressures, an intention that the Committee made explicit at its final meeting of the year.

In its instructions to the Manager, the Committee usually indicated that potential divergence between growth in RPD's and the deposit measures be resolved to reflect the higher priority given to the latter, particularly $M_{1}$. In any event, a number of factors weakened the correlation between these measures during the year. Since RPD's incorporate a weighting of the different types of private deposits by their respective percentage reserve requirements, it is particularly sensitive to changes in the composition of deposits and to bank liability management. RPD growth was stimulated relative to $M_{1}$ over the first two-thirds of the year by the rapid rise in CD's, which, in turn, reflected the sharp rise in bank loans and the suspension of Regulation $Q$ ceilings in mid-May. The System acted to curtail bank credit and monetary expansion by raising reserve requirements on most demand deposits in early July. It imposed marginal reserve requirements on large CD's to take effect in June and increased them in September, before reducing them to their initial level in early December. However, the momentum of bank credit expansion was strong and this increase in reserve ratios bolstered RPD growth in the summer. When monetary expansion subsequently decelerated, RPD growth slowed. The regulatory amendments were thus a further source of variation in the reserve-deposit multiplier over the year, adding to the fluctuations
that typically arose from shifts in the distribution of deposits among the different categories of member banks and changes in bank holdings of excess reserves. In view of the FOMC's concern with attaining its objectives for the deposit measures, the Manager found RPD's of lesser importance in the determination of his response to the emerging patterns of monetary growth.

The Manager's implementation of the FOMC's instructions. Open market operations in the first 3 months of the year increased the pressure on bank reserves and money market conditions in a continuation of the response to overly rapid money stock growth in late 1972. In establishing weekly targets for nonborrowed reserves, the Manager was mindful of the Committee's desire to see an orderly movement in the Federal funds rate. The Federal funds rate rose to 7 per cent by mid-March, an increase of about 150 basis points from the start of the year. The Trading Desk acted to reduce nonborrowed reserve targets in relation to reserve requirements during this period. Member bank use of the discount window climbed by $\$ 800$ million to $\$ 1.9$ billion, on average, from December to March. For a time, in March and early April, the aggregates, and $M_{1}$ in particular, began to weaken relative to their tolerance range, leading to a pause in the move toward restraint.

Shortly after the April FOMC meeting, growth in the deposit measures appeared to be accelerating and open market operations brought additional pressure on bank reserve positions. Member bank borrowings changed relatively little, on average, but the Federal funds rate responded sharply. ${ }^{3}$ The funds rate had reached $81 / 2$ per cent by the end of June, when another wave of excessive monetary growth emerged and the Manager moved more aggressively to curtail the expansion of nonborrowed reserves. Enlarged bank demands for reserves, combined

[^6]with some reluctance to increase use of the discount window, caused the Federal funds rate to rise abruptly to over 10 per cent at the beginning of July, a larger increase than had been anticipated at the time. Actions to restrain the availability of nonborrowed reserves continued with little interruption over the summer, although the increase in the average Federal funds rate slowed somewhat, bringing it to $101 / 2$ per cent during most of August and $103 / 4$ per cent near the end of that month. The aggregates moved down within their tolerance ranges by early September, and the Manager held his reserve objectives steady until after the September FOMC meeting. While average member bank borrowings rose by an additional $\$ 300$ million between June and August, it dropped back shortly after the beginning of September, leading to fairly persistent upward pressure on the Federal funds rate.

In response to the FOMC's instructions and weakness in the aggregates, the Manager adopted a more generous approach to the provision of nonborrowed reserves toward the end of September. The Desk provided reserves at a growing pace, and the Federal funds rate, after showing little tendency to decline, moved down to 10 per cent in mid-October. The funds rate rose a bit above 10 per cent in November as $M_{1}$ strengthened. But in December the FOMC again voted for a more generous reserve provision, and the rate was just over $91 / 2$ per cent at the year-end. While the decline in the Federal funds rate after September was rather modest, the Desk's increased provision of nonborrowed reserves enabled banks to reduce their borrowing to an average of $\$ 1.3$ billion in the last month of the year from the peak level of $\$ 2.1$ billion in August.

The securities markets over the year. The intensification of pressures on bank reserve positions in the early part of the year quickly spilled over into the short-term credit markets. Borrowers had strong inducement to switch from open market paper to taking down bank loan commitments as the rise in the bank prime rate was slowed by the activities of the Committee on Interest and Dividends (CID). To help finance loan demand, banks aggressively issued a large volume of CD's.

The rise in $C D$ rates often outdistanced the Federal funds rate, and many banks were reportedly paying 11 per cent for 60 - to 89 -day prime CD's over most of August and September, more than double the rates offered at the start of the year. Rates on longer CD's adjusted upward after the remaining applicable Regulation Q ceilings were suspended in May, although banks rarely showed an inclination to commit themselves to pay high rates for long periods of time. The introduction of a dual prime rate structure in late April prompted a steady rise in the prime loan rate charged large businesses in the months that followed, bringing it to a record 10 per cent by September. Commercial paper rates were also pushed higher, but activity in this market receded sharply over the first 8 months of the year. Treasury bill rate increases were damped until June by demand from foreign central banks, which periodically depleted dealer inventories. Thereafter, bill rates rose sharply in response to the accelerated rise in the Federal funds rate. The rate on the 3 -month issue stood at 9.05 per cent in midSeptember, an increase of almost 4 percentage points from the beginning of the year. A series of increases in the Federal Reserve discount rate, which brought this rate to an unprecedented $71 / 2$ per cent by mid-August, confirmed the shift to a higher rate structure.

Near the end of September, the Committee's adoption of a less reluctant approach to the reserve provision was followed by a precipitous drop in short-term interest rates. Thereafter, rates fluctuated dramatically in response to conflicting economic developments and changing market assessments of the outlook for System policy. The initial declines were partly eroded by the year-end as the System's moves toward a less restrictive policy stance proved more measured than participants anticipated. Bank offering rates on large CD's fell to as low as $81 / 2$ per cent for 3 -month maturities by the end of October, but they subsequently moved back to close the year at $91 / 2$ per cent. Bank willingness to permit CD's to run off toward the end of the year, in anticipation of further interest rate declines, was facilitated by a shift of borrowers back to the use of commercial paper. Banks reduced the prime rate only marginally,
and it thus remained above commercial paper rates in the last 4 months of 1973. Treasury bill rates became particularly volatile, reflecting sensitivity to developments in the foreign exchange markets as well as to domestic monetary influences. The bid rate on the 3 -month issue dropped by nearly 200 basis points between early September and early October. Thereafter it rose as high as 8.62 per cent but closed the year at 7.45 per cent.

The long-term debt markets were partly insulated from money market pressures, and yields never reached the levels observed in late 1969 and 1970. The funneling of business credit demands into the banks and sizable internal cash flows, aided by dividend restrictions, kept public offerings of corporate bonds at a modest $\$ 13.6$ billion in 1973 , down $\$ 5$ billion from the previous year. Bond yields rose moderately through June and then climbed sharply, paralleling the escalation in short-term rates. Yields peaked for the year in early August and then fell sharply, as the view that monetary restraint had reached a plateau set off an anticipatory buying spree. The impact of the Mideast oil embargo on fuel costs and inflation worries generally had a stronger impact on long-term bonds as the year drew to a close and yields rose again. The yield on recent Aaa-utility issues was at 8.10 per cent near the end of December, around $7 / 8$ of a percentage point higher than a year earlier. Trends in the municipal bond market were similar, but yields rose somewhat less toward the year-end as bank interest in tax-exempt securities re-emerged. The Bond Buyer's municipal index rose only 5 basis points over 1973 to 5.16 per cent. Government coupon yields generally moved in concert with corporate issues although some additional upward adjustments were related to the Treasury's refinancing of a relatively larger share of 1973 maturities in the long-term bond market. The Treasury's expanded use of longterm borrowing was part of an over-all plan to increase the viability of the long-term Government market by increasing supplies. Over the year, an improvement in the tradability of such issues was apparent.

Treasury cash borrowing fell sharply from $\$ 15.3$ billion to $\$ 7.7$ billion during 1973 , but
sales of Federally sponsored agencies rose by over $\$ 10$ billion to $\$ 14.4$ billion. The housingrelated agencies became particularly heavy borrowers as the climb in short-term rates eroded deposit flows at the thrift institutions. The steep rise in mortgage commitments from 1970 to early 1973 led to a continued expansion in mortgage lending over the first half of the year. Mortgage rates rose steadily during most of 1973, and rate limitations in a number of States, as well as a drop in thrift institution commitments, limited the growth in mortgage credit toward the end of the year.

## JANUARY-MID-APRIL

The Committee's instructions. At its first three meetings of the year, the Committee voted for slower growth in the aggregates over the months ahead than had occurred in the previous 6 months. When the Committee met on January 16, the staff's analysis indicated that it would take time for additional pressure on bank reserve positions to reduce money stock growth from the excessive pace of late 1972. While it was expected that intensified reserve pressures would achieve the moderate expansion in $M_{1}$ desired over the months ahead, growth in the near term was expected to remain rapid in view of the accelerated pace of economic activity. The Committee chose tolerance ranges for $M_{1}, M_{2}$, and RPD's that were at least as restrictive as the alternatives presented by the staff and reduced the lower ends of these ranges to indicate its willingness to accept substantially slower growth in the near term. The Committee agreed that open market operations should be directed at restraining reserve growth and anticipated that the Manager would achieve the attendant firming in the money market in advance of the Treasury's February refunding operation.

Money stock growth decelerated sharply in January, but the outlook presented at the February 13 meeting continued to indicate considerable growth in the aggregates over the months ahead. The FOMC again chose more restrictive 2 -month tolerance ranges for the aggregates than presented by the staff and anticipated that some additional firming of money market conditions would ensue. Estimates made soon after the
meeting indicated that $M_{1}$ growth would remain strong while RPD's were beginning to accelerate and were moving above their specified range. In view of this, the Committee agreed on March 1 that the Federal funds rate should be permitted to rise somewhat further than had been contemplated earlier.

By the time of the March 19-20 FOMC meeting, growth in $M_{1}$ and $M_{2}$ had moderated, although RPD's and credit proxy growth were well above levels previously indicated. In view of recent sharp price increases and evidence suggesting a continuation of overly rapid economic growth, the Committee reduced its longer-run objective for $M_{1}$. While RPD growth was expected to remain rapid, the FOMC chose the lowest 2 -month ranges suggested for the money stock measures and reduced the bottom ends of the tolerance ranges for all measures. When $M_{1}$ and RPD growth decelerated even more because of weaker-than-expected expansion in private demand deposits, a majority of the Committee agreed, on April 11, to avoid an easing of money market conditions in the days before its April meeting.

The Manager's response. The Manager moved promptly after the January FOMC meeting to limit nonborrowed reserve availability. By the end of January, the Federal funds rate had risen to $63 / 8$ per cent from $57 / 8$ per cent 2 weeks earlier. Estimates of $M_{1}$ growth steadily moved lower, while RPD's were within the range specified for the 2 months ending in February, and the Desk acted to stabilize conditions in the money market during the refunding operation. The Desk adopted a more reluctant approach to the reserve provision soon after the Committee's February meeting, when estimates of $M_{1}$ over February and March indicated that growth would remain strong while larger-than-anticipated time deposit expansion was adding to $M_{2}$. At the same time, extraordinarily large gains in negotiable CD's brought credit proxy growth well above earlier expectations and pushed RPD's up to a 5 per cent rate, well above the 2.5 per cent top of the range specified for February and March combined. Accordingly, the Manager continued to hold back on the provision of nonborrowed reserves, anticipating that trading in Federal funds would average
around 7 per cent in the weeks leading up to the Committee's meeting in March.

The Manager initially continued with the same reserve strategy after the March meeting, expecting the Federal funds rate to remain around 7 per cent. While record expansion in large CD's boosted credit proxy growth above earlier expectations, a weakness in demand deposits began to moderate growth in the money stock measures and in RPD's. As a result, these two measures began to move below their tolerance ranges toward the end of March. In response, Desk operations were directed at encouraging less money market tautness. While the Manager would have ordinarily continued with this shading of reserve objectives, the Committee decided on April 11 to avoid further modifications until the next meeting.

The Account Management encountered difficulty over much of this period in avoiding unduly sharp fluctuations in money market conditions. While member bank borrowings rose considerably, on average, they sometimes varied by as much as $\$ 700$ million from week to week. Bank response to anticipations of further increases in the Federal funds rate caused them to build up excess reserves early in a statement week, bidding aggressively for Federal funds and using the discount window heavily over the weekend. Substantially easier money market conditions would then emerge when the hoarded reserves were pressed on the market. The Desk often adapted its operations to this pattern, supplying some reserves early in the week and, on occasion, withdrawing them at the end of the statement period.

The securities markets. Developments in the credit markets in the opening months of the year reflected awareness that the System would respond to the persistence of inflation and the strong pace of money stock growth, leading to higher interest rates. Market participants were quick to note the Desk's reluctance to supply reserves as the Federal funds rate rose above previous levels. Two increases of $1 / 2$ percentage point each in the Federal Reserve discount rate, bringing it to $51 / 2$ per cent by the beginning of March, underscored the System's intent.

The emergence of strong loan demand at banks-bolstered by the low level of the prime
rate in relation to rising market rates-and the resulting pressures in the CD market also had an impact on the structure of rates. By midMarch rates paid by major banks on CD's maturing in up to 89 days had risen by around 150 basis points to $7 \frac{1}{8}$ per cent, and Regulation $Q$ ceilings constrained the availability of funds with a longer maturity. Treasury bill rate increases were tempered by the strength of foreign central bank demand, but rates on most issues still rose by well over 100 basis points. The rate on the 3 -month issue reached 6.55 per cent in early April but then moved back down to 6.19 per cent when an easier climate emerged in the money market.

In the long-term debt markets, the pull of short-term interest rates and concern over inflation generated an upward adjustment in yields. But expectations of light corporate and Government borrowing demands kept the rise in yields to modest proportions in the first few months of the year. In its February refunding, the Treasury sold a $31 / 2$-year, $61 / 2$ per cent note priced to yield 6.60 per cent and auctioned $\$ 1$ billion of a $63 / 4$-year, $65 / 8$ per cent note that was awarded at an average yield of 6.74 per cent. Interest in the new issues was initially restrained as dealers were anxious about burdensome financing costs. However, demand from foreign central banks soon spilled over into the Treasury coupon sector, and the market improved in the weeks that followed.

Published data showing a deceleration in money stock growth over the first quarter began to outweigh evidence of continued rapid economic expansion in the formulation of interest rate expectations. The less-than-2 per cent growth first reported in $M_{1}$ over the 3 months ending in March, generated the view that the System could soon move to stimulate more rapid expansion. The stability of the funds rate around the 7 per cent level was interpreted as an encouraging sign and when the Desk entered the market to make outright purchases of Treasury bills on April 6 with Federal funds trading at $71 / 8$ per cent-a rate previously thought to be acceptable-a major rally ensued in the securities markets.

The change in attitudes had the most impact on longer-term securities amid dealer efforts to
cover short positions. Expectations of continued modest calendars of bond offerings also helped yields retrace earlier increases. The yield on recently offered Aaa-utility issues was 7.47 per cent in mid-April, around 20 basis points above its level at the start of the year. The Bond Buyer's index, at 5.07 per cent, was around its early-January average and down 27 basis points from the level of 1 month earlier. At the same time, the confluence of business demands for short-term credit kept money market rates under some pressure. Rates on large CD's and commercial paper thus increased by another 25 to 35 basis points between the March and April meetings. The 3 -month Treasury bill rate rose but then fell back to 6.20 per cent, while rates on longer issues began to experience modest declines.

## MID-APRIL TO JUNE

The Committee's instructions. At the Committee's April 17 meeting, demands for money were expected to strengthen in the near term, given the transactions needs of a booming economy. At the same time, the staff thought that the previous rise in interest rates would continue to limit money stock growth so that the reserve conditions consistent in the near term with the FOMC's longer-run objective for $M_{1}$ could be achieved without further money market pressure. The broad money supply, $M_{2}$, and RPD's were anticipated to slow, and the extraordinarily rapid bank credit expansion of previous months also seemed likely to taper off. Against this background, the Committee voted to seek moderate growth in the aggregates over the months ahead, anticipating that the 2 -month expansion rates indicated for the reserve and deposit measures would be associated with little change in the Federal funds rate.

In the months that followed, most aggregates measures exhibited excessive strength. The Committee voted in May to seek slower growth in the aggregates over the months ahead than had occurred in the previous half-year. It responded to signs of further acceleration by raising the upper limit of its constraint on the Federal funds rate at its May meeting and twice in the weeks that followed.

The Manager's response. The Manager moved almost immediately after the April FOMC meeting to adopt a more reluctant approach to the reserve provision when it was projected that $M_{1}$ and $M_{2}$ growth over April and May would move above acceptable ranges. RPD growth, however, fell below its tolerance range, given a shift in the multiplier. The Desk was soon anticipating that the Federal funds rate would rise to around $71 / 2$ per cent, compared with about 7 per cent prevailing just prior to the meeting. The success of the Treasury refunding in early May gave no cause for modifying this approach, although the Committee had provided for this possibility in its directive.

At its May 15 meeting, the Committee retained close to the same 2 -month acceptable range for $M_{1}$ but the range for RPD's was lowered somewhat from the interval specified the month before, given recent experience and the expectation that higher interest rates would soon curb deposit growth. The upper limit placed on the Federal funds rate was raised.

The Account Manager soon found himself pressing against the Federal funds rate constraint as projected $M_{1}$ growth accelerated to a 10 per cent rate over May and June. The expansion in $M_{2}$ was well above acceptable growth, although shifts in the distribution of deposits worked to keep RPD's just a bit above the 11 per cent upper end of the range established for this measure. In view of these developments, the Committee decided on May 24 and again on June 8 to raise the upper limitation on the Federal funds rate. By the June 18 Committee meeting, the Manager was anticipating reserve conditions consistent with a funds rate of around $81 / 2$ per cent.

The Manager's growing reluctance to supply nonborrowed reserves over the period starting with the April meeting became readily apparent in the money market. Member banks became less willing to increase borrowing much above the $\$ 1,850$ million level reached in March. In this situation, and with deposit levels rising steadily, enlarged demands for reserves pushed the Federal funds rate progressively higher over the 2 months with little interruption.

The securities markets. The emergence of more rapid money stock growth during April
quickly generated bond market expectations of increased monetary restraint. These were confirmed by the rise in the Federal funds rate and three rounds of increases in the Federal Reserve discount rate, which brought the rate to $61 / 2$ per cent at all Reserve Banks by June 15. Rates in the CD market, spurred by bank demands, led rate increases on other instruments, even though the cost of increasing such liabilities had been stepped up by the Board's action on May 16 to subject them to marginal reserve requirements, a move taken to brake the rapid expansion in bank loans. Although the outlook in the bill market had been improved by substantial Treasury redemptions of maturing issues, it was outweighed by the spreading impact of monetary restraint, and the rate on the 3-month issue rose another 100 basis points to 7.20 per cent by mid-June.

Interest rate expectations began to be affected in June by the belief that the pace of economic activity would soon begin to moderate. In fact, many observers began to suggest that a recession would emerge by the year-end and that the System would move to counter such a development. The response to the growing monetary stringency was thus tempered by some feeling that it could well turn out to be of fairly short duration. For a while, anticipations of stronger administration wage-price control measures also convinced many that the need for prolonged monetary restraint would be reduced. Although the System had suspended the remaining Regulation Q ceilings on large CD's, as part of the broad regulatory package adopted on May 16, banks showed little interest in extending the maturity of these liabilities. Rates on longerterm Treasury bills were still below 7 per cent by mid-June and price declines in the long-term bond markets were moderate despite the further tightening of money market conditions.

Yields on intermediate-term Treasury issues rose prior to the May refunding operation but declined afterward as dealers made good progress in distributing the new issues. The Treasury redeemed $\$ 1.65$ billion of maturing issues for cash, auctioned $\$ 2$ billion of 7 -year, $67 / 8$ per cent notes at 7.01 per cent, and $\$ 650$ million of 25 -year, 7 per cent bonds at 7.11 per cent. The bonds were sold at the lowest
accepted bid price, the second time that the Treasury had utilized this technique. (In early January, $\$ 625$ million of a 20 -year bond had been sold at a price to yield 6.79 per cent.) Subsequent yield increases were modest, as banks remained generally unwilling to reduce holdings of coupon issues. Over the 2 -month period ending in mid-June, the yield on U.S. Government securities maturing in 10 years rose from around 6.70 per cent to 6.90 per cent. The returns on recently offered Aaa-rated corporate utility issues increased by a similar amount to around the 7.60 per cent level reached in midMarch. Reflecting hopes that banks might again become more active participants in the tax-exempt market, the Bond Buyer's index, at 5.13 per cent over the first 2 weeks of June, was essentially unchanged from its average in the first half of April. Mortgage yields continued to creep up, and the rates established in the bi-weekly Federal National Mortgage Association auction rose 15 basis points to 8.04 per cent.

## JULY-MID-SEPTEMBER

The Committee's instructions. When the Committee met on June 18-19, money stock growth estimated for the second quarter was rapid. The Committee voted to seek somewhat slower growth in the aggregates over the months ahead and underscored the need for monetary restraint by adopting a range for $M_{1}$ growth in June and July with a midpoint that was below the expansion then projected. The ranges adopted for $M_{2}$ and RPD's implied similar restraint. New estimates soon indicated another wave of excessive $M_{1}$ growth. On July 6, the Committee agreed to raise the upper constraint on the Federal funds rate from the limit adopted at the June meeting.

The FOMC was willing to see a further intensification of reserve pressures as the summer progressed. At its July 17 meeting, the Committee again voted for slower growth in the aggregates and raised the upper constraint on the Federal funds rate from the limit agreed upon earlier that month. The members agreed on August 3 that the funds rate could rise even further if necessary. By the time of the August

21 meeting it was expected that the prior rise in short-term rates would continue to limit money demand in the months ahead following a marked deceleration in July. The Committee became willing to accept slow growth for a while, especially because RPD's showed no such tendency and even strengthened. At its August meeting, the Committee placed emphasis on bringing expansion in this measure below the range thought consistent with its near-term objectives for the money stock measures.

The Manager's response. The System moved to adopt a substantially more restrictive posture at the end of June when incoming data showed more rapid growth in the aggregates than was acceptable. It was expected that this shift in reserve strategy would raise the Federal funds rate to $91 / 4$ per cent from the $8 \frac{1}{2}$ per cent average then prevailing, although a much larger increase developed. After the July 17 meeting, $M_{1}$ moved within an acceptable range, but $M_{2}$ and RPD's continued to increase at overly rapid rates following enlarged inflows of time deposits to commercial banks. Actions to restrain the availability of nonborrowed reserves thus continued without interruption until early August, although the anticipated weekly rise in the Federal funds rate became more gradual. The weekly average Federal funds rate had risen to about $101 / 2$ per cent by late July. Subsequently, data indicated a further slowing in monetary growth and RPD's moved within their specified range.

The Desk sought no further intensification of pressures in the weeks leading up to the August 21 meeting. Shortly after this meeting, the Manager raised his sights for the Federal funds rate a shade in view of the emphasis placed by the Committee on limiting the rapid growth in RPD's. A further deceleration of demand deposit growth helped bring RPD's within their 11 to 13 per cent range for August and September combined, and the Desk sought no additional pressure on bank reserve positions. The Federal funds rate stabilized at around $103 / 4$ per cent in the weeks leading up to the September 18 meeting.

The move toward further restraint initiated at the end of June attracted widespread attention. Bank avoidance of both Federal funds and dis-
count window borrowings over the quarterly statement publishing date led to a sharp convergence of reserve demands in the 2 days before the July 4 holiday on Wednesday. The Desk pumped in $\$ 3,314$ million of reserves in the 2 days, but the cumulative deficiencies of the banks proved too large to head off the extraordinary strain. The average Federal funds rate climbed sharply to 10.21 per cent from 8.59 per cent the week before, and trading took place at rates as high as 15 per cent for the first time.

This episode complicated operations for a number of weeks. Expectations that the System would continue and possibly intensify restraint led to a concentration of demands for funds at the start of a statement week. This reflected a continuation of the pattern that had emerged with the onset of restraint; only the pressures in the money market were often more difficult to temper given the enlarged demands for nonborrowed reserves.

The securities markets. There was a sharp and dramatic response in the securities markets to the implementation of a clearly more restrictive monetary policy. The Board reaffirmed the System's intent on July 2 by approving requests by all Federal Reserve Banks to raise their discount rates to 7 per cent and by announcing the adoption of a $1 / 2$ per cent increase in reserve requirements on the bulk of demand deposits at member banks. Market participants soon began to project that tightening would continue indefinitely. The upward pressure spread quickly from the Federal funds rate to dealer financing costs and Treasury bill rates. The rate on the 3 -month issue rose from about $7 \frac{1}{4}$ per cent to a high of 9.05 per cent on August 14, the day that another $1 / 2$ point increase in the discount rate, to a record $71 / 2$ per cent, was announced. The bill rate subsequently fell by 60 basis points but rose again to around the same peak after the Board's announcement in early September of an increase in the marginal reserve requirement on large CD's to 11 per cent. Aggressive competition continued in the CD market, raising yields on 90 -day CD's by 63 basis points to around 11 per cent over the same interval.

The influence of higher short-term rates spilled over to the markets for long-term debt,
given expectations that banks would abstain from buying new issues and/or liquidate holdings as monetary restraint persisted. The climb in long-term rates intensified with the approach of the August refunding. The Treasury announced on July 25 that it would auction $\$ 2$ billion of additional 4 -year, $73 / 4$ per cent notes and $\$ 500$ million of 20 -year, $71 / 2$ per cent bonds, the latter using the uniform-price technique adopted at the start of the year. The remaining $\$ 2$ billion financing need would be met through an auction of 35 -day tax-anticipation bills.

Dealers soon became concerned that investor demand would be insufficient to permit them to distribute issues before they had to be financed at burdensome costs. Enlarged demands by Federal agencies, as they moved to preserve mortgage flows, added to the gloomy outlook. A precipitous drop in note and bond prices emerged prior to the auctions, which were scheduled for July 31 and August 1, amid large-scale short selling. Desk purchases of in-termediate-term coupon issues on behalf of Government investment accounts helped impart some stability to the market. Even so, only $\$ 2.1$ billion of acceptable bids were received for the $\$ 2$ billion of $73 / 4$ per cent notes, and these came under heavy selling pressure shortly thereafter. Public bids for the 20 -year bonds at the lowest acceptable price amounted to only $\$ 260$ million. The tax-anticipation bills sold on August 8 were issued at a substantial average rate of 10.03 per cent-on a bond equivalent basis-even though banks were permitted to pay for 50 per cent of subscription by crediting Treasury tax and loan accounts.

The decline in bond prices ended quite suddenly. Evidence of a deceleration in money stock growth during July and August convinced many participants that the next move in System policy would be in the direction of less restraint. Thus, despite the slight edging up of the daily level of Federal funds trading after the August FOMC meeting, securities dealers began to cover some short positions in notes and bonds. An explosive rally emerged in the debt markets as it became apparent how short aggregate trading positions had become and as investors sought to capture the prevailing yields on securities rather than risk missing a turn in rates.

Prices rose sharply over the rest of August and in September so that, by the time of the September FOMC meeting, the increase in yields on notes and bonds that had occurred over the summer had been largely eradicated. The index of Government securities maturing in 10 years averaged 7.09 per cent, close to its level of mid-July and well below its August 8 peak of 7.54 per cent. Recently offered Aaa-rated utility issues were yielding 8.03 per cent, reflecting a decline of around 27 basis points in 6 weeks. The Bond Buyer's index of yields on 20 -year municipal bonds had fallen over 50 basis points to 5.05 per cent, merely 5 basis points above its lowest level of the year.

## MID-SEPTEMBER-DECEMBER

The Committee's instructions. Starting with its September 18 meeting, the FOMC voted to seek moderate growth in the aggregates over the months ahead. The cumulative increases in interest rates over the year and the sharp deceleration of money stock growth in the late summer led the staff to reduce its estimates of the demands for money that were likely to emerge in the months ahead. It appeared that a delay in a move toward easing could require a much more substantial move at a later time to achieve moderate $M_{1}$ growth. At its September 18 and October 16 meetings, the FOMC raised the upper ends of the 2 -month tolerance ranges for the aggregates a bit above those suggested by the staff, expecting that reserves would be provided more readily as the period unfolded and that the Federal funds rate could decline.

In fact, $M_{1}$ became considerably stronger in the closing months of the year, and it appeared that growth in previous months would be revised upward. While inflation remained a disturbing problem, the pace of real economic activity decelerated and it appeared that the curtailment of oil supplies from abroad could have significantly adverse effects. The Committee at its November 20 meeting retained the objective of moderate growth in the long run. $M_{1}$ growth continued to strengthen, and by the end of November appeared to be moving above an acceptable range for the last 2 months of the year. On November 30, however, the Commit-
tee agreed to forestall a tightening of money market conditions because of current uncertainties with respect to the economic outlook and the sensitive state of market psychology. At its final meeting of the year, on December 17-18, the FOMC moved further in the direction of less restraint and decided to seek some easing of bank reserve and money market conditions, provided that the aggregates did not appear to be growing excessively.

The Manager's response. After the September meeting, estimated money stock growth over the 2 months ending in October fell below an acceptable range and the Manager moved to provide reserves more readily. While the Manager was careful in light of the FOMC's desire to avoid generating market impressions that monetary restraint was being relaxed significantly, the securities markets responded dramatically to the first sign that the System was changing its reserve and money market objectives.

Three-month bill rates plummeted from 8.68 per cent on the day of the meeting to 6.96 per cent by September 27. At the same time, a downward shift in member bank borrowings and enlarged demands for Federal funds by major banks seeking to avoid issuing CD's until rates fell further kept the money market under constant pressure. The Manager asked for guidance in resolving the inconsistency between the indicated response to the aggregates, which were expected to fall below the FOMC's objectives for the September and October period, and the state of the credit markets. The Committee agreed at a telephone meeting on October 2 that money market conditions should be allowed to ease somewhat if this easing did not threaten to reinvigorate the sharp rally in the markets for short-term securities. While the Manager became more aggressive in his efforts to supply nonborrowed reserves, the money market remained under pressure and the Federal funds rate showed no tendency to move below $103 / 4$ per cent. At the same time, $M_{1}$ growth weakened further and the other measures moved well below their specified ranges. On October 10, the Committee held a second telephone meeting and directed the Manager to supply reserves consistent with some easing of money market
conditions beyond that indicated 8 days earlier. The Desk redoubled its efforts to achieve this and, following substantial additions to nonborrowed reserves, the funds rate had declined to 10 per cent by the October FOMC meeting.

In the weeks after the October 16 meeting, estimates of money stock growth initially remained within the range indicated as acceptable for the 2 months ending in November while bank willingness to permit CD's to run down pulled RPD's below their range. The Account Manager retained a somewhat more generous approach to the provision of nonborrowed reserves and began permitting doubts about reserve availability to be resolved on the side of a bit less tautness, with the Federal funds rate settling a shade under 10 per cent. This process was halted shortly thereafter when estimates of $M_{1}$ growth strengthened, reaching 8 per cent over the 2 months. While the Desk adopted a more grudging approach and the Federal funds rate rose to around $103 / 4$ per cent, efforts to restrict reserve supplies more noticeably were tempered by the Treasury refunding that was in process and by the unsettled conditions that developed in the securities markets.

The surge in $M_{1}$ growth during November and the uncertainties attributable to the oil shortage led the staff to conclude that demands for $M_{1}$ in the near term could increase, while the economic outlook became more uncertain. The Committee established tolerance ranges for the aggregates over the 2 months ending in December that were likely to be consistent with little change in money market conditions. Soon after the meeting, however, incoming data suggested that growth in $M_{1}$ and also $M_{2}$ might be stronger than acceptable over the 2 months. While these conditions ordinarily would have called for limiting reserve availability, thus generating a rise in the Federal funds rate, the Manager sought to maintain prevailing money market conditions until the December meeting following the Committee's concurrence on November 30 with the Chairman's recommendation of this course of action.

At its December 17-18 meeting, the Committee concluded that the economic situation and outlook called for a modest easing of monetary policy. The FOMC also decided to place
somewhat more emphasis on money market conditions until its next meeting and directed the Manager to seek some easing of these conditions provided that the aggregates did not appear to be growing excessively. Accordingly, the Desk moved promptly after the meeting to provide nonborrowed reserves at a more generous pace. But the process was delayed again just before the year-end when estimates of the aggregates turned out stronger than anticipated and it appeared that $M_{1}$ was moving above an acceptable range for December and January combined. The Manager was providing reserves consistent with Federal funds trading in a $93 / 4$ to 10 per cent range as the year drew to a close. While this was below the level in November, the faster growth in the aggregates, with $M_{1}$ increasing at a $7 \frac{1}{2}$ per cent rate over the fourth quarter, had forestalled the emergence of a more significant easing in conditions of reserve availability.

The securities markets. There was an ebullient reaction in the securities markets in late September when participants sensed the System's response to the deceleration of money stock growth to a 0.3 per cent rate over the third quarter. A spectacular decline in shortterm rates occurred shortly after the September meeting when the Desk purchased a small volume of Treasury bills at a time when the money market was not particularly firm in comparison with previous weeks. Banks reduced offering rates on CD's by over 2 percentage points to around $81 / 2$ per cent between September and the end of October. Dealers in prime commercial paper reacted similarly, with rates on 90 - to 119-day paper falling to $83 / 8$ per cent from close to 11 per cent. Treasury bill rates plummeted, with the 3 -month issue dropping by about 2 percentage points to around 7 per cent. Later, when $M_{1}$ growth accelerated and the funds rate failed to decline significantly, the reaction was almost as sharp.

The Treasury bill market was especially volatile toward the end of the year. Expectations that the System would ease to ward off an economic slowdown generated by fuel scarcities were dampened by signs of accelerated $M_{1}$ growth. Increased bill sales by foreign central banks, owing to the improved international po-
sition of the dollar, added to market caution. A significant increase in rates occurred after the Treasury announced, in early November, the sale of bills to raise new cash. In all, the Treasury raised an additional $\$ 8$ billion of cash in the bill market in the last 3 months of the year, as its needs were enlarged by redemptions of nonmarketable issues held by foreign central banks. The central banks also liquidated a substantial volume of marketable coupon issues toward the end of the year as the dollar improved against other currencies. By the yearend, bill rates were still 40 to 50 basis points above the low points reached in late September and early October. Short-term bill rates remained above rates on longer maturities, with the 3 -month issue bid at 7.45 per cent and the 1 -year issue at 6.86 per cent. The continued moderation of business credit demands at banks, reflecting in part a shift of borrowers to the commercial paper market, led to modest CD growth late in the year. Offering rates retraced part of the earlier declines with the 90 -day maturity closing the year at $91 / 2$ per cent.

The long-term debt markets were also highly responsive to expectations of a change in System policy and to changing assessments about prospects for the economy. Yields declined in late September and early October. The terms of the Treasury's refunding, announced on October 24 , were greeted favorably, but the emerging pressures on short-term rates soon began to dampen market sentiment. The Treas-
ury auctioned $\$ 3.8$ billion of issues to replace maturing securities, and the package included $\$ 1.5$ billion of $251 / 2$-month notes, $\$ 2$ billion of 6 -year notes, and $\$ 300$ million of additional $71 / 2$ per cent bonds due in 1993. Coupon rates of 7 per cent were established for both notes. The October 30 auction of the 6 -year notes at an average yield of 6.82 per cent was disappointing, and yields adjusted higher before the two auctions held on the next day. The $251 / 2$-month notes were sold at 6.91 per cent, and the longterm bonds were awarded at 7.35 per cent with all bonds awarded at the price of the lowest accepted tenders.

Dealers were unable to reduce inventories significantly in the weeks that followed, and coupon prices declined quite steadily. The rounds of price increases expected to result from potential fuel scarcities deepened concern over inflation and had particular impact in the longterm markets. By the last week in December, the yield on 10-year Government securities reached 6.87 per cent, little changed from its early-October level. Corporate bond yields experienced more pronounced increases, reflecting expectations of enlarged financing demands in 1974. The yield on recently offered Aaa-rated utility issues rose to 8.10 per cent, 20 basis points below its August high. Stronger bank interest in municipal issues benefited the taxexempt market, and the Bond Buyer's index stood at 5.16 per cent, 43 basis points below its August high.

# Record of Policy Actions of the Federal Open Market Committee 

## MEETING HELD ON FEBRUARY 20, 1974

## Domestic policy directive

The information reviewed at this meeting suggested that real output of goods and services-which had grown at an annual rate of about 1.5 per cent in the fourth quarter of 1973-was declining in the first quarter of this year, mainly because of the oil situation, and that the GNP implicit deflator was continuing to rise rapidly. Staff projections suggested that weakness in economic activity would continue in the second quarter and that the rise in prices would remain rapid.

In January industrial production declined appreciably further, as output of automobiles and residential and commercial use of electricity and gas continued to decline while output of business equipment and other major categories of goods changed little; the January level was below the average in the fourth quarter of 1973. Nonfarm payroll employment fell sharply-reflecting sizable reductions in durable goods manufacturing and in contract con-struction-and the average workweek in manufacturing also declined considerably. The unemployment rate rose from 4.8 to 5.2 per cent. The dollar volume of retail sales recovered, following a sizable decline in December; although the January level was somewhat above the fourth-quarter average, the gain appeared to be less than the rise in prices of consumer goods.

Wholesale prices of industrial commodities continued to rise at a rapid pace in January; increases again were large for fuels and were substantial and widespread among other commodity groups. Wholesale prices of farm and food products also rose sharply, with increases especially large for prices of livestock, meats, and grains. In December the consumer price index had risen appreciably further, although the increase was tempered by declines in retail prices of meats and used cars. The index of average hourly earnings of production workers on nonfarm payrolls also had continued to advance in recent months, but at a less rapid pace than prices.

The latest staff projections for the first half of 1974 suggested
that nominal GNP would expand somewhat less, and that real GNP would decline somewhat more, than had been anticipated at the time of the Committee's meeting in mid-January. Declines were concentrated in real consumption expenditures and residential construction activity, both of which were now projected to be weaker than had been expected 4 weeks earlier. As before, it was anticipated that the expansion in business fixed investment would remain relatively strong and that growth in State and local government purchases of goods and services would continue at a substantial rate. Business inventory investment was projected to be moderately below the high rate experienced in the fourth quarter of 1973, when stocks of large automobiles accumulated as sales fell off.

In foreign exchange markets the strong appreciation of the dollar that had begun in October gave way to depreciation near the end of January, reflecting in part the removal of U.S. controls on outflows of capital, relaxation of some foreign restraints on inflows of capital, and declines in U.S. interest rates relative to those abroad. In December U.S. merchandise exports had remained strong while imports had dropped from the very high level in November; the trade surplus had increased sharply both in December and in the fourth quarter as a whole.

Growth in total loans and investments at U.S. commercial banks accelerated in January, reflecting increases in most categories of loans and in banks' holdings of both Treasury and other securities. Expansion in business loans, which had been moderate in the fourth quarter of 1973, was especially strong in January, and business borrowing in the commercial paper market also was heavy. Between late January and mid-February, most banks lowered the prime rate applicable to large corporations from $93 / 4$ to 9 per cent.

The narrowly defined money stock $\left(M_{1}\right)^{1}$-which had grown at a rapid pace in the last 2 months of 1973-declined in January; weekly data suggested that $M_{1}$ was expanding in early February. Inflows of consumer-type time and savings deposits increased substantially; as a result, growth in the more broadly defined money stock $\left(M_{2}\right)^{2}$ remained near the moderate rate in December. The outstanding volume of large-denomination CD's rose appreciably

[^7]in January and, along with a large increase in U.S. Government deposits, contributed to an acceleration of growth in the bank credit proxy. ${ }^{3}$

Net deposit inflows at savings and loan associations in January remained near the improved rate in the final months of 1973, but inflows to mutual savings banks fell off again. Growth in the measure of the money stock that includes such deposits $\left(M_{3}\right)^{4}$-like growth in $M_{2}$-continued near the moderate rate in December. Contract interest rates on conventional mortgages and yields in the secondary market for Federally insured mortgages declined between early January and early February.

On January 30 the Treasury announced that in early February it would auction up to $\$ 4.05$ billion of notes and bonds to refund the bulk of $\$ 4.5$ billion of publicly held notes and bonds maturing on February 15; the remainder would be retired by drawing down cash balances. In auctions on February 5, 6, and 7, respectively, the Treasury sold $\$ 1.50$ billion of 7 -year, 7 per cent notes at an average price to yield 6.95 per cent; $\$ 2.25$ billion of $31 / 4$-year, $67 / 8$ per cent notes at an average price to yield 6.70 per cent; and $\$ 300$ million of $191 / 2$-year, $71 / 2$ per cent bonds at a price to yield 7.46 per cent to maturity.

System open market operations since the January 21-22 meeting had been guided by the Committee's decision to seek bank reserve and money market conditions consistent with moderate growth in monetary aggregates over the months ahead, while taking account of the Treasury's mid-February refunding and of international and domestic financial market developments. Soon after the meeting, incoming data suggested that in the January-February period the monetary aggregates would grow at rates well within the ranges of tolerance specified by the Committee; therefore, operations were directed toward a slight easing in bank reserve and money market conditions, in accordance with the Committee's instructions that such easing would be sought promptly if the data then available did not suggest that the aggregates were growing rapidly.

Around the beginning of February available data suggested that

[^8]growth both in reserves available to support private nonbank deposits (RPD's) and in $M_{1}$ might fall below the specified ranges of tolerance. Therefore, the System sought some further easing in bank reserve and money market conditions. In the 2 weeks preceding this meeting the Federal funds rate was close to 9 per cent, compared with around $95 / 8$ per cent in the days before the January meeting; member bank borrowings averaged around \$1,140 million in the 4 weeks ending February 13, little changed from the average in the preceding 5 weeks. Data that became available a few days before this meeting indicated that $M_{1}$ was expanding rapidly in early February and that it was likely to grow in the January-February period at a rate within the specified range; however, growth in RPD's still appeared likely to fall short of the specified range.

Short-term market interest rates had fallen appreciably since the Committee's meeting on January 21-22, in large part because money market conditions had eased, but also, apparently, because market participants expected them to ease further. On the day before this meeting the market rate on 3 -month Treasury bills was 7.03 per cent, down from 7.97 per cent on the day before the January meeting.

Yields on longer-term securities also had declined somewhat, despite a large volume of financing in the capital markets and the sizable Treasury refunding. The over-all volume of new public offerings of corporate and State and local government bonds rose substantially in January, and an equally large volume was in prospect for February.

The Committee agreed that the economic situation and outlook continued to call for moderate growth in monetary aggregates over the longer run. Staff analysis suggested that, because of the lower projected rate of expansion in nominal GNP, the demand for money was likely to expand less over the first half of 1974 than had been expected earlier. In the February-March period, however, $M_{1}$ was expected to grow relatively rapidly, assuming little or no change in money market conditions; in February in particular, monetary expansion was expected to be spurred temporarily by an extremely sharp reduction in Treasury deposits. Relatively rapid $M_{1}$ growth over the February-March period appeared consistent with the Committee's longer-run objectives for the monetary aggregates
because it would follow the sizable decrease of January and because it seemed likely to be temporary. In the event that money market conditions did remain about unchanged in the period immediately ahead, little or no further decline appeared likely in short-term market interest rates in general, and-to the extent that recent declines had been based on expectations of prompt further easing in money market conditions-rates could move up again.

Over the February-March period, according to the staff analysis, net inflows of consumer-type time and savings deposits to banks and nonbank thrift institutions were expected to remain sizablewith the effects of the recent declines in short-term market interest rates bolstered, perhaps, by increases in precautionary balances. Reflecting the availability of such funds, banks were not likely to issue substantial amounts of large-denomination CD's, even though business loan expansion might not moderate very much from the fast pace of January.

Taking account of the staff analysis, the Committee concluded that progress toward its longer-run objective of moderate monetary growth could be achieved with rates of expansion in the aggregates over the February-March period that were temporarily above those desired for the longer term. For the February-March period it adopted ranges of tolerance of $61 / 2$ to $91 / 2$ per cent and $91 / 2$ to $121 / 2$ per cent for the annual rates of growth in $M_{1}$ and $M_{2}$, respectively. The members agreed that rates of growth within those ranges would be likely to involve RPD growth during the February-March period at an annual rate within a $31 / 2$ to $61 / 2$ per cent range of tolerance, and they decided that in the period until the next meeting the weekly average Federal funds rate might be permitted to vary in an orderly fashion from as low as $81 / 4$ per cent to as high as $91 / 2$ per cent, if necessary, in the course of operations.

The members also agreed that, in the conduct of operations, account should be taken of international and domestic financial market developments. It was understood that the Chairman might call upon the Committee to consider the need for supplementary instructions before the next scheduled meeting if significant inconsistencies appeared to be developing among the Committee's various objectives and constraints.

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

The information reviewed at this meeting suggests that real output of goods and services is declining in the current quarter, mainly because of the oil situation, and that prices are continuing to rise rapidly. In January industrial production declined again, nonfarm payroll employment dropped, and the unemployment rate rose above 5 per cent. Prices of both farm products and industrial commodities increased very sharply. Wage rates have continued to rise substantially in recent months, although not so sharply as prices.

After having appreciated for several months, the dollar has declined somewhat on the average against foreign currencies in recent weeks. U.S. controls on capital outflows were remoyed at the end of January, and several foreign countries have relaxed controls on capital inflows. The U.S. trade surplus rose sharply in December and in the fourth quarter as a whole.

The narrowly defined money stock, after increasing substantially in the last 2 months of 1973, declined in January; most recently, however, it has appeared to strengthen. Broader measures of the money stock continued to rise in January, as net inflows of con-sumer-type time deposits remained relatively strong. Expansion in business loans and in total bank credit accelerated, and banks stepped up issuance of large-denomination CD's. Since mid-January, short-term market interest rates have fallen appreciably, and long-term rates have declined somewhat.

In light of the foregoing developments, it is the policy of the Federal Open Market Committee to foster financial conditions conducive to resisting inflationary pressures, cushioning declines in production and employment that are being induced in large part by the oil situation, and maintaining equilibrium in the country's balance of payments.

To implement this policy, while taking account of international and domestic financial market developments, the Committee seeks to achieve bank reserve and money market conditions consistent with moderate growth in monetary aggregates over the months ahead.

Votes for this action: Messrs. Burns, Hayes, Balles, Brimmer, Daane, Holland, Mayo, and Mitchell. Votes against this action: Messrs. Bucher, Francis, Morris, and Sheehan.

The members dissenting from this action did so for different reasons. Messrs. Bucher, Morris, and Sheehan expressed concern about current and prospective weakness in aggregate economic demands. In order to encourage further declines in short- and
long-term interest rates, including mortgage rates, they favored somewhat higher ranges of tolerance for the monetary aggregates and a lower range for the Federal funds rate than the Committee had agreed would be consistent with the directive. Mr. Francis expressed the view that the over-all economic situation was stronger than suggested by the staff projections and that inflation remained the major long-term economic problem. He dissented because he thought the policy adopted by the Committee would permit the money stock to grow at a faster rate than was consistent with progress in dealing with inflation.

Subsequent to the meeting it appeared that in the February-March period growth in the monetary aggregates would equal or exceed the upper limits of the short-run ranges of tolerance specified by the Committee. In view of that behavior, the System ordinarily would have become more restrictive in its reserve-supplying operations, expecting that the weekly average Federal funds rate would rise toward the upper limit of its range of tolerance-namely, $91 / 2$ per cent. On March 1, however, a majority of the available members ${ }^{5}$ concurred in a recommendation by the Chairman that in light of the recent marked rise in market interest rates and the highly sensitive state of financial markets, the System conduct reserve operations in a manner expected to be consistent with maintenance of the funds rate at the prevailing level of about 9 per cent, for the time being.

One week later, it appeared that strong growth in the monetary aggregates was persisting. On March 11, in view of that behavior, the available members-with the exceptions of Messrs. Bucher and Sheehan-concurred in a recommendation by the Chairman that the System return to conducting reserve operations in a manner consistent with the full range of tolerance for the Federal funds rate agreed upon at the February meeting. However, in light of recent increases in market interest rates and the sensitive state of financial markets, the Account Manager would be expected to proceed very cautiously in operations thought likely to be consistent with a rise in the weekly average funds rate above 9 per cent.

[^9]
# Law Department 

Statutes, regulations, interpretations, and decisions

## RULES REGARDING DELEGATION OF AUTHORITY

The Board of Governors has amended its Rules Regarding Delegation of Authority to expand the Reserve Banks' delegated authority to approve one-bank holding company formations, bank holding company formations involving more than one bank, bank acquisitions by existing bank holding companies, and bank mergers.

## AMENDMENT

Effective with respect to applications received by the Reserve Banks after April 4, 1974 sections $265.2(\mathrm{f})(22)$, (24) and (28) are amended and section $265.2(\mathrm{f})(30)$ is added to read as follows:

## SECTION 265.2—SPECIFIC FUNCTIONS DELEGATED TO BOARD EMPLOYEES AND FEDERAL RESERVE BANKS

(f) Each Federal Reserve Bank is authorized, as to member banks or other indicated organizations headquartered in its district, or under subparagraph (25) of this paragraph as to its officers:
(22) Under the provisions of section 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842), to approve the formation of a bank holding company through the acquisition by a company of a controlling interest in the voting shares of one or more banks, if all of the following conditions are met:
(i) no member of the Board has indicated an objection prior to the Reserve Bank's action.
(ii) all relevant departments of the Reserve Bank recommended approval.
(iii) no substantive objection to the proposal has been made by a bank supervisory authority, the United States Department of Justice, or a member of the public.
(iv) no significant policy issue is raised by the
proposal as to which the Board has not expressed its view.
(v) considerations relating to the convenience and needs of the communities to be served are consistent with or lend weight toward approval of the application.
(vi) in the event any debt is incurred by the holding company to purchase shares of any bank involved in the proposal:
(a) an agreed plan for amortization of the debt within a reasonable time exists, such period normally not exceeding 12 years.
(b) the interest rate on any loan to purchase the bank shares will be comparable with other stock collateral loans by the lender to persons of comparable credit standing.
(c) no compensating balances, specifically attributable to the loan, will be deposited in the lending institution and the amount of any correspondent account which the proposed subsidiary bank will maintain with the lending institution should not exceed the amount necessary to compensate the lending bank for correspondent services rendered by it to the proposed subsidiary bank(s).
(vii) the Reserve Bank determines that the managerial and financial resources, including the equity to debt relationships, of Applicant, its existing subsidiaries, and any proposed subsidiary bank, are adequate, or will be adequate within a reasonable period of time after consummation of the proposal, and any debt service requirements to which the holding company may be subject are such as to enable it to maintain the capital adequacy of any proposed subsidiary bank in the foreseeable future.
(viii) if Applicant or any of Applicant's existing or proposed nonbanking subsidiaries compete in the same geographic and product market as any proposed subsidiary bank, the resulting organization will control no more than 10 per cent of that product or service line after consummation of the proposal.
(ix) total nonbank gross revenues of Applicant and its subsidiaries do not exceed 20 per cent of
total operating income of the proposed banking subsidiaries.
(x) if Applicant engages, or is to engage, in nonbanking activities requiring the Board's approval under section $4(\mathrm{c})(8)$ of the Act, the Reserve Bank must also have delegated authority to approve the section $4(c)(8)$ activities.
(xi) if the proposal involves the acquisition of the controlling stock of only one bank, and any debt is incurred by the holding company to purchase shares of the bank, the amount of the loan does not exceed 75 per cent of the purchase price of the shares of the proposed subsidiary bank.
(xii) if the proposal involves the acquisition of the controlling stock of more than one bank, the following additional conditions must be met:
(a) in the event any debt is incurred by the holding company to purchase shares of any proposed subsidiary bank(s), the total amount of the debt does not exceed 20 per cent of the equity capital accounts of the holding company.
(b) the Applicant will control no more than 15 per cent of total deposits in commercial banks in the State.
(xiii) neither Applicant nor the bank(s) to be acquired has entered into or proposes to enter into any agreement with any director, officer, employee or shareholder of the bank(s) that contains any condition that limits or restricts in any manner the right of such persons to compete with Applicant or any of Applicant's existing or proposed subsidiaries.
(24) Under the provisions of section 3(a)(3) of the Bank Holding Company Act ( 12 U.S.C. 1842), to approve the acquisition by a bank holding company of a controlling interest in the voting shares of an additional bank, if all of the following conditions are met:
(i) no member of the Board has indicated an objection prior to the Reserve Bank's action.
(ii) all relevant departments of the Reserve Bank recommend approval.
(iii) no substantive objection to the proposal has been made by a bank supervisory authority, the United States Department of Justice, or a member of the public.
(iv) no significant policy issue is raised by the proposal as to which the Board has not expressed its view.
(v) considerations relating to the convenience and needs of the communities to be served are
consistent with or lend weight toward approval of the application.
(vi) in the event any debt is incurred by the holding company to purchase shares of any bank involved in the proposal:
(a) an agreed plan for amortization of the debt within a reasonable time exists, such period normally not exceeding 12 years.
(b) the interest rate on any loan to purchase the bank shares will be comparable with other stock collateral loans by the lender to persons of comparable credit standing.
(c) no compensating balances, specifically attributable to the loan, will be deposited in the lending institution and the amount of any correspondent account which the proposed subsidiary bank will maintain with the lending institution should not exceed the amount necessary to compensate the lending bank for correspondent services rendered by it to the proposed subsidiary bank.
(vii) the Reserve Bank determines that the managerial and financial resources, including the equity to debt relationships, of Applicant, its existing subsidiaries, and any proposed subsidiary bank, are adequate, or will be adequate within a reasonable period of time after consummation of the proposal, and any debt service requirements to which the holding company may be subject are such as to enable it to maintain the capital adequacy of any existing or proposed subsidiary bank in the foreseeable future.
(viii) if Applicant or any of Applicant's existing or proposed nonbanking subsidiaries compete in the same geographic and product market as any proposed subsidiary, the resulting organization will not control more than 10 per cent of that product or service line after consummation of the proposal.
(ix) total nonbank gross revenues of Applicant and its subsidiaries do not exceed 20 per cent of total operating income of the company's existing or proposed bank subsidiaries.
(x) if Applicant engages, or is to engage, in nonbanking activities requiring the Board's approval under section $4(\mathrm{c})(8)$ of the Act, the Reserve Bank must also have delegated authority to approve the section $4(c)(8)$ activities.
(xi) in the event any debt is incurred by Applicant to purchase shares of the bank, the resulting total acquisition debt of the holding company will not exceed 20 per cent of the company's equity capital accounts after consummation of the proposal.
(xii) Applicant is not one of the dominant banking organizations in the State, and, unless the proposed subsidiary is a proposed new bank, Applicant will control no more than 15 per cent of the total deposis in commercial banks in the State after consummation of the proposal.
(xiii) if the bank to be acquired is an existing bank and if no banking offices of Applicant's existing subsidiary bank are located in the same market as the proposed subsidiary, the proposed subsidiary has no more than $\$ 25$ million in total deposits or controls no more than 15 per cent of deposits in commercial banks in the market.
(xiv) if the bank to be acquired is an existing bank and if any of Applicant's existing subsidiary banks compete in the same market as the proposed subsidiary, Applicant will control no more than 10 per cent of total deposits in commercial banks in the market after consummation.
(xv) if the bank to be acquired is a proposed new bank, bank subsidiaries of Applicant will not hold in the aggregate more than 20 per cent of the total deposits in commercial banks in the relevant market area and Applicant will not be one of the dominant banking organizations in the State.
(xvi) Applicant has a proven record of furnishing to its subsidiaries, when needed, special services, management, capital funds and general guidance.
(xvii) neither Applicant nor the bank to be acquired has entered into or proposes to enter into any agreement with any director, officer, employee or shareholder of the bank that contains any condition that limits or restricts in any manner the right of such persons to compete with Applicant or any of Applicant's existing or proposed subsidiaries.
(28) Under the provisions of section 18(c) of the Federal Deposit Insurance Act ( 12 U.S.C. 1828(c)), to approve a merger, consolidation, acquisition of assets or assumption of liabilities, where the resulting bank is a State member bank, if all of the following conditions are met:
(i) no member of the Board has indicated an objection prior to the Reserve Bank's action.
(ii) all relevant departments of the Reserve Bank recommended approval.
(iii) no substantive objection to the proposal has been made by a bank supervisory authority, the United States Department of Justice, or a member of the public.
(iv) no significant policy issue is raised by the proposal as to which the Board has not expressed its view.
(v) if the banks do not have offices in the same market, the bank to be acquired has no more than $\$ 25$ million in total deposits or controls no more than 15 per cent of the total deposits ${ }^{2}$ in commercial banks in the market.
(vi) if the banks compete in the same banking market, the resulting bank will control no more than 10 per cent of total deposits ${ }^{3}$ in commercial banks in the market.
(vii) neither of the merging or consolidating banks is a dominant banking organization in the State and the resulting institution will control no more than 15 per cent of the total deposits in commercial banks in the State after consummation of the proposal. ${ }^{4}$
(viii) the Reserve Bank determines that the managerial and financial resources, including the equity capital accounts of the resulting bank, are adequate, or will be adequate within a reasonable period of time after the proposal is consummated.
(ix) considerations relating to the convenience and needs of the community to be served are consistent with, or lend weight toward, approval of the application.
(x) no bank involved in this proposal has entered into or proposes to enter into any agreement with any director, officer, employee or shareholder of either bank that contains any condition that limits or restricts in any manner the right of such persons to compete with the resulting institution.
(30) Under the provisions of section 3(a)(5) of the Bank Holding Company Act (12 U.S.C. 1842), to approve the merger or consolidation of a bank holding company with any other bank holding company, if all of the following conditions are met:
(i) no member of the Board has indicated an objection prior to the Reserve Bank's action.
(ii) all relevant departments of the Reserve Bank

[^10]recommended approval.
(iii) no substantive objection to the proposal has been made by a bank supervisory authority, the United States Department of Justice, or a member of the public.
(iv) no significant policy issue is raised by the proposal as to which the Board has not expressed its view.
(v) considerations relating to the convenience and needs of the communities to be served are consistent with or lend weight toward approval of the application.
(vi) in the event any debt is incurred by the resulting or surviving holding company to effect the merger or consolidation:
(a) an agreed plan for amortization of the debt within a reasonable time exists, such period normally not exceeding 12 years.
(b) the interest rate on any loan involved will be comparable with other stock collateral loans by the lender to borrowers of comparable credit standing.
(c) no compensating balances, specifically attributable to the loan, will be deposited in the lending institution and the amount of any correspondent account which the subsidiary banks of the resulting or surviving company will maintain with the lending institution should not exceed the amount necessary to compensate the lending bank for correspondent services rendered by it to the depositing bank(s).
(d) the total acquisition debt of the resulting or surviving company will not exceed 20 per cent of such company's equity capital accounts after consummation of the proposal.
(vii) the Reserve Bank determines that the managerial and financial resources, including the equity to debt relationships, of the merging or consolidating companies, and their existing subsidiaries, are adequate, or will be adequate within a reasonable period of time after consummation of the proposal, and any debt service requirements to which the resulting or surviving company may be subject are such as to enable it to maintain the capital adequacy of any existing or proposed subsidiary bank in the foreseeable future.
(viii) if either of the merging or consolidating companies or any of their subsidiaries compete in the same geographic and product market as the other merging or consolidating company or any of its subsidiaries, the resulting or surviving organization will not control more than 10 per cent of that product or service line after consummation of the proposal.
(ix) if the merging or consolidating bank holding companies do not have subsidiary banking offices in the same market, the resulting or surviving bank holding company will not acquire a subsidiary bank with more than $\$ 25$ million in deposits or with more than 15 per cent of the total deposits in commercial banks in the market.
( $x$ ) if any subsidiary bank(s) of either of the merging or consolidating companies competes in the same market as any subsidiary bank(s) of the other merging or consolidating company, the resulting or surviving company will control no more than 10 per cent of total deposits in commercial banks in the market after consummation of the proposal.
(xi) neither merging or consolidating company is one of the dominant banking organizations in the State, and the resulting or surviving company will control no more than 15 per cent of total deposits in commercial banks in the State after consummation of the proposal.
(xii) total nonbank gross revenues of the merging or consolidating companies and their subsidiaries do not exceed 20 per cent of the total operating income of the merging or consolidating companies' bank subsidiaries.
(xiii) if either of the merging or consolidating companies engages, or is to engage, in nonbanking activities requiring the Board's approval under section 4(c)(8) of the Act, the Reserve Bank must also have delegated authority to approve the section $4(c)(8)$ activities.
(xiv) Applicant has a proven record of furnishing to its subsidiaries, when needed, special services, management, capital funds and general guidance.
(xv) neither bank holding company involved in this proposal nor any of the subsidiary banks of either bank holding company involved in this proposal has entered into or proposes to enter into any agreement with any officer, director, employee or shareholder of the bank(s) involved in this proposal that contains any condition that limits or restricts in any manner the right of such person to compete with the resulting or surviving company or any of its existing or porposed subsidiaries.

## RULES OF ORGANIZATION

The Board of Governors has reorganized its staff management functions by establishing two positions of Managing Director, one having responsibilities in the areas of research and economic
policy and the other having responsibilities in the areas of operations and supervision. These Offices replace the Office of Executive Director.

## AMENDMENT TO RULES OF ORGANIZATION

Effective November 7, 1973, Section 3 of the Rules of Organization of the Board of Governors of the Federal Reserve System was amended by redesignating paragraphs (b) through (1) as paragraphs (c) through ( m ) and by changing the introductory language and paragraph (a) to read as follows:

## SECTION 3-CENTRAL ORGANIZATION

The Board's central organization consists of the members of the Board and the following Offices, Divisions, and officials:
(a) Office of Managing Director for Research and Economic Policy, headed by the Managing

Director for Research and Economic Policy, is responsible for the planning and coordination of programs in the following general areas: Monetary policy planning and formation, domestic research activities, research in international finance, securities credit regulation, Federal Open Market Committee staff activities, regulatory philosophy regarding banking (including domestic and international banking structure), and inter-agency activities involving the analysis, planning and coordination of economic policies.
(b) Office of Managing Director for Operations and Supervision, headed by the Managing Director for Operations and Supervision, is responsible for the planning and coordination of programs in the following general areas: Supervision and regulation of banks and affiliated organizations, Federal Reserve Bank operations and liaison and coordination of Reserve Bank functions and activities, data processing, contingent operations and equal employment opportunity, and per-sonnel-related activites.

## BANK HOLDING COMPANY AND BANK MERGER ORDERS ISSUED BY THE BOARD OF GOVERNORS

## ORDERS UNDER SECTION 3 OF BANK HOLDING COMPANY ACT

## AURORA FIRST NATIONAL COMPANY AURORA, NEBRASKA

## Order Denying Formation of Bank Holding Company

Aurora First National Company, Aurora, Nebraska, has applied for the Board's approval under $\S 3(a)(1)$ of the Bank Holding Company Act ( 12 U.S.C. 1842(a)(1)) of formation of a bank holding company through acquisition of 100 per cent of the voting shares (less directors' qualifying shares) of The First National Bank in Aurora, Aurora, Nebraska ('Bank').

Notice of the application, affording opportunity for interested persons to submit comments and views, has been given in accordance with § 3 (b) of the Act. The time for filing comments and views has expired, and none has been timely received. The Board has considered the application in light of the factors set forth in § 3(c) of the Act (12 U.S.C. 1842(c)).

Applicant was recently organized for the purpose of becoming a bank holding company and has engaged in no business activities. Bank, with
deposits of $\$ 12.5$ million, ${ }^{1}$ is the second largest of four banks in the Aurora banking market (approximated by Hamilton County), the relevant market, controlling approximately 42.5 per cent of the total commercial bank deposits therein. The transaction is merely a reorganization whereby the shareholders who control Bank at the present time will control Bank through Applicant. Accordingly, the Board concludes that consummation of the proposal will not eliminate any existing or potential competition, increase concentration of banking resources, or have an adverse effect on other banks in the relevant area.

In applications to form one-bank holding companies, the Board has considered significant debt in acquiring a bank as an adverse circumstance. Significant acquisition debt may adversely affect the ability of a holding company to meet the financial needs of its subsidiary bank. The amount and maturity of the debt, therefore, must be considered in relation to the ability of the holding company to service the debt, and the likelihood that Bank will need capital. The debt factor is then balanced with other considerations in determining

[^11]whether the acquisition would be in the public interest.

Upon consummation of this proposal, Applicant would incur acquisition debt in the amount of $\$ 1,270,000$ which is to be repaid with interest over an 11 year period. Applicant proposes to service this debt from dividends amounting to 60 per cent of Bank's projected net income and through a projected cash flow representing a tax benefit. Although Bank has grown more rapidly than any other bank in the market over the last five years, during this period of growth, Bank's total equity capital as a percentage of its total assets and its total deposits has declined significantly. It is noted that this decline in capital occurred when less than 20 per cent of Bank's net income was paid out in dividends. The projected dividends necessary to retire Applicant's substantial acquisition debt, even if accurate, could inhibit growth in Bank's capital at a rate compatible with its projected asset growth and thus impair Bank's financial condition. These considerations relating to the financial and managerial resources of Applicant therefore weigh heavily against approval of this application. However, it should be noted that these factors in no way reflect adversely upon the present soundness of Bank nor upon its future financial condition absent consummation of the instant proposal.

There is no evidence in the record that the banking needs of the community to be served are not presently and adequately being met, nor that approval of this application would result in any significant public benefits. Considerations relating to the convenience and needs of the communities to be served thus lend no weight for approval of the application.

On the basis of all of the circumstances of this case and the facts of record, the Board concludes that the acquisition debt involved in this proposal presents adverse circumstances bearing on the financial condition and prospects of Applicant and Bank. Such circumstances are not outweighed by any procompetitive factors or by circumstances relating to the convenience and needs of the communities to be served. Accordingly, approval of the application is not in the public interest and the application is denied for the reasons summarized above.

By order of the Board of Governors, effective April 19, 1974.

[^12](Signed) Chester B. Feldberg, Secretary of the Board.

# CONCORDIA BANC-MANAGEMENT, INC., KANSAS CITY, MISSOURI 

## Order Approving Formation of Bank Holding Company

Concordia Banc-Management, Inc., Kansas City, Missouri, has applied for the Board's approval under $\S 3(\mathrm{a})(1)$ of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) of formation of a bank holding company through the acquisition of 82.9 per cent of the voting shares of Concordia Bank, Concordia, Missouri ('Bank'’).

Notice of the application, affording an opportunity for interested persons to submit comments and views, has been given in accordance with $\S 3$ (b) of the Act. The time for filing comments has expired, and the Board has considered the application and all comments received in light of the factors set forth in § 3(c) of the Act ( 12 U.S.C. 1842(c)).

Applicant, a nonoperating corporation with no subsidiaries, was organized for the purpose of becoming a bank holding company through the acquisition of Bank. Bank (deposits of $\$ 8.9$ million $)^{1}$ is the fourth largest of 10 banks in the relevant market ${ }^{2}$ and controls approximately 11 per cent of the total deposits in commercial banks in the market. Upon acquisition of Bank, Applicant would control less than 0.1 per cent of total commercial bank deposits in Missouri.

The purpose of the transaction is to effect a transfer of the ownership of Bank from individuals to a corporation owned by the same individuals with no change in Bank's management or operations. The principals of Applicant also own 98 per cent of Missouri Banc-Management, Inc., Kansas City, Missouri, a one-bank holding company which owns 89 per cent of Stadium Bank, Kansas City, Missouri. Stadium Bank (deposits of \$16.6 million) is located in the Kansas City SMSA banking market and no meaningful competition exists between the two institutions. Since the transaction is essentially a reorganization of the ownership of Bank, the Board concludes that consummation of the proposal would not have any adverse effect on existing or potential competition, nor would it increase the concentration of banking

[^13]resources or have an adverse effect on other banks in the relevant market. Thus, competitive considerations are consistent with approval of the application.

The future prospects of Applicant are entirely dependent upon the financial resources of Bank. Applicant proposes to service the debt it assumes incident to this proposal over a 12 -year period through dividends from Bank, averaging 50 per cent of Bank's projected net income. In light of the past earnings of Bank and its anticipated growth, the projected earnings of Bank appear to provide Applicant with the necessary financial flexibility to meet its annual debt servicing requirements and to maintain an adequate capital position for Bank. Therefore, considerations relating to banking factors are consistent with approval of the application.

Although consummation of the proposal would effect no changes in the banking services offered by Bank, the considerations relating to the convenience and needs of the community to be served are consistent with approval. It is the Board's judgment that the proposed transaction would be in the public interest and that the application should be approved.

The application is hereby approved on this date, provided that the action so approved shall not be made (a) before the thirtieth calendar day following this date or (b) later than three months after this date, unless such period is extended for good cause by the Board of Governors or by the Federal Reserve Bank of Kansas City, pursuant to delegated authority.

By order of the Board of Governors, effective April 5, 1974.

Voting for this action: Chairman Burns and Governors Brimmer, Bucher, and Holland. Voting against this action: Governors Mitchell and Sheehan. Absent and not voting: Governor Wallich.
(Signed) Chester B. Feldberg,
[sEAL] Secretary of the Board.

## Dissenting Statement of Governors Mitchell and Sheehan

The majority observes that this proposal would not affect competitive conditions in the area served by the Bank and that neither the quality nor the character of banking services offered would change. In fact, the only apparent purpose of the transaction is to further the ownership interests of the individuals controlling Bank; its public bene-
fits are not directly observable.
In our opinion, the leveraging involved in the proposal, one of a number of ventures in which these ownership interests are involved, lessens the viability of Bank and thus makes it more vulnerable to local vicissitudes. Should such an eventuality occur, the quality of local banking resources, at some point in the future, might well be adversely affected. Approval of such a proposal cannot, therefore, be regarded as being in the public interest.

For these reasons, we would deny the application.

## HASTINGS CITY NATIONAL CO., LINCOLN, NEBRASKA

## Order Approving Formation of Bank Holding Company

Hastings City National Co., Lincoln, Nebraska, has applied for the Board's approval under section $3(\mathrm{a})(1)$ of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) of formation of a bank holding company through the acquisition of 80 per cent or more of the voting shares of City National Bank of Hastings, Hastings, Nebraska ("Bank'").

Notice of the application, affording opportunity for interested persons to submit comments and views, has been given in accordance with §3(b) of the Act. The time for filing comments and views has expired, and the Board has considered the application and all comments received in light of the factors set forth in §3(c) of the Act (12 U.S.C. 1842(c)).

Applicant, a nonoperating company with no subsidiaries, was organized for the purpose of becoming a bank holding company through the acquisition of Bank ( $\$ 42.5$ million in deposits). Bank is the second largest of eleven banks in the relevant banking market, controlling approximately 31 per cent of the total commercial bank deposits therein. ${ }^{1}$ Upon acquisition of Bank, Applicant would become the twelfth largest banking organization in Nebraska and hold 0.9 per cent of total commercial bank deposits in the State. ${ }^{2}$ Since the purpose of the proposed transaction is to effect a transfer of the ownership of Bank from.

[^14]individuals to a corporation owned by the same individuals with no change in Bank's management or operation, consummation of the proposal herein would eliminate neither existing nor potential competition.
The principals of Applicant are also shareholders, officers and/or directors of six other affiliated bank holding companies and banks in Nebraska, the closest of which is located in Grand Island, approximately 28 miles from Bank, and in a separate banking market. The Board is concerned with common ownership of multiple onebank holding companies because of the possibilities for evasion of the purposes of the Act created by such ownership. However, these relationships are not prohibited by the Act and, in the absence of evidence of evasion or abuse, the Board will act favorably on such applications. In the instant case, it is the Board's judgment that competitive considerations are consistent with approval of this application.

The financial and managerial resources and future prospects of Applicant, dependent upon those of Bank, are regarded as generally satisfactory. As indicated above, the proposed acquisition represents a change in form of ownership of Bank, and there are no significant proposed changes in the operations or services of Bank. Therefore, considerations relating to the convenience and needs of the community to be served are consistent with approval. It is the Board's judgment that the acquisition would be in the public interest and that the application should be approved.

On the basis of the record, the application is approved for the reasons summarized above, provided that the transaction shall not be made (a) before the thirtieth calendar day following the effective date of this Order or (b) later than three months after the effective date of this Order, unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Kansas City pursuant to delegated authority.

By order of the Board of Governors, effective April 4, 1974.

Voting for this action: Chairman Burns and Governors Mitchell, Brimmer, Sheehan, Bucher, and Holland. Absent and not voting: Governor Wallich.
(Signed) Chester B. Feldberg,
[seal] Secretary of the Board.

## COMMERCE BANCSHARES, INC., KANSAS CITY, MISSOURI

## Order Approving Acquisition of Bank

Commerce Bancshares, Inc., Kansas City, Missouri, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire more than 80 per cent of the voting shares of Farmers and Merchants Bank, Bolivar, Missouri ("Bank").

Notice of the application, affording opportunity for interested persons to submit comments and views, has been given in accordance with § 3(b) of the Act. The time for filing comments and views has expired, and the Board has considered the application and the views of Grandview Bank \& Trust Company, Grandview, Missouri, in light of the factors set forth in § 3(c) of the Act (12 U.S.C. 1842(c)).

Applicant, the third largest bank holding company and banking organization in Missouri, controls 26 subsidiary banks with aggregate deposits of approximately $\$ 1$ billion, representing 7.7 per cent of the total commercial bank deposits in Missouri. ${ }^{1}$ Acquisition of Bank would increase Applicant's share of State deposits by the addition of . 10 per cent and would not result in a significant increase in the concentration of banking resources in the State.

Bank (deposits of $\$ 14.0$ million) is the second largest of five banks in Polk County (which approximates the relevant banking market), and controls almost 29 per cent of the total deposits in commercial banks in the market. The largest bank in the market controls almost 40 per cent of the market deposits, and Applicant's acquisition of Bank would not result in Applicant's gaining a dominant share of the market's banking resources.

Applicant's subsidiary bank closest to Bank is located in Willard, Missouri, approximately 24 miles south of Bolivar, and there is no meaningful present competition between any of Applicant's subsidiary banks and Bank. The town of Bolivar is the only town in Polk County that has experienced rapid growth in the past decade. This growth

[^15]is expected to continue, and may increase competition between Bank and Applicant's subsidiary banks located in the Springfield-Willard area. This possible future competition is not regarded as significant. De novo entry into the Polk County market is regarded as relatively unlikely due to the low population and rural orientation of Polk County. Nor does it appear that "foothold" entry into the market is an attractive alternative. The Board concludes that competitive considerations are consistent with approval of the application.

In its consideration of this application, the Board has examined the covenant not to compete which was executed in connection with the proposal, and considered the question of whether such a covenant is contrary to the standards respecting competition and the public interest which the Board is required to consider under the Bank Holding Company Act. The Board finds that the provisions of this covenant are consistent with such standards, and that its presence in the record does not require denial of the application.

The financial and managerial resources and future prospects of Applicant are regarded as satisfactory; those of Bank are also regarded as satisfactory, particularly in view of Applicant's commitment to increase Bank's capital account, which has not kept pace with Bank's deposit growth, upon consummation of the acquisition. Accordingly, considerations relating to the banking factors lend some weight toward approval of the application. Although the major banking needs of the residents in the area are being adquately served at the present time, the proposed affiliation is likely to result in the provision of some services which cannot presently be profitably provided by banks of the size prevailing in the area, such as trust services. Considerations relating to the convenience and needs of the community to be served lend some weight toward approval of the application. It is the Board's judgment that the proposed acquisition would be in the public interest and that the application should be approved.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be made (a) before the thirtieth calendar day following the effective date of this Order or (b) later than three months after the effective date of this Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of Kansas City pursuant to delegated authority.

By order of the Board of Governors, effective April 24, 1974.

Voting for this action: Governors Sheehan, Bucher, Holland,
and Wallich. Voting against this action: Vice Chairman Mit-
chell and Governor Brimmer. Absent and not voting: Chairman
Burns.
[SEAL]
(Signed) Chester B. Feldberg, Secretary of the Board.

## Dissenting Statement of Governors Mitchell and Brimmer

We would deny the application by Commerce Bancshares, Inc., to acquire Farmers and Merchants Bank. Our decision is based upon the existence in the purchase agreement which was executed between Applicant and Bank's principal shareholders, of a covenant not to compete which, by its terms, prohibits Bank's principal shareholders from engaging in the banking business within a 25 mile radius of Bank for a period of five years from the date of the proposed acquisition. In our view, this covenant will necessarily inhibit competition and should not be sanctioned by the Board.

The purpose and effect of the covenant in this case is to preclude the possibility that the restricted individuals would provide support for an alternative source of commercial banking services in the Bolivar area in the near future. For reasons stated more fully in our dissent to the Board's Order of September 21, 1973, approving the acquisition by First Alabama Bancshares, Inc., of Citizens Bank of Guntersville ( 1973 Federal Reserve Bulletin 757), such a consequence is inherently anticompetitive.

## FIRST AT ORLANDO CORPORATION, ORLANDO, FLORIDA

## Order Approving Acquisition of One Bank AND <br> Denying Acquisition of Another Bank

First at Orlando Corporation, Orlando, Florida, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. 1842 (a)(3)) to acquire 90 per cent or more of the voting shares of (1) The Beach Bank of Vero Beach, Vero Beach ("Vero Beach Bank'’); and (2) The Sebastian River Bank, Sebastian ("Sebastian Bank"), both located in Florida.

Notice of the applications, affording opportunity for interested persons to submit comments and views, has been given in accordance with § 3(b) of the Act. The time for filing comments and views has expired, and the Board has considered the applications and all comments received in light of the factors set forth in § 3(c) of the Act (12 U.S.C. 1842(c)).

Applicant controls 42 banks with aggregate deposits of $\$ 1.5$ billion representing about 7.5 per cent of deposits in commercial banks in Florida. ${ }^{1}$ Applicant's acquisition of both Vero Beach Bank (deposits of $\$ 15.7$ million) and of Sebastian Bank (deposits of $\$ 6.8$ million) would not significantly increase the concentration of banking resources in Florida. It follows that the acquisition of either bank by itself would not increase the concentration of banking resources in the State.

Both Vero Beach Bank and Sebastian Bank are located in the same banking market and control about 13 and 6 per cent, respectively, of the total deposits in commercial banks in this market. ${ }^{2}$ Applicant's closest banking subsidiaries to the relevant market are almost twenty miles distant and there is little existing competition between these, or any other of Applicant's banking subsidiaries, and either Vero Beach Bank or Sebastian Bank. Moreover, there does not appear to be a reasonable likelihood of substantial future competition developing between Applicant's banking subsidiaries and Vero Beach Bank or Sebastian Bank due to the distances involved and Florida's branching laws, among other factors. Nor can Applicant be considered a likely de novo entrant in the market. In a previous matter involving the application of First National Bankshares of Florida, Inc., the Board found the Indian River banking market to be unattractive for de novo entry (see 1973 Federal Reserve Bulletin 362). There have been no significant changes in the market since that decision which would lead to a different judgment.

There are, on the other hand, other competitive considerations involved in the instant proposal. It appears that consummation of the acquisition of both banks would tend to solidify the existing concentration in the market and inhibit the proba-

[^16]bility of future deconcentration. The two largest organizations in the market presently control over 75 per cent of the total commercial bank deposits therein. Vero Beach Bank and Sebastian Bank rank as the market's third and fourth largest banks, respectively. Acquisition of both banks by Applicant would eliminate the remaining independent banks in the market that are not subsidiaries of bank holding companies. However, approval of the application to acquire Vero Beach Bank and denial of the application to acquire Sebastian Bank would not only permit Applicant to enter the market and provide increased competition for the market's two largest organizations but would preserve an entry vehicle for another holding company. An interest in such entry is apparent from the applications filed by two holding companies for national bank charters in this market. ${ }^{3}$ Moreover, denial of the application to acquire Sebastian Bank would enhance competition in the market by eliminating an existing affiliation between the two banks. Accordingly, the Board concludes that competitive considerations are consistent with approval of the acquisition of Vero Beach Bank while consummation of the acquisition of Sebastian Bank, by the same bank holding company, would have substantially adverse effects on competition.

The financial and managerial resources and future prospects of Applicant, its subsidiary banks, and Vero Beach Bank and Sebastian Bank are considered to be generally satisfactory, particularly in view of a commitment by Applicant to add capital to certain of its existing subsidiary banks and to Vero Beach Bank. This factor lends support for approval of the application to acquire Vero Beach Bank. On the other hand, though Applicant has agreed to provide capital to Sebastian Bank, the Board concludes that this factor does not outweigh the substantially adverse competitive effects associated with the application.

Considerations relating to the convenience and needs of the community to be served lend some weight for support of approval of the application to acquire Vero Beach Bank since Applicant proposes to offer expanded mortgage, trust, and investment advisory services through Vero Beach Bank. Applicant also proposes to offer similar expanded services through Sebastian Bank. Again,

[^17]however, these considerations, though lending some support for approval of the acquisition of Sebastian Bank, do not outweigh the substantial adverse competitive effects associated with the application. It is the Board's judgment that consummation of the transaction to acquire Vero Beach Bank is in the public interest and should be approved while consummation of the transaction to acquire Sebastian Bank is not in the public interest and should be denied.

On the basis of the record, the application to acquire Vero Beach Bank is approved for the reasons summarized above while the application to acquire Sebastian Bank is denied for the reasons summarized above. The transaction to acquire Vero Beach Bank shall not be executed (a) before the thirtieth calendar day following the effective date of this Order or (b) later than three months after the effective 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.

By order of the Board of Governors, effective April 16, 1974.

[^18](Signed) Chester B. Feldberg,
[sEAL] Secretary of the Board.

## GREAT LAKES FINANCIAL CORPORATION, GRAND RAPIDS, MICHIGAN <br> Order Approving Acquisition of Bank

Great Lakes Financial Corporation, Grand Rapids, Michigan, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under section 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire 80 per cent or more of the voting shares of The Peoples Bank and Trust Company, Grand Haven, Michigan ('Bank'").

Notice of the application, affording opportunity for interested persons to submit comments and views, has been given in accordance with section 3(b) of the Act. The time for filing comments and views has expired, and the application and all comments received have been considered in light
of the factors set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

Applicant, the twelfth largest banking organization in Michigan, was organized as a bank holding company during 1973 and controls one bank with deposits of $\$ 336$ million, representing 1.3 per cent of the total deposts in the State. ${ }^{1}$ Acquisition of Bank would increase Applicant's share of State deposits by two-tenths of a percentage point, and would not significantly increase the concentration of banking resources in the State. Upon consummation of the proposed acquisition, Applicant would become the eleventh largest banking organization in Michigan.

Bank (deposits of $\$ 52$ million) is the smallest of the five banking organizations in the relevant banking market, approximated by the MuskegonGrand Haven banking market. ${ }^{2}$ Bank controls approximately 12 per cent of the total deposits in that market, and competes with four larger banks (two of which are subsidiaries of multi-bank holding companies) holding deposits within the market of $\$ 143$ million, $\$ 105$ million, $\$ 81$ million, and $\$ 53$ million, respectively. Applicant's sole subsidiary, Union Bank and Trust Company (National Association), Grand Rapids, Michigan, is located in an adjacent but separate banking market, in which it is the second largest banking organization with less than half the deposits of the largest banking organization in the market, and its closest office to Bank is located 27 miles to the east. Each of the two banks obtains an insignificant amount of deposits from the other's service area. Consequently, no significant amount of existing competition between Applicant and Bank would be eliminated by the proposed acquisition.

Furthermore, it appears that the effect upon potential competition would also be insignificant in the relevant market. Although an interstate highway connects the two communities in which Bank and Applicant's subsidiary bank are located, the banking markets in which each bank competes appear to be separate and distinct and, due to the relative sizes of the institutions involved, the prospect of either bank becoming a meaningful competitor in the market served by the other is

[^19]unlikely. With respect to the prospect of Applicant's de novo entry into the market, the Board noted in a recent Order that at least one section of the Muskegon-Grand Haven banking market, the city of Norton Shores, could support new entry. ${ }^{3}$ However, subsequent to the date of the Board's Order, the Comptroller of the Currency formally accepted an application for a charter for a new national bank in Norton Shores, which application is presently pending before that agency. This factor would reduce the possibility of Applicant's entry into the area by a de novo charter. In addition, the city of Grand Haven, located about 10 miles south of Muskegon, and the immediate area surrounding Grand Haven, do not appear attractive for de novo entry. This area has a low population per banking office ratio as compared with the State average. It is also noted that two applications for the establishment of additional branch offices, one of which has been approved and the other is pending, would decrease further the population per banking office ratio in the Grand Haven area. Futhermore, although Applicant may possess the resources to enter the Grand Haven area de novo, in light of Applicant's short operating history and its relative size, de novo entry appears unlikely. Moreover, in view of the market conditions described above and the presence of banking organizations in the relevant market which control substantially larger deposits than Bank, the Board does not regard the alternative of de novo entry as clearly preferable from a competitive posture to the proposal herein by Applicant to acquire the smallest bank in the market in terms of deposits. Accordingly, on the basis of the record, the Board finds that this proposal would have no significantly adverse effect on exisitng and potential competition.

The financial and managerial resources of Applicant, its subsidiary bank, and Bank are satisfactory and lend some support toward approval of the application, especially in view of Applicant's commitment to inject equity capital into its present subsidiary and Bank. Although there is no evidence that the banking needs of the Grand Haven area are not currently being met, holding company affiliation would afford Bank access to Applicant's

[^20]resources and thereby enable Bank to strengthen, modernize, and expand the fiancial services that Bank offers the public. Applicant proposes to integrate its professional computer skills with Bank's internal accounting procedures and external customer service functions. The benefits resulting from the proposed affiliation should enable Bank to compete more effectively with the four larger banking organizations in the market. Considerations relating to the convenience and needs of the community, therefore, are consistent with, and lend weight toward approval of the application. It is the Board's judgment that consummation of the proposal would be in the public interest, and that the application should be approved.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be made (a) before the thirtieth calendar day following the effective date of this Order, nor (b) later than three months after the effective date of this Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of Chicago pursuant to delegated authority.

By order of the Board of Governors, effective April 16, 1974.

> Voting for this action: Vice Chairman Mitchell and Governors Brimmer, Sheehan, Bucher, Holland, and Wallich. Absent and not voting: Chairman Burns.

(Signed) Chester B. Feldberg, Secretary of the Board.

[SEAL]

## MANCHESTER FINANCIAL CORPORATION, ST. LOUIS, MISSOURI

## Order Approving Acquisition of Bank

Manchester Financial Corporation, St. Louis, Missouri, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire all of the voting shares (less directors' qualifying shares) of The National Bank of Affton, Affton, Missouri ("Bank"), a proposed new bank.

Subject application was filed with the Federal Reserve Bank of St. Louis; and notice of the application, affording opportunity for interested persons to submit comments and views was duly given in accordance with § 3(b) of the Act ( 37 Federal Register 9510). The Reserve Bank, acting in accordance with the Board's Rules Regarding Delegation of Authority (12 CFR § 265.2 (f)(24)), considered the application and all comments received in light of the factors set forth in § 3(c)
of the Act (12 U.S.C. 1842(c)). Based on the record before it, the Reserve Bank approved subject application. Thereafter, three banks located in Bank's proposed service area jointly filed a Petition for Review of the Reserve Bank's Order in the U.S. Court of Appeals for the Eighth Circuit (Gravois Bank, et al. v. Federal Reserve Bank of St. Louis-Board of Governors, No. 72-1423, 8th Cir.) ${ }^{1}$ Petitioners did not request a stay of the Reserve Bank's Order; and Applicant accordingly consummated the approved transaction. ${ }^{2}$

The Court has remanded the case to the Board "for further review consistent with the opinion of this Court this day filed herein." In its opinion, 478 F. 2d 546 (8th Cir. 1973), the Court declares that the Reserve Bank failed to "examine the facts to determine whether or not the Affton Bank would be operated as a de facto branch of the Manchester Bank ${ }^{\prime 3}$ and directs the Board to follow, on remand, the guidelines laid down by the Court in Commercial National Bank of Little Rock $v$. Board of Governors, 451 F. 2d 86, 89-90 (8th Cir. 1971).

In light of the Court's action, the Board directed that the record be supplemented with additional evidence on the branch banking question in order that further consideration might be given to the issue raised by petitioners. An examiner was dispatched to determine the mode of operation of Bank and to gather data relevant to the branching issue. In addition, Applicant and Petitioners were invited to submit views and factual materials on this question. The Board has considered the application and the facts of record, including all materials submitted by the parties to the Court of Appeals, to the Reserve Bank, and to the Board.

The facts of record reflect that Bank is a separate

[^21]corporation with its own capital stock; that Bank is a national bank, whereas Manchester Bank is a State-chartered bank; that Bank and Manchester Bank must observe the separate borrowing and lending limits prescribed by State and Federal law (Rev. Stat. Mo § 362.170; 12 U.S.C. §§ 82, 84); that Bank is capitalized with funds raised by Applicant through a loan obtained from an unaffiliated bank, not with profits or other funds of Manchester Bank; that although Bank and Manchester Bank advertise together, they bear substantially different names, and persons in Bank's service area consider that the two banks operate separately; that no loan payments or deposits of Bank are accepted by Manchester Bank and no loan payments or deposits of Manchester Bank are accepted by Bank; that no officer of Bank is an officer of Manchester Bank, and no officer of Manchester Bank is an officer of Bank; that Manchester Bank is one of Bank's four correspondent banks; and that four of Bank's directors are also directors of Manchester Bank. In addition, it appears that Applicant was incorporated in 1968, acquired Manchester Bank in 1969, and submitted its application for prior approval to acquire Bank in 1972. The record supports the conclusion that Applicant is a "traditionally recognized bank holding company which, with its own capital, invests in or buys the stock of banks," Whitney National Bank v. Bank of New Orleans, 323 F. 2d 290 (D.C. Cir. 1963), rev'd on other grounds, 379 U.S. 411 (1965), and that a unitary operation does not exist between Bank and Manchester Bank. First National Bank in Billings v. First Bank Stock Corp., 306 F. 2 d 937 (9th Cir. 1962).

Applicant, the sixteenth largest banking organization in Missouri, controls two banks, with aggregate deposits of $\$ 98.8$ million, ${ }^{4}$ representing .7 per cent of total deposits in commercial banks in the State and 1.6 per cent of all such deposits in the St. Louis banking market. ${ }^{5}$ Bank (deposits of $\$ 2.54$ million) is the smaller of Applicant's banks and controls only about . 1 per cent of total deposits in commercial banks in the St. Louis market. When the Reserve Bank issued its Order in this case, Bank was a proposed new bank; and the Reserve Bank correctly found that subject acquisition would neither eliminate competition nor in-

[^22]crease concentration in any relevant area. ${ }^{6}$ Indeed, the record indicates that subject acquisition enhances competition by creating an additional source of commercial banking services in South St. Louis County. Accordingly, the Board concludes that the acquisition of Bank by Applicant does not adversely affect existing or potential competition in any relevant area.

The financial and managerial resources and future prospects of Applicant and Bank are generally satisfactory and consistent with approval of the application. Considerations relating to the convenience and needs of the community are likewise consistent with approval. It is the Board's judgment that subject acquisition is in the public interest and the application should be approved.

On the basis of the record, the application is approved for the reasons summarized above, The transaction having been consummated, today's action empowers Applicant to retain its ownership and control of voting shares of Bank.

By Order of the Board of Governors, effective April 4, 1974.

Voting for this action: Vice Chairman Mitchell and Governors Brimmer, Sheehan, Bucher, Holland, and Wallich. Absent and not voting: Chairman Burns.
(Signed) Chester B. Feldberg,
[SEAL] Secretary of the Board.

## ORBANCO, INC., PORTLAND, OREGON

## Order Approving Acquisition of Bank

Orbanco, Inc., Portland, Oregon, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § $3(\mathrm{a})(3)$ of the Act ( 12 U.S.C. 1842(a)(3)) to acquire 51 per cent or more of the voting shares of Security Bank of Oregon, Portland, Oregon ('Bank'").

Notice of the application, affording opportunity for interested persons to submit comments and views, has been given in accordance with § 3(b) of the Act. The time for filing comments and views has expired, and the Board has considered the application and all comments received in light of the factors set forth in $\S 3(\mathrm{c})$ of the Act ( 12 U.S.C. 1842(c)).

[^23]Applicant controls one bank with total deposits of $\$ 216.6$ million, representing 4.2 per cent of the total deposits in commercial banks in Oregon and is the third largest banking organization headquartered in the State. ${ }^{1}$ The direct acquisition of Bank (deposits of $\$ 51.5$ million) would increase Applicant's share of State deposits by 1 percentage point and its rank would remain unchanged.

Bank is the sixth largest of 16 banks operating in the Portland metropolitan area, ${ }^{2}$ the relevant banking market, ${ }^{3}$ holding 2 per cent of total deposits therein. The largest bank in the market, First National Bank of Oregon, holds 39.8 per cent of total deposits in the market. The second largest, United States National Bank of Oregon, holds 36.3 per cent of such deposits. It appears that the two largest banks in Portland are dominant in this market.

Applicant's subsidiary bank, The Oregon Bank, is the fourth largest bank ${ }^{4}$ in the Portland banking market and controls 4.7 per cent of the total deposits in commercial banks therein. Although some of the branch offices of Bank and The Oregon Bank have overlapping service areas, ${ }^{5}$ the prospects of vigorous competition developing between the two banks appears remote in view of Bank's weak competitive position. Acquisition of Bank by Applicant, which itself is not dominant in the market, would permit an infusion of additional capital and new management into Bank and restore its competitive vigor. The Board concludes that consummation of the proposed transaction is not likely to lessen competition in the Portland market as, in the absence of such consummation, Bank does not appear able to remain a viable competitive alternative to the area's other banks. Although a slight increase in concentration among the four largest firms in the market would result from consummation of the proposed transaction, con-

[^24]summation would not, in the Board's view, cause a substantial lessening of competition in that market, but would, to the contrary, offer the prospect of more vigorous competition among area banks.

The financial condition of Applicant and The Oregon Bank are generally satisfactory; future prospects for both are favorable. The financial condition, managerial resources, and future prospects of Bank are less than satisfactory. Applicant proposes to assist Bank by providing substantial equity capital and managerial assistance, as well as to assist Bank in the provision of consumer lending, commercial lending, trust services, and credit card services. While there is no evidence in the record that the banking needs of the area are not being adequately served, the improved or expanded services proposed by Applicant would provide customers with an alternative source of such services and, further, would enable Bank to compete more effectively with the two dominant banks in the market. The financial and managerial assistance that Applicant proposes for Bank would also enhance Bank's competitive ability and ensure Bank's continued service to its customers. Accordingly, considerations relating to the convenience and needs of the communities to be served weigh strongly in favor of approval and clearly outweigh any anticompetitive effects of the proposed transaction. It is the Board's judgment that consummation of the proposed acquisition is in the public interest and that the application should be approved.

The record in this case indicates that most of the shares which Applicant seeks to acquire were, in fact, acquired by an individual who is a director of one of Applicant's nonbanking subsidiaries and the son of the Chairman of the Board of Applicant. Former management of Bank has objected to this application on grounds, among others, that Applicant, acting through this individual has already indirectly acquired control of the shares for the acquisition of which the Board's prior approval is now sought. The Board has considered arguments, depositions, and exhibits filed by all parties and has concluded that Applicant has not indirectly acquired shares of Bank through this individual. Under an agreement between this individual and Applicant, the individual bears the entire market risk associated with ownership of the shares. The only limitation on his rights of ownership is that he not pledge or otherwise encumber or hypothecate the shares for a period of one year from the date the agreement became operative. Applicant has no ability to direct or influence his disposition
of the shares of Bank in the event the instant application were denied. The individual has undertaken significant management changes in Bank including the employment of a new chief executive, unassociated with Applicant. There is no substantial evidence in the record suggesting that Applicant is participating in or influencing the management or policies of Bank. It therefore does not appear that the purposes of section 3 have been frustrated. Based on these facts, it does not appear that Applicant has acquired indirect ownership or control of the shares held by this individual or has exercised controlling influence over the management or policies of Bank. Nonetheless, the Board remains "seriously concerned with proposals that indicate a holding company, acting through its officers and directors, may have gained control of the shares of a bank (or nonbank concern) without specific Board approval, as required by the Act."

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be made (a) before the thirtieth calendar day following the effective date of this Order or (b) later than three months after the effective date of this Order, unless such period is extended for good cause by the Board or by the Federal Reserve Bank of San Francisco pursuant to delegated authority.

By order of the Board of Governors, effective April 1, 1974.

Board Order of January 31, 1974, denying the application of Mid America Bancorporation, Inc., Mendota Heights, Minnesota, to acquire shares of The First National Bank of Lakeville, Lakeville, Minnesota.

Voting for this action: Chairman Burns and Governors Mitchell, Sheehan, Bucher, and Holland. Absent and not voting: Governors Brimmer and Wallich.
(Signed) Chester B. Feldberg,
[SEAL] Secretary of the Board.

## SECURITY NEW YORK STATE CORPORATION, ROCHESTER, NEW YORK

## Order Approving Acquisition of Bank

Security New York State Corporation, Rochester, New York, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act ( 12 U.S.C. 1842(a)(3)) to acquire 100 per cent of the voting shares (less directors' qualifying shares) of the successor by merger to Glen National Bank and Trust Company, Watkins Glen, New York ("Bank’’). The
bank into which Bank is to be merged has no significance except as a means to facilitate the acquisition of all of the voting shares of Bank. Accordingly, the proposed acquisition of shares of the successor organization is treated herein as the proposed acquisition of shares of Bank.

Notice of the application, affording opportunity for interested persons to submit comments and views, has been given in accordance with $\S 3(b)$ of the Act. The time for filing comments and views has expired, and the Board has considered the application and all comments received in light of the factors set forth in § 3(c) of the Act ( 12 U.S.C. 1842(c)).

Applicant controls eight banks with aggregate deposits of $\$ 721$ million, representing 0.7 per cent of total deposits in commercial banks in New York State and ranks sixteenth among the State's 35 bank holding companies. (All banking deposit data are as of June 30, 1973, all market deposit data are as of June 30, 1972; and reflect holding company formations and acquisitions approved through January 31, 1974.) The acquisition of Bank would increase Applicant's share of State deposits by less than one-half of one percentage point.

Bank (deposits of $\$ 15$ million) is the sixth largest of nine banks competing in the ElmiraCorning banking market ${ }^{1}$ and controls 4.6 per cent of the total commercial bank deposits in that market. Applicant controls a subsidiary bank, First Bank and Trust Company of Corning ("First Corning''), also located in the Elmira-Corning market, where it holds 11.1 per cent of the area's commercial bank deposits. Consummation of the proposed transaction would give Applicant control of 15.7 per cent of deposits in the market, and it would remain the third largest banking organization in a market in which approximately 60 per cent of the total deposits are held by the two largest banking organizations.

Bank derives less than 0.2 per cent of its deposits and loans from the service area of First Corning. Similarly, First Corning derives only an insignificant portion of its deposits and loans from the service area of Bank, which is 23 miles distant. It appears, therefore, that the two banks are serving primarily different segments of the ElmiraCorning banking market.

The possibility of greater competition develop-
${ }^{1}$ The relevant market is comprised of Schuyler and Chemung Counties and the southern quarter of Steuben County.
ing in the near future between First Corning and Bank appears remote. First Corning operates in the State's Eighth Banking District while Bank is located in the Seventh District. State Iaw prohibits each bank from branching outside its respective District until 1976. Further, it appears unlikely that Applicant's banking subsidiary in Ithaca would branch into Bank's service area, considering the fact that the market's population increased only 1 per cent during the decade ending in 1970 and that its per capita personal income is considerably below the State average. On the basis of the facts of record, the Board concludes that consummation of the proposed acquisition would have no significant adverse effects on existing competition, nor would it foreclose the development of future competition.

The financial and managerial resources of Applicant, its subsidiary banks, and Bank are generally satisfactory, and their prospects appear favorable. Banking factors are consistent with approval of the application. Applicant proposes to enable Bank to improve and expand the present range of services it offers; to make available to Bank's customers credit card services, larger loans, cashreserves checking, automated accounting services, payroll service plans, salary deposit plans, international financing, equipment leasing, and numerous trust services. Considerations relating to the convenience and needs of the communities to be served lend weight toward approval of the application and outweigh any anticompetitive effects of the proposal. It is the Board's judgment that consummation of the proposed acquisition would be in the public interest and that the application should be approved.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be made (a) before the thirtieth calendar day following the effective date of this Order or (b) later than three months after the effective date of this Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of New York pursuant to delegated authority.

By order of the Board of Governors, effective April 1, 1974.

Voting for this action: Vice Chairman Mitchell, and Governors Sheehan, Bucher, and Holland. Voting against this action: Governor Brimmer. Absent and not voting: Chairman Burns and Governor Daane.

Board action was taken while Governor Daane was a Board Member.
[SEAL]
(Signed) Chester B. Feldberg, Secretary of the Board.

## Dissenting Statement of <br> Governor Brimmer

I would deny the application on the grounds that consummation of the proposed acquisition would result in adverse effects on competition which would not be offset by any special benefits to the public. I am also troubled by the significant increase in the concentration of banking resources within the Elmira-Corning banking market which vould result from the proposal.

I find the competitive aspects of this proposal significantly adverse. Applicant ranks not only as the third largest banking organization in the El-mira-Corning banking market in terms of deposits but also maintains six other banking offices within 26 miles of Bank. Consummation of the proposal would decrease the number of competitors in the market from nine to eight; it would increase the share of deposits held by the market's five largest banking organizations to more than 91 per cent. The relevant area has experienced a low population growth and poor economic development over the last ten years and prospects for this area do not appear favorable. In view of the market conditions, it appears even more important that the remaining foothold banks be preserved for possible acquisition by banking organizations located outside the market. The Board's approval of the present proposal, which eliminates one of the remaining independent market banks, ${ }^{1}$ mitigates the possibility of any future deconcentration of the Elmira-Corning area.

The majority opinion states that benefits emanating from this proposal, relating to the convenience and needs of the communities to be served, lend weight toward approval of the application. I find, conversely, that all the services which Applicant proposes for Bank are presently available through Applicant's subsidiary bank located in the market and through other large banking organizations competing therein such as Marine Midland Banks, Lincoln First Banks, and Charter New York Corporation. I conclude, therefore, that the adverse effects of the proposal are not outweighed in the public interest by serving any present or future needs or conveniences of the relevant areas. Furthermore, it appears imperative that measures should be taken to alleviate the significantly high concentration of banking resources in the Elmira-Corning banking market. For these reasons, I would deny the present application.

[^25]
## UNITED FIRST FLORIDA BANKS, INC. AND DELAND DEVELOPMENT CORPORATION, TAMPA, FLORIDA

## Order Approving Acquisition of Bank

United First Florida Banks, Inc. ("Applicant'"), Tampa, Florida, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act ( 12 U.S.C. 1842(a)(3)) to acquire 90 per cent or more of the voting shares of Deland State Bank ('Bank'"), Deland, Florida. In a related matter, Deland Development Corporation ('Development') Maitland, Florida, a bank holding company with respect to Bank, has applied for the Board's approval under § 3(a)(3) of the Act to acquire, through a conversion of $\$ 440,000$ in subordinated convertible debentures, 18,544 voting shares of Bank. Upon its acquisition of such shares, Development proposes to tender its entire interest in Bank to Applicant. Development's acquisition of shares of Bank has no significance except as a means to facilitate Applicant's acquisition of 90 per cent or more of the voting shares of Bank. Accordingly, the proposals are treated herein as the proposed acquisition of voting shares of Bank by Applicant.

Notice of the applications, affording opportunity for interested persons to submit comments and views, has been given in accordance with $\S 3(b)$ of the Act. The time for filing comments and views has expired, and the Board has considered the applications and all comments received in light of the factors set forth in § 3(c) of the Act (12 U.S.C. 1842(c)).

Applicant, the fourth largest bank holding company in Florida, controls 35 banks with aggregate deposits of $\$ 1.3$ billion, representing 6.5 per cent of total deposits of commercial banks within the State. ${ }^{1}$ Acquisition of Bank would not significantly increase Applicant's share of State deposits and would not alter Applicant's ranking among other State banking organizations.

Bank ( $\$ 28.9$ million in deposits) is the second largest of six commercial banks located in the relevant market, ${ }^{2}$ and holds 21.5 per cent of the deposits in the market. Four of the five remaining banks in the market are now affiliated with bank holding companies. Applicant's banking subsidi-

[^26]ary closest to Bank is located approximately 20 miles away in Sanford, which is in a separate banking market. It appears that no meaningful competition exists between Bank and any of Applicant's subsidiary banks. Furthermore, due to the distances and natural barriers between Bank and Applicant's subsidiaries, it is unlikely that potential competition would develop between them. On the basis of the foregoing and the record, the Board concludes that consummation of the proposal would not eliminate any significant existing competition nor foreclose the development of significant potential competition.

Incident to this acquisition agreement, there is a covenant by the directors of Bank "not to become an officer or director of any bank in the Greater Deland area" for a two year period. It appears that the provisions of this covenant are reasonable in duration, scope and geographic area. Accordingly, the Board is of the view that the existence of such a covenant does not preclude approval of the proposed acquisition.

In view of Applicant's commitments to inject additional equity capital into certain of its subsidiary banks, the financial and managerial resources and prospects of Applicant and its subsidiaries are regarded as generally satisfactory. Acquisition by Applicant will enhance the financial and managerial resources of Bank, especially in light of Applicant's commitment to inject equity capital into Bank and Applicant's ability to provide Bank with management expertise. Considerations related to financial condition and managerial resources, therefore, are consistent with, and lend some weight toward, approval of the applications. Although there is no evidence in the record to indicate that the banking needs of the community to be served are not currently being met, Applicant plans to expand the range of services presently offered by Bank. Convenience and needs factors are consistent with approval of the applications. It is the Board's judgment that consummation of the proposals would be in the public interest and that the applications should be approved.

On the basis of the record, the applications are approved for the reasons summarized above. The transactions shall not be made (a) before the thirtieth calendar day following the effective date of this Order or (b) later than three months after the effective 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.

By order of the Board of Governors, effective April 4, 1974.

Voting for this action: Vice Chairman Mitchell and Governors Sheehan, Bucher, Holland, and Wallich. Voting against this action: Governor Brimmer. Absent and not voting: Chairman Burns.
[SEAL]

## (Signed) Chester B. Feldberg, Secretary of the Board.

## Dissenting Statement of <br> Governor Brimmer

I would deny the application by United First Florida Banks, Inc. to acquire Deland State Bank. My decision is based on an examination of a covenant not to compete contained in a letter agreement that is incident to this proposal. Each director of Bank is prohibited by the covenant from becoming an officer or director of any bank in the Greater Deland Area for a period of two years from the effective date of the proposed stock exchange or two years from the date of his resignation as a director of Bank, whichever occurs last. In my view, covenants of this type necessarily inhibit competition and should not be sanctioned by the Board.

The purpose of such a covenant is to preclude the individuals involved from offering support and expertise to a convenient alternative source of commerical banking services in the Deland area in the near future. For reasons stated more fully in my dissent to the application of First Alabama Bancshares, Inc., to acquire Citizens Bank of Guntersville ( 59 Federal Reserve Bulletin 757), such a result is inherently anticompetitive and not in the public interest.

Accordingly, I would deny the application.

## NORTHEAST BANCORP, INC., NEW HAVEN, CONNECTICUT

## Order Approving Merger of Bank Holding Companies

Northeast Bancorp, Inc., New Haven, Connecticut ('"Northeast Bancorp'’), a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § $3(\mathrm{a})(5)$ of the Act (12 U.S.C. 1842(a)(5) to merge with First Connecticut Bancorp, Inc., Hartford, Connecticut ("First Connecticut'"), under the charter and title of Northeast Bancorp.

Notice of the application, affording opportunity
for interested persons to submit comments and views, has been given in accordance with §3(b) of the Act. The time for filing comments and views has expired, and the Board has considered the application and all comments received in light of the factors set forth in § 3(c) of the Act (12 U.S.C. 1842(c)).
Northeast Bancorp controls one bank with deposits of $\$ 603$ million, representing 9.4 per cent of deposits in commercial banks in the State, and is the third largest commercial banking organization in Connecticut. First Connecticut is the ninth largest commercial banking organization in the State and controls three banks with aggregate deposits of $\$ 222$ million, representing 3.5 per cent of deposits in commercial banks in the State. ${ }^{1}$ Upon consummation of the proposed merger, Northeast Bancorp's share of total commercial bank deposits would increase to 12.9 per cent, and Northeast Bancorp would remain the third largest holding company in Connecticut.

The Department of Justice has commented on this proposed merger and concluded that it should be denied. The Department indicated that, in its opinion, the proposed merger would not only eliminate some existing competition, but would have an adverse effect upon potential competition because Northeast Bancorp and First Connecticut would be eliminated as potential entrants into each other's markets. In addition, the Department stated that it believed the merger to be another in a current trend in Connecticut toward mergers among the largest banks in the State with a resulting increase in concentration of total State commercial deposits.

The Board has concluded that approval of the proposed merger would not have significant adverse effects on the concentration of banking resources in Connecticut. Upon consummation, Connecticut would still have 11 commercial banking organizations with deposits over $\$ 100$ million. Furthermore, any assessment of concentration in Connecticut should include some consideration of mutual savings banks. Mutual savings banks and commercial banks already compete in Connecticut for a large number of normal banking services and as of December 31, 1975, mutuals would be enabled to offer limited noninterest-bearing per-

[^27]sonal checking services. ${ }^{2}$ In this regard it should be noted that Connecticut's mutual savings banks exceed commercial banks both in number and in total deposits. There are 61 commercial banking organizations in Connecticut with aggregate deposits of $\$ 6.4$ billion and 68 mutual savings banks with aggregate deposits of $\$ 7.4$ billion. Taking into consideration both commercial banks and mutual savings banks, the proposed merger would combine the fifth and sixteenth largest of such organizations and Northeast Bancorp would remain fifth among all such organizations in the State. On the basis of the foregoing, the Board concludes that the proposed merger would not have significant effects upon the Statewide banking structure in Connecticut.

With respect to competition in individual markets, Northeast Bancorp's sole subsidiary bank, Union Trust Company (''Union Trust'), is headquartered in New Haven and has 51 banking offices which are concentrated in the southwestern area of Connecticut. First Connecticut's three subsidiary banks, headquartered in Hartford, New Britain and Simsbury, respectively, operate a total of 28 offices of which 26 are in the north central portion of the State surrounding Hartford. Therefore, Northeast Bancorp and First Connecticut operate primarily in separate sections of the State and the amount of overlap in most categories of deposits and loans is minimal. There is only one area in the State in which both organizations operate; branches of the two banking organizations are located in the adjacent towns of Old Saybrook, Essex and Old Lyme. The deposits held by these offices represent a minimal portion of total deposits held by each of the organizations. The board concludes that consummation of the proposed merger would not eliminate a significant amount of existing competition between banking subsidiaries of Northwest Bancorp and First Connecticut, nor would it have significant adverse effects on existing competition in any banking market.

[^28]While both Northeast Bancorp and First Connecticut have nonbank subsidiaries, none of the subsidiaries engage in the same activity and all such subsidiaries operate in separate market areas. The Board finds no existing competition would be eliminated between nonbanking subsidiaries of the two holding companies.

With respect to the effect of the proposal on potential competition, First Connecticut, with about 8 per cent of market deposits, is the third largest banking organization in the Hartford-New Britain banking market (approximated by the combined Hartford-New Britain SMSA's). The two largest banking organizations in the market, which are also the largest organizations in the State, have a combined market share of 77.5 per cent. ${ }^{3}$ While consummation of the proposed merger would foreclose the possibility of competition between Northeast Bancorp and First Connecticut in that market, the Board believes the likelihood of future competition developing between the two banking organizations in the absence of the proposal is limited due to significant barriers to entry confronting Northeast Bancorp. Connecticut's banking law permits Statewide branching subject to home office protection, and the open towns which appear to be attractive for de novo entry would still not put Northeast Bancorp into the major cities in this banking market. The acquisition of an existing bank located in the market does not appear likely in view of the fact that those available either are not attractive because they would not place Northeast into the major cities or because they seem reluctant to become affiliated. The establishment of a de novo bank in the relevant market by Northeast Bancorp is not a likely alternative since it appears that Connecticut holding companies have been unable to commence such entry in the past. The Board concludes that consummation of the proposed merger will not have any significant adverse effects on potential competition in the Hartford-New Britain SMSA's.

The proposed merger might foreclose the possibility that First Connecticut would enter the banking markets where Northeast Bancorp operates since, as the State's ninth largest banking organization, it would appear to possess the capability of entering some of these markets. Any such entry would, however, have to be through acquisition

[^29]since there are a limited number of open towns in the markets where Northeast operates which are attractive for de novo branching and entry into even those towns would not place First Connecticut into the principal cities in the market. Thus, there is little likelihood that First Connecticut could become an effective competitor by de novo branching. As stated earlier, the possibility of new bank formations appears unlikely in view of the record of Connecticut banking organizations in this regard. With respect to any individual market, the Board cannot conclude that entry of First Connecticut is likely or that if it occurred it would be through an acquisition that would be competitively preferable to the present proposal. Furthermore, it appears that in all of the markets in which Northeast presently operates there are other potential entrants. The Board therefore concludes consummation of the proposal would have no significant adverse effects in markets presently served by Northeast Bancorp.

The Board is of the opinion that any adverse effects of the proposed merger upon potential competition would be outweighed by the anticipated procompetitive effects the proposal would have in facilitating the deconcentraion of the highly concentrated Hartford-New Britain banking market. The two largest banking organizations have a combined market share of 77.5 per cent of commerical bank deposits in the market, while the third largest banking organization in the market, First Connecticut, controls only 8.1 per cent of total market deposits. The share of deposits of the remaining 21 banks operating in the market range downward from 3.5 per cent of total commercial bank deposits. The entry of Northeast Bancorp into this market by means of the proposed merger would create a third viable alternative in this highly concentrated market for those banking services currently being offered almost exclusively by the two dominant banking organizations.

The financial conditions and managerial resources of Northeast Bancorp, First Connecticut, and their respective groups of banks are satisfactory and their prospects appear favorable. Thus, banking factors are consistent with approval of the application. Affiliation with Northeast Bancorp will enable First Connecticut's subsidiary banks to provide new and improved retail and wholesale services, involving Master Charge, self-service teller facilities, international services, new lending programs, lock box services, data processing facilities, municipal financing, and trust and advisory services, and will enable First Connecticut
to become a more effective, competitive alternative in its markets. These factors lend weight toward approval.

It is the Board's judgment that the proposed transaction is in the public interest and should be approved.

In another aspect of this application, Hartford National Corporation, a bank holding company controlling the largest bank in the Hartford-New Britain banking market, has objected to the form of the instant proposal and has urged the Board to restructure the proposal by requiring a merger of certain subsidiary banks of both holding companies in order to remove the "home office protection" granted by State law to the cities of New Britain and Simsbury. The Connecticut Commissioner of Banking responded to this qualified objection by commenting that the distribution of banking offices within the State is a matter for the State legislature and not for federal regulatory agencies.

As a matter of policy, the Board has opposed "home office protection" statutes as devices to protect a favored few from the rigors of fair competition. ${ }^{4}$ Further, where an application has presented significant adverse competitive effects, or where an Applicant has voluntarily taken steps that would result in removal of "home office protection," that removal has been considered a procompetitive consideration and a public benefit. ${ }^{5}$ However! when, as here, the Board has concluded that an application presents net procompetitive effects, the Board has not conditioned its approval upon removal of "home office protection," ${ }^{6}$ and the Board will not do so in this case.

[^30]Hartford National Corporation additionally noted that the resulting proposed holding company would be comprised of "mostly" nonmember banks which would give Northeast Bancorp an "unfair operating advantage." The present proposal does not involve the withdrawal of subsidiary banks from membership by the proposed resulting bank holding company but the proposed merger of two holding companies which presently consist of largely nonmember banks. The Board believes, therefore, that Hartford National Corporation's contention has no bearing on the present application.
On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be made (a) before the thirtieth calendar day following the effective date of this Order or (b) later than three months after the effective date of this Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of Boston pursuant to delegated authority.

By order of the Board of Governors, effective April 4, 1974.

Voting for this action: Chairman Burns and Governors Daane, Sheehan, and Holland. Voting against this action: Governors Mitchell, Brimmer, and Bucher.

Board action was taken while Governor Daane was a Board Member.
(Signed) Chester B. Feldberg, [SEAL] Secretary of the Board.

## Dissenting Statement of

Governors Mitchell, Brimmer, and Bucher
We would deny the application as having adverse effects on Statewide structure and potential competition which are not outweighed by any financial and managerial or convenience and needs considerations.
We believe concentration of commercial banking resources in Connecticut is such that the elimination of a significant existing commercial banking competitor in the State should not be tolerated unless it were necessary to achieve significant public benefits. The benefits that we perceive in this instance are not significant.

The majority has concluded that the proposed merger would not have significant adverse effects upon the Statewide banking structure in Connecticut, apparently relying heavily upon the competitive role of mutual savings banks. In this regard, the majority has relied upon State legislation which in about two years will broaden the services of
mutual savings banks and thereby lessen the distinction between commercial banks and mutual savings banks. Commercial banks and mutual savings banks do compete for certain consumer services, including time and savings deposits, mortgages and consumer credit (and prospectively, money transfer services). However, the historical role of commercial banks in serving the entire spectrum of business, consumer and government financial needs will continue for some considerable period of time to greatly overshadow the role of mutual savings banks in serving the public. Accordingly, we would regard mutual savings banks as no more than partial substitutes for commercial banks in an assessment of the structure of Connecticut banking resources.

We also believe the proposed merger will have adverse effects on potential competition in banking markets where these holding companies operate. Northeast Bancorp, as the third largest banking organization in Connecticut, is certainly capable of entering the Hartford-New Britain area in an effective manner by de novo branching or foothold acquisition. The merger would eliminate the largest potential entrant out of only a few remaining sources of alternative banking services for this highly concentrated market. The merger would also have the effect of eliminating first Connecticut as a significant potential entrant into the markets in which Northeast Bancorp now operates, particularly the Stamford, Danbury and Norwalk SMSA banking markets. First Connecticut could enter all of these SMSA's by foothold acquisition or by de novo branching into towns not closed by home office protection.

The majority has concluded that benefits would accrue to the banking public in the combined Hartford-New Britain SMSA's. We disagree. The consumer will not significantly benefit from an additional large competitor in the market inasmuch as First Connecticut has the resources and the capability to eventually provide the proposed services to consumers enumerated in the majority's statement. Furthermore, the large New York and Boston banks will continue to serve as alternatives for the wholesale banking sector. Therefore, only the intermediate business customer might benefit from any competitive enhancement of First Connecticut. However, we believe First Connecticut already has capability and interest in these customers and can, in normal course, further develop such capability. And, as we have previously stated, we believe Northeast Bancorp to be a likely potential competitor in this market. We see no
need to sponsor one banking organization when two are capable of offering competitive alternatives, nor do we think it necessary to bring all extant organizations up to the size of the largest. Accordingly, we would deny the application.

## ORDERS UNDER SECTION 4 OF BANK HOLDING COMPANY ACT

## THE CITIZENS AND SOUTHERN NATIONAL BANK, CITIZENS AND SOUTHERN <br> HOLDING COMPANY, ATLANTA, GEORGIA

Order Approving Acquisition of Ison Finance Corporation

The Citizens and Southern National Bank and Citizens and Southern Holding Company, its subsidiary, both of Atlanta, Georgia, and both bank holding companies within the meaning of the Bank Holding Company Act, have applied for the Board's approval, under § 4(c)(8) of the Act and § 225.4(b)(2) of the Board's Regulation Y, to acquire shares of Ison Finance Corporation ("Company'"), Atlanta, Georgia.

Notice of the applications, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (39 Federal Register 7996). The time for filing comments and views has expired, and none has been timely received.

The Citizens and Southern National Bank ('Bank') is the largest banking organization in the State of Georgia and in the Atlanta market area, with total deposits of $\$ 1.8$ billion. ${ }^{1}$

Company is engaged in consumer finance and consumer sales finance activities, operating seven offices in Florida, seven in Alabama, two in North Carolina, two in Georgia, one in South Carolina, and one in Louisiana. It had outstandings amounting to $\$ 12.6$ million as of year-end 1972. Company's activities are of the type determined by the Board to be closely related to banking (12 CFR 225.4(a)(1)).

By order of January 2, 1974, the Board denied applications by Applicants to acquire shares of Company. In that Order, the Board expressed concern as to the effect consummation of the proposed transaction would have upon existing and probable future competition in various consumer lending product markets in the Macon, Georgia

[^31]area. In order to eliminate any possible adverse effect upon competition in markets presently served both by operating offices of Applicants and of Company, Applicants have now modified the proposal by undertaking to sell Company's operating offices located in Atlanta and Macon as soon as practicable after consummation of the proposed acquisition, but in no event, later than two years after the date of such consummation. In order to ensure both that the offices will be completely divested and that they will be divested as viable going concerns, the Board expects that such offices will be sold as going concerns and holding substantially the same quality and type of assets as those offices held on January 2, 1974 and in an amount not less than that amount held by those offices on that date. In view of the above, it appears that consummation of the proposed transaction would not have a significant adverse effect on competition in either the Atlanta or Macon markets.

As Applicants presently do not compete in any geographic market in which Company competes outside the State of Georgia, consummation of the proposed transaction would not adversely affect existing competition in those markets; nor would future competition in those markets be adversely affected as a substantial number of competitors are represented in each of those markets, and the proposed transaction may properly be characterized as a "foothold entry" into those markets.

In its Order of January 2, 1974, the Board concluded that certain post-employment covenants contained in employment agreements between Applicants and certain shareholders of Company were in restraint of trade and therefore constituted a significant adverse factor in its consideration of the prior applications. The parties have amended all employment agreements between Applicants and shareholders of Company to remove all covenants not to compete. There neither now exists nor will exist any agreement, written or oral, under which shareholders of Company are or would be bound to refrain from competition with Applicants or Company.

There is no evidence in the record indicating that consummation of the proposed transaction would result in any unfair competition, conflicts of interests, or unsound banking practices. It is anticipated that Company's affiliation with Applicants would result in the removal of certain limi-
tations that the management of Company ha $s$ imposed upon the amounts that may be loaned to individual consumers in single transactions and upon the types of loans made by Company. Applicants have stated that, as their subsidiary, Company would make loans to individual creditworthy customers up to the legal limits permitted by State law and would provide mobile home, small appliance, and second mortgage loans, in addition to the types of consumer loans presently made by Company. These increases in service and the indirect increase in competition that would result therefrom, as well as the increased availability of financial resources, and thereby lendable funds, that the proposed affiliation is expected to provide, constitute benefits to the public.

Based upon the foregoing and other considerations reflected in the record, the Board has determined that the balance of the public interest factors the Board is required to consider under section 4(c)(8) is favorable. Accordingly, the applications are hereby approved on the condition that the operating offices of Company that are located in Atlanta and Macon will be sold as going concerns and holding substantially the same quality and type of assets as those offices respectively held on January 2, 1974 and in an amount not less than the amount of such assets held by those offices respectively on that date. This determination is subject to the conditions set forth in section 225.4(c) of Regulation Y and to the Board's authority to require such modification or termination of the activities of a holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and orders issued thereunder, or to prevent evasion thereof.

The transaction shall be made not later than three months after the effective date of this Order, unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Atlanta.

By order of the Board of Governors, effective April 22, 1974.

Voting for this action: Vice Chairman Mitchell and Governors Brimmer, Sheehan, Bucher, Holland, and Wallich. Absent and not voting: Chairman Burns.
(Signed) Chester B. Feldberg,
[seal] Secretary of the Board.

# FIRST NATIONAL HOLDING CORP., ATLANTA, GEORGIA 

Order Denying Acquisition of Merit Finance Corporation

First National Holding Corp., Atlanta, Georgia, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under § 4(c)(8) of the Act and § 225.4(b)(2) of the Board's Regulation Y, to acquire, through its wholly-owned subsidiary, Dixie Finance Co., Inc., Atlanta, Georgia, all of the voting shares of Merit Finance Corporation, Mobile, Alabama ('"Merit'). Merit engages in the activities of making, acquiring, or servicing loans or other extensions of credit for personal, family, or household purposes, and acting as insurance agent or broker in selling credit life, credit accident and health, and property damage insurance for collateral supporting loans that are made by it. Such activities have been determined by the Board to be closely related to banking ( 12 CFR 225.4(a)(1) and (9)(ii)).

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published ( 38 Federal Register 32290). The time for filing comments and views has expired, and none has been timely received.

Applicant is the one-bank holding company parent of The First National Bank of Atlanta, Atlanta, Georgia, which holds deposits of $\$ 1$ billion, representing 9.5 per cent of the total deposits in commercial banks in Georgia. ${ }^{1}$ Applicant also controls nonbanking subsidiaries which engage in consumer financing, mortgage banking, advising a real estate investment trust, computer services, personal property leasing, and factoring.

Merit, a subsidiary of Walter E. Heller International, Inc., has total receivables of $\$ 23.2$ million (as of June 30, 1973). Headquartered in Mobile, Alabama, Merit has 62 offices located in seven States: Alabama, Oklahoma, Georgia, Indiana, Tennessee, Florida and Louisiana.

The relevant product market to be considered in evaluating the competitive effects of this proposal is the making of personal installment loans. Applicant engages in this activity through its banking subsidiary and four finance company subsidiaries which operate 132 offices in six States in the Southeast. Applicant and Merit are presently

[^32]engaged in direct competition for personal installment loans in six local markets in Georgia. In five of those markets, ${ }^{2}$ approval of the instant proposal would have a slightly adverse effect on existing competition while in the sixth market, the Washington County market, approval would have a substantially adverse effect. Upon consummation of the proposed acquisition, the number of competitors in Washington County would be reduced from seven to six and Applicant's market share of personal installment loans would increase from 12.5 per cent to 31.3 per cent. The Board concludes that the elimination of the existing competition in Washington County constitutes an adverse factor weighing against approval of the proposed transaction.

With respect to the question whether consummation of the proposal would eliminate any significant competition in the future, the Board finds that Applicant appears to possess both the resources and expertise to enter the markets that are presently served by Merit de novo. However, no significant market served by Merit appears concentrated and the recent closing of certain of its offices indicates that it is a weakening competitive force. The Board therefore concludes that consummation of the proposal would have at the most only very slight adverse effects with respect to the elimination of probable future competition.

The basic balancing test of section 4(c)(8) requires a showing of public benefits stemming from the proposed acquisition that outweigh the adverse competitive effects described above. Applicant has sought to meet its burden of demonstrating that its operation of the proposed nonbanking activity will be in the public interest. Applicant proposes to inject equity capital into Merit in order to strengthen Merit's capital position and make available greater amounts of loanable funds for lending in the communities served. Applicant further proposes to increase the efficiency of existing offices of Merit through centralized purchasing, advertising, and recordkeeping. Finally, Applicant proposes to establish de novo offices of Merit in Indiana, Oklahoma, and Tennessee, in areas where offices of Merit already exist, in order to maximize the benefits of supervision. Each of the claimed efficiencies appears to be equally achievable through an affiliation less anticompetitive than that

[^33]proposed herein. In any event, the nature of the benefits claimed are such as to fall short of outweighing the adverse competitive effect which would result from approval of the proposed transaction

Based upon the foregoing and other considerations reflected in the record, the Board has determined that the public interest factors the Board is required to consider under section 4(c)(8) of the Act do not outweigh the possible adverse effects. Accordingly, the application is hereby denied.

By order of the Board of Governors, effective April 18, 1974.

Voting for this action: Chairman Burns and Governors Brimmer, Sheehan, Holland, and Wallich. Absent and not voting: Governors Mitchell and Bucher.
(Signed) Chester B. Feldberg,
[SEAL] Secretary of the Board.

## Concurring Statement of

Governor Brimmer and Governor Holland

We have joined our colleagues in voting to deny the application of First National Holding Corp. to acquire Merit Finance Corporation. We agree that Applicant has not demonstrated public benefits which outweigh the substantially adverse effects this acquisition would have on existing competition in Washington County, Georgia. However, we place more weight than our colleagues on the adverse effects the proposed acquisition would have on probable future competition.

We believe Applicant to be one of the most likely entrants into a number of markets now served by Merit. Applicant has been aggressive in acquiring consumer finance companies-having acquired four such firms in the last two years. Applicant has further demonstrated its willingness and ability to enter new markets on a de novo basis. For example, Applicant has established nine additional consumer finance offices in Alabama and four such offices in Mississippi through its present subsidiaries. Thus, Applicant has demonstrated that it possesses both the resources and the expertise to enter new markets de novo. In the absence of the proposed acquisition, Applicant may be expected to continue such expansion and it seems reasonably possible to us that such expansion might bring Applicant into competition with Merit in additional markets where they do not presently compete. Accordingly, the elimination of this probable future competition constitutes
an additional adverse factor under § 4(c)(8) weighing against approval of the application.

Governor Brimmer additionally believes that the acquisition of Merit, which is now owned by Walter E. Heller International Corp., is an example of an increasing tendency by bank holding companies to trade nonbanking subsidiaries among themselves. He believed such a trend should be discouraged since-once a bank holding company is serving a community through a nonbanking subsidiary-the acquisition of that subsidiary by another bank holding company would not generally result in any net advantage to the community. In view of its present parent's ability to strengthen Merit, Governor Brimmer finds no public benefits to be gained from approval.

## THE FORT WORTH NATIONAL CORPORATION, FORT WORTH, TEXAS, AND SHAWMUT ASSOCIATION, INC., BOSTON, MASSACHUSETTS

Order Approving Acquisition of American Cattle and Crop Services Corp.

The Fort Worth National Corporation, Fort Worth, Texas ("Fort Worth’'), and Shawmut Association, Inc., Boston, Massachusetts ('Shawmut''), bank holding companies within the meaning of the Bank Holding Company Act, have applied for the Board's approval, under section $4(c)(8)$ of the Act and $\S 225.4(b)$ of the Board's Regulation Y , to form a joint venture by acquiring voting shares of American Cattle and Crop Services Corp., Guymon, Oklahoma ("American Cattle''), a de novo corporation. American Cattle will engage de novo in the activities of agricultural commodity financing and servicing or acquiring, for its own account or for the account of others, loans and other extensions of credit to agricultural enterprises or secured by agricultural commodities. Such activities have been determined by the Board to be closely related to banking (12 CFR 225.4(a)(1) and (3)).

Notice of the applications, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published ( 38 Federal Register 32176). The time for filing comments and views has expired and the Board has considered all comments received (including those of Amarillo National Bank, Amarillo, Texas, and The First National Bank, Amarillo, Texas (hereinafter called "Protestants")
in the light of the public interest factors set forth in section 4(c)(8) of the Act (12 U.S.C. 1843(c)).

Fort Worth controls 10 banks with aggregate deposits of about $\$ 1$ billion, representing 3.1 per cent of total deposits in commercial banks in Texas, and is the sixth largest multibank holding company in the State of Texas. ${ }^{1}$ Through its nonbanking subsidiaries, Fort Worth is engaged in mortgage banking, land development, ${ }^{2}$ and acting as agent for the sale of fire and casualty insurance. ${ }^{3}$

Shawmut, the second largest banking organization in the State of Massachusetts, controls 10 banks with aggregate deposits of $\$ 1.6$ billion, representing 12.7 per cent of total commercial bank deposits in Massachusetts. Shawmut is engaged in factoring through a joint venture with Milberg Factors, Inc., New York, New York, and is engaged in commercial financing and securities clearance through direct subsidiaries.

Through American Cattle, Fort Worth and Shawmut propose to engage principally in originating and servicing agricultural commodity loans, including cattle feedlot financing in a six-State service area including Texas, Oklahoma, Kansas, Nebraska, Colorado, and New Mexico. The servicing of such financing will consist of "packaging'" loans to cattle feedlot operations, and more generally the commodity industry, then placing these loans with prearranged banks (including subsidiary banks of Fort Worth and Shawmut). American Cattle will also provide supervision and inspection of the collateral for these loans.

American Cattle will have its main office in Guymon, Oklahoma, and a loan production office in Amarillo, Texas. While American Cattle intends to operate primarily in a servicing capacity, it may occasionally become involved in direct commodity financing for its own account for purposes of bridge financing. To the extent that

[^34]American Cattle does direct commodity financing for its own account, it will be engaged in an activity also engaged in by certain of the banking subsidiaries of both Fort Worth and Shawmut. However, neither Fort Worth nor Shawmut are engaged in the primary function to be performed by the joint venture, that is, the originating, placing and servicing of loans to the feedlot and other agricultural industries. Since American Cattle is a de novo subsidiary, no existing competition would be eliminated.

The extent to which the proposed joint venture would eliminate potential competition depends on the likelihood of either Fort Worth or Shawmut entering the market. This likelihood appears remote because the joint venture is based upon the combining of the mutually exclusive expertise possessed by each parent bank holding company. Shawmut has extensive money market expertise, especially in the area of bankers acceptance financing, and will therefore lend such expertise to the supervision of the financing portion of the joint venture. In addition, Shawmut is located close to the financial center of the country, thus enabling it to assist in placing loans in the Northeast. Fort Worth, located near feedlots and agricultural areas, has engaged in cattle financing throughout its existence and will contribute its knowledge of the technical aspects of financing the feedlot industry. A successful venture in this activity will require both large amounts of financing and considerable technical knowledge of the cattle industry. Neither co-venturer has both of these requirements, so the likelihood that either would engage in this activity alone appears limited. The Board concludes that the proposed joint venture would not adversely affect potential competition.

Protestants to these applications contend that they should be denied because no benefits will result to the public since there can be no demonstrated need for this de novo corporation. Protestants contend that the agricultural credit needs of the area involved are now being adequately met by banks and other financial institutions through normal correspondent banking relationships.

In the circumstances of this proposal, the Board finds that the proposed joint venture would result in significant public benefits. The financing needs of the agricultural commodity business, particularly the cattle feedlot business in the Southwestern United States, has created an increased demand for additional sources of capital. The local financing institutions are apparently having some difficulty meeting the expanded credit demands
and are participating in loans with large correspondents in other sectors of the country. American Cattle would serve as an additional and innovative competitive source for such agricultural loans in the relevant area. The banks participating in the loans to feedlots would use bankers acceptances as their instrument for financing. Thus, the availability of such agricultural financing may not be subject to the same degree of cyclical fluctuation that has occurred in the past. Furthermore, the joint venture will serve to funnel credit from a national market to the six-State service area, thereby increasing the volume of financing available in the relevant area. On this basis, the Board concludes that the proposed joint venture is likely to result in greater convenience and efficiency in the financing of commodities and feedlots, all of which should inure to the benefit of the public.

There is no evidence in the record indicating that consummation of the present proposal by two primarily regional oriented bank holding companies to engage in a joint venture would result in undue concentration of resources, unfair competition, conflicts of interests, unsound banking practices, or other adverse effects. However, although not of concern in this case, the Board cautions that it will examine carefully applications involving joint ventures between bank holding companies, particularly those which compete on a national scale, in order to determine whether there will result either a lessening of competition in other product markets in which the two compete or an undue concentration of resources.

Based upon the foregoing and other considerations reflected in the record, the Board has determined that the balance of the public interest factors the Board is required to consider under section $4(\mathrm{c})(8)$ is favorable. Accordingly, the applications are hereby approved. This determination is subject to the conditions set forth in section 225.4(c) of Regulation Y and to the Board's authority to require such modification or termination of the activities of a holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and orders issued thereunder, or to prevent evasion thereof.

The transaction shall be made not later than three months after the effective date of this Order, unless such period is extended for good cause by the Board or by the Federal Reserve Banks of Boston or Dallas.

By order of the Board of Governors, effective April 15, 1974.

Voting for this action: Vice Chairman Mitchell and Governors Sheehan, Holland, and Wallich. Voting against this action: Governors Brimmer and Bucher. Absent and not voting: Chairman Burns.
(Signed) Chester B. Feldberg,
[seal] Secretary of the Board.

## Dissenting Statement of Governors Brimmer and Bucher

We would deny the applications by Fort Worth National Corporation and Shawmut Association, Inc. to engage in the proposed activity through the formation of a de novo joint venture. The authority granted to the Board by section 4(c)(8) of the Bank Holding Company Act to supervise the expansion of bank holding companies into nonbanking activities requires careful and detailed consideration of potential abuses which might arise in the conduct of such activities. With regard to the present proposal, we do not believe the Board has given due weight to possible abuses which may occur simply because of the enduring and formal legal structure which will tie these two holding companies together.

The majority concludes that the proposed de novo joint venture may not have a significant adverse effect on existing or potential competition in the relevant product market-which is agricultural commodity financing. However, in our view, such analysis ignores the anti-competitive implications in markets other than those entered into by the joint venture. A joint venture by its very nature requires a degree of collaboration among the parents. This spirit of cooperation and harmony could encourage the development of adverse competitive effects in the other product and geographic markets in which the parents already compete. While Fort Worth and Shawmut are not among the largest bank holding companies in the country, they do, in fact, compete in various national financial markets, such as the market for large business loans or certificates of deposit. Moreover, a joint venture relationship could, and probably would, dissuade the parent companies from entering into other product and geographical markets where they might compete in the future. Accordingly, we believe the proposed joint venture would result in decreased competition in the long-run.

In addition to the potential dangers to competition, we foresee the possibility of major national
holding companies forming such combinations which could result in an undue concentration of resources. The present proposal standing alone may not appear particularly harmful. Yet, if approved, we fear it may lead, in time, to an in-dustry-wide development of a matrix of cooperative relationships among bank holding companies. In our view, the Board should not sanction the present proposal, because this action could serve to promote a trend toward collaboration among the nation's largest holding companies through the formation of joint ventures. Such a development would not serve the public interest.

We agree that the proposed joint venture may produce short-term benefits to the public by facilitating the transfer of funds from the Northeast to cattle feedlot operations in the Southwest that are in need of credit. Even though this is a legitimate objective, we believe that the basic purpose of the proposed joint venture clearly could be achieved in ways potentially less dangerous than through a joint venture. For example, Fort Worth could originate and service such loans with Shawmut placing the loans with banks in the Northeast in return for a placement fee. A similar arrangement or the sale of loan participations could be made with any correspondent bank. Such arrangements would tend to be less permanant and involve lesser prospects of diminished competition than the ownership ties of a joint venture. In addition to these possibilities, bank holding companies could enter by establishing subsidiary companies speclalizing in agricultural commodity financing to cattle feeders and other agricultural industries or through other means develop these capabilities to service this market. These entries could be operated by experienced, locally-hired managers and financed from the parent's resources. In fact, this market is sufficiently attractive and the barriers to entry low enough in agricultural commodity financing that other bank holding companies have shown interest in operations of this type rather than through the joint ventures we oppose in principle. These alternatives would have beneficial effects similar to the present proposal.

The majority has not demonstrated to our satisfaction that the public benefits anticipated from the proposed joint venture outweigh the possible adverse consequences. We are concerned that, in approving the proposed joint venture, the Board is setting a precedent which will encourage future proposals involving such relationships. Consequently, we dissent from the majority's approval of the applications.

## CAROLINA BANCORP, INC., SANFORD, NORTH CAROLINA

Order Approving Acquisition of
The Friendly Loan Company, Inc. and Denying Acquisition of National Finance Company, Inc.

Carolina BanCorp, Inc., Sanford, North Carolina, a bank holding company within the meaning of the Bank Holding Company Act, has applied, in separate applications, for the Board's approval, under § $4(\mathrm{c})(8)$ of the Act and § 225.4(b)(2) of the Board's Regulation Y, to acquire all of the voting shares of National Finance Company, Inc. ("National'") and The Friendly Loan Company, Inc. ("Friendly'), both of Rockingham, North Carolina, companies that engage in the activities of consumer finance, dealer financing and acting as sales agent for credit life, and credit accident and health insurance on loans in connection therewith. Such activities have been determined by the Board to be closely related to banking ( 12 CFR 225.4(a)(1) and (9)).

Notice of the applications, affording opportunity for interested persons to submit comments and views on the public interest factors, have been duly published ( 38 Federal Register 34834). The time for filing comments and views has expired, and none has been timely received.

Applicant is a recently formed bank holding company and controls one bank, The Carolina Bank, Sanford, North Carolina ('Bank’') (deposits of $\$ 71.6$ million), representing 0.7 per cent of total commercial bank deposits in the State. ${ }^{1}$ Bank operates 12 branches in five counties (Wake, Harnett, Lee, Moore, and Chatam Counties) throughout North Carolina.

National and Friendly ('Companies') are both licensed small loan companies regulated by the North Carolina Consumer Finance Act ${ }^{2}$ and had combined total assets of $\$ 3.4$ million at year end 1972. ${ }^{3}$ Each company has one subsidiary which holds a small amount of dealer originated paper but is otherwise not an operating entity. Companies, which are commonly owned and managed,

[^35]also sell credit life and credit accident and health insurance to its borrowers.

Friendly operates its only office in Rockingham, North Carolina, and has approximately $\$ 600,000$ of total loans outstanding. National, while headquartered in Rockingham, does not make any loans in that location; it operates 12 loan offices in 10 counties in the central and eastern portion of the State and has total loans outstanding of $\$ 2.6$ million. Companies' product for considering the competitive aspects of this proposal is personal installment loans; the relevant geographic market for these types of loans is approximated by the county in which each of Companies' offices is located.

National and Bank make personal installment loans in four common market areas in the State: Wake, Harnett, Lee, and Moore Counties. ${ }^{4}$ In Wake County, National holds under 2 per cent of the total $\$ 16.7$ million in personal installment loan outstandings generated by the 22 small loan companies operating therein. An analysis of Bank's operations indicates that it is an insignificant competitor for such loans in Wake County. In Harnett County, the aggregate total outstandings for five small loan companies is $\$ 2.3$ million; National's two offices have approximately 11 per cent thereof. Bank's branch in Harnett County was recently opened and, as of June 30, 1972, did not have any loans in the area. From the facts of record, it appears that no significant direct competition exists between National and Bank in the personal installment loan market in Wake and Harnett Counties and that approval herein would have no significant adverse effects on competition in these two areas.

By comparison, in the Lee County market, there are three commercial banks and five small loan

[^36]companies with aggregate personal installment loan outstandings of $\$ 5.2$ million. Bank has loans of approximately $\$ 1$ million, representing 19.4 per cent, and National has loans of almost $\$ 300,000$, representing 5.7 per cent, of the total Lee County personal installment loans outstanding. In Moore County there are six banks and three small loan companies which together have $\$ 3.3$ million of personal installment loans outstanding. Bank has loans of approximately $\$ 900,000$, representing 27.4 per cent, and National has loans of approximately $\$ 500,000$, or 14.7 per cent, of all personal installment loans outstanding in this market area. From the facts of record, it appears that significant competition exists between Applicant and National in making personal installment loans in Lee and Moore Counties. Approval of Applicant's acquisition of National would eliminate this existing competition, remove an alternative source of consumer credit, and increase Applicant's share of personal installment loans made in the Lee County area from approximately 19 to 25 per cent, and in the Moore County area from approximately 27 to 42 per cent. Accordingly, the Board concludes that the proposed acquisition of National would have significant adverse effects on existing competition.

Section 4(c)(8) of the Bank Holding Company Act requires the Board to find that performance by National as an affiliate of Applicant "can reasonably be expected to produce benefits to the public such as greater convenience, increased competition, or gains in efficiency that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests or unsound banking practices." Applicant has the burden of demonstrating that the proposed acquisition will be in the public interest. In seeking to meet this burden, Applicant indicates that affiliation would give National greater flexibility in acquiring funds to lend to its customers and would permit National to expand its current services. Applicant's claims of public benefits to be derived from consummation of the proposal lacks support either in the form of objective evidence or in the form of firm policy commitments. Accordingly, upon consideration of the aforementioned anticompetitive factors in connection with the National acquisition, the Board finds that the public benefits to be derived from this affiliation do not outweigh the adverse competitive effects of the proposal.

On the other hand, the Board does not regard Applicant's application to acquire Friendly in a
similar light. Bank and Friendly do not make personal installment loans in the same geographic market ${ }^{5}$ and it appears therefore that approval would not eliminate any significant existing competition between them. In addition, Friendly acts as agent for the sale of credit life and credit accident and health insurance in connection with personal installment loans made by it. Considering the size and scope of Friendly's business, it does not appear that Applicant's acquisition of Friendly would have a significantly adverse effect on competition in this product line. The Board concludes that competitive considerations are consistent with approval of the Friendly application. In addition, as indicated above, affiliation with Applicant would increase the financial resources available to Friendly, thereby enabling it to become a more active competitor in the area which it serves. There is no evidence in the record to indicate that the acquisition of Friendly would result in any undue concentration of resources, unfair competition, conflicts of interests, or unsound banking practices.

Based on the foregoing and other considerations reflected in the record, the Board has determined, with respect to the application to acquire National, that the public benefits which the Board is required to consider under $\S 4(\mathrm{c})(8)$ of the Act do not outweigh the adverse competitive effects of that proposal. Accordingly, the Application to acquire National is hereby denied.

Based on the foregoing and other considerations reflected in the record, the Board has determined, with respect to the application to acquire Friendly, that the balance of the public interest factors the Board is required to consider under §4(c)(8) is favorable. Accordingly, the application to acquire Friendly is hereby approved. This determination is subject to the conditions set forth in § 225.4(c) of Regulation $Y$ and to the Board's authority to require such modification or termination of the activities of a holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and orders issued thereunder, or to prevent evasion thereof.

The transaction to acquire Friendly shall be made not later than three months after the effective date of this Order, unless such period is extended

[^37]for good cause by the Board or by the Federal Reserve Bank of Richmond.

By order of the Board of Governors, effective April 11, 1974.

Denial of acquisition of National Finance Company, Inc., Rockingham, North Carolina. Voting for this action: Vice Chairman Mitchell and Governors Brimmer, Bucher, Holland, and Wallich. Voting against this action: Governor Sheehan. Absent and not voting: Chairman Burns.
Approval of acquisition of The Friendly Loan Company, Inc., Rockingham, North Carolina. Voting for this action: Vice Chairman Mitchell and Governors Brimmer, Sheehan, Bucher, Holland, and Wallich. Absent and not voting: Chairman Burns.
(Signed) Chester B. Feldberg, [SEAL] Secretary of the Board.

## Statement of Governor Sheehan, Concurring in Part and Dissenting in Part

I would approve the applications by Carolina BanCorp, Inc. to acquire not only The Friendly Loan Company, Inc., but also National Finance Company, Inc. The majority's denial is based on the premise that commercial banks and small loan companies serve substantially the same customers. Statistics compiled from the financial institutions operating in Lee County and Moore County suggest to me that very little competitive overlap presently exists between Bank and National. National's average annual percentage rate (APR) is approximately 30 per cent, twice the average APR of Bank's personal installment loans. National's net loan write-off experience is ten times larger than Bank's and National's average loan size is less than one-half that of Bank.

In Lee County, where National holds only 10.7 per cent of total finance company outstandings, Bank competes with branches of the fourth, fifth and seventh largest banks in North Carolina. Bank competes with five banks in Moore County, including the first, third and seventh largest in the State. The largest bank in North Carolina has deposits 36 times greater than Bank's total deposits.

Both Bank and National are small financial institutions by industry standards. In my view, it is unlikely that affiliation of financial institutions of this size would substantially lessen competition when faced with existing competition from five of the State's seven largest banks.
Banking in the State of North Carolina is highly concentrated. The five largest banks control 77.6 per cent of total State-wide deposits. Strengthening regional financial institutions such as bank is likely to increase rather than decrease competition in
those markets where the State's largest banks are competing.

Public benefits derived from facilitating National's ability to obtain funds through Applicant and subsequently to expand its services and increase the amount of funds available to the borrowing public, in my opinion, would outweigh any anticompetitive effects that might arise from Applicant's acquisition of National.

## SECURITY PACIFIC CORPORATION, LOS ANGELES, CALIFORNIA

## Order Approving Acquisition of Midwestern Financial Corporation

Security Pacific Corporation, Los Angeles, California, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under § 4(c)(8) of the Act and § 225.4(b)(2) of the Board's Regulation Y, to acquire all of the voting shares of the successor by merger to Midwestern Financial Corporation, Denver, Colorado ("Company'’), a company that engages in the activity of mortgage banking. Such activity has been determined by the Board to be closely related to banking (12 CFR 225.4(a)(1)). The company into which Company is to be merged has no significance except as a means to facilitate the acquisition of the voting shares of Company. Accordingly, the proposed acquisition of shares of the successor organization is treated herein as the proposed acquisition of the shares of Company.

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (38 Federal Register 21319). The time for filing comments and views has expired, and none has been timely received.

Applicant controls one bank, Security Pacific National Bank ('Bank') with deposits of $\$ 9$ billion, representing approximately 16 per cent of the deposits in commercial banks in the State of California. Although Bank operates 471 offices throughout California, approximately 90 per cent of its IPC deposits are derived from Los Angeles County and the neighboring counties of Ventura and Orange, placing it seçond among all commercial banks that compete in that area. Bank commenced servicing mortgage loans for others in 1970, and by year-end 1972 held a servicing porfolio of $\$ 155$ million for its institutional investors. Bank's mortgage loan originations in 1972
totaled $\$ 320$ million in the three-county Los Angeles market, placing Bank eighth among all mortgage lenders in that market and representing about 2.8 per cent of all mortgages recorded in that area.

As of December 31, 1972, Company was a one-bank holding company controlling, among other subsidiaries, Kassler \& Company ('Kassler"), a mortgage banking company. Today, Kassler is Company's only subsidiary and Company's sole activity is confined to mortgage banking. Incorporated in Colorado in 1924, Kassler was acquired by Company in 1962. By 1969, Kassler had offices in Colorado, Arizona, Kansas, Washington and Texas. In 1970, it acquired John R. Delfino, Inc., a small mortgage banking firm in southern California, and in 1972, acquired a loan servicing portfolio of $\$ 23$ million from Crawshaw Mortgage and Investment Company, Encino, California. In addition, Kassler acquired certain assets, including the servicing portfolio, of Sparkman \& McLean Corporation, a mortgage banking firm with offices in Washington, Alaska and Hawaii. By 1973, Kassler operated 32 offices in 11 States and, based on a servicing portfolio of approximately $\$ 956$ million, ranked as the fifteenth largest mortgage banking firm in the country.

Ten of Kassler's offices are in the State of California, and seven of these are located in the Los Angeles area. Insofar as its California operations are concerned, Kassler's mortgage loan originations are principally confined to loans on 1-4 family residences. While precise market data is not available, it appears that Kassler's originations of approximately $\$ 53$ million in the threecounty Los Angeles area in 1972 represent an estimated market share of 1 per cent of all mortgages recorded on 1-4 family residences in that area. Based on its 1972 originations, Kassler is not ranked among the 25 largest mortgage lenders serving this market. Combined with Bank's estimated share of 2.8 per cent for all such loans in the Los Angeles market, Board approval of the proposed acquisition would give Applicant an approximate share of 3.8 per cent of the 1-4 family residential mortgage loan market within the Los Angeles-Ventura-Orange County area.

Bank and Kassler are also active in the origination of mortgage. loans in the San Francisco Bay area. However, in this market their 1972 originations of $\$ 63$ million and $\$ 32$ million, respectively, represent a combined share of only 1.6 per cent of all mortgages recorded on 1-4 family resi-
dences. Thus, the direct competition in which Bank and Kassler are engaged in both the Los Angeles and San Francisco markets cannot be viewed as substantial, considering the size of those markets and the number of competitors in each market. ${ }^{1}$

Both institutions engage in mortgage servicing. Kassler has a servicing portfolio of $\$ 956$ million and Bank has a portfolio for outside investors which totals $\$ 155$ million. However, only $\$ 169$ million in loans from Kassler's 1972 servicing portfolio were on mortgages originated in California. Thus, in the State of California each institution holds an estimated 0.7 per cent of the total mortgage servicing business. In view of the low market shares held by Kassler and Bank, the Board concludes, that consummation of the proposed acquisition would not eliminate significant competition in California's mortgage servicing market.

Kassler's potential to diversify its service lines and expand the present scope of its mortgage banking operations appears to have been severely restricted by the losses incurred by the company during the last 15 months. Moreover, based on a tangible net worth of 3.5 million as of June 30 , 1973, its capitalization is somewhat lower than similar mortgage banking firms, for supporting a loan warehousing volume of $\$ 122$ million. Consequently, Kassler has restricted its loan production volume and is now attempting to sell off those unprofitable loans in warehouses. While Kassler apparently remains a viable firm, it could not be expected to continue to offer the same aggressive degree of competition to Bank in California or to its other competitors outside the State. Accordingly, it is the Board's judgment that consummation of the instant proposal will not substantially lessen whatever potential competition that Kassler might have been expected to offer Applicant.

Bank, on the other hand, is and will remain a viable competitive force in mortgage banking in the State of California. Its capability to expand into other mortgage banking markets in the State is enhanced by its available resources and proximity to those markets. However, based on past performance, ${ }^{2}$ Bank's future rate of expansion will

[^38]probably be somewhat tempered by a lack of specialized personnel to support new loan production offices. For these reasons such expansion as will occur is likely to be confined within the State of California and probably would not take place in banking markets more distantly removed from Bank's headquarters. Thus, Bank is not now nor likely to become in the foreseeable future a viable competitive force to Kassler in those markets outside the State where the preponderance of Kassler's mortgage originations are made. Viewing the instant proposal in the context of all of the geographical markets in which Bank and Kassler operate, consummation of the proposed acquisition would not, in the Board's judgment, tend to substantially lessen potential competition. As respects local California markets, however, the proposed acquisition would have slightly adverse competitive effects, as it would eliminate a small amount of existing competition between the two institutions in the Los Angeles and San Francisco markets and foreclose a minimal amount of potential competition in other California markets.

The Board also closely examined the present proposal with respect to the possible adverse effect which might arise from an undue concentration of resources. In the Board's judgment, any concern over an undue concentration of resources resulting from consummation of the proposed acquisition herein is unwarranted, considering not only the size but the total resources available to each institution. Kassler's resources, in particular, do not appear sufficient to permit it to continue a viable program of expansion or retain its competitive effectiveness without the financial assistance Applicant can offer.

Denial of the present application because of the slightly adverse effects that consummation of the acquisition would have in California does not appear to be justified in view of the substantial benefits that would flow to the public outside the State where the greatest volume of Kassler's business takes place. Applicant proposes to inject $\$ 3$ million in new capital funds into Kassler immediately upon consummation of the proposal to permit the expansion of its mortgage banking activities to other localities in the Far West, Midwest, and Southeastern sections of the country. In addition, Applicant can be expected to provide the shortterm financial support necessary for Kassler to diversify its product line into such areas as construction lending and the financing of incomeproducing properties. It is anticipated that Kassler's present inability to position loans in its
own portfolio will be considerably alleviated by Applicant's own warehousing capacity. With only 19 per cent of Kassler's loan servicing portfolio in the State of California, the majority of the benefits cited herein will accrue principally in the Far West, Midwest, and Southeastern sections of the country. In the Board's judgment these public benefits are more than sufficient to outweigh the slightly adverse competitive effects the application presents in local mortgage banking markets in California.

There is no evidence in the record to indicate that the proposed transaction would result in any undue concentration of resources, unfair competition, conflicts of interest, or unsound banking practices. Based upon the foregoing and other considerations reflected in the record, the Board has determined that the balance of the public interest factors the Board is required to consider under section 4(c)(8) is favorable. Accordingly, the application is hereby approved. This determination is subject to the conditions set forth in section 225.4(c) of Regulation $Y$ and to the Board's authority to require such modification or termination of the activities of a holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and orders issued thereunder, or to prevent evasion thereof.

The transaction shall be made not later than three months after the effective date of this Order, unless such period is extended for good cause by the Board or by the Federal Reserve Bank of San Francisco.

By order of the Board of Governors, effective April 2, 1974.

> Voting for this action: Governors Mitchell, Daane, Sheehan, and Bucher. Voting against this action: Chairman Burns and Governors Brimmer and Holland.

> Board action was taken while Governor Daane was a Board member.

[SEAL]
(Signed) Chester B. Feldberg, Secretary of the Board.

## Dissenting Statement of Chairman Burns and Governors Brimmer and Holland

We would deny this application. We believe that Security Pacific has sufficient resources to be a probable entrant into many of the mortgage banking markets in which Kassler is now engaged. Similarly, we find that Kassler's own resources
could permit it to expand further into other California markets, either alone or in affiliation with another financial organization whose current and prospective operations center in markets different from those in which Kassler is active. The proximity of Kassler and Security Pacific and their policy of continued expansion are not in dispute. Thus, in our view, consummation of the proposal will tend substantially to lessen potential competition between the two institutions.

The talent and financial resources that can be commanded by a $\$ 9$ billion institution is considerable. The majority, however, points to Applicant's lack of specialized personnel to support new mortgage loan production offices. While managerial talent in mortgage banking may be at a premium, we do not regard it as beyond the capacity of Security Pacific to assemble. And there is no evidence of record to suggest that this Applicant has attempted-but failed-to attract sufficient managerial talent.

Considering the fact that the two institutions did not enter into direct competition with each other until 1970, their rapidly expanded market positions in both the Los Angeles and San Francisco markets attest to their vigorous capability in the field of mortgage banking. Given this strength, the future capabilities of each firm can be projected. The desire of Security Pacific to support the expansion plans of Kassler appears achievable within its present capability. Were this same assist-ance-now planned for Kassler-provided a de novo organization, or an acquisition smaller in size than Kassler, Security Pacific could effectively support a new market competitor. The consequent public benefits, we believe, would prove greater over time than those likely to result from the present proposal. As the Conference Report accompanying the 1970 Amendments to the Act makes clear-

[^39]Applicant is not only a very substantial bank holding company but the firm it proposes to acquire is also of substantial size for firms in its own industry. Under such circumstances as these, what few benefits as may be achieved from Security Pacific's acquisition of Kassler, in our view, are
greatly outweighed by the adverse effects of the proposal through the elimination of potential competition.

The temporary financial strain Kassler experienced in 1973 was in contrast to a general upward trend in income it enjoyed the previous six years. It appears to be a well managed company with the capability of resuming profitable operations in the near future. In our view, Kassler is now and is likely to remain a strong and viable competitor in mortgage banking. Thus, its capabilities for future expansion into other mortgage banking markets, along with those of Applicant, are strong. Furthermore, in view of the already concentrated nature of California banking, it is important to assure that smaller and out-of-state organizations have opportunities to enter the market as viable competitors. Affiliation with Kassler offers, we believe, a strong and practical opportunity for such entry.

## PITTSBURGH NATIONAL CORPORATION, PITTSBURGH, PENNSYLVANIA

## Order Denying Acquisition of Buhler Mortgage Company, Inc.

Pittsburgh National Corporation, Pittsburgh, Pennsylvania, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under section $4(\mathrm{c})(8)$ of the Act and $\S 225.4(\mathrm{~b})(2)$ of the Board's Regulation $Y$, to acquire indirectly through its wholly-owned subsidiary, The Kissell Company, Springfield, Ohio ('‘Kissell'’), all of the voting shares of Buhler Mortgage Company, Inc., Sacramento, California ('Buhler'), a company that engages in the activities of originating, selling, and servicing mortgage loans for its own account or the account of others. ${ }^{1}$ Such activities have been determined by the Board to be closely related to banking (12 CFR 225.4(a)(1) and (3)).

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published ( 38 Federal Register 32851). The time for filing comments and views has expired, and none has been timely received.

Applicant's only banking subsidiary, Pittsburgh National Bank ("PNB'"), operates 88 offices in

[^40]western Pennsylvania, and controls deposits of approximately $\$ 1.7$ billion, ${ }^{2}$ representing 4.6 per cent of the total commercial bank deposits in the State. Applicant engages in mortgage banking activities through PNB and two other direct subsidiaries, Pittsburgh National Mortgage Corporation ("PNMC") with an office in Pittsburgh, Pennsylvania, and Kissell. ${ }^{3}$

Kissell, the nation's tenth largest mortgage banking company based on its mortgage servicing portfolio of about $\$ 1.2$ billion (as of June 30 , 1973), engages in the origination and servicing of all types of mortgage loans through 27 offices in 13 States. Kissell entered California in 1965 with a de novo in San Diego, and since that time has become a significant factor in the mortgage banking business in that State. Kissell now operates seven offices in California, including offices in San Francisco and Sacramento. During 1972, Kissell serviced $\$ 174$ million of loans which had been originated in California, and originated $\$ 63 \mathrm{mil}-$ lion in California mortgages. California mortgages represented one-fourth of Kissell's total mortgage originations for 1972. Approximately 60 per cent of Kissell's California mortgage originations were loans on 1-4 family residences. Kissell's San Francisco office originated approximately $\$ 3$ million in mortgage loans in the six-county San Francisco mortgage banking market ${ }^{4}$ in 1972, 90 per cent of which were 1-4 family residential mortgage loans. Kissell opened a Sacramento branch office in September 1972, and in its first four months of operations, $\$ 3$ million in residential construction loans were originated in that market, ${ }^{5}$ which loans were subsequently converted into 1-4 family residential mortgage loans.

Buhler, with a mortgage servicing portfolio of $\$ 98$ million (as of June 30, 1973), ranks 192nd among the nation's mortgage banking firms, and engages in the origination of both 1-4 family residential mortgage loans and commercial loans,

[^41]primarily FHA project construction loans. In $1972,{ }^{6}$ Buhler originated approximately $\$ 15 \mathrm{mil}-$ lion in 1-4 family residential mortgage loans in the Sacramento market, and $\$ 11.5$ million in the San Francisco market. ${ }^{7}$ For the same period, Buhler originated about $\$ 39$ million in multi-family and commercial loans, primarily in the Sacramento and San Francisco areas. The Board is of the view that the proposed acquisition would eliminate some direct competition between Buhler and Kissell and would also eliminate a viable independent mortgage banking competitor in the Sacramento area.

Applicant has the resources and capability to expand its mortgage operations into those types of activities in which Buhler now engages. Kissell presently engages in project lending, though not out of any of its California offices. It appears that Kissell clearly has the resources and capability to expand its mortgage banking operations in California to include project lending and thereby directly compete with Buhler on a larger scale than at present. Additionally, Kissell currently has the resources, capability and interest to appreciably expand its originations of 1-4 family residential mortgage loans in the Sacramento market. The Board notes that Kissell's Sacramento office is the Kissell office in California which to date has been the least active in 1-4 family mortgage originations. Increased involvement by this office in such lending activity, however, could be achieved with a minimum of effort and expense. Kissell already has an established office, personnel and contacts in the market and a demonstrated capability for further expansion. In addition, Buhler can be expected to give less emphasis to project lending and to increase its activities in other forms of mortgage lending as a result of the FHA 236 project lending funds cutback.

At present, Kissell is the tenth largest mortgage banking firm in the country, and it seems likely that Kissell will continue to compete aggressively to preserve its position as one of the nation's leading mortgage banking organizations. It is the Board's judgment that both Kissell and Buhler are likely to expand their mortgage lending activities in the Sacramento market. The Board concludes, therefore, that consummation of the proposed transaction is likely to eliminate the prospect of

[^42]increased potential competition in that market.
It is true that affiliation with Applicant would provide Buhler with access to additional sources of funds, and would enable Buhler to realize some operating economies. However, while increased availability of funds and gains in efficiency are desirable improvements, it would appear that similar benefits could result from the acquisition of Buhler by a bank holding company or mortgage banking organization that does not presently operate in Buhler's market. Moreover, by expanding activities at its Sacramento office to include 1-4 family originations, Kissell could provide the area with these same benefits. Accordingly, the Board concludes that the public benefits which would be derived from the proposed acquisition do not outweigh the adverse effects on competition.

Based upon the foregoing and other considerations reflected in the record, the Board has determined that the public interest factors the Board is required to consider under section 4 (c)(8) do not outweigh possible adverse effects and that the request should be denied. Accordingly, the application is hereby denied.

By order of the Board of Governors, effective April 1, 1974.

Voting for this action: Vice Chairman Mitchell and Governors Brimmer, Holland, and Wallich. Voting against this action: Governors Sheehan and Bucher. Absent and not voting: Chairman Burns.
(Signed) Chester B. Feldberg,
[sEAL] Secretary of the Board.

## Dissenting Statement of Governors Sheehan and Bucher

We would approve the application by Pittsburgh National Corporation to acquire Buhler Mortgage Company, Inc. We disagree with the majority that consummation of the proposed acquisition would have adverse effects on existing and potential competition; and in our view, any possible adverse effects that might arise from this acquisition would in any case certainly be outweighed by the reasonably expected benefits to the public that would result from the proposal.
The majority states that consummation of the proposal would eliminate direct competition between Buhler and Kissell and would also eliminate a viable independent mortgage banking competitor in the Sacramento area. However, in view of Kissell's and Buhler's minimal market presence in northern California, the amount of existing
competition being eliminated is insignificant, and denial of the application is not warranted. Buhler originated approximately $\$ 15$ million in 1-4 family residential mortgage loans in Sacramento and $\$ 11.5$ million in San Francisco in 1972, while Kissell did not originate any residential mortgages in Sacramento and only about $\$ 3$ million in San Francisco. Moreover, in the context of the mortgage banking market in each area, both Kissell's and Buhler's shares are insignificant ${ }^{1}$ in view of the presence of over 50 competing companies in the Sacramento market, and over 200 companies in the San Francisco market, including some of the nation's largest firms engaged in mortgage banking. ${ }^{2}$ Further, Buhler recently closed its San Francisco office, rendering the adverse effect on existing competition in San Francisco a moot point.

We agree with our colleagues that absent this proposal, Applicant and Buhler might possibly expand in Sacramento and thus increase the degree of their competition with each other. Unlike our colleagues, however, we feel such expansion is improbable. For many mortgage banking institutions, both large and small, the barrier to expansion is not necessarily lack of capital, but more often it may be a shortage of experienced personnel who are also familiar with the local market. Accordingly, it is our view that this acquisition would not have any adverse competitive effects on existing or potential competition.

Against the "adverse" effects found by the majority, we give considerable weight to the public benefits associated with combining Buhler with Applicant. The majority presumes that Buhler will be aggressive and entrepreneurial on its own, absent a combination with Applicant. We disagree, as Buhler's future prospects do not seem to support this conclusion. Buhler's project lending activities will necessarily decrease due to a substantial cutback of funding for FHA 236 projects, thereby compelling Buhler to diversify into other types of mortgage lending. Its ability to diversify and its future growth will be severely hampered by its limited financial resources and limited expertise in the other areas of mortgage lending. Applicant, on the other hand, has far

[^43]greater resources and ready access to the money markets, and would be able to increase Buhler's ability to lend and accommodate its customers. In addition to the increased funds that would be made available to Buhler, affiliation would also enable Buhler to realize some operating economies. It is unrealistic for the majority to deny this application in the hope that some other organization, not presently operating in Buhler's market, will come along to acquire Buhler. It is our view that the combination of Kissell and Buhler will result in a strong, aggressive firm, more able to offer vigorous competition to the larger mortgage banking firms in northern California.

## WORCESTER BANCORP, INC., WORCESTER, MASSACHUSETTS

## Order Approving Application to Engage De Novo in Certain Insurance <br> Agency Activities

Worcester Bancorp, Inc., Worcester, Massachusetts, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under § 4(c)(8) of the Act and § 225.4(b)(1) of the Board's Regulation Y , to engage de novo in certain insurance agency activities at 34 locations in Massachusetts at which Applicant or its subsidiaries are otherwise engaged in business, through a wholly-owned subsidiary, Wornat Insurance Agency, Inc., Worcester, Massachusetts ('Wornat'). Applicant proposes through Wornat to act as insurance agent or broker with respect to credit life insurance, credit accident and health insurance, and mortgage redemption insurance, all directly related to extensions of credit by Applicant's banking and nonbanking subsidiaries. Such activities have been determined by the Board to be closely related to banking.

Notice of the application was published in the communities to be served in accordance with $\S$ 225.4(b)(1) of the Board's Regulation Y. The National Association of Life Underwriters ('NALU'), the Massachusetts Association of Life Underwriters ('MALU''), and the National Association of Mutual Insurance Agents ('NAMIA') sought and were granted intervention in the proceeding and also requested a hearing be held on the application.

By order of March 6, 1973, the Board directed that a hearing be held on the subject application before a designated Administrative Law Judge ( 38 Federal Register 6441). The hearing was held on July 16, 1973, and it and related proceedings have
been conducted in accordance with the Board's Rules for Formal Proceedings ( 12 CFR 263). Briefs and reply briefs were filed by the parties after the hearing. The Law Judge submitted his Recommended Decision to the Board wherein he recommended approval of the application subject to certain conditions. Exceptions and supporting briefs were subsequently filed by the parties.

The Recommended Decision found that the Applicant had sustained the burden of showing that its proposed activities were so closely related to banking as to be a proper incident thereto and that these activities could reasonably be expected to produce benefits to the public such as greater convenience, increased competition and gains in efficiency, and, further, that there was no established proof of undue concentration of resources, decreased or unfair competition, conflicts of interest, or unsound banking practices that would result from approval of the application.

The Law Judge recommended approval of the application subject to three conditions: (1) that individual sales of credit life, credit accident and health, and mortgage redemption insurance in amounts or for terms in excess of $\$ 10,000$ and ten years be sold only through employees duly licensed as insurance agents; (2) that Applicant be required to include on its insurance forms a statement that the purchase of such insurance was not a condition to the granting of any loan and should not be considered as an inducement therefore (with respect to mortgage redemption insurance the recommendation was that language be included indicating that similar insurance not naming the lending institution as beneficiary could be attained from independent agents or, in lieu thereof, existing insurance owned by the borrower could be assigned to the bank); and, (3) that sales of insurance to borrowers from Applicant's nonbanking subsidiaries be limited to an amount no greater than 5 per cent of the aggregate insurance premium income of Applicant.

Exceptions to this Recommended Decision were filed by Applicant, NALU, and MALU with the latter organizations filing a joint exception. The Board has considered the entire record of the hearing including the transcript, exhibits, exceptions, rulings, all briefs and memoranda filed in connection with the hearing, comments received regarding this application, and the Recommended Decision of the Law Judge. The Board remanded the case to the Law Judge for the limited purpose of clarifying certain portions of the Recommended Decision and the Law Judge responded thereto.

The Board's findings and conclusions with respect to the application are set forth hereafter. Additional facts relating to the application are contained in the Law Judge's Recommended Decision and to the extent not inconsistent with this Statement, the findings of fact by the Law Judge are hereby adopted.

Applicant controls two banking subsidiaries with aggregate deposits of $\$ 417$ million (all banking data are as of December 31, 1972); Applicant also has several nonbanking subsidiaries which include Wornat Leasing Corporation, a corporation engaged in full payout financial leasing of all types of capital equipment; Wornat Development Corporation, which engages in making real estate construction and permanent mortgage loans; the Empire Group, Inc., which engages in granting second mortgage loans on residential property; ${ }^{1}$ and Worcester Capital Corporation, a federally licensed small business investment company.

Applicant proposes to acquire Wornat, a de novo corporation, with an initial capitalization of $\$ 50,000$. Applicant projects that during its first year of operation, Wornat will have approximately $\$ 484,000$ in gross premium income. Of this amount, Applicant estimates that Wornat would receive about $\$ 450,000$ in gross premiums through the sale of $\$ 51.6$ million of credit life insurance, an additional $\$ 29,000$ from the sale of $\$ 3.1$ million of credit accident and health insurance and $\$ 5,000$ in gross premium income from the sale of $\$ 950$,000 of mortgage redemption insurance. ${ }^{2}$ These projections are based on Applicant's present sales of credit life and credit accident and health insurance (sold through its group policy referred to in footnote 2), and its present volume of loans on real estate.

The Law Judge concludes that the sale as agent or broker of credit life, credit accident and health

[^44]and mortgage redemption insurance is closely related to banking or managing or controlling banks and the Board affirms his finding and conclusion in this regard:

The business of selling accident, health and declining balance terms life insurance directly related in amount to extensions of credit by a bank or bank-related company is so closely related to banking as to be a proper incident thereto within the meaning of Section 225.4(a)(9) of Regulation Y. (P. 12)

The above finding and conclusion of the Law Judge is amply supported by the record and was not controverted by Intervenors. Moreover, the sale of credit life, credit accident and health and mortgage redemption insurance has long been regarded as closely related to banking. In fact, the Senate Report on the Bank Holding Company Act of 1956 expressly states that:


#### Abstract

the operation of a credit life-insurance program in connection with bank loans is clearly within the scope of banking operations as presently conducted. So is the operation of an insurance program under which insurance proceeds retire the outstanding balances of the mortgage upon the death of


 the mortgagor in cases where the bank holds the mortgage. ${ }^{3}$Similarly, the legislative history of the 1970 Amendments to the Act indicates that the sale of such insurance is closely related to banking. ${ }^{4}$ There is nothing in this record which would indicate that the sale of credit life, credit accident and health and mortgage redemption insurance by Applicant, in connection with extensions of credit granted by its banking or nonbanking subsidiaries, would not be closely related to banking.

The Law Judge also concluded that the sale of credit life and credit accident and health insurance by Applicant could reasonably be expected to produce public benefits such as greater convenience, increased competition, or gains in efficiency; the Board affirms this finding and conclusion.

Most credit life, accident and health insurance is sold in connection with loans in amounts of less than $\$ 10,000$ and for an average term of approximately 30 months. When sold on a group basis accompanying an extension of credit to an individual without the requirement of a medical examination

[^45]and by means of a simple form as part of the loan application, the service is convenient, the rates are comparatively low, and there is minimal need for such sales to be executed by licensed insurance agents. (P. 12-13)

Since Bancorp is, at the present time, selling credit life, health and accident insurance under a master policy formerly negotiated by an independent agent, the proposed authority will not add a service which is not presently being offered. However, few, if any, insurance agents are interested in selling group insurance to the pubic because of the minimal rates and commissions involved, although some are interested in negotiating master policies for institutions such as applicant. (P. 14)

To permit Bancorp or Wornat Insurance to negotiate such coverage directly with underwriters would place Wornat in fair competition with the few agents interested in the same field and also increase competition between the applicant and those mutual savings banks, Federal savings and loan associations and State chartered commercial banks which presently offer such insurance to the public in the State of Massachusetts. On the other hand, to withhold such authority from Bancorp/Wornat and thereby in effect require them to utilize the services of an outside insurance agent earning commissions from the underwriter would reduce the possibility of passing some of the commission income and expense savings capable of being derived from the combined bank/insurance operation on to borrowers-at least in the form of competitively lower interest rates. On balance, the public interest favors the increased inter-bank and bank v. insurance agent competition that approval of this aspect of the application would encourage, particularly in view of the fact that the impact upon the insurance agents in this narrow field appears minimal. (P. 14-15)

The Law Judge found that the sale of mortgage redemption insurance by Applicant could also be reasonably expected to be in the public interest and the Board affirms his finding and conclusion.

In view of the foregoing it is concluded that, competition between Bancorp/Wornat and independent insurance agents will be in the public interest by affording the consumer the opportunity of making an intelligent choice between the services offered. While it is not expected that Bancorp's penetration of the mortgage redemption insurance market will be limited to the $\$ 5,000$ gross premium income forecast for the first year of operation; neither is it probable that the volume of this operation will expand speedily to such an extent as to severely impair the ability of a substantial number of independent insurance agents to continue in business. (P. 17)

Applicant's banking subsidiaries have about $\$ 10-$ $\$ 15$ million in residential mortgages and contemplate writing only about 35 mortgage redemption policies in the first year of operation. This indicates that Wornat is not expected to be a large factor in the sale of mortgage redemption insurance. However, as the Law Judge found, Wornat's entry would increase competition in the sale of mortgage redemption insurance by providing an alternative source for such insurance. Moreover, where a mortgage loan is less than $\$ 10,000$ in amount and ten years in time, Wornat could apparently sell mortgage redemption insurance related to such loans on a group basis in conformity with Massachusetts law. Thus, irrespective of the face value of the mortgage redemption policy, all such sales will conform with State law and Applicant's lim-
ited engagement in this activity is likely to be procompetitive. This constitutes a public benefit that would result from Wornat's sale of mortgage redemption insurance.

The Law Judge concluded that there was no established proof in the record that the sale of credit life, credit accident and health and mortgage redemption insurance by Wornat would result in an undue concentration of resources, decreased or unfair competition, conflicts of interest, or unsound banking practices, and the Board adopts this finding and conclusion. Intervenors stressed what they felt would be the coercive tying effects resulting from the ability of Applicant to make both loans and sell the specified types of insurance in connection with such loans. However, for several years Applicant, under a group policy, has been selling credit life and credit accident and health insurance, and the Intervenors were unable to cite any specific instances of a tying arrangement imposed, or sought to be imposed, by Applicant during that period. Moreover, Intervenors concede the absence of any evidence to show that Massachusetts mutual savings banks, which are able to sell various types of insurance, have tied the sale of insurance to extensions of credit.

The Law Judge recommended in his decision, and the Board so orders, that language in bold type be inserted in the application forms for insurance that informs the prospective purchaser he need not purchase such insurance in order to obtain an extension of credit from any of Applicant's subsidiaries. Applicant has indicated its willingness to comply with this condition. The use of such language will assist Applicant in those internal operations that are used to reduce the potentiality for tying arrangements which the Congress prohibited when it enacted $\S 106$ of the Bank Holding Company Act. In the absence of specific instances of attempted tying of insurance sales and credit extensions by Applicant and in the presence of appropriate language in the insurance form, the Board concludes that the generalized fear of tying effects is not sufficient to require a denial of all or part of Applicant's application. The condition herein imposed is applicable to each of the various forms of insurance Applicant seeks Board approval to sell as agent or broker-specifically, credit life, credit accident and health, and mortgage redemption insurance.

The Law Judge also recommended as a condition of approval of this application that sales of any individual policies in amounts of over $\$ 10,000$ and ten years in time be made by a licensed
insurance agent; Applicant has agreed to this condition. In this connection, NALU and MALU have requested that the Board condition approval of this application on the additional requirement that the sale of group policies in excess of $\$ 10,000$ and ten years in time by Applicant be made only by licensed insurance agents. However, Massachusetts law presently prohibits a bank holding company from selling group policies in excess of $\$ 10,000$ and ten years. The Board expects that Applicant will observe applicable State law and Applicant has stated its intention to do so.

In addition, the Law Judge recommended that language be placed in application forms for mortgage redemption insurance to inform the prospective borrower that similar insurance is available from other sources wherein the beneficiary could be someone other than the lender. However, it is clear from the record in this case that the solicitation for mortgage redemption policies occurs after an extension of credit has been granted and that the borrower is afforded ample opportunity to consider alternative sources. Thus, no coercive element would appear to be present in such sales. The Board has not required this specific condition heretofore and finds the evidence in this record to be insufficient to demonstrate a public need for such a requirement.
The Law Judge recommended a third condition which would require that the amount of insurance premium from the sale of insurance related to extensions of credit by Applicant's nonbanking subsidiaries not exceed 5 per cent of the total insurance premium income by all of Applicant's subsidiaries. This recommendation was apparently based on an assumption that sales of insurance by Applicant's nonbanking subsidiaries are not as closely related to banking as such sales by Applicant's banking subsidiaries and that the former sales thus must come under § 225.4(a)(9)(ii)(c) as "convenience" sales. However, sales of insurance by Applicant's banking and nonbanking subsidiaries are in each instance related to an extension of credit and are, therefore, closely related to banking. Thus, the Board declines to adopt this recommended condition of the Law Judge.

Based on the foregoing and other considerations reflected in the record, the Board has determined that the balance of the public interest factors the Board is required to consider under §4(c)(8) is favorable. Accordingly, the application is hereby approved subject to the conditions set out above. Further, this determination is subject to conditions set forth in § 225.4(c) of Regulation Y and to
the Board's authority to require such modification or termination of the activities of a holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and orders issued thereunder or to prevent evasion thereof.

The transaction shall be executed not later than three months after the effective date of this Order unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Boston pursuant to delegated authority.

By order of the Board of Governors, effective January 28, 1974.

Voting for this action: Vice Chairman Mitchell and Gover-
nors Brimmer, Sheehan, Bucher, and Holland. Absent and not
voting: Chairman Burns and Governor Daane.
(Signed) Chester B. Feldberg, [seal] Secretary of the Board.

## ORDERS UNDER BANK MERGER ACTAPPLICATIONS FOR MERGER OF BANKS

## CAPE COD BANK AND TRUST COMPANY, BARNSTABLE, MASSACHUSETTS

## Order Approving Application for Merger of Banks

Cape Cod Bank and Trust Company, Barnstable, Massachusetts ('"Cape Cod Bank'), a member State bank of the Federal Reserve System, has applied for the Board's approval pursuant to the Bank Merger Act (12 U.S.C. 1828(c)) of the merger of that bank with The Buzzards Bay National Bank, Bourne, Massachusetts ('BBNB'"), under the charter and title of Cape Cod Bank. Incident to the proposed merger, the present offices of BBNB would become branch offices of the resulting bank.

As required by the Act, notice of the proposed merger, in form approved by the Board, has been published, and the Board has requested reports on competitive factors from the Attorney General, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation. The Board has considered the application and all comments and reports received in the light of the factors set forth in the Act.

Cape Cod Bank operates eight offices with aggregate deposits of approximately $\$ 57$ million, ${ }^{1}$ representing 0.4 per cent of total commercial bank
deposits in Massachusetts and is 41 st largest bank in the State. The proposed merger would not appreciably increase Cape Cod Bank's share of State deposits nor would it significantly increase the concentration of banking resources in the State. Upon consummation of the proposed transaction, Cape Cod Bank would become the 35th largest bank in Massachusetts.
BBNB (deposits of $\$ 16$ million) operates all three of its offices in Barnstable County, which approximates the relevant market, and thereby ranks as the sixth largest of nine commercial banks in the market. Of the remaining seven commercial banks in the market, three are affiliated with large bank holding companies. Each of Cape Cod Bank's offices is also located in the relevant market. Cape Cod Bank holds 28.5 per cent of the market deposits in commercial banks and is the largest bank therein. Although both institutions are located in the same banking market, the service areas of the two banks do not overlap significantly and there appears to be little existing competition between them. BBNB's offices are situated in the extreme western portion of the market and derive an estimated 2.3 per cent of total deposits and 6.2 per cent of total loans from Cape Cod Bank's service area. Cape Cod Bank's offices are located throughout the remainder of the county and derive an estimated 1 per cent of total deposits and 2.8 per cent of total loans from the service area of BBNB. The closest offices of Cape Cod Bank and BBNB are located 16 miles apart. Moreover, in view of the existing relationship between the two banks through common ownership, it seems unlikely that competition would develop in the future by either bank opening branches in the other's service area. The Board concludes that consummation of the proposed merger would have but a slightly adverse effect upon competition in the market. ${ }^{2}$

The financial and managerial resources of Cape Cod Bank are considered satisfactory. BBNB has experienced some difficulty in maintaining a strong capital position. Consummation of the proposed merger should eliminate this problem, while at the same time maintaining the capital adequacy of the

[^46]resulting bank and providing it with greater depth in management. Thus, the banking factors lend weight toward approval of the application.

Although there is no evidence in the record to indicate that the major banking needs of the residents of the area are not currently being met, Cape Cod Bank plans to provide both trust and computer services for BBNB to enable it to serve more efficiently its present and future customers. Therefore, considerations relating to the convenience and needs of the communities to be served lend some weight toward approval of the transaction. Accordingly, the Board finds the anticompetitive effects of the proposed transaction to be 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. It is the Board's judgment that consummation of the proposal would be in the public interest, and that the application should be approved.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be made (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 Boston pursuant to delegated authority.

By order of the Board of Governors, effective April 12, 1974.

Voting for this action: Vice Chairman Mitchell and Governors Sheehan, Bucher, Holland, and Wallich. Voting against this action: Governor Brimmer. Absent and not voting: Chairman Burns.
(Signed) Chester B. Feldberg,
[SEAL] Secretary of the Board.

## Dissenting Statement of Governor Brimmer

I would deny the application of Cape Cod Bank to merge with BBNB. In my judgment, the proposed merger of these two banking institutions would have significant adverse effects on competition within the relevant banking market.

Cape Cod Bank is the largest commercial bank in the market, with 28.5 per cent of the market's commercial bank deposits, and is more than twice the size of the market's second largest bank. Consummation of the proposed transaction would increase Cape Cod Bank's share of commercial bank deposits to more than 36 per cent and would further enhance its dominant position in the market.

The proposed merger would also preclude the development of future competition. Although BBNB has experienced some problems in the past, there is no evidence in the record to indicate that it has attempted to solve these problems by a less anticompetitive means such as affiliation with a banking organization not represented in the market. Such affiliation with a banking organization outside the market would have a positive effect on competition by strengthening the financial and managerial resources available to BBNB, thereby making BBNB a stronger competitor. The present proposal eliminates BBNB as an entry vehicle for a banking organization outside of the market. Thus, I conclude that the proposed merger would have substantial adverse effects on both existing and future competition.

The proposal contemplates no appreciable change in the services available to the residents of the area served by BBNB. The services discussed by the majority are available elsewhere in the market and, in my view, do not outweigh the substantially adverse competitive effects of the proposal. Therefore, I believe that the proposal is not in the public interest and that the application should be denied.

## THE CONNECTICUT BANK AND TRUST COMPANY, HARTFORD, CONNECTICUT

## Order Approving Application for Merger of Banks

The Connecticut Bank and Trust Company, Hartford, Connecticut ('CBT''), a member State bank of the Federal Reserve System, has applied for the Board's approval pursuant to the Bank Merger Act ( 12 U.S.C. 1828 (c)) of the merger of that bank with the Clinton National Bank, Clinton, Connecticut ('Clinton Bank''), under the charter and title of CBT. Incident to the proposed merger, the present offices of Clinton Bank would become branch offices of the resulting bank.

As required by the Act, notice of the proposed merger, in form approved by the Board, has been published, and the Board has requested reports on competitive factors from the Attorney General, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation. The Board has considered the application and all comments and reports received in the light of the factors set forth in the Act.

CBT, with deposits of approximately $\$ 1.2$ bil-
lion, ${ }^{1}$ is a subsidiary of CBT Corporation, Hartford, Connecticut ${ }^{2}$ and operates 73 offices throughout the State. CBT controls 19.2 per cent of total deposits in commercial banks in Connecticut and ranks as the second largest of 66 commercial banks in the State. The proposed merger would increase the total deposits controlled by CBT by 0.3 of one percentage point to 19.5 per cent. In view of the already high degree of concentration of commercial banking resources in Connecticut (the ten largest banking organizations control about 82 per cent of the total commercial bank deposits and the two largest organizations control almost 40 per cent of such deposits), such an increase in concentration is viewed with some degree of concern by the Board. However, in considering the circumstances of this case, including the nature of competition and the competitive environment in the relevant market, the Board does not regard the increase in concentration to have such adverse competitive effects as to require denial of the application.

Clinton Bank holds total deposits of $\$ 19.6$ million and operates a total of four offices, ${ }^{3}$ three of which are located within the New Haven SMSA (which approximates the relevant banking market) and a fourth office located in the town of Westbrook, which is in a separate but adjacent market. Within the relevant market, the three offices of the Clinton Bank hold an aggregate of $\$ 16.5$ million in deposits, representing 2.3 per cent of total market deposits and Clinton Bank thereby ranks as the sixth largest of 15 commercial banks in the market. CBT operates 7 offices in the New Haven SMSA with deposits of $\$ 56$ million, representing about 7.9 per cent of market deposits, and is the fourth largest commercial bank in the market. The deposit shares of the three largest banks in the relevant market are approximately 33,26 and 18 per cent, respectively. Affiliation of Clinton Bank with CBT is expected to exert a procompetitive effect on relationships between CBT and the three other banks with larger shares of deposits in the New Haven market.

With respect to existing competition, the Haddam office of CBT is located 10 miles away from

[^47]Clinton Bank's Killingworth office; the next closest offices of CBT and Clinton Bank are situated 12 miles apart. Although the banks operate in the same market, it appears that the respective service areas of CBT's offices and those of Clinton Bank do not overlap, and neither bank derives an appreciable amount of business from the service area of the other. As a result, there appears to be no meaningful existing competition between the two institutions. Therefore, the proposed merger would not have a substantially adverse effect on existing competition.
Although CBT is not presently represented in the towns served by Clinton Bank, it seems to have the financial and managerial resources to establish de novo branch offices in Clinton Bank's service area. However, Clinton Bank's office in Killingworth is located in a town with a population to banking office ratio nearly one-half of the State average, which makes the area relatively unattractive for de novo entry. Connecticut statutes prohibit commercial banks from branching de novo into a town where the head office of another bank is located. Clinton is the location of Clinton Bank's head office and the town, consequently, is presently closed to de novo branching. Approval of the proposed merger would have the salutory competitive effect of removing this home office protection and opening the town to de novo branching. However, the State Banking Commission has granted a charter for the establishment of a new bank which would reinstate home office protection in Clinton upon the opening for business of the new bank in Clinton. Only the town of Madison, where Clinton Bank's third office in the market is located, appears as a possible site for a de novo branch of CBT, but even in this town the population to banking office ratio is only marginally above the State average. These factors, and other facts of record, diminish the likelihood of CBT expanding into Clinton Bank's service area through de novo branch offices.

On the basis of the record, the Board concludes that the proposed merger would not have a significant adverse effect on existing competition, nor foreclose the development of significant potential competition, within the relevant market. ${ }^{4}$

CBT proposed to introduce bank credit card

[^48]services, trust services, student loans, lock boxes, financial analysis and specialized business lending services at the Clinton Bank offices which do not presently offer these services. At the same time, CBT plans to lower the rates on installment loans, reduce certain service charges on checking accounts, and increase the availability of funds for loans offered by Clinton Bank. These increased services should benefit the residents of the areas served by Clinton Bank, particularly in Clinton, Killingworth and Westbrook, where Clinton Bank is the only commercial bank operating. Therefore, considerations relating to the convenience and needs of the communities to be served lend weight toward approval of the proposed merger.

The financial and managerial resources of CBT and Clinton Bank are satisfactory and future prospects for the resulting bank appear favorable. Thus, the banking factors are consistent with approval of the application. It is the Board's judgment that consummation of the proposal would be in the public interest, and that the application should be approved.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be made (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 Boston pursuant to delegated authority.

By order of the Board of Governors, effective April 15, 1974.

Voting for this action: Vice Chairman Mitchell and Governors Sheehan, Bucher, Holland, and Wallich. Voting against this action: Governor Brimmer. Absent and not voting: Chairman Burns.
[SEAL]

## (Signed) Chester B. Feldberg, Secretary of the Board.

## Dissenting Statement of Governor Brimmer

I would deny the application of Connecticut Bank and Trust Company, Hartford, Connecticut ("CBT'') to merge with the Clinton National Bank, Clinton, Connecticut ('Clinton Bank').

In my judgment, the proposed merger would have significant adverse effects on the State banking structure. Connecticut commercial banking resources are highly concentrated. The largest ten banking organizations in the State control more than 82 per cent of the commercial bank deposits. The two largest banks control 39.5 per cent of
these deposits with CBT (the second largest bank) alone holding 19.2 per cent. The present proposal would increase CBT's share of State commercial bank deposits by 0.3 percentage points to 19.5 per cent, thereby perpetuating the trend toward increased concentration of banking resources. Five years ago, the largest ten banking organizations held 78.6 per cent of statewide deposits as compared to more than 82 per cent presently held. Approval of the proposal would aggrevate further the already substantial size disparity existing between the State's two largest banking organizations and Connecticut's other banking organizations. In terms of deposits, the third and fourth largest banks hold less than one-half and one-third, respectively, of the deposits held by CBT. Approval of this proposal would increase this existing size disparity to an even greater extent while foreclosing the possibility of Clinton Bank remaining independent or becoming affiliated with one of the State's smaller banking organizations.

I also believe that the merger of these banking institutions would have significant adverse effects on competition within the relevant banking market. As the fourth largest bank in the market with about 8 per cent of the deposits, CBT is already an aggressive competitive force in the market, and the record discloses that there is meaningful existing competition between CBT and Clinton Bank which would be eliminated by the proposed merger. Within a 25 mile radius of Clinton Bank's locations, CBT has 19 offices. In the four-town area served by Clinton Bank, one-third of the work force commutes to a town where CBT has an office. Absent approval of this proposal, it appears likely that additional competition would develop between the two institutions because of the nature of the market and the commuting pattern of its residents. In addition, CBT has the financial and managerial resources-as well as the inclina-tion-to expand through de novo branching, as demonstrated by CBT opening 16 branch offices in the last five years. It appears that the town of Madison (one of the communities served by Clinton Bank) has an above average population to banking office ratio, and a median family income above that of the rest of the State. Both factors would support such de novo entry. Furthermore, given the present structure of the New Haven market (which is already highly concentrated) the proposal is clearly not in the public interest nor is it conducive to a competitive banking structure since it would increase to 86.7 per cent the share of market deposits held by the four largest banking
organizations. In this market, the merger would reduce the number of competitors from 15 to 14 while also eliminating the possibility of Clinton Bank being acquired by a smaller banking organization. Therefore, on the basis of the record, I believe that the proposed merger would have substantially adverse effects on competition in the New Haven banking market.

Although the majority indicates that the consummation of the merger would eliminate home office protection for Clinton, such a benefit is conceded to be of only short duration since the Connecticut Banking Commission has granted a charter for a new bank in Clinton. Thus, this factor alone, in my view, cannot be sufficient grounds
for approval of a merger that would, on balance, have the significant adverse effects on competition described above.

With respect to the convenience and needs considerations, the record shows that all of the services that CBT plans to introduce at the offices of Clinton Bank are presently offered in the market. In my judgment, convenience and needs considerations do not clearly outweigh the substantially adverse competitive effects of the proposal and, therefore, the statute requires denial of the appiication.

For these reasons, the merger is not in the public interest, and I would deny the application.

## ORDERS NOT PRINTED IN THIS ISSUE

During April 1974, the Board of Governors approved the applications listed below. The orders have been published in the Federal Register, and copies of the orders are available upon request to Publications Services, Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

## ORDERS UNDER SECTION 3(a)(1) OF BANK HOLDING COMPANY ACTAPPLICATIONS FOR FORMATION OF EJANK HOLDING COMPANY

| Applicant | Bank(s) | Board action <br> (effective <br> date) | Federal <br> Register <br> citation |
| :---: | :---: | :---: | :---: |
| Arlco, Inc., | Arlington State Bank, | $4 / 17 / 74$ | 39 F.R. 14642 |
| Arlington, Minnesota | Arlington, Minnesota; and |  | $4 / 25 / 74$ |
| First Financial Services, Inc., | certain insurance activities |  |  |
| Falls City, Nebraska | The First National Bank of Falls | $4 / 19 / 74$ | 39 F.R. 14770 |
|  | City, Falls City, Nebraska |  | $4 / 26 / 74$ |

## ORDERS UNDER SECTION 3(a)(3) OF BANK HOLDING COMPANY ACTAPPLICATIONS FOR ACQUISITION OF BANK

| Applicant | Bank(s) | Board action (effective date) | Federal Register citation |
| :---: | :---: | :---: | :---: |
| First Alabama Bancshares, Inc., Birmingham. Alabama | American Bank and Trust Company, Hartselle, Alabama | 4/5/74 | $\begin{gathered} 39 \text { F.R. } 13718 \\ 4 / 16 / 74 \end{gathered}$ |
| First Amtenn Corporation, Nashville, Tennessee | The Cleveland National Bank, Cleveland, Tennessee | 4/17/74 | $\begin{gathered} 39 \text { F.R. } 14642 \\ 4 / 25 / 74 \end{gathered}$ |
| First Bancshares of Florida, Inc., Boca Raton, Florida | The First Marion Bank, Oscala, Florida | 4/11/74 | $\begin{gathered} 39 \text { F.R. } 13919 \\ 4 / 18 / 74 \end{gathered}$ |
| First Bancshares of Florida, Inc., Boca Raton, Florida | The First State Bank of Arcadia, Arcadia, Florida | 4/11/74 | $\begin{gathered} 39 \text { F.R. } 14254 \\ 4 / 22 / 74 \end{gathered}$ |
| Mark Twain Bancshares, Inc., Clayton, Missouri | Mark Twain O'Fallon Bank, O'Fallon, Missouri | 4/17/74 | $\begin{gathered} 39 \text { F.R. } 14644 \\ 4 / 25 / 74 \end{gathered}$ |

## ORDERS UNDER SECTION 3(a)(3) OF BANK HOLDING COMPANY ACTAPPLICATIONS FOR ACQUISITION OF BANK—Cont.

| Applicant | Bank(s) | Board action (effective date) | Federal Register citation |
| :---: | :---: | :---: | :---: |
| Mercantile Bancorporation Inc., <br> St. Louis, Missouri | The First National Bank of Montgomery City, Montgomery City, Missouri | 4/17/74 | $\begin{gathered} 39 \text { F.R. } 14645 \\ 4 / 25 / 74 \end{gathered}$ |
| National Bancshares Corporation of Texas, San Antonio, Texas | Churchill National Bank, San Antonio, Texas | 4/10/74 | $\begin{aligned} & 39 \text { F.R. } 13920 \\ & 4 / 18 / 74 \end{aligned}$ |
| Southeast Banking Corporation, Miami, Florida | Pinellas Central Bank \& Trust Company, Largo, Florida | 4/22/74 | $\begin{gathered} 39 \text { F.R. } 14771 \\ 4 / 26 / 74 \end{gathered}$ |
| Southeast Banking Corporation, Miami, Florida | The Security Bank, Pinellas Park, Florida | 4/22/74 | $\begin{gathered} 39 \text { F.R. } 14772 \\ 4 / 26 / 74 \end{gathered}$ |
| Southern Bancorporation, Inc., Greenville, South Carolina | Bank of North Charleston, North Charleston, South Carolina | 4/10/74 | $\begin{gathered} 39 \text { F.R. } 13917 \\ 4 / 18 / 74 \end{gathered}$ |
| Tennessee Valley Bancorp, Inc., Nashville, Tennessee | Guaranty Bank and Trust Company, Memphis, Tennessee | 4/10/74 | $\begin{gathered} 39 \text { F.R. } 13920 \\ 4 / 18 / 74 \end{gathered}$ |
| Tennessee Valley Bancorp, Inc., Nashville, Tennessee | Old \& Third National Bank of Union City, Union City, Tennessee | 4/1/74 | $\begin{gathered} 39 \text { F.R. } 12934 \\ 4 / 9 / 74 \end{gathered}$ |
| United First Florida Banks, Inc., Tampa, Florida | The American Guaranty Bank of Tallahassee, Tallahassee, Florida | 4/1/74 | $\begin{aligned} & 39 \text { F.R. } 12930 \\ & 4 / 16 / 74 \end{aligned}$ |
| West Michigan Financial Corporation, Cadillac, Michigan | The First National Bank of Evart, Evart, Michigan | 4/4/74 | $\begin{gathered} 39 \text { F.R. } 13603 \\ 4 / 15 / 74 \end{gathered}$ |

## ORDERS UNDER SECTION 4(c)(8) OF BANK HOLDING COMPANY ACTAPPLICATIONS TO ENGiAGE IN NONBANKING ACTIVITIES

| Applicant | Nonbanking company (or activity) | Board action (effective date) |  | Federal Register citation |
| :---: | :---: | :---: | :---: | :---: |
| Arlco, Inc., <br> Arlington, Minnesota | Arlington State Bank, Arlington, Minnesota; and certain insurance activities | 4/17/74 | 39 | $\begin{aligned} & \text { F.R. } 14642 \\ & 4 / 25 / 74 \end{aligned}$ |
| Centran Bancshares Corporation, Cleveland, Ohio | Protective Loan Corporation, Albany. New York | 4/26/74 | 39 | $\begin{aligned} & \text { F.R. } 15546 \\ & 5 / 3 / 74 \end{aligned}$ |
| Commerce Bancshares, Inc., Kansas City, Missouri | Commerce Mortgage Company, Kansas City, Missouri | 4/19/74 | 39 | $\begin{aligned} & \text { F.R. } 14768 \\ & 4 / 26 / 74 \end{aligned}$ |
| Fourth National Corporation, Tulsa, Oklahoma | Diversified Mortgage \& Investment Company, Tulsa, Oklahoma | 4/30/74 | 39 | $\begin{aligned} & \text { F.R. } 16195 \\ & 5 / 7 / 74 \end{aligned}$ |
| First Virginia Bankshares Corporation, Falls Church, Virginia | Gadsden Finance Company, Gadsden, Alabama | 4/5/74 | 39 | $\begin{aligned} & \text { F.R. } 13719 \\ & 4 / 16 / 74 \end{aligned}$ |
| NBC Co., Lincoln, Nebraska | Nebraska Securities Company, Scottsbluff, Nebraska | 4/22/74 | 39 | $\begin{aligned} & \text { F.R. } 15073 \\ & 4 / 30 / 74 \end{aligned}$ |
| United Tennessee Bancshares | United Tennessee Life Insurance | 4/26/74 | 39 | F.R. 15347 |
| Corporation, Memphis, Tennessee | Company, Phoenix, Arizona |  |  | 5/3/74 |

ORDERS UNDER BANK MERGER ACT-
APPLICATIONS TO MERGE, CONSOLIDATE, OR ACQUIRE ASSETS

| Applicant | Bank | Effective date | Federal Register citation |
| :---: | :---: | :---: | :---: |
| Bankers Trust Company of Rochester, Rochester, New York | Briggs Bank of Clyde, Clyde, New York | 4/2/74 | $\begin{gathered} 39 \text { F.R. } 13716 \\ 4 / 16 / 74 \end{gathered}$ |
| Barclays Bank of New York, New York, New York | First Westchester National Bank, New Rochelle, New York | 4/24/74 | $\begin{gathered} 39 \text { F.R. } 15353 \\ 4 / 24 / 74 \end{gathered}$ |
| Central Trust Company, Rochester N.Y., Rochester, New York | The First National Bank of Marion, Marion, New York | 4/2/74 | $\begin{gathered} 39 \text { F.R. } 12935 \\ 4 / 2 / 74 \end{gathered}$ |

## ORDERS ISSUED BY FEDERAL RESERVE BANKS

During April 1974, applications were approved and orders were issued by the Federal Reserve Banks under delegated authority as listed below. The orders have been published in the Federal Register, and copies of the orders are available upon request to the Reserve Bank.

## ORDERS UNDER SECTION 3(a)(3) OF BANK HOLDING COMPANY ACTAPPLICATIONS FOR ACQUISITION OF BANK

| Applicant | Bank(s) | Reserve Bank | Effective date | Federal Register citation |
| :---: | :---: | :---: | :---: | :---: |
| New Jersey National Corporation, Trenton, New Jersey | Delaware Valley National Bank, Cherry Hill, New Jersey | Philadelphia | 4/25/74 | $\begin{aligned} & 39 \text { F.R. } 16933 \\ & 5 / 10 / 74 \end{aligned}$ |
| Great Lakes Bancshares, Inc., Cleveland, Ohio | The Dime Bank, Canton, Ohio | Cleveland | 4/29/74 | $\begin{gathered} 39 \text { F.R. } 16929 \\ 5 / 10 / 74 \end{gathered}$ |
| First Banc Group, Inc., Creve Coeur, Missouri | The Hermann Bank, Hermann, Missouri | St. Louis | 4/17/74 | $\begin{gathered} 39 \text { F.R. } 15072 \\ 4 / 30 / 74 \end{gathered}$ |

## Announcements

## CHANGES IN BOARD STAFF

The Board of Governors of the Federal Reserve System has announced the promotion of Andrew F. Oehmann to Assistant to the General Counsel in the Legal Division, effective May 5, 1974.

In addition the Board has appointed Paul Wonnacott as an Associate Director in the Division of International Finance, effective May 13, 1974, and Charles R. McNeill as Assistant to the General Counsel in the Legal Division, effective May 20.

Prior to joining the Board's staff, Mr. Wonnacott was Professor of Economics at the University of Maryland. He holds degrees from the University of Western Ontario (B.A.) and Princeton Univer-
sity (M.A. and Ph.D.). Mr. McNeill, formerly with the Treasury Department and the American Bankers Association, holds degrees from Amherst College (B.A.) and Harvard Law School (J.D.)

## CHANGE IN DISCOUNT RATE

The Board of Governors of the Federal Reserve System approved actions by the directors of the Federal Reserve Banks of New York, Philadelphia, Cleveland, Richmond, Kansas City, Dallas, and San Francisco, increasing the discount rate of those Banks from $71 / 2$ per cent to 8 per cent, effective April 25. Subsequently, the Board approved similar increases for the Federal Reserve

## federal reserve bank and branch director changes

## Federal Reserve Bank

and Branch:

## Cleveland

Pittsburgh Richard M. Cyert, President, Carnegie-Mellon University, Pittsburgh, Pennsylvania, was designated Chairman of the Pittsburgh Branch, effective May 1, 1974, to succeed Douglas Grymes, President, Koppers Company, Pittsburgh, Pennsylvania, who resigned.

## Atlanta

Birmingham Lawrence Harris, President, Slocomb National Bank, Slocomb, Alabama, resigned, effective March 15, 1974.
Jacksonville Richard A. Cooper, Chairman of the Board, First National Bank of New Port Richey, New Port Richey, Florida, was appointed, effective February 8, 1974, to succeed Lawrence McIntosh, President, First National Bank of St. Petersburg, Florida, who resigned.
New Orleans Floyd W. Lewis, President and Chief Executive Officer, Middle South Utilities, New Orleans, Louisiana, was appointed, effective April 11, 1974, to succeed Broadus N. Butler, President, Dillard University, New Orleans, Louisiana, who resigned.

St. Louis
Memphis

San Francisco
Los Angeles
Robert E. Healy, Partner-in-Charge, Price Waterhouse and Company, Memphis, Tennessee, was appointed, effective March 7, 1974, to succeed Alvin Huffman, Jr., President, Huffman Bros. Lumber Company, Blytheville, Arkansas, whose term as a director expired December 31, 1973.

Armando M. Rodriguez, President, East Los Angeles College, Los Angeles, California, was appointed, effective April 30, 1974, to succeed Edward A. Sloan, President, Sloan's Dry Cleaners, Los Angeles, California, whose term as a director expired December 31, 1973.

Banks of Chicago, St. Louis, and Minneapolis, effective April 26, the Reserve Bank of Atlanta, effective April 29, and the Reserve Bank of Boston, effective April 30. At that time the rate was 8 per cent at all Reserve Banks.

The action was taken in the light of a recent rapid rise in money and bank credit and in recognition of increases that have already occurred in other short-term interest rates. The problem of inflation continues to be of serious concern to the Board.

The discount rate is the rate charged member banks for borrowing from their district Federal Reserve Banks.

## EXPERIMENTAL PROJECT IN INDIANA

The Federal Reserve announced on May 6, 1974, the start of an experimental project with the Indiana Department of Financial Institutions for changes in the procedures by which the Federal Reserve Bank of Chicago examines State member banks in Indiana.

Under the new procedures, typically a single Federal Reserve examiner will accompany the full team of State examiners on an examination. The Federal Reserve examiner will have access to all materials and will attend meetings and discussions held with a member bank's officers and directors. In addition, the Federal Reserve examiner will ascertain the bank's compliance with Federal laws.

Previously, both the State and the Federal Reserve Bank of Chicago ordinarily assigned a complete team of examiners to conduct separate examinations of State member banks.

As a supplement to the information collected by the Federal Reserve through the revised procedures, the experimental project will include an intensified program of analyzing the flow of current information available to the Reserve Bank regarding each member bank. This will help test the feasibility of achieving more effective supervision of State member banks.

## ADMISSION OF STATE BANKS TO MEMBERSHIP IN THE FEDERAL RESERVE SYSTEM

The following banks were admitted to membership in the Federal Reserve System during the period April 16, 1974, through May 15, 1974 :

## Florida

Sarasota ............. Ellis Commercial Bank Minnesota

Le Seur ...................Le Seur State Bank Montana

Great Falls .... Trust Corporation of Montana New York

New York ...... Barclays Bank of New York Virginia

Mount Jackson ........The Stonewall Jackson Bank and Trust Company

# Industrial Production 

Released for publication May 15

Industrial production is estimated to have increased 0.4 per cent in April, following declines of 0.6 per cent and 0.3 per cent on a revised basis in February and March, respectively. The April index at 124.7 per cent of the 1967 average was 0.5 per cent higher than a year earlier. The April increase occurred mainly in automobiles, business equipment, and durable goods materials.

Consumer durable goods were up 2 per cent, reflecting mainly a 14 per cent increase in auto assemblies during April to an annual rate of 7.5 million units compared with 6.6 million units in March. Output of other durable consumer goods and nondurable consumer goods changed little at advanced levels. Production of business equipment was revised upward for March, and increased further in April by 0.5 per cent to a level about 8 per cent above a year earlier. Preliminary data for defense equipment and for output of construction products and business supplies continued to change little.

Production of iron and steel mill products was revised upward in March and is estimated to have risen somewhat further in April. Output of other durable goods materials, mainly in the automotive and business equipment supplying industries, also is indicated to have increased in April. Production
of nondurable goods materials was largely unchanged.

## INDUSTRIAL PRODUCTION






F.R. indexes, seasonally adjusted. Latest figures: April.

| Industrial production | Seasonally adjusted$1967=100$ |  |  | Per cent changes from- |  | Per cent changes, annual rate |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1974 |  |  | Month ago | $\begin{aligned} & \text { Year } \\ & \text { ago } \end{aligned}$ | 1973 |  | 1974 |
|  | Feb. ${ }^{\text {r }}$ | Mar. ${ }^{\text {p }}$ | Apr ${ }^{e}$ |  |  | Q3 | Q4 | Q1 ${ }^{\text {r }}$ |
| Total | 124.6 | 124.2 | 124.7 | . 4 | . 5 | 6.1 | . 9 | $-7.2$ |
| Products, total | 122.2 | 121.9 | 122.3 | . 3 | . 2 | 3.9 | 1.3 | $-7.1$ |
| Final products | 120.3 | 120.3 | 121.0 | . 6 | . 8 | 4.3 | 3.3 | -7.8 |
| Consumer goods | 127.8 | 127.4 | 128.3 | . 7 | -2.0 | 1.8 | 1.2 | -13.3 |
| Durable goods | 126.3 | 127.2 | 129.7 | 2.0 | -7.7 | - 8.8 | -4.0 | -28.1 |
| Nondurable goods | 128.3 | 127.5 | 127.9 | . 3 | . 6 | 6.6 | 3.1 | $-7.3$ |
| Business equipment | 127.3 | 127.9 | 128.6 | . 5 | 7.5 | 11.2 | 8.0 | . 9 |
| Intermediate products | 128.7 | 127.5 | 127.2 | $-.2$ | -1.6 | 4.0 | -4.8 | $-5.5$ |
| Construction products | 131.4 | 129.0 | 129.0 | 0 | -2.4 | 6.9 | -5.6 | $-5.7$ |
| Materials | 128.3 | 128.2 | 128.6 | . 3 | . 7 | 8.4 | . 3 | $-7.3$ |

${ }^{\circ}$ Estimated.

## 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.e.c. | Not elsewhere classified |
| A.R. | Annual rate |
| S.A. | Monthly (or quarterly) figures adjusted for |
|  | seasonal variation |

## 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 in the following instances: (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

| N.S.A. | Monthly (or quarterly) figures not adjusted <br> 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 par- <br> ticular unit (e.g., less than 500,000 <br> when the unit is millions) |
|  | (1) |

(1) Zero, (2) no figure to be expected, or (3) figure delayed
also include not fully guaranteed issues) as well as direct obligations of the Treasury. "State and local govt." also includes municipalities, special districts, and other political subdivisions.

In some of the tables details do not add to totals because of rounding.

The footnotes labeled Note (which always appear last) provide (1) the source or sources of data that do not originate in the System; (2) notice when figures are estimates; and (3) information on other characteristics of the data.

## TABLES PUBLISHED SEMIANNUALLY OR ANNUALL.Y, WITH LATEST BULLETIN REFERENCE

| Quarterly | Issue | Page | Annually-Continued | Issue | Page |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Sales, revenue, profits, and dividends of large manufacturing corporations | Apr. 1974 | A-90 | Banks and branches, number, by class and State | Apr. 1974 | A-88--A-89 |
| Semiannually |  |  | Flow of funds: Assets and liabilities: 1961-72 | Sept. 1973 | A-71.14-A-71.28 |
| Banking offices: |  |  |  |  |  |
| Analysis of changes in number | Feb. 1974 | A-98 | Flows: |  |  |
| On, and not on, Federal Reserve Par List, number | Feb. 1974 | A-99 | 1961-72 | Sept. 1973 | A-70-A-71.13 |
| Annually | Income and expenses: |  |  |  |  |
|  |  |  | Insured commercial banks | May 1973 | A-96-A-97 A-96-A-97 |
| Banking offices and deposits of group banks, Dec. 31, 1972 | June 1973 | A-102-A-104 | Member banks: Calendar year | May 1973 | A-96-A-105 |
|  | June 1973 | A-102-A-104 | Income ratios | May 1973 | A-106-A-111 |
|  |  |  | Operating ratios | June 1973 | A-96-A-101 |
| Banking and monetary statistics: $1973 .$ | Mar. 1974 | A-96-A-109 | Stock market credit | Jan. 1974 | A-96-A-97 |

## Statistical Releases

LIST PUBLISHED SEMIANNUALLY, WITH LATEST BULLETIN REFERENCE

|  | Issue | Page |
| :---: | :---: | :---: |
| Anticipated schedule of release dates for individual releases | Dec. 1973 | A-104 |

MEMBER BANK RESERVES, FEDERAL RESERVE BANK CREDIT, AND RELATED ITEMS
(In millions of dollars)


[^49]industrial loan program was discontinued. For holdings of acceptances on Wed. and end-of-month dates, see tables on F.R. Banks on following pages. See also note 2 .
5 Includes certain deposits of domestic nonmember banks and foreignowned banking institutions held with member banks and redeposited in full with Federal Reserve Banks in connection with voluntary participation by nonmember institutions in the Federal Reserve System's program of credit restraint.
Notes continued on opposite page.


[^50]million; Q2, $\$ 172$ million; $\mathbf{Q 3}, \$ 112$ million; Q4, $\$ 84$ million. Beginning 1974 Q1, $\$ 67$ million Q2, $\$ 58$ million.
${ }^{8}$ Includes securities loaned-fully secured by U.S. Govt. securities pledged with F.R. Banks.
${ }^{9}$ Includes securities loaned-fully secured by U.S. Govt. securities pledged with F.R. Banks. Also reflects securities sold, and scheduled to be bought back, under matched sale/purchase transactions.

For other notes see opposite page.

RESERVES AND BORROWINGS OF MEMBER BANKS
(In millions of dollars)

| Period | All member banks |  |  |  |  | Large banks ${ }^{2}$ |  |  |  |  |  | All other banks |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Reserves |  |  | Borrowings |  | New York City |  | City of Chicago |  | Other |  |  |  |
|  | Total held ${ }^{1}$ | $\underset{\text { quired }}{\mathrm{Re}-}$ | Excess ${ }^{1}$ | Total | Seasonal | Excess | $\begin{gathered} \text { Borrow- } \\ \text { ings } \end{gathered}$ | Excess | Borrowings | Excess | Borrow- ings ings | Excess | Borrowings |
| 1939--Dec. | 11,473 | 6,462 | 5,011 | 3 |  | 2,611 | ....... | 540 |  | 1,188 |  | 671 | 3 |
| 1941-Dec. | 12,812 | 9,422 | 3,390 | 5 |  | 2,989 |  | 295 |  | 1,303 | i | 804 | 4 |
| 1945--Dec. | 16,027 | 14,536 | 1,491 | 334 |  | 48 | 192 | 14 |  | 418 | 96 | 1,011 | 46 |
| 1950-Dec. | 17,391 | 16,364 | 1,027 | 142 |  | 125 | 58 | 8 | 5 | 232 | 50 | 663 | 29 |
| 1960-Dec. | 19,283 | 18,527 | 756 | 87 |  | 29 | 19 | 4 | 8 | 100 | 20 | 623 | 40 |
| 1965-Dec. | 22,719 | 22,267 | 452 | 454 |  | 41 | 111 | 15 | 23 | 67 | 228 | 330 | 92 |
| 1967-Dec. | 25,260 | 24,915 | 345 | 238 |  | 18 | 40 | 8 | 13 | 50 | 105 | 267 | 80 |
| 1968-Dec. | 27,221 | 26,766 | 455 | 765 |  | 100 | 230 | 15 | 85 | 90 | 270 | 250 | 180 |
| 1969-Dec. | 28,031 | 27,774 | 257 | 1,086 |  | 56 | 259 | 18 | 27 | 6 | 479 | 177 | 321 |
| 1970-Dec. | 29,265 | 28,993 | 272 | 321 |  | 34 | 25 | 7 | 4 | 42 | 264 | 189 | 28 |
| 1971-Dec. | 31,329 | 31,164 | 165 | 107 |  | 25 | 35 | 1 | 8 | -35 | 22 | 174 | 42 |
| 1972-Dec. | 31,353 | 31,134 | 219 | 1,049 |  | -20 | 301 | 13 | 55 | -42 | 429 | -160 | 264 |
| 1973-Apr. | 32,275 | 32,126 | 149 | 1,721 | 5 | 38 | 146 | 8 | 9 | -112 | 828 | 43 | 738 |
| May. | 32,336 | 32,277 | 59 | 1,786 | 30 | -35 | 110 | 6 | 12 | -115 | 881 | 31 | 783 |
| June. | 32,029 | 31,970 | 59 | 1,788 | 77 | -61 | 145 | -5 | 28 | -79 | 904 | 38 | 711 |
| July. | 33,590 | 33,199 | 391 | 2,050 | 124 | 156 | 135 | 30 | 67 | -2 | 855 | 95 | 993 |
| Aug. | 33,783 | 33,540 | 243 | 2,144 | 163 | 34 | 109 | $-8$ | 53 | 8 | 755 | 97 | 1,227 |
| Sept. | 34,020 | 33,775 | 245 | 1,861 | 147 | -6 | 115 | 24 | 62 | 40 | 712 | 79 | 972 |
| Oct. | 34,913 | 34,690 | 223 | 1,465 | 126 | 11 | 74 | 1 | 54 | 17 | 589 | 110 | 748 |
| Nov. | 34,725 | 34,543 | 182 | 1,399 | 84 | 27 | 180 | $-24$ | 28 | $-20$ | 593 | 115 | 598 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1974-Jan. | 36,655 | 36,419 | 236 | 1,044 | 18 | 65 | 135 | -44 | 17 | -8 | 549 | 156 | 343 |
| Feb. | 35,242 | 35,053 | 189 | 1,186 | 17 | 51 | 87 | -19 | 18 | -51 | 635 | 141 | 446 |
| Mar. | 34,966 | 34,790 | 176 | 1,352 | 32 | 21 | 113 | -61 | 65 | 43 | 689 | 107 | 485 |
| Apr. ${ }^{p}$. | 35,922 | 35,772 | 150 | 1,714 | 52 | 44 | 114 | -8 | 40 | -42 | 985 | 98 | 575 |
| Week ending- |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1973-Apr. $\begin{gathered}4{ }^{\text {r }} \text { + } \\ 11{ }^{r} \\ 18{ }^{r} \\ 25^{r}\end{gathered}$ | 32,614 | 32.078 | 536 | 1,755 |  | 169 | 144 | 18 | 8 | 97 | 866 | 80 | 737 |
|  | 31,757 | 31,848 | -91 | 1,499 |  | -184 | 24 | -14 | 13 | -94 | 774 | 29 | 688 |
|  | 32,627 | 32,390 | 237 | 1,848 |  | 146 | 306 | 2 | 2 | $-103$ | 842 | 20 | 698 |
|  | 32,402 | 32,064 | 338 | 1,646 | 9 | 80 | 45 | 20 | 18 | 13 | 795 | 53 | 788 |
| Nov. 7 | 34,626 | 34,369 | 257 | 1,171 | 93 | 101 | 192 | -53 | 12 | -7 | 384 | 132 | 583 |
|  | 34,871 | 34,725 | 146 | 1,521 | 80 | -92 | 262 |  | 61 | 29 | 716 | 125 | 482 |
|  | 35,095 | 34,726 | 369 | 1,568 | 85 | 110 | 224 | 2 | 15 | 66 | 623 | 107 | 706 |
|  | 34,438 | 34,372 | 66 | 1,287 | 84 | -56 | 94 | -14 | 28 | -31 | 541 | 83 | 624 |
| Dec. $\frac{5}{12}$ | 34,906 | 34,468 | 438 | 1,478 | 57 | 167 |  | 15 | 11 | 29 | 889 | 143 | 578 |
|  | 34,444 | 34,472 | -28 | 1,303 | 45 | -139 | 102 | -23 | 11 | -37 | 769 | 87 | 421 |
|  | 35,203 | 34,892 | 311 | 1,488 | 40 | 137 | 163 | 29 |  | +34 | 837 | 95 | 488 |
|  | 35,430 | 34,958 | 472 | 1,039 | 35 | 106 |  | 30 |  | 81 | 676 | 171 | 363 |
| 1974-Jan. $\begin{array}{r}2 \\ \\ \\ \\ 16 \\ \\ 23 \\ \\ \\ \\ \end{array}$ | 35,656 | 35,268 | 388 | 1,210 | 31 | 80 | 140 | -6 | 141 | 24 | 599 | 223 |  |
|  | 36,296 | 36,210 | 86 | 776 | 19 | 2 | 271 | -47 | 44 | -96 | 174 | 160 | 287 |
|  | 37,702 | 37,374 | 328 | 988 | 20 | 59 | 45 | 16 |  | 27 | 681 | 159 | 262 |
|  | 36,610 | 36,693 | $-83$ | 1,182 | 13 | -114 | 183 | -12 |  | -110 | 655 | 86 | 344 |
|  | 36,139 | 35,880 | 259 | 1,220 | 17 | 104 | 20 | -57 |  | 15 | 733 | 130 | 467 |
| Feb. $\begin{array}{r}6 \\ \\ \\ 20 \\ 27 \\ 20\end{array}$ | 35,475 | 35,351 | 124 | 998 | 18 | -123 |  | 14 |  | 34 | 494 | 132 | 504 |
|  | 35,348 | 35,054 | 294 | 1,153 | 15 | 144 | 92 | -23 | 56 | -34 | 585 | 140 | 420 |
|  | 35,388 | 35,274 | 114 | 1,376 | 20 | -37 | 257 | -63 |  | -42 | 711 | 189 | 408 |
|  | 34,851 | 34,645 | 206 | 1,251 | 16 | 70 |  | -17 | 13 | -24 | 780 | 110 | 458 |
| Mar. $\begin{array}{r}6 \\ 13 \\ 20 \\ 27\end{array}$ | 34,633 | 34,515 | 118 | 912 | 19 | -81 | 123 | 13 | 11 | 1 | 364 | 118 | 414 |
|  | 34,748 | 34,632 | 116 | 983 | 19 | 41 | 11 | -8 | 66 | -82 | 507 | 98 | 399 |
|  | 35,209 | 35,129 | 80 | 1,483 | 35 | -41 | 333 | -3 | 15 | -36 | 679 | 93 | 456 |
|  | 34,774 | 34,605 | 169 | 1,713 | 43 | 10 | 31 | 40 | 21 | -16 | 1,061 | 68 | 600 |
| Apr. $\begin{gathered}3 . \\ 10 \\ 17 p \\ \\ 24 p\end{gathered}$ | 35,443 | 35,217 | 226 | 1,503 | 44 | 77 | 34 | -9 | 189 | -27 | 710 | 127 | 570 |
|  | 35,002 | 34,940 | 62 | 1,194 | 41 | -73 | 108 | 4 | 53 | 6 | 663 | 67 | 370 |
|  | 36,308 | 35,914 | 394 | 1,817 | 47 | 82 | 107 | -28 | 101 | 80 | 1,093 | 202 | 516 |
|  | 36,109 | 35,919 | 190 | 1,938 | 54 | -19 | 69 | 48 | 4 | -2 | 1,231 | 105 | 634 |

[^51] for July 1972, p. 626. Categories shown here as "Large" and "All other"
parallel the previous "Reserve city" and "Country" categories, respectively (hence the series are continuous over time).

Note.-Monthly and weekly data are averages of daily figures within the month or week, respectively. Beginning with Jan. 1964 reserves are estimated except for weekly averages.

Borrowings at F.R. Banks: Based on closing figures.
Effective Apr. 19, 1963, the Board's Regulation A, which governs lending by Federal Reserve Banks, was revised to assist smaller member banks to meet the seasonal borrowing needs of their communities.

## BASIC RESERVE POSITION, AND FEDERAL FUNDS AND RELATED TRANSACTIONS

(In millions of dollars, except as noted)

| Reporting banks and week ending- | Basic reserve position |  |  |  |  | Interbank Federal funds transactions |  |  |  |  | Related transactions with U.S. Govt. securities dealers |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Excess reserves ${ }^{1}$ | Less- |  | Net- |  | Gross transactions |  | Total two-way transactions ${ }^{2}$ | Net transactions |  | $\begin{gathered} \text { Loans } \\ \text { to } \\ \text { dealers } \end{gathered}$ | Bor-rowings from dealers 4 | Net loans |
|  |  | Borrowings at F.R. Banks | Net interbank Federal funds trans. | Surplus or deficit | Per cent of avg. required reserves | Purchases | Sales |  | Purchases of net buying banks | Sales of net selling bank |  |  |  |
| Total-46 banks |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Mar. $\begin{array}{r}6 \\ 13 \\ 20 \\ 27\end{array}$ | 2518-13 | 292 | 16,410c16,919 | -16,408 | 108.5 | 22,757 | 6,617 | 5,863 | 16,895 | 754 | 2,514 | 589 | 1,9251,519 |
|  |  |  |  | -17,239 | 112.9 | c22,612 | 5,693 | 5,211 | c17,401 | 482 | 2,186 | 667 |  |
|  |  | 603684 | 15,12915,047 | -15,745 | 100.8 | 20,675 | 5,546 | 5,123 | c15, 552 | 423 | 1,811 | 643 | 1,168 |
|  | 31 |  |  | -15,699 104.1 |  | 21,321 | 6,274 | 5,371 | 15,951 | 904 | 1,575 | 682 | 893 |
| Apr. ${ }^{3}$. | 278 | 593 | 14,779 | -15,094 | 96.9 | 21,490 | 6,711 | 5,832 | 15,658 | 879 | 1,463 | 604 | 859 |
| 10. | 74 | 182 | 16,738 | $-16,846$ | 108.7 | 22,700 | 5,962 | 5,380 | 17,320 | 582 | 1,610 | 516 | 1,094 |
| 17. | 296 | 665 728 | 17,196 13,698 | $-17,565$ <br> $-14,320$ | 108.3 89.4 | 22,124 19,837 | 4,928 6,140 | 4,454 5,401 | 17,671 14,436 | 475 738 | 1,557 | 432 548 | 1,125 |
| 8 in New York City |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Mar. 6. | -1846-7 | 123 | $\begin{array}{r}\text { 5,771, } \\ \text { c5, } \\ \hline\end{array}$ | $\begin{array}{r}-5,911 \\ \hline-5,858\end{array}$ | 97.3994.8 | $\begin{array}{r} 6,850 \\ 6,746 \end{array}$ | 1,080854 | 1,080 | 5,771 | . . . . . ${ }^{\text {a }}$ | 1,710 | 304 | 1,406 |
|  |  |  |  |  |  |  |  |  |  | . . . . . . 6 | 1,4001,102 | 289 |  |
| 20. |  | 33032 | 3,9674,385 | $-4,304$$-4,402$ | 67.7 | 5,166 | 1,198 | 1,136 | 4,030 | $\cdots \cdots \cdots{ }^{\text {a }}$ |  | 321 | 781 |
|  | 15 |  |  |  |  | 5,725 | 1,339 | 1,245 | 4,480 | 95 | , 828 | 368 | 460 |
| Apr. 3...... | 76-3644 | $\begin{array}{r} 34 \\ 79 \\ 107 \\ 55 \end{array}$ | 4,0745,2944,6962,621 | $-4,032$$-5,375$$-4,739$$-2,672$ | $\begin{aligned} & 63.6 \\ & 85.9 \\ & 72.3 \\ & 41.5 \end{aligned}$ | 5,259 | 1,186 | 1,099 | 4,160 86 |  | 725 | 249277 | 476629636251 |
| 10....... |  |  |  |  |  | 6,397 | 1,103 | 1,103 | 5,294 |  | 906852 |  |  |
|  |  |  |  |  |  | 5,733 | 1,036 | 1,037 | 4,696 |  |  | 216 |  |
|  |  |  |  |  |  | 4,825 | 2,203 | 1,863 | 2,962 | 340 | 560 | 309 |  |
| 38 outside New York City |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Mar. 6. | 42-28-616 | 170333 | 10,370$c 11,027$ | $-10,497$ | $\begin{aligned} & 116.1 \\ & 125.2 \end{aligned}$ | 15,90715,866 | 5,5374,839 | 4,783 | 11,124 | $\begin{array}{r}754 \\ 482 \\ \hline\end{array}$ | 804 <br> 786 | 286378 | 518408 |
| 13 |  |  |  | -11,388 |  |  |  |  |  |  |  |  |  |
| 20 |  | 274 | 11,16210,662 |  | $123.5$ | 15, 510 | 4,348 | 3,987 | 11,523 <br> 11,471 | 361 | 709 | 321 | 388433 |
| 27. |  | 652 |  | -11,298 | 124.5 | 15,597 | 4,935 |  |  | 809 | 747 | 314 |  |
| Apr. 3 | $\begin{array}{r} 203 \\ 77 \\ 232 \\ 101 \end{array}$ | 559103558673 | $\begin{aligned} & 10,706 \\ & 11,444 \\ & 12,500 \\ & 11,076 \end{aligned}$ | $\left\|\begin{array}{l} -11,062 \\ -11,470 \\ -12,826 \\ -11,648 \end{array}\right\|$ | $\begin{aligned} & 119.7 \\ & 124.0 \\ & 132.7 \\ & 121.6 \end{aligned}$ | $\begin{aligned} & 16,231 \\ & 16,303 \\ & 16,392 \\ & 15,013 \end{aligned}$ | $\begin{aligned} & 5,525 \\ & 4,859 \\ & 3,892 \\ & 3,936 \end{aligned}$ | $\begin{aligned} & 4,733 \\ & 4,276 \\ & 3,47 \\ & 3,538 \end{aligned}$ | 11,49812,027 12,97511,475 | $\begin{aligned} & 793 \\ & 582 \\ & 475 \\ & 398 \end{aligned}$ | $\begin{gathered} 738 \\ 773 \\ 705 \\ 668 \end{gathered}$ | 355 | 383 |
| Apr 10 |  |  |  |  |  |  |  |  |  |  |  | 239 | 465 |
| 17 |  |  |  |  |  |  |  |  |  |  |  | 215 | 489 |
|  |  |  |  |  |  |  |  |  |  |  |  | 239 | 429 |
| 5 in City of Chicago |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Mar. 6 | $\begin{array}{r} 7 \\ -7 \\ -11 \\ 10 \end{array}$ | $\cdots \cdots \cdots{ }^{\text {a }}$ | $\begin{aligned} & 4,410 \\ & 4,205 \\ & 4,009 \end{aligned}$ | -4,404 | 289.7 | 5,330 | 920856 | 919857 | 4,411 | ...... | 441 |  | 441423414457 |
| 13....... |  |  |  | -4,264 | 273.7 |  |  |  |  |  | 44141441 |  |  |
| 20....... |  |  |  | -4,020 | 250.3 | 4,846 | 837 | 837 | 4,009 |  |  |  |  |
| 27....... |  |  |  | $-3,867$ | 247.4 | 4,691 | 814 | 814 | 3,877 |  | 457 |  |  |
| Apr. 3...... | $\begin{array}{r} 1 \\ 12 \\ -14 \\ 50 \end{array}$ | 150 | $\begin{aligned} & 3,993 \\ & 4,310 \\ & 4,641 \\ & 3,627 \end{aligned}$ | $\begin{aligned} & -4,142 \\ & -4,298 \\ & -4,755 \\ & -3,577 \end{aligned}$ | $\begin{aligned} & 244.0 \\ & 260.3 \\ & 259.7 \\ & 214.5 \end{aligned}$ | $\begin{aligned} & 4,656 \\ & \mathbf{4}, 099 \\ & 5,218 \\ & 4,475 \end{aligned}$ | $\begin{aligned} & 664 \\ & 789 \\ & 576 \\ & 848 \end{aligned}$ | $\begin{aligned} & 664 \\ & 789 \\ & 576 \\ & 848 \end{aligned}$ | $\begin{aligned} & 3,993 \\ & 4,310 \\ & 4,641 \\ & 3,627 \end{aligned}$ |  | 436 | .. | 436420410358 |
| Apr 10....... |  |  |  |  |  |  |  |  |  |  | 420 |  |  |
| 17....... |  | 100 |  |  |  |  |  |  |  |  | 410 |  |  |
| 24....... |  |  |  |  |  |  |  |  |  |  | 358 |  |  |
| 33 others |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  | 754 | 363 | 286 | 77 |
|  |  |  |  |  |  |  |  |  |  | 482 | 362 | 378 | -16 |
|  |  |  |  |  |  |  |  |  |  | 361 | 295 | 321 | -26 |
|  |  |  |  |  |  |  |  |  |  | 809 | 289 | 314 | -25 |
|  |  |  |  |  |  |  |  |  |  | 793 | 302 | 355 | -53 |
|  |  |  |  |  |  |  |  |  |  | 582 | 284 | 239 | 45 |
|  |  |  |  |  |  |  |  |  |  | 475 | 295 | 215 | 79 |
|  |  |  |  |  |  |  |  |  |  | 398 | 310 | 239 | 71 |

[^52]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.

CURRENT RATES
(Per cent per annum)

| Federal Reserve Bank | Loans to member banks- |  |  |  |  |  | Loans to all others under last par. Sec. $13^{3}$ |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Under Secs. 13 and 13a 1 |  |  | Under Sec. $10(\mathrm{~b})^{2}$ |  |  |  |  |  |
|  | Rate on Apr. 30, 1974 | $\begin{aligned} & \text { Effective } \\ & \text { date } \end{aligned}$ | Previous rate | Rate on <br> Apr. 30, 1974 | Effective date | Previous rate | Rate on <br> Apr. 30, <br> 1974 | $\begin{aligned} & \text { Effective } \\ & \text { date } \end{aligned}$ | Previous rate |
| Boston. | 8 | Apr. 30, 1974 | $71 / 2$ | $81 / 2$ | Apr. 30, 1974 | 8 | 410 | Apr. 30, 1974 | $91 / 2$ |
| New York. | 8 | Apr. 25, 1974 | $71 / 2$ | $81 / 2$ | Apr. 25, 1974 | 8 | 410 | Apr. 25, 1974 | $91 / 2$ |
| Philadelphia | 8 | Apr. 25, 1974 | $71 / 2$ | $81 / 2$ | Apr. 25, 1974 | 8 | 410 410 | Apr. 25, 1974 | $91 / 2$ |
| Richmond. | 8 | Apr. 25, 1974 | 71/2 | $81 / 2$ | Apr. 25, 1974 | 8 | 410 | Apr. 25, 1974 Apr. 25, 1974 | $91 / 2$ |
| Atlanta... | 8 | Apr. 29, 1974 | 71/2 | $81 / 2$ | Apr. 29, 1974 | 8 | 410 | Apr. 29, 1974 | $91 / 2$ |
| Chicago. | 8 | Apr. 26, 1974 | $71 / 2$ | $81 / 2$ | Apr. 26, 1974 | 8 | 410 | Apr. 26, 1974 | $91 / 2$ |
| St. Louis. | 8 | Apr. 26, 1974 | $71 / 2$ | $81 / 2$ | Apr. 26, 1974 | 8 | 410 | Apr. 26, 1974 | $91 / 2$ |
| Minneapolis. | 8 | Apr. 26, 1974 | $71 / 2$ | $81 / 2$ | Apr. 26, 1974 | 8 | 410 | Apr. 26, 1974 | $91 / 2$ |
| Kansas City. | 8 | Apr. 25, 1974 | $71 / 2$ | $81 / 2$ | Apr. 25, 1974 | 8 | 410 410 | Apr. Apr. 25, 1974 1974 | $91 / 2$ |
| Dallas........ | 8 | Apr. 25, 1974 Apr. 25, 1974 | $71 / 2$ $71 / 2$ | $81 / 2$ $81 / 2$ | Apr. 25,1974 Apr. 25, 1974 | 8 | 410 10 | Apr. 25,1974 Apr. 25, 1974 | $91 / 2$ $91 / 2$ |

1 Discounts of eligible paper and advances secured by such paper or by U.S. Govt. obligations or any other obligations eligible for F.R. Bank purchase. Maximum maturity: 90 days except that discounts of certain purchase. Maximum maturity: 90 days except that discounts of certain bankers' acceptances and of agricultural p.
over 6 months and 9 months, respectively.
${ }_{2}$ Advances secured to the satisfaction of the F.R. Bank. Maximum maturity: 4 months.
${ }_{3}$ Advances to individuals, partnerships, or corporations other than member banks secured by direct obligations of, or obligations fully
guaranteed as to principal and interest by, the U.S. Govt. or any agency thereof. Maximum maturity: 90 days.
${ }_{4}$ Also effective on the same dates as the other rates shown above for the eight Reserve Banks so designated, a rate of 8 per cent was approved on advances to nonmember banks, to be applicable in special circumstances resulting from implementation of changes in Regulation J , which became effective on Nov. 9, 1972. See "Announcerments" on p. 942 of the Oct. 1972 Bulletin and p. 994 of the Nov. 1972 Bulletin.

SUMMARY OF EARLIER CHANGES
(Per cent per annum)

| Effective date | Range (or level)- All F.R. Banks | F.R. Bank N.Y. | $\begin{aligned} & \text { Effective } \\ & \text { date } \end{aligned}$ | $\begin{aligned} & \text { Range } \\ & \text { (or level)- } \\ & \text { All F.R. } \\ & \text { Banks } \end{aligned}$ | F.R. Bank of N.Y. | $\begin{aligned} & \text { Effective } \\ & \text { date } \end{aligned}$ | $\begin{aligned} & \text { Range } \\ & \text { (or level)- } \\ & \text { All F.R. } \\ & \text { Banks } \end{aligned}$ | F.R. Bank of N.Y. |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| In effect Dec. 31, 1954. <br>  | $11 / 2$ <br> $11 / 2-13 / 4$ <br> $11 / 2-13 / 4$ <br> $13 / 4$ <br> $13 / 4-21 / 4$ <br> $13 / 4-21 / 4$ <br> 2 <br> 2 <br> $21 / 4$ <br> $21 / 4$ <br> $21 / 4$ <br> $21 / 4-21 / 2$ | $11 / 2$ | 1959-Mar. | $21 / 2^{-3}$ | 3 3 | 1970-Dec. | $\begin{gathered} 51 / 2-53 / 4 \\ 51 / 253 / 4 \\ 51 / 2 \end{gathered}$ | $\begin{aligned} & 53 / 4 \\ & 51 / 2 \\ & 51 / 2 \end{aligned}$ |
|  |  | $11 / 2$ | May 29 | $3^{3}-31 / 2$ | $31 / 2$ |  |  |  |
|  |  | $13 / 4$ | June 12. | $31 / 2$ | $31 / 2$ |  |  |  |
|  |  | 13/4 | Sept. 11. | $31 / 2-4$ | 4 | 1971-Jan. ${ }^{8}$ | $51 / 4-51 / 2$ | $51 / 4$ $51 / 4$ |
|  |  | 13/4 | 18 | 4 | 4 | 19. | $5-51 / 4$ | 51/4 |
|  |  | 2 | 1960-June 3. | 31/2-4 | 4 | 22. | ${ }_{5}^{5}$ | 5 |
|  |  | $21 / 4$ | 10. | 31/2-4 | $31 / 2$ | Feb 29. | 5 | 5 |
|  |  | 21/4 | Aug. 12 | $3^{31 / 2}$ | $31 / 2$ | Feb. 13. | $43 / 4-5$ $43 / 4$ | 5 |
|  |  | $21 / 2$ | Aug. 12. | $33^{-31 / 2}$ | 3 | July 16............ | 43/4-5 | $5{ }^{41 / 4}$ |
|  |  | 21/2 | 1963-July $\frac{17}{26 .}$ |  |  | 23. |  | 5 |
| 1956-Apr. 13..... | $\begin{gathered} 21 / 2-3 \\ 23 / 4-3 \\ 23 / 4-3 \\ 3 \end{gathered}$ | $\begin{aligned} & 23 / 4 \\ & 23 / 4 \\ & 3 \\ & 3 \end{aligned}$ |  | $\begin{array}{ll} 3 & -31 / 2 \\ 31 / 2 \end{array}$ | $31 / 2$ | Nov. 19.......... | $43 / 4{ }^{-5}$43 | $43 / 4$ |
|  |  |  | 1964-Nov. 24. | $31 / 2-4$ | 4 |  |  | 43/4 |
| Aug. $24 . \ldots$ |  |  |  |  |  | Dec. $\begin{array}{r}13 . \ldots . . . . . . \\ \\ 174\end{array}$ | $\begin{aligned} & 41 / 2-3 / 4 / 4 \\ & 412-43 / 4 \end{aligned}$ | $43 / 4$$41 / 2$$41 / 2$ |
|  |  |  | 1965-Dec. 6 | $4 \frac{-41 / 2}{41 / 2}$ | 41/2 $41 / 2$ | 24 |  |  |
| 1957-Aug. 9 |  | $\begin{aligned} & \mathbf{3} \\ & \mathbf{3 1} 12 \\ & \mathbf{3} \\ & \mathbf{3} \end{aligned}$ |  |  |  | 1973-Jan. 15.......... | $5^{5}$-51/2 | 5 |
| Nov. 15... |  |  | 1967-Apr. 7. | $4-41 / 2$ | 4 | Feb. 26........... |  | $51 / 2$ |
| Dec. $2 .$. |  |  | N 14. | 4 | 4 | Mar. ${ }^{2}$. $\ldots \ldots \ldots \ldots$ |  | $51 / 2$ |
|  |  |  | Nov. 20. | $4-41 / 2$ | $41 / 2$ | Apr. $23 . \ldots \ldots \ldots$. | $5353 / 4$ | 51/2 |
| 1958-Jan. 22....... | 23/4-3 | 3 | 1968-Mar. 15 | $41 / 2-5$ | $41 / 2$ | May 11 | $53 / 4-6$ 6 | 6 |
| Mar. ${ }^{73}$. | 21/4-3 | $21 / 4$ | 1968-Mar. 15 | $5-51 / 2$ | 5 | June 11. | $6-61 / 2$ | $61 / 2$ |
| 12. | 21/4-23/4 | $21 / 4$ | Apr. 19 |  | $51 / 2$ | 15. | ${ }^{61 / 2}$ | $\begin{aligned} & 61 / 2 \\ & 7 \end{aligned}$ |
| Apr. 18. | $13 / 4-21 / 4$ | $13 / 4$$13 / 4$ | Aug ${ }^{26}$ | 51/4-51/2 | $51 / 2$ | Aug. 14. |  | $71 / 2$$71 / 2$ |
| May 9. | $13 / 4$ |  | Aug. 16. |  |  |  | ${ }_{7}{ }_{71 / 2}^{-71 / 2}$ |  |
| Aug. 15. | $\begin{aligned} & 13 / 4-2 \\ & 13 / 4-2 \\ & 2{ }_{21 / 2}-21 / 2 \end{aligned}$ | $\begin{aligned} & 13 / 4 \\ & 2 \\ & 2 \\ & 2 \\ & 21 / 2 \end{aligned}$ | Dec. 18. | $\begin{gathered} 51 / 4-51 / 2 \\ 51 / 2 \end{gathered}$ | $\begin{aligned} & 51 / 2 \\ & 51 / 2 \end{aligned}$ | 1974-Apr. $25 \ldots \ldots \ldots$Apr. $30 \ldots \ldots .$. |  |  |
| Sept. 12. |  |  | Dec. 20. |  |  |  | $71 / 2-8$ | 8 |
| Oct. 23. |  |  | 1969-Apr. | $\underset{6}{51 / 2-6}$ |  |  |  |  |
| Nov. 7. |  |  | 196-Apr. |  | 6 | In effect Apr. 30, $1974 . \ldots$ | 8 | 8 |
|  |  |  | 1970-Nov. 11 | 53/4-6 | 6 |  |  |  |
|  |  |  | 13. | 53/4-6 | 53/4 |  |  |  |
|  |  |  | 16. | $53 / 4$ | 53/4 |  |  |  |

Note.-Rates under Secs. 13 and 13a (as described in table and notes above). For data before 1955, see Banking and Monetary Statistics, 1943, pp. 439-42, and Supplement to Section 12, p. 31.

## RESERVE REQUIREMENTS ON DEPOSITS OF MEMBER BANKS

(Deposit intervals are in millions of dollars. Requirements are in per cent of deposits.)


1 When two dates are shown, the first applies to the change at reserve city banks and the second to the change at country banks. For changes prior to 1963 see Board's Annual Reports.

2 (a) Demand deposits subject to reserve requirements are gross demand deposits minus cash items in process of collection and demand malances due from domestic banks.
(b) Requirement schedules are graduated, and each deposit interval applies to that part of the deposits of each bank.
(c) Since Oct. 16, 1969, member banks have been required under Regulation $M$ to maintain reserves against foreign branch deposits computed on the basis of net balances due from domestic offices to their foreign branches and against foreign branch loans to U.S. residents. Since June 21, 1973, loans aggregating $\$ 100,000$ or less to any U.S. resident have been excluded from computations, as have total loans of a bank to U.S. residents if not exceeding $\$ 1$ million. Regulation $\mathbf{D}$ imposes a similar reserve requirement on borrowings from foreign banks by domestic offices of a member bank. The reserve percentage applicable to each of these of a member bank. The reserve percentage applicable to each of these classifications is 8 per cent. The requirement was 10 per cent originally,
was increased to 20 per cent on Jan. 7,1971 , and was reduced to the current 8 per cent effective June 21, 1973. Initially certain base amounts were 8 per cent effective June 21, 1973. Initially certain base amounts were
exempted in the computation of the requirements, but effective Mar. 14 , 1974, the last of these reserve-free bases were eliminated. For details, see Regulations $\mathbf{D}$ and $\mathbf{M}$.
${ }_{3}$ Effective Jan. 5, 1967, time deposits such as Christmas and vacation club accounts became subject to same requirements as savings deposits. For other notes see 2(b) and 2(c) above.

4 Effective Nov. 9,1972 , a new criterion was adopted to designate reserve cities, and on the same date requirements for reserves against net demand deposits of member banks were restructured to provide that each member bank will maintain reserves related to the size of its net demand deposits. The new reserve city designations are as follows: A bank having deposits. The new reserve city designations are as follows: A bank having net demand deposits of more than $\$ 400$ million is considered to have the
office of such a bank constitutes designation of that place as a reserve city. Cities in which there are F.R. Banks or branches are also reserve cities. Any banks having net demand deposits of $\$ 400$ million or reserve cities. Any banks having net demand deposits of $\$ 400$ million or reserve cities and are permitted to maintain reserves at ratios set for banks reserve cities and are permitted to maintain reserves at ratios set for banks
not in reserve cities. For details, see Regulation $D$ and appropriate supnot in reserve cities. For d
plements and amendmen
5 Reserve city banks.
5 Reserve city banks.
6 Except as noted below, effective Dec. 27, 1973, member banks are subject to an 8 per cent marginal reserve requirement against increases in the aggregate of (a) outstanding time deposits of $\$ 100,000$ or more, (b) outstanding funds obtained by the bank through issuance by a bank's affiliate of obligations subject to the existing reserve requirements on time deposits, and (c) funds from sales of finance bills. The 8 per cent requirement applies to balances above a specified base, but is not applicable to banks that have obligations of these types aggregating less than $\$ 10$ million. For the period June 21 through Aug. 29, 1973, (a) included only singlematurity time deposits. Previous requirements have been: 8 per cent for maturity time deposits. Previous requirements have been: 8 per cent for
(a) and (b) from June 21 through Oct. 3, 1973, and for (c) from July 12 through Oct. 3, 1973; and 11 per cent from Oct. 4 through Dec. 26, 1973. through Oct. 3 , 1973 ; and 11 per cent from Oct. 4 through Dec. 26 , 1973.
Fegilation $D$ and appropriate supplements and amendments.
${ }^{7}$ The $161 / 2$ per cent requirement applied for one week, only to former reserve city banks. For other banks, the 13 per cent requirement was continued in this deposit interval.
${ }^{8}$ 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.

# MAXIMUM INTEREST RATES PAYABLE ON TIME AND SAVINGS DEPOSITS 

(Per cent per annum)

| Rates July $20,1966 \ldots$ June 30,1973 |
| :--- |

1 For exceptions with respect to certain foreign time deposits, see Bulletin for Feb. 1968, p. 167

2 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.
${ }^{3}$ Maximum rates on all single-maturity time deposits in denominations of $\$ 100,000$ or more have been suspended. Rates that were effective Jan. 21, 1970, and the dates when they were suspended are:

| $30-59$ days <br> $60-89$ days <br> $90-179$ days <br> 180 days to 1 year <br> 1 year or more | $61 / 4$ per cent <br> $61 / 2$ per cent <br> $63 / 4$ <br> per cent |
| :--- | :--- |

Rates on multiple-maturity time deposits in demonination of $\$ 100,000$ or more were suspended July 16,1973 , when the distinction between single- and multiple-maturity deposits was eliminated.

4 Between July 1 and Oct. 31, 1973, there was no ceiling for 4-year
certificates with minimum denomination of $\$ 1,000$. The amount of such certificates that a bank could issue was limited to 5 per cent of its total time and savings deposits. Sales in excess of that amount were subject to the $61 / 2$ per cent ceiling that applies to time deposits maturing in $21 / 2$ years or more.
Effective Nov. 1, 1973, a ceiling rate of $71 / 4$ per cent was imposed on certificates maturing in 4 years or more with minimum denomination of $\$ 1,000$. There is no limitation on the amount of these certificates that banks may issue.

Note.-Maximum rates that may be paid by member banks are established by the Board of Governors under provisions of Regulation $Q$; however, a member bank may not pay a rate in excess of the maximum rate payable by State banks or trust companies on like deposits under the laws of the State in which the member bank is located. Beginning Feb. 1, 1936, maximum rates that may be paid by nonmember insured commercial banks, as established by the FDIC, have been the same as those in effect for member banks.

For previous changes, see earlier issues of the BULLETIN.

MARGIN REQUIREMENTS
(Per cent of market value)


Note.-Regulations G, T, and U, prescribed in accordance with the Securities Exchange Act of 1934, limit the amount of credit to purchase and carry margin stocks that may be extended on securities as collateral by prescribing a maximum loan value, which is a specified percentage of the market value of the collateral at the time the credit is extended; margin requirements are the difference between the market value ( 100 percent) and the maximum loan value. The term margin stocks is defined in the corresponding regulation.
between the market value ( 100 per cent) and the maximum loan value. The term margin stocks is defined in the corresponding regulation.
Mar. 11, 1968.

TRANSACTIONS OF THE SYSTEM OPEN MARKET ACCOUNT
(In millions of dollars)


1 Before Nov. 1973 BuLletin, included matched sale-purchase transactions, which are now shown separately.

2 Includes special certificates acquired when the Treasury borrows directly from the Federal Reserve, as follows: June 1971, 955; Sept. 1972, 38; Aug. 1973, 351 ; Sept. 1973, 836 .
${ }^{3}$ 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 | Austrian schillings | Belgian francs | Canadian dollars | Danish kroner | French francs | German marks | Italian lire | Japanese yen | Netherlands guilders | Swiss francs |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1970-Dec. | 257 | 154 |  | * | * |  |  | 98 |  | 1 | * | 4 |
| 1971-Dec... | 18 | 3 |  | 3 | * |  |  | 2 |  | 1 |  | 8 |
| 1972-Dec... | 192 | * |  | * | * | $\cdots$ |  | 164 | ........ | 1 | 20 | 6 |
| 1973-Jan. | 92 | * |  | * | * |  |  | 67 |  |  | 20 | 3 |
| Feb. | 4 | * |  | * | * |  |  | * |  | 1 |  | 3 |
| Mar.. | 4 | * | ... | * | * |  |  | * | . $\cdot$ | 1 | . | 3 |
| Apr. | 4 | * | .... | * | * | ..... | .......... | * | . | 1 |  | 3 3 |
| June. | 4 | * |  | * | * |  |  | * |  | 1 |  | 3 |
| July... | 4 | - |  | * | * |  |  | * |  | 1 |  | 3 |
| Aug.. | 5 | * | , | * | * |  |  | 1 |  | 1 |  | 3 |
| Sept... | 4 | * |  | * | * |  |  | * |  | 1 |  | 3 |
| Oct.. | 4 | * |  |  | * |  |  | * |  | 1 |  | 3 |
| Dec.. | 4 | * |  |  | * |  |  | * |  | 1 |  | 3 |
| 1974 Jan.. | 1 | * |  |  | * |  |  | * |  | 1 |  |  |

## CONSOLIDATED STATEMENT OF CONDITION OF ALL FEDERAL RESERVE BANKS

(In millions of dollars)

| Item | Wednesday |  |  |  |  | End of month |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1974 |  |  |  |  | 1974 |  | $\frac{1973}{\text { Apr. } 30}$ |
|  | Apr. 24 | Apr. 17 | Apr. 10 | Apr. 3 | Mar. 27 | Apr. 30 | Mar. 31 |  |
| Assets |  |  |  |  |  |  |  |  |
| Gold certificate account. . . . . . . . . . . . . . . . . | 11,460 | 11,460 | 11,460 | 11,460 | 11,460 | 11,460 | 11,460 | 10,303 |
| Special Drawing Rights certificate account.......... | 400 | 400 | 400 | 400 | 400 | 400 | 400 | 400 |
| Cash. | 241 | 247 | 258 | 267 | 272 | 234 | 280 | 323 |
| Loans: Member bank borrowings | 2,169 | 1,285 | 1,286 | 1,116 | 2,033 | 1,747 | 1,820 | 1,716 |
| Other................... |  |  |  |  |  |  |  |  |
| Acceptances: |  |  |  |  |  |  |  |  |
| Bought outright.................................. ${ }^{\text {. }}$. | 81 118 | 76 | 73 | 74 | 74 56 | 81 135 | 73 223 | 84 52 |
| Federal agency obligations: |  |  |  |  |  |  |  |  |
| Bought outright . . . . . . . . . . . . . . . . . . . . . . . . . . Held under repurchase agreements . . . . . . . | 2,242 $\mathbf{1 0 5}$ | 2,123 | 2,123 | 2,123 | 2,123 24 | 2,436 218 | 2,123 185 | 1,261 29 |
| U.S. Govt. securities: Bought outright: |  |  |  |  |  |  |  |  |
| Bought outright: <br> Bills. | 36,559 | 36,599 | 36,395 | 36,400 | 35,698 | 37,181 | 36,400 | 34,087 |
| Certificates-Special. ............................. |  |  |  |  |  |  |  |  |
| Notes............. | 39,128 | 38,956 | 38,956 | 38,956 | 38,956 | 39,128 | 38,956 | 36,976 |
| Bonds. | 3,004 | 3,004 | 3,004 | 3,004 | 3,004 | 3,004 | 3,004 | 3,571 |
| Total bought outright. | 178,691 | 178,559 | 178,355 | 178,360 | 1,277,658 | 179,313 | 178,360 | 74,634 |
| Held under repurchase agreements. | 451 | 470 |  |  | 371 | 694 | 1,123 | 861 |
| Total U.S. Govt. securities. . . . . . . . . . . . . . . . . . . . . . | 79,142 | 79,029 | 78,355 | 78,360 | 78,029 | 80,007 | 79,483 | 75,495 |
| Total loans and securities. | 83,857 | 82,575 | 81,837 | 81,673 | 82,339 | 84,624 | 83,907 | 78,637 |
| Cash items in process of collection | p8,249 | 29,641 | 7,895 | 8,279 | 7,441 | ${ }^{2} 8,440$ | 5,778 | 6,333 |
| Bank premises . . . . . . . . . . . . . . . . | 231 | 232 | 230 | 230 | 228 | 231 | 227 | 199 |
| Other assets: Denominated in foreign currencies. . . . . . . . . . . . . | 6 |  | 6 | 6 | 6 | . 6 | 6 | 4 |
| All other. | 992 | 1,045 | 870 | 817 | 795 | 1,076 | 845 | 925 |
| Total assets. | p105,436 | ${ }^{p} 105,606$ | 102,956 | 103,132 | 102,941 | ${ }^{\text {p }} 106,471$ | 102,903 | 97,124 |
|  | 63,910 | 64,354 | 64,297 | 63,465 | 63,107 | 63,816 | 62,900 | 58,269 |
| Deposits: |  |  |  |  |  |  |  |  |
| Member bank reserves. | 229,377 | ${ }^{29} 29,497$ | 28,021 | 27,825 | 28,410 | p28,733 | 29,838 | 25,700 |
| U.S. Treasury-General account................. | 2,425 | 902 | 1,277 | 2,426 | 2,094 | 2,813 | 1,373 | 4,163 |
| Foreign. . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . | 279 | 368 | 339 | 264 | 355 | 517 | 366 | 328 |
| Other: <br> All other ${ }^{3}$ | 700 | 670 | 758 | 750 | 683 | 697 | 673 | 773 |
| Total deposits. | p32,781 | p31,437 | 30,395 | 31,265 | 31,542 | ${ }^{p} 32,760$ | 32,250 | 30,964 |
| Deferred availability cash items...... . . . . . . . . . . . . . | 5,719 | 6,919 | 5,346 | 5,645 | 5,219 | 6,766 | 4,491 | 5,138 |
| Other liabilities and accrued dividends. | 1,078 | 1,049 | 1,034 | 971 | 987 | 1,087 | 1,118 | 793 |
| Total liabilities. | p103,488 | ${ }^{p} 103,759$ | 101,072 | 101,346 | 100,855 | ${ }^{p} 104,429$ | 100,759 | 95,164 |
| Capital accounts |  |  |  |  |  |  |  |  |
| Capital paid in....................................... | 872 | 872 | 872 | 872 | 872 | 874 | 872 | 814 |
| Surplus................................................ | 844 | 844 | 844 | 844 | 844 | 844 | 844 | 793 |
| Other capital accounts. . . . . . . . . . . . . . . . . . . . . . . . . | 232 | 131 | 168 | 70 | 370 | 324 | 428 | 353 |
| Total liabilities and capital accounts | 105,436 | 105,606 | 102,956 | 103,132 | 102,941 | 106,471 | 102,903 | 97,124 |
| Contingent liability on acceptances purchased for foreign correspondents. | 702 | 698 | 697 | 706 | 682 | 700 | 684 | 344 |
| Marketable U.S. Govt. securities held in custody for foreign and international accounts. . . . . . . . . . . . . . . | 27,158 | 27,153 | 26,875 | 26,662 | 26,117 | 27,349 | 26,635 | 30,184 |

Federal Reserve Notes-Federal Reserve Agents' Accounts

| F.R. notes outstanding (issued to Bank). | 68,050 | 67,983 | 67,543 | 67,252 | 67,062 | 68,018 | 67,218 | 62,330 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Collateral held against hotes outstanding: |  |  |  |  |  |  |  |  |
| Gold certificate account. | 67,150 | 2,250 67,000 | 2,250 66,840 | 2,305 66,840 | 2,305 | 67,150 | 2,305 | 61,300 |
| U.S. Govt. securities. | 67,195 | 67,000 | 66,840 | 66,840 | 66,820 | 67,195 | 66,840 | 61,665 |
| Total collateral. . | 69,345 | 69,250 | 69,090 | 69,145 | 69,125 | 69,345 | 69,145 | 63,965 |

(In millions of dollars)

| Item | Wednesday |  |  |  |  | End of month |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1974 |  |  |  |  | 1974 |  | $\frac{1973}{\text { Apr. } 30}$ |
|  | Apr. 24 | Apr. 17 | Apr. 10 | Apr. 3 | Mar. 27 | Apr. 30 | Mar. 31 |  |
| Loans-Total. ...... Within 15 days. 16 days to 90 days 91 days to 1 year. | 2,095 | 1,285 | 1,287 | 1,115 | 2,034 | 1,747 | 1,821 | 1,7091,68821 |
|  | 2,061 | 1,264 | 1,260 | 1,088 | 2,012 | 1,709 | 1,799 |  |
|  | 34 |  | . 27 | 1, 27 |  | 38 | 22 |  |
|  |  |  |  |  |  |  |  |  |
| Acceptances-Total.Within 15 days...16 days to 90 days91 days to 1 year. | 199 | 95 | 73 | 74 | 130 | 216 | 296 | 1366571 |
|  | 129 | 36 | 19 | 30 | 83 | 150 | 253 |  |
|  | 67 | 56 | 51 | 44 | 47 | 63 | 43 |  |
|  | 3 | 3 | 3 |  |  | 3 |  |  |
| U.S. Government securities-Total. | 79,142 | 79,029 | 78,355 | 78,3605,839 | 78,0295,465 | 80,0075,327 | 79,4835,298 | 75,4959,18618,170 |
| Within 15 days ${ }^{1} . . . . . . . . . . . . . .$. | 5,443 | 5,459 | 5,54719,229 |  |  |  |  |  |
| 16 days to 90 days. | 19,462 | 19,874 |  | 19,691 | 18,951 | 19,917 | 18,951 | 9,186 18,170 |
| 91 days to 11 year. | 22,063 | 21,694 | 21,577 | 20,828 | 21,611 | 22,589 | 23,232 | 14,264 |
| Over 1 year to 5 years. | 22,516 | 22,344 | 22,344 | 22,344 | 22,344 | 22,516 | 22,344 | 28,148 |
| Over 5 years to 10 years | 7,836 | 7,836 | 7,8361,822 | 7,8361,822 | 7,8361,822 | 7,8361,822 | 7,836 | 1,1381,589 |
| Over 10 years. . . . | 1,822 | 1,822 |  |  |  |  | 1,822 |  |
| Federal agency obligations-Total. . . . . . . . . . . . . . . . | 2,347 | 2,166 | 2,123 | 2,123 | $2,147$ | 2,654218 | 2,308 | 1,290 |
| Within 15 days $1 . . . . . . . . . . . . . . . . ~$ | 105 | 91 | 4887 | $\cdots{ }^{\text {c. }} 3{ }^{\text {a }}$ |  |  | 185 | 34 |
| 16 days to 90 days. | 115 | 87 |  |  | 135 | 119 | 135 | 42231 |
| 91 days to 1 year. | 247 | 275 | 275 <br> 821 <br> 808 | 275821 | 875 | 260 | 275 |  |
| Over 1 year to 5 years. | 897 | 821 |  |  |  | 978 | 821 | 545 |
| Over 5 years to 10 years | 656 327 | 608 284 | $\begin{aligned} & 608 \\ & 284 \end{aligned}$ | 608284 | $\begin{aligned} & 608 \\ & 284 \end{aligned}$ | $\begin{aligned} & 723 \\ & 356 \end{aligned}$ | 284 | 191 |
| Over 10 years. | 327 | 284 |  |  |  |  |  |  |

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

| Period | Debits to demand deposit accounts ${ }^{1}$ (billions of dollars) |  |  |  |  | Turnover of demand deposits |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\begin{gathered} \text { Total } \\ 233 \\ \text { SMSA's } \end{gathered}$ | Leading SMSA's |  | $\begin{gathered} \text { Total } 232 \\ \text { SMSA's } \\ \text { (excl.: } \\ \text { N.Y.) } \end{gathered}$ | $\begin{gathered} 226 \\ \text { other } \\ \text { SMSA's } \end{gathered}$ | $\begin{gathered} \text { Total } \\ 233 \\ \text { SMSA's } \end{gathered}$ | Leading SMSA's |  | Total 232 <br> SMSA's (excl. N.Y.) | $\begin{gathered} 226 \\ \text { other } \\ \text { SMSA's } \end{gathered}$ |
|  |  | N.Y. | 6 others ${ }^{2}$ |  |  |  | N.Y. | 6 others $^{2}$ |  |  |
| 1973-Mar. | 15,959.2 | 6,844.8 | 3,873.4 | 9,114.4 | 5,241.0 | 97.1 | 228.3 | 104.5 | 67.8 | 53.9 |
| Apr. | 15,971.2 | 6,927.5 | 3,857.5 | 9,043.8 | 5,186.2 | 95.7 | 228.9 | 101.9 | 66.2 | 52.5 |
| May | 16,452.0 | 7,177.0 | 3,918.3 | 9,275.1 | 5,356.7 | 97.8 | 235.1 | 103.7 | 67.4 | 53.6 |
| June | 16,638.8 | 7,224.6 | 4,050.2 | 9.414.3 | 5,364.1 | 99.9 | 245.0 | 107.6 | 68.7 | 54.0 |
| July. | r17,224.4 | 7,381.4 | 4,282.4 | r9,843.0 |  | 102.6 | 247.5 | 111.7 | 71.3 | 55.8 |
| Aug. | r17,889.7 $r 17,919.6$ | $7,744.6$ $8,025.3$ | 4,318.2 | r10, r9,894.2 r | r $5,826.8$ $r 5,698.5$ | 106.2 | 252.5 266.4 | 113.6 111.6 | 73.6 | 58.4 57.5 |
| Oct. | r18,395.3 | 8,137.2 | 4,418.0 | r10,258.0 | r5,840.0 | 109.5 | 265.3 | 116.4 | 74.7 | 58.8 |
| Nov | ${ }^{\text {r } 19,050.5}$ | 8,437.9 | 4,519.8 | r10,612.6 | r6,092.7 | 113.2 | 274.9 | 118.6 | 77.1 | 61.2 |
| Dec. | r18,641.4 | 8,097.7 | 4,462.8 | -10,543.7 | r6,080.9 | 110.2 | 269.8 | 115.0 | 75.8 | 60.6 |
| 1974-Jan. | 18,816.9 | 8,081.0 | 4,517.1 | 10,736.0 | 6,218.8 | 111.5 | 270.3 | r116.2 | 77.3 | 62.2 |
| Feb. ${ }^{\text {r }}$ | 19,814.1 | 8,896.2 | 4,582.1 | 10,917.9 | 6,335.8 | 118.0 | 294.2 | 119.9 | 79.3 | 63.7 |
| Mar. | 20,176.4 | 8,914.4 | 4,718.0 | 11,262.0 | 6,544.1 | 118.3 | 292.5 | 120.8 | 80.4 | 64.8 |
| 1 Excludes interbank and U.S. Govt. demand deposit accounts. <br> ${ }^{2}$ Boston, Philadelphia, Chicago, Detroit, San Francisco-Oakland, and Los Angeles-Long Beach. <br> Note.-Total SMSA's includes some cities and counties not designated as SMSA's. <br> For back data see pp. 634-35 of July 1972 Bulletin. |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

## MEASURES OF THE MONEY STOCK

(In billions of dollars)

| Month or week | Seasonally adjusted |  |  | Not seasonally adjusted |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $M_{1}$ | $M_{2}$ | M | $M_{1}$ | $M_{2}$ | M |
|  | Composition of measures is described in the Nore below. |  |  |  |  |  |
| 1971-Dec.. | 235.2 | 473.0 | 726.9 | 241.9 | 477.9 | 731.2 |
| 1972-Dec.. | 255.7 | 525.5 | 822.4 | 263.0 | 530.6 | 826.6 |
| 1973-May.......... | 262.4 | 543.6 | 855.0 | 257.9 | 541.7 | 853.6 |
| June............ | 265.5 | 549.4 | 863.5 | 263.6 | 548.8 | 864.0 |
| July....... | 266.4 266.2 | 552.0 554.9 | 867.9 870.9 | 265.7 | 551.0 551.1 | 868.0 |
| Aug. . . | 266.2 265.4 | 554.9 556.6 | 870.9 873.2 | 262.9 263.9 | 551.1 554.2 | 867.0 870.4 |
| Oept. | 265.4 266.5 | 556.6 561.6 | 873.2 879.8 | 263.9 266.0 | 554.2 559.9 | 870.4 877.5 |
| Nov. | 268.8 | 566.7 | 886.9 | 270.5 | 565.1 | 884.0 |
| Dec...... | 270.4 | 570.7 | 893.2 | 278.1 | 575.8 | 897.5 |
| 1974-Jan. . | 269.6 | 573.7 | 898.4 | 276.8 | 579.7 | 904.6 |
| Feb.. | 272.5 | 580.1 | r907.0 | 269.7 | 577.6 | 904.9 |
| Mar. | 274.9 | -584.1 | r913.5 | ז272.1 | r583.6 | r914.9 |
| Apr. ${ }^{\text {a }}$.. | 276.7 | 588.0 | 919.2 | 278.2 | 592.3 | 925.9 |
| Week ending- |  |  |  |  |  |  |
| 1974-Apr. 3 . | 276.0 | 585.8 |  | 275.5 | 588.5 |  |
| 10. | 276.2 | 587.0 589.9 | . | 279.2 | 592.8 | . |
| $24{ }^{2}$ | 278.7 276.4 | 589.9 588.0 | . . . | 283.0 277.1 | 597.3 591.4 |  |
| May $1^{p}$. | 275.3 | 587.5 |  | 273.7 | 588.6 |  |

Note.-Composition of the money stock measures is as follows:
$M_{1}$ : Averages of daily figures for (1) demand deposits of commercial banks other than domestic interbank and 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 commercial banks.
$M_{2}$ : Averages of daily figures for $M_{1}$ plus savings deposits, time de-
posits open account, and time certificates other than negotiable CD's of $\$ 100,000$ of large weekly reporting banks.
$M_{3}: M_{2}$ plus the average of the beginning- and end-of-month figures for deposits of mutual savings banks and for savings capital of savings and loan associations
For description and back data, see "Revision of the Money Stock Measures and Member Bank Deposits' on pp. 81-95 of the Feb. 1974 Bulletin.

## COMPONENTS OF MONEY STOCK MEASURES AND RELATED ITEMS

(In billions of dollars)

${ }^{1}$ Negotiable time certificates of deposit issued in denominations of $\$ 100,000$ or more by large weekly reporting commercial banks.
2 Average of the beginning and end-of-month figures for deposits of mutual savings banks and savings capital at savings and loan associations.
${ }^{3}$ At all' commercial banks.
See also Note above.

## AGGREGATE RESERVES AND MEMBER BANK DEPOSITS

(In billions of dollars)

| Period | Member bank reserves, S.A. ${ }^{1}$ |  |  |  | Deposits subject to reserve requirements ${ }^{3}$ |  |  |  |  |  |  |  | Total member bank deposits plus nondeposit items ${ }^{4}$ |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Total | Non-borrowed | Required | Available ${ }^{2}$ | S.A. |  |  |  | N.S.A. |  |  |  |  |  |
|  |  |  |  |  | Total | $\begin{aligned} & \text { Time } \\ & \text { and } \\ & \text { savings } \end{aligned}$ | Demand |  | Total | $\begin{aligned} & \text { Time } \\ & \text { and } \\ & \text { savings } \end{aligned}$ | Demand |  | S.A. | N.S.A. |
|  |  |  |  |  |  |  | Private | U.S. Govt. |  |  | Private | U.S. Govt. |  |  |
| 1970-Dec | 29.19 | 28.86 | 28.95 | 27.10 | 321.3 | 178.8 | 136.1 | 6.5 | 325.2 | 178.1 | 141.1 | 6.0 | 332.9 | 336.8 |
| 1971-Dec. | 31.30 | 31.17 | 31.12 31.13 | 28.96 | 360.3 | 210.4 | 143.8 | 6.1 | 364.6 | 209.7 | 149.2 | 5.7 | 364.3 | 368.7 |
| 1972-Dec. | 31.41 | 30.36 | 31.13 | 29.05 | 402.0 | 241.4 | 154.5 | 6.1 | 406.8 | 240.7 | 160.1 | 6.1 | 406.4 | 411.2 |
| 1973-Apr. | 32. 30 | 30.59 | 32.08 | 29.87 | 421.4 | 260.9 | 153.4 | 7.1 | 422.3 | 260.5 | 154.9 | 6.8 | 426.6 | 427.4 |
| May | 32.44 | 30.60 | 32.29 | 30.11 | 425.1 | 265.1 | 154.8 | 5.2 | 423.0 | 264.5 | 151.4 | 7.0 | 430.5 | 428.4 |
| June | 32.46 | 30.61 | 32.22 33 | 30.55 | 428.9 | 267.3 | 156.3 | 5.3 | 426.3 | 265.9 | 154.8 | 5.6 | 434.5 | 432.0 |
| July. | 33.58 | 31.62 | 33.29 | 31.36 | 431.1 | 270.1 | 157.1 | 3.9 | 429.9 | 268.5 | 156.2 | 5.1 | 437.6 | 436.4 |
| Aug. | 33.91 | 31.74 | 33.73 | 32.04 | 436.7 | 275.0 | 157.0 | 4.8 | 433.7 | 276.6 | 154.0 | 3.1 | 443.8 | 440.8 |
| Sept. | 34.17 | 32.32 | 33.95 | 32.39 | 438.6 | 277.5 | 156.2 | 5.0 | 437.7 | 279.0 | 154.7 | 4.1 | 445.9 | 445.0 |
| Oct.. | 34.94 <br> 34.86 | 33.47 33 | 34.72 34.62 | 32.84 | 439.7 440.4 | 277.3 | 156.4 | 6.0 | 439.7 | 278.8 | 156.1 | 4.8 | 446.5 | 446.5 |
| Nec. | 34.86 35.10 | 33.46 33.81 | 34.62 34.80 | 32.71 32.91 | 440.4 442.2 | 277.1 279.0 | 157.5 158.3 | 5.8 4.9 | 438.2 447.5 | 276.6 278.5 | 158.3 164.0 | 3.2 5.0 | 447.5 449.6 | 445.3 454.9 |
| 1974-Jan.. | 35.85 | 34.80 | 35.69 | 32.80 | 446.8 | 283.2 | 157.4 | 6.2 | 453.0 | 283.1 | 163.4 | 6.5 | 454.3 | 460.5 |
| Feb. | 35.11 | 33.92 | 34.92 | 32.79 | 447.1 | 286.1 | 157.9 | 3.0 | 447.1 | 285.7 | 156.3 | 5.1 | 454.8 | 454.8 |
|  | 34.95 | r33.63 | r34.81 | 33.12 | r 450.4 | 287.9 | r158.8 | 3.7 | r 450.4 | r288.6 | r156.9 | 4.9 | r459.1 | ${ }^{+} 459.1$ |
| Apr. ${ }^{p}$ | 35.93 | 34.19 | 35.63 | 33.69 | 461.7 | 297.1 | 160.0 | 4.6 | 462.6 | 296.2 | 161.6 | 4.8 | 471.3 | 472.2 |

${ }^{1}$ Averages of daily figures. Member bank reserve series reflects actual reserve requirement percentages with no adjustment to eliminate the effect of changes in Regulations D and M. Required reserves were increased by $\$ 660$ million effective Apr. 16, 1969, and $\$ 400$ million effective Oct. 16, 1969 ; were reduced by $\$ 500$ million (net) effective Oct. 1, 1970. Required reserves were reduced by approximately $\$ 2.5$ billion, effective Nov. 9,1972 ; by $\$ 1.0$ billion, effective Nov. 15; and increased by $\$ 300$ million effective Nov. 22.

2 Reserves available to support private nonbank deposits are defined as (1) required reserves for (a) private demand deposits, (b) total time and savings deposits, and (c) nondeposit sources subject to reserve requirements, and (2) excess reserves. This series excludes required reserves for net interbank and U.S. Govt. demand deposits.
${ }^{3}$ 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.

4 Total member bank deposits subject to reserve requirements, plus Euro-dollar borrowings, bank-related commercial paper, and certain other nondeposit items. This series for deposits is referred to as "the adjusted bank credit proxy."
Note.-For description of revised series and for back data, see article "Revision of the Money Stock Measures and Member Bank Reserves and Deposits" on pp. 61-79 of the Feb. 1973 Bulletrin.

Due to changes in Regulations $M$ and $D$, member bank reserves include reserves held against nondeposit funds beginning Oct. 16, 1969. Back data may be obtained from the Banking Section, Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

LOANS AND INVESTMENTS AT ALL COMMERCIAL BANKS
(In billions of dollars)

| Date | Seasonally adjusted |  |  |  |  |  |  | Not seasonally adjusted |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Total loans and investments ${ }^{1}$ | Loans |  |  |  | Securities |  | Total loans and investments I | Loans |  |  |  | Securities |  |
|  |  |  | us | Com and in | ercial strial $^{3}$ | U.S. Treasury | Other ${ }^{4}$ |  | Total ${ }^{1}$ | Plus loans sold ${ }^{2}$ | Commercial and industrial ${ }^{3}$ |  | U.S. <br> Treasury | Other ${ }^{4}$ |
|  |  | Total ${ }^{1}$ | loans sold ${ }^{2}$ | Total | Plus loans sold 2 |  |  |  |  |  | Total | Plus loans sold 2 |  |  |
| 1968--Dec. 31 | 390.2 | 258.2 |  | 95.9 |  | 60.7 | 71.3 | 400.4 | 264.4 |  | 98.4 |  | 64.5 | 71.5 |
| 1969-Dec. 315 | 401.7 | 279.1 | 283.0 | 105.7 | 108.3 | 51.5 | 71.1 | 412.1 | 286.1 | 290.0 | 108.4 | 111.0 | 54.7 | 71.3 |
| 1970-Dec. 31. | 435.5 | 291.7 | 294.7 | 110.0 | 112.1 | 57.9 | 85.9 | 446.8 | 299.0 | 301.9 | 112.5 | 114.6 | 61.7 | 86.1 |
| 1971-Dec. 31. | 484.8 | 320.3 | 323.1 | 115.9 | 117.5 | 60.1 | 104.4 | 497.9 | 328.3 | 331.1 | 118.5 | 120.2 | 64.9 | 104.7 |
| 1972-Dec. 31. | 556.4 | 377.8 | 380.4 | 129.7 | 131.4 | 61.9 | 116.7 | 571.4 | 387.3 | 389.9 | 132.7 | 134.4 | 67.0 | 117.1 |
| 1973-Apr. 25. | 589.6 | 411.1 | 414.7 | 143.9 | 146.2 | 61.0 | 117.5 | 587.3 | 408.3 | 412.0 | 144.4 | 146.7 | 60.4 | 118.6 |
| May 30. | 597.7 | 417.4 | 421.1 | 146.8 | 149.0 | 61.0 | 119.3 | 594.8 | 416.6 | 420.3 | 146.4 | 148.6 | 58.3 | 119.9 |
| June 30. | 602.0 | 420.3 | 423.8 | 148.2 | 150.4 | 61.6 | 120.1 | 605.6 | 426.6 | 430.1 | 150.4 | 152.6 | 57.9 | 121.1 |
| July 25. | 608.8 | 427.5 | 431.5 | 151.2 | 153.7 | 59.8 | 121.5 | 607.4 | 429.3 | 433.3 | 151.6 | 154.1 | 56.5 | 121.7 |
| Aug. 29 | 617.4 | 435.9 | 440.6 | 153.4 | 156.3 | 57.9 | 123.6 | 613.4 | 435.2 | 439.9 | 152.0 | 154.9 | 54.9 | 123.3 |
| Sept. 26. | 620.2 | 439.1 | 443.7 | 153.7 | 156.6 | 56.4 | 124.7 | 619.9 | 440.1 | 444.7 | 153.8 | 156.7 | 55.1 | 124.8 |
| Oct. 31 | 624.2 | 441.1 | 445.7 | 153.6 | 156.5 | 55.1 | 128.0 | 624.0 | 440.9 | 445.6 | 152.9 | 155.8 | 56.0 | 127.0 |
| Nov. 28. | 628.4 | 445.5 | 449.8 | 155.0 | 157.7 | 55.0 | 127.9 | 628.2 | 443.9 | 448.3 | 154.1 | 156.8 | 57.8 | 126.5 |
| Dec. 31. | 630.3 | 447.3 | 451.6 | 155.8 | 158.4 | 52.8 | 130.2 | 647.3 | 458.5 | 462.8 | 159.4 | 162.0 | 58.3 | 130.6 |
| 1974-Jan. 30 ${ }^{\text {p }}$ | 638.0 | 452.3 | 456.7 | 157.8 | 160.4 | 54.4 | 131.3 | 637.6 | 448.3 | 452.7 | 156.1 | 158.7 | 58.7 | 130.6 |
| Feb. $27{ }^{p}$ | 645.7 | 457.1 | 462.1 | 158.9 | 161.6 | 56.2 | 132.4 | 640.4 | 451.5 | 456.4 | 157.3 | 160.0 | 57.5 | 131.5 |
| Mar. $\mathbf{2 7}^{p}$ | 654.9 | 466.3 | 471.2 | 164.4 | 167.2 | 56.2 | 132.4 | 651.4 | 461.1 | 466.0 | 164.2 | 167.0 | 57.3 | 133.0 |
| Apr. $24{ }^{\text {p }}$. | 663.2 | 473.7 | 479.1 | 168.9 | 172.0 | 56.7 | 132.8 | 660.5 | 470.4 | 475.8 | 169.6 | 172.7 | 56.1 | 134.0 |

1 Adjusted to exclude domestic commercial interbank loans. See also note 3 .
2 Loans sold are those sold outright by commercial banks to own subsidiaries, foreign branches, holding companies, and other affiliates.
${ }^{3}$ Beginning June 30, 1972, commercial and industrial loans were reduced by about $\$ 400$ million as a result of loan reclassifications at one large bank.

4 Beginning June 30. 1971, Farmers Home Administration insured notes totaling approximately $\$ 700$ million are included in "Other securities" rather than in "Loans."
${ }^{5}$ Beginning June 30, 1969, data revised to include all bank-premises subsidiaries and other significant majority-owned domestic subsidiaries; earlier data include commercial banks only. Also, loans and investments are now reported gross, without valuation reserves deducted, rather than
net of valuation reserves as was done previously. For a description of the revision, see Aug. 1969 Bulletin, pp. 642-46. Data shown in above table have been revised to include valuation reserves.

[^53]PRINCIPAL ASSETS AND LIABILITIES AND NUMBER, BY CLASS OF BANK
(Amounts in millions of dollars)

| Classification by FRS membership and FDIC insurance | Loans and investments |  |  |  | $\begin{gathered} \text { Cash } \\ \text { assets } \end{gathered}$ | Total assetsTotal liabilities and capital accounts ${ }^{4}$ | Deposits |  |  |  |  |  | Bor-rowings | Total capital accounts | $\underset{\text { ber }}{\text { Num- }}$ of banks |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Total | $\underset{1}{\text { Loans }}$ | Securities |  |  |  | Total ${ }^{3}$ | Interbank ${ }^{3}$ |  | Other |  |  |  |  |  |
|  |  |  | U.S. Treasury | $\underset{2}{\mathrm{Other}}$ |  |  |  | me- |  | Demand |  | Time ${ }^{5}$ |  |  |  |
|  |  |  |  |  |  |  |  |  |  | U.S. | Other |  |  |  |  |

Last-Wednesday-of-month series ${ }^{6}$

| All commercial banks: 1941-Dec. 31 . | 50,746 | 21,714 | 21,808 | 7,225 | 26.551 | 79,104 | 71,283 |  |  |  | 349 | 15,952 | 23 | 3 |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1947-Dec. 317. | 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 | 81 |
| 1960-Dec. 31. | 199,509 | 117,642 | 61,003 | 20,864 | 52, 150 | 257,552 | 229,843 | 17,079 | 1,799 | 5,945 | 133,379 | 71,641 | 163 | 20,986 | 13,472 |
| 1970-Dec. 31. | 461,194 | 313,334 | 61,742 | 86,118 | 93,643 | 576,242 | 480,940 | 30,608 | 1,975 | 7,938 | 209,335 | 231,084 | 19,375 | 42,958 | 13,686 |
| 1971-Dec. 31 | 516,564 | 346,930 | 64,930 | 04,704 | 99,832 | 640,255 | 537,946 | 32,205 | 2,908 | 10,169 | 220,375 | 272,289 | 25,912 | 47,211 | 13,783 |
| 1972-Dec. 31 | 598,808 | 414,696 | 67,028 | 117,084 | 13,128 | 739,033 | 616,037 | 33,854 | 4,194 | 10,875 | 252,223 | 314,891 | 38,083 | 52,658 | 13,927 |
| 1973-Mar. 28. | 608,320 | 429,400 | 61,18 | 117,740 | 90,980 | 729,250 | 596,690 | 25,960 | 4,530 | 11,390 | 220,290 | 334,520 | 45,420 | 53, 330 | 13,974 |
| Apr. 25. | 616,480 | 437,520 | 60,400 | 118,560 | 91,580 | 738,740 | 604,570 | 26,220 | 4,880 | 10,910 | 225,170 | 337,390 | 45,830 | 53,750 | 13,998 |
| May 30. | 622, 340 | 444, 120 | 58,330 | 119,890 | 95,410 | 749,470 | 611,920 | 27,770 | 5,250 | 5,810 | 229,050 | 344, 040 | 47, 360 | 54,240 | 14,018 |
| June 30. | 635,756 | 456,780 | 57,87 | 121,099 | 103,608 | 769,908 | 629,215 | 31,047 | 5,590 | 10,434 | 236,953 | 345,191 | 49,299 | 55,740 | 14,046 |
| July 25. | 634,730 | 456,620 | 56,450 | 121,660 | 95,880 | 762,410 | 619,200 | 28,710 | 5,830 | 6,750 | 228,470 | 349,440 | 52,610 | 54,920 | 14,069 |
| Aug. 29 | 641,140 | 462,910 | 54,910 | 123, 320 | 92,010 | 766,300 | 619,520 | 26,500 | 6,620 | 3,460 | 224,770 | 358, 170 | 53,220 | 55,350 | 14,083 |
| Sept. 26 | 646,710 | 466,840 | 55,080 | 24,790 | 100,030 | 779, 730 | 630,360 | 27,720 | 7,190 | 8,210 | 228,420 | 358,820 | 56,280 | 55,620 | 14,102 |
| Oct. 31 | 654,390 | 471, 340 | 56,010 | 127,040 | 111,720 | 800,769 | 646,030 | 32,830 | 6,820 | 5,680 | 241, 130 | 359,570 | 60,620 | 56,510 | 14,134 |
| Nov. 28 | 659,280 | 475,010 | 57,770 | 126,500 | 104,140 | 797, 180 | 638,740 | 30,130 | 7,010 | 4,350 | 238,540 | 358,710 | 62,870 | 56,730 | 14,163 |
| Dec. 31 | 683,799 | 494,947 | 58,277 | 130,574 | 118,276 | 835,224 | 681,847 | 36,839 | 6,773 | 9,865 | 263,367 | 365,002 | 58,994 | 58,128 | 14,171 |
| 1974-Jan. 30p. | 673.520 | 484, 240 | 58,73 | 130,550 | 103,070 | 810,500 | 651,410 | 31,510 | 6,620 | 9,500 | 233,310 | 370,470 | 65,770 | 58,270 | 14,180 |
| Feb. $27{ }^{\text {a }}$. | 679,130 | 490,180 | 57,50 | 131,450 | 102,230 | 816,200 | 650,970 | 31, 320 | 6,200 | 6,620 | 232,930, | 373,900 | 67,970 | 58,560 | 14,202 |
| Mar. $27 p$ | 687,670 | 497,430 | 57,260 | 132,980 | 104,070 | 827,600 | 658,490 | 31,590 | 6,490 | 6,070 | 235,360 | 378,980 | 69,740 | 59,050 | 14,236 |
| Apr. $24{ }^{p}$. | 694,680 | 504,590 | 56,060 | 134,030 | 101,930 | 833,510 | 666,040 | 30,870 | 7,290 | 5,850 | 235,530 | 386,500 | 67,440 | 59,590 | 14,236 |
| Members of F.R. System: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1941 -Dec. 31 | 43,521 | 18,021 | 19,539 | 5,961 | 23,113 | 68,121 | 61,717 | 10,385 | 140 | 1,709 | 37,136 | 12,347 |  | 5,886 | 6,619 |
| 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 |
| 1960-Dec. 31 | 165,619 | 99,933 | 49, 106 | 16,579 | 45,756 | 216,577 | 193,029 | 16,437 | 1,639 | 5,287 | 112,393 | 57,273 | 130 | 17,398 | 6,174 |
| $1970-$ Dec. 31 | 365,940 | 253,936 | 45,399 | 66,604 | 81,500 | 465,644 | 384,596 | 29,142 | 1,733 | 6,460 | 168,032 | 179,229 | 18,578, | 34,100 | 5,767 |
| 1971-Dec. 31 | 405,087 | 277,717 | 47,633 | 79,738 | 86,189 | 511,353 | 425,380 | 30,612 | 2,549 | 8,427 | 174,385 | 209,406 | 25,046 | 37,279 | 5,727 |
| 1972-Dec. 31 | 465,788 | 329,548 | 48,715 | 87,524 | 96,566 | 585,125 | 482, 124 | 31,958 | 3,561 | 9,024 | 197,817 | 239,763 | 36,357 | 41,228 | 5,704 |
| 1973-Mar. 28. | 470,997 | 340,665 | 43,259 | 87,073 | 77,719 | 573,564 | 462, 997 | 24,505 | 3,895 | 9,407 | 170,540 | 254,650 | 42,642 | 41,533 | 5,683 |
| Apr. 25. | 476,739 | 346,865 | 42,517 | 87,357 | 78,219 | 580,412 | 468, 385 | 24,744 | 4,242 | 9,167 | 173,671 | 256,561 | 43,076 | 41,806 | 5,695 |
| May 30. | 480, 394 | 351,223 | 41,030 | 88,141 | 81, 169 | 587,722 | 473,623 | 26,139 | 4,621 | 4,511 | 176,766 | 261,586 | 44,214 | 42,096 | 5,703 |
| June 30. | 490,533 | 360,908 | 41,080 | 88,545 | 88,227 | 604,414 | 486,770 | 29, 311 | 4,879 | 8,167 | 182,439 | 261,975 | 46,529 | 43,098 | 5,705 |
| July 25 | 489,240 | 360,813 | 39,331. | 89,096 | 82,091 | 597,607 | 478,417 | 27,121 | 5,121 | 5,423. | 175,351 | 265,401 | 48,761 | 42,539 | r 5,707 r |
| Aug. 29. | 494,200 | 365,951 | 38,233 | 90,016 | 78,475 | 600,202 | 478,273 | 24,972 | 5.911 | 2,701 | 172,082 | 272,607 | 49,283 | 42,807 | r5,713 |
| Sept. 26. | 498,322 | 368,842 | 38, 372 | 91,108 | 85, 802 | 611,359 | 486,975 | 26, 182 | 6,480 | 6,740 | 175,016 | 272,557 | 52,485 | 42,972 | r5,718 |
| Oct. $31{ }^{r}$ | 504,120, | 371,866 | 39,375 | 92, 879 | 96,251 | 628,710 | 499, 110 | 31, 142 | 6,112 | 4,601 | 185, 324 | 271,930 | 56,772 | 43,618 | 5,723 |
| Nov. 28. | 507,176 | 374,148 | 40,752 | 92,276 | 89,652 | 624,258 | 491,405 | 28,522 | 6,298 | 3,359 | 182,931 | 270,295 | 58,865 | 43,759 | -5,736 |
| Dec. 31 | 528,124 | 391,032 | 41,494 | 95,598,1 | 100,098 | 655,898 | 526,837 | 34,782 | 5,843 | 8,273 | 202,564 | 275,374 | 55,611 | 44,741 | 5,735 |
| 1974-Jan. $30^{\prime}$. | 518,541 | 381,344 | 41,699 | 95,498 | 88,960 | 635,219 | 501,260 | 30,003 | 5,690 | 7,621 | 178,457 | 279,489 | 61,585 | 44,829 | 5,744 |
| Feb. $27{ }^{\text {r }}$. | 522,816 | 385,879 | 40,922 | 96,015 | 87,753 | 639,172 | 500, 113 | 29,753 | 5,273 | 5,084 | 178,731 | 281,272 | 63,865 | 45,054 | 5,747 |
| Mar. $27{ }^{\text {r }}$. | 529,961 | 392,461 | 40,537 | 96,963 | 89,568 | 649, 114 | 506,641 | 30,083 | 5,558 | 4,817 | 180,862 | 285,321 | 65,428 | 45,491 | 5,754 |
| Apr. $24^{\text {p }}$. ${ }^{\text {a }}$ | 535,946 | 399, 125 | 39,274 | 97,547 | 87,157 | 653,452 | 512,860 | 29,405 | 6,364 | 4,745 | 179,995 | 292,351 | 62,981 | 45,891 | 5,754 |

Call date series

| Insured banks: Total: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1941-Dec. 31. | 49,290 | 21,259 | 21,046 | 6,984 | 25,788 | 76,820 | 69,411 | 10,65 |  | 1,762 | 41,298 | 15,699 | 10 | 6,844 | 13,426 |
| 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 |
| 1960-Dec. 31 | 198,011 | 117,092 | 60,468 | 20,451 | 51,836 | 255,669 | 228,401 | 16,921 | 1,667 | 5,932 | 132,533 | 71,348 | 149 | 20,628 | 13,119 |
| 1970-Dec. 318. | 458,919 | 312,006 | 61,438 | 85,475 | 92,708 | 572,682 | 479,174 | 30,233 | 1,874 | 7,898 | 208,037 | 231,132 | 19,149 | 42,427 | 13,502 |
| 1971-Dec. 31... | 514,097 | 345,386 | 64,691 1 | 104,020 | 98,281 | 635,805 | 535,703 | 31,824 | 2,792 | 10,150 | 219,102 | 271,835 | 25,629 | 46,731 | 13,602 |
| 1972-Dec. 31... | 594,502 | 411,525 | 66,6791 | 116,298 | 111,333 | 732,519 | 612,822 | 33,366 | 4,113 | 10,820 | 250,693 | 313,830 | 37,556 | 52,166 | 13,721 |
| 1973-June 30. | 630,379 | 452,587 | 57,532\|1 | (120, 261 | 101,716 | 762,250 | 625,316 | 30,559 | 5,446 | 10,408 | 235,174 | 343,729 | 48,413 | 55,240 | 13,842 |
| Oct. 17. | 647,971 | 468,000 | 57179 | ,971 | 101,205 | 780,196 | 633,180 | 28,443 | 6,571 | 5,821 | 234,549 | 357,798 | 55,906 | 56,727 | 13,923 |
| Dec. 31. | 678,113 | 490,527 | 57,961 1 | 129,625 | 116,266 | 827,081 | 677,358 | 36,248 | 6,429 | 9,856 | 261,530 | 363,294 | 57,531 | 57,603 | 13,964 |
| National member: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1941 -Dec. 31. | 27,571 | 11,725 | 12,039 | 3,806 | 14,977 | 43,433 | 39,458 | 6,78 |  | 1,088 | 23,262 | 8,322 |  | 3,640 | 5,117 |
| 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 |
| 1960-Dec. 31... | 107,546 | 63,694 | 32,712 | 11,140 | 28,675 | 139,261 | 124,911 | 9,829 | 611 | 3,265 | 71,660 | 39,546 | 111 | 11,098 | 4,530 |
| 1970-Dec. $31{ }^{8} .$. | 271,760 | 187,554 | 34,203 | 50,004 | 56,028 | 340,764 | 283,663 | 18,051 | 982 | 4,740 | 122,298 | 137,592 | 13,100 | 24,868 | 4,620 |
| 1971-Dec. 31.. | 302,756 | 206,758 | 36,386 | 59,612 | 59,191 | 376,318 | 314,085 359 | 17,511 | 1,828 | 6,014 | 128,441 | 160,291 | 18, 169 | 27,065 | 4,599 |
| 1972-Dec. 31. | 350,743 | 247,041 | 37,185 | 66,516 | 67,390 | 434,810 | 359,319 | 19,096 | 2,155 | 6,646 | 146,800 | 184,622 | 26,706 | 30,342 | 4,612 |
| 1973-June 30.. | 369,856 | 270,188 | 31,651 | 68,018 | 61,336 | 449,772 | 364,129 | 16,640 | 2,874 | 6,181 | 137,116 | 201,318 | 33,804 | 31,867. | 4,629 |
| Oct. 17... | 377,246 | 277,015 | 100, | ,231 | 63,573 | 460, 164 | 368,351 | 15,797 | 3,404 | 3,369 | 136,163 | 209,619 | 38,819 | 32,516 | 4,642 |
| Dec. 31... | 398,236 | 293,555 | 30,962 | '73,718 | 70,711 | 489,470 | 395,767 | 20,357 | 3,876 | 5,955 | 152,705 | 212,874 | 39,696 | 33, 125 | 4,659 |

PRINCIPAL ASSETS AND LIABILITIES AND NUMBER, BY CLASS OF BANK—Continued
(Amounts in millions of dollars)

| Classification by FRS membership and FDIC insurance | Loans and investments |  |  |  | $\begin{gathered} \text { Cash } \\ \text { assets }^{3} \end{gathered}$ | Totalassets-Totallia-bilitiesandcapitalac-counts | Deposits |  |  |  |  |  | Bor-rowings | Total capital counts | $\begin{aligned} & \text { Num- } \\ & \text { ber } \\ & \text { of } \\ & \text { banks } \end{aligned}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Total | $\underset{1}{\text { Loans }}$ | Securities |  |  |  | Total ${ }^{3}$ | Interbank ${ }^{3}$ |  | Other |  |  |  |  |  |
|  |  |  | U.S. Treasury | $\begin{gathered} \text { Other } \\ 2 \end{gathered}$ |  |  |  |  |  | Dernand   <br> S. Other  <br> 5   |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Insured banks (cont.): State member: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1941-Dec. 31.. | 15,950 | 6,295 | 7,500 | 2,155 | 8,145 | 24,688 | 22,259 | 3,789 | 39 | 621 | 13,874 | 4,025 | 1 | 2,246 | 1,502 |
| 1947-Dec. 31. | 32,566 | 11, 200 | 19,240 | 2,125 | 10,822 | 43,879 | 40,505 | 3,978 | 1, 15 | , 381 | 27,068 | 9,062 | 9 | 3,055 | 1,918 |
| 1960-Dec. $31 . .$. | 58,073 94,760 | 36,240 66,963 | 16,394 | 5,439 16,600 | 17,081 | 77, 316 125,460 | [68,118 | 6,608 | 1,028 750 | 2,022 | 40,733 | 17,727 42,218 | - 20 | 6,299 | 1, 644 |
| 1971-Dec. 31... | 102,813 | 71,441 | 11,247 | 20,125 | 26,998 | 125,460 | 111,777 | 11,091 | 721 | 1,720 2,412 | 45,734 45,945 | 42,218 <br> 49 | 5,478 | re,232 | 1,147 1,128 |
| 1972-Dec. 31. | 115,426 | 82,889 | 11,530 | 21,008 | 29,176 | 150,697 | 123,186 | 12,862 | 1,406 | 2,378 | 51,017 | 55,523 | 9,651 | 10,886 | 1,092 |
| 1973-June 30. | 121,052 | 91,095 | 9,429 | 20,527 | 26,891 | 155,017 | 123,016 | 12,671 | 2,005 | 1,986 | 45,322 | 61,032 | 12,725 | 11,231 | 1,076 |
| Oct. 17.. | 125,715 | 95,056 | 30,6 |  | 25,491 | 158,250 | 123,123 | 11,505 | 2,604 | 1,146 | 44,735 | 63,132 | 15,352 | 11, 432 | 1,078 |
| Dec. 31.. | 130,240 | 97,828 | 10,532 | 21,880 | 29,387 | 166,780 | 131,421 | 14,425 | 1,968 | 2,318 | 49,859 | 62,851 | 15,914 | 11,617 | 1,076 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1941-Dec. 31.. | 5,776 | 3,241 | 1,509 10,039 | 1,025 | 2,668 | 8,708 20,691 | 7,702 | 262 | 294 | [ 53 | 4,162 | 3,360 | 6 | $\begin{array}{r}959 \\ 1.271 \\ \hline\end{array}$ | 6,810 6,478 |
| 1960-Dec. 31. | 32,411 | 17,169 | 11,368 | 3,874 | 6,082 | 39, 114 | 35,391 | 484 | 27 | 645 | 20,140 | 14,095 | 19 | 3,232 | 6,948 |
| 1970-Dec. 318.. | 92,399 | 57,489 | 16,039 | 18,871 | 11,208 | 106,457 | 93,998 | 1,091 | 141 | 1,438 | 40,005 | 51,322 | 571 | 8,326 | 7,735 |
| 1971-Dec. 31.. | 108,527 | 67,188 | 17,058 | 24,282 | 12,092 | 123,970 | 109,841 | 1,212 | 242 | 1,723 | 44,717 | 61,946 | 582 | 9,451 | 7,875 |
| 1972-Dec. 31.. | 128,333 | 81,594 | 17,964 | 28,774 | 14,767 | 147,013 | 130,316 | 1,408 | 552 | 1,796 | 52,876 | 73,685 | 1,199 | 10,938 | 8,017 |
| 1973-June 30. | 139,471 | 91,304 | 16,452 | 31,716 | 13,490 | 157,461 | 138,171 | 1,248 | 567 | 2,241 | 52,735 | 81,379 | 1,884 | 12,143 | 8,137 |
| Oct. 17. | 145,010 | 95,929 | 49,0 |  | 12,141 | 161,783 | 141,706 | 1,141 | 563 | 1,305 | 53,650 | 85,047 | 1,735 | 12,778 | 8,203 |
| Dec. 31. | 149,638 | 99,143 | 16,467 | 34,027 | 16,167 | 170,831 | 150,170 | 1,467 | 586 | 1,582 | 58,966 | 87,569 | 1,920 | 12,862 | 8,229 |
| Noninsured nonmember: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1941-Dec. 31.. | 1,457 | 455 | 761 | 241 | 763 | 2,283 | 1,872 |  | 9 | 1,29 |  | 253 | 13 | 329 | 852 |
| 1947 -Dec. 317. | 2,009 | 474 | 1,280 | 255 | 576 | 2,643 | 2,251 | 177 | 185 | 18 | 1,392 | 478 | 4 | 325 | 783 |
| 1960-Dec. 31.. | 1,498 | 550 | 535 | 413 | 314 | 1,883 | 1,443 | 159 | 132 | 13 | 846 | 293 | 14 | 358 | 352 |
| 1970-Dec. 31 s. | 3,079 | 2,132 | 304 | 642 | 934 | 4,365 | 2,570 | 375 | 101 | 40 | 1,298 | 756 | 226 | 532 | 184 |
| 1971-Dec. 31.. | 3,147 | 2,224 | 239 | 684 | 1,551 | 5,130 | 2,923 | 380 | 116 | 19 | 1,273 | 1,134 | 283 | 480 | 181 |
| 1972-Dec. 31. | 4,865 | 3,731 | 349 | 785 | 1,794 | 7,073 | 3,775 | 488 | 81 | 55 | 1,530 | 1,620 | 527 | 491 | 206 |
| 1973-June 30... | 5,915 | 4,732 | 345 | 838 | 1,892 | 8,196 | 4,438 | 488 | 145 | 26 | 1,779 | 2,000 | 885 | 500 | 204 |
| Dec. 31.... | 6,192 | 4,927 | 316 | 949 | 2,010 | 8,650 | 4,996 | 591 | 344 | 9 | 1,836 | 2,215 | 1,463 | 524 | 207 |
| Total nonmember: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1941-Dec. 31.. | 7,233 | 3,696 | 2,270 | 1,266 | 3,431 | 10,992 | 9,573 |  |  | 5,504 |  | 3,613 | 18 | 1,288 | 7,662 |
| 1947-Dec. 31.. | 18,454 | 5,432 | 11,318 | 1,703 | 4,659 | 23,334 | 21,591 | 4391 | 190 | 167 | 13,758 | 7,036 | 12 | 1,596 | 7,261 |
| 1960-Dec. 31.. | 33,910 | 17,719 | 11,904 | 4,287 | 6,396 | 40,997 | 36,834 | 643 | 160 | . 657 | 20,986 | 14,388 | 33 | 3,590 | 7,300 |
| 1970-Dec. 318.. | 95,478 | 59,621 | 16,342 | 19,514 | 12,143 | 110,822 | 96,568 | 1,466 | 243 | 1,478 | 41,303 | 52,078 | 796 | 8,858 | 7,919 |
| 1971-Dec. 31. | 111,674 | 69,411 | 17,297 | 24,966 | 13,643 | 129,100 | 112,764 | 1,592 | 359 | 1,742 | 45,990 | 63,081 | 866 | 9,932 | 8,056 |
| 1972-Dec. 31. | 133,198 | 85,325 | 18,313 | 29,559 | 16, 562 | 154,085 | 134,091 | 1,895 | 633 | 1,850 | 54,406 | 75,305 | 1,726 | 11,429 | 8,223 |
| 1973-June 30... | 145,386 | 96,036 | 16,797 | 32,554 | 15,381 | 165,657 | 142,608 | 1,736 | 712 | 2,267 | 54,514 | 83,379 | 2,770 | 12,643 | 8,341 |
| Dec. 31.. | 155,830 | 104,070 | 16,783 | 34,976 | 18,177 | 179,480 | 155,165 | 2,057 | 930 | 1,592 | 60,802 | 89,784 | 3,383 | 13,386 | 8,436 |

1 Loans to farmers directly guaranteed by CCC were reclassified as securities and Export-Import Bank portfolio fund participations were reclassified from loans to securities effective June 30, 1966. This reduced "Total loans", and increased "Other securities" by about $\$ 1$ billion. "Total loans" include Federal funds sold, and beginning with June 1967 securities purchased under resale agreements, figures for which are included in "Federal funds sold, etc.," on p. A-18.
Effective June 30, 1971, Farmers Home Administration notes were classified as "Other securities" rather than "Loans." As a result of this change, approximately $\$ 300$ million was transferred to "Other securities" for the period ending June 30, 1971, for all commercial banks.

See also table (and notes) at the bottom of p. A-26.
2 See first two paragraphs of note 1.
3 Reciprocal balances excluded beginning with 1942.
4 Includes items not shown separately. See also note 1.
5 See third paragraph of note 1 above.
6 From the last-Wednesday-of-the-month series, figures for call dates are shown for June and December as soon as they became available.

7 Beginning with Dec. 31, 1947, the series was revised; for description, see note 4, p. 587 , May 1964 Bulletin.

8 Figure takes into account the following changes, which became effective June 30, 1969: (1) inclusion of consolidated reports (including figures for all bank-premises subsidiaries and other significant majorityowned domestic subsidiaries) and (2) reporting of figures for total loans
and for individual categories of securities on a gross basis-that is, before, deduction of valuation reserves-rather than net as previously reported,

Note-Data are for all commercial banks in the United States (including Alaska and Hawaii, beginning with 1959). Commercial banks represent all commercial banks, both member and nonmember; stock savings banks; and nondeposit trust companies.

Figures for member banks before 1970 include mutual savings banks as follows: three before Jan. 1960 and two through Dec. 1960. Those banks are not included in insured commercial banks.

Effective June 30, 1969 , commercial banks and member banks exclude a small national bank in the Virgin Islands; also, member banks exclude, and noninsured commercial banks include, through June 30, 1970, a small member bank engaged exclusively in trust business; beginning 1973, excludes one national bank in Puerto Rico.
Beginning Dec. 31; 1973, member banks exclude and noninsured nonmember banks include a noninsured trust company which is a member of the Federal Reserve System.

Comparability of figures for classes of banks is affected somewhat by changes in F.R. membership, deposit insurance status, and by mergers etc.
Figures are partly estimated except on call dates.
For revisions in series before June 30, 1947, see July 1947 Bulletin, pp. 870-71.

## ASSETS BY CLASS OF BANK, DECEMBER 31, 1973

(Amounts in millions of dollars)


[^54]
## LIABILITIES AND CAPITAL BY CLASS OF BANK, DECEMBER 31, 1973

(Amounts in millions of dollars)

| Account | $\underset{\substack{\text { All } \\ \text { commercial } \\ \text { banks }}}{ }$ | Insuredcommercialbanks | Member banks ${ }^{1}$ |  |  |  |  | Nonmember banks ${ }^{1}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | Total | Large banks |  |  | All other |  |
|  |  |  |  | New York City | City of Chicago | Other large |  |  |
| Demand deposits | 310,071 | 307,634 | 245,620 | 52,661 | 10,144 | 89,011 | 93,803 | 64,451 |
| Mutual savings banks | 1,280 | 1,156 | 1,067 | 513 |  | , 196 | 357 | 212 |
| Other individuals, partnerships, and corporations . . | 231,729 | 230,883 | 179,044 | 29,305 | 7,431 | 66,567 | 75,741 | 52,686 |
| U.S. Government. | 9,865 | 9,856 | 8,273 | 1,689 | 434 | 3,603 | 2,547 | 1,592 |
| States and political subdivisions | 18,663 | 18,508 | 13,246 | , 658 | 244 | 3,806 | 8,538 | 5,417 |
| Foreign governments, central banks, etc. | 1,625 | 1,356 | 1,333 | 1,036 | 92 | 201 | 4 | 293 |
| Commercial banks in U.S.......... | 29,975 | 29,815 | 28,713 | 12,430 | 1,552 | 10,739 | 3,992 | 1,262 |
| Banks in foreign countries. | 5,584 | 5,278 | 5,001 | 3,803 | 142 | -942 | 114 | - 583 |
| Certified and officers' checks, etc. | 11,349 | 10,784 | 8,942 | 3,226 | 248 | 2,958 | 2,509 | 2,407 |
| Time and savings deposits. | 372,282 | 369,723 | 281,569 | 37,576 | 14,090 | 101,702 | 128,201 | 90,714 |
| Savings deposits. . . . . . | 127, 183 | 126,925 | 93,721 | 6,134 | 2,372 | 33,045 | 52,169 | 33,462 |
| Accumulated for personal loan payment ${ }^{2}$ | 507 | 503 | 352 |  |  | 58 | 294 | 155 |
| Mutual savings banks . . . . . . . . . . . . . . . . . . . . . . . | 183,652 | ${ }^{182} 640$ | [ 6333 | 388 2135 | - 97 | 50.18 | - 39 | 19 |
| Other individuals, partnerships, and corporations.. | 183,624 | 182,639 | 139,755 | 21,135 | 9,027 | 50,004 | 59,590 | 43,869 |
| U.S. Government. | 439 | 439 | 298 | 40 |  | 103 | 153 | 141 |
| States and political subdivisions. | 44,385 | 44,306 | 33,259 | 2,284 | 1,173 | 14,201 | 15,601 | 11,126 |
| Foreign governments, central banks, etc | 9,371 | 8,482 | 8,341 | 4,364 | 939 | 2,996 | - 41 | 1,031 |
| Commercial banks in U.S. | 5,858 | 5,622 | 5,077 | 3,185 | 457 | 1,118 | 318 | 780 |
| Banks in foreign countries........................ | 263 | 167 | 133 | 46 | 23 | 59 | 5 | 130 |
| Total deposits . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . | 682,353 | 677,358 | 527,188 | 90,237 | 24,235 | 190,713 | 222,004 | 155,165 |
| Federal funds purchased and securities repurchased agreements. | 51,167 | 50,410 | 48,731 | 10,713 | 4,573 | 27,110 | 6,335 | 2,436 |
| Other liabilities for borrowed money. | 7,827 | 7,121 | 6,879 | 2,773 | 245 | 3,067 | 794 | 947 |
| Mortgage indebtedness. | 762 | 759 | 587 | 80 | 80 | 260 | 167 | 174 |
| Bank acceptances outstanding | 4,553 | 4,484 | 4,251 | 2,364 | 305 | 1,357 | 225 | 302 |
| Other liabilities. . . . . . . . . . . . | 23,128 | 21,549 | 17,451 | 3,797 | 691 | 6,812 | 6,151 | 5,677 |
| Total liabilities. | 769,790 | 761,682 | 605,088 | 109,964 | 30,129 | 229,320 | 235,675 | 164,702 |
| Minority interest in consolidated subdivisions. | 6 7,806 | 7,790 | 6,417 ${ }^{3}$ | 1,412 | 425 | 2,372 | 2,208 | 3 1,389 |
| Reserves for bad debts (IRS). . | 7,532 | 7,518 | 6,243 | 1,412 | 417 | 2,313 | 2,101 | 1,289 |
| Other reserves on loans. | 99 | 988 | 54 |  |  | -8 | 45 | 45 |
| Reserves on securities. | 176 | 174 | 120 |  | 7 | 51 | 62 | 55 |
| Total capital accounts | 58,128 | 57,603 | 44,741 | 8,607 | 1,989 | 15,728 | 18,418 | 13,386 |
| Capital notes and debentures | 4,135 | 4,081 | 3,333 | 729 | , 57 | 1,617 | , 930 | 802 |
| Equity capital. . . . . . . . . . . . | 53,993 | 53,522 | 41,408 | 7,878 | 1,931 | 14,111 | 17,488 | 12,585 |
| Preferred stock | 71 | 5,66 | 11, 47 | 19 |  | 15 | 13 | , 24 |
| Common stock | 13,882 | 13,784 | 10,518 | 2,154 | 562 | 3,437 | 4,364 | 3,364 |
| Surplus.. | 23,640 | 23,511 | 18,297 | 3,433 | 1,120 | 6,628 | 7,117 | 5,342 |
| Undivided profits | 15,498 | 15,314 | 11,915 | 2,268 | 201 | 3,779 | 5,666 | 3,584 |
| Other capital reserves. | 902 | 848 | 631 | 2, 4 | 48 | 251 | 328 | 271 |
| Total liabilities, reserves, minority interest, capital account. | 835,730 | 827,081 | 656,250 | 119,984 | 32,543 | 247,422 | 256,302 | 179,480 |
| Demand deposits adjusted ${ }^{3}$ | 225,589 | 223,422 | 165,530 | 26,049 | 6,114 | 54,433 | 78,935 | 60,059 |
| Average total deposits (past 15 days) | 662, 118 | 657,209 | 510,255 | 87,627 | 22,787 | 183,133 | 216,709 | 151,863 |
| Average total loans (past 15 days)... | 466,822 | 462,549 | 365,939 | 69,294 | 20,240 | 139,096 | 137,309 | 100,882 |
| Selected ratios: |  |  |  |  |  |  |  |  |
| Percentage of total assets Cash and balances with other banks. | 14.2 | 14.1 | 15.3 | 21.0 | 11.8 | 15.5 | 12.7 | 10.1 |
| Total securities held. | 22.6 | 22.7 | 20.9 | 14.2 | 17.0 | 18.5 | 26.8 | 28.8 |
| Trading account securities. | 1.0 | 1.0 | 1.3 | 3.0 | 2.0 | 1.6 | . 1 |  |
| U.S. Treasury. . . | . 4 | . 4 | . 5 | 1.1 | 1.1 | . 5 |  |  |
| States and political subdivisions. | . 4 | . 4 | . 5 | 1.3 | .6 | .7 | . 1 |  |
| All other trading account securities. | . 2 | . 2 | . 3 | . 6 | . 2 | . 4 |  |  |
| Bank investment portfolios. | 21.6 | 21.6 | 19.6 | 11.2 | 15.1 | 17.0 | 26.6 | 28.8 |
| U.S. Treasury. | 6.6 | 6.6 | 5.8 | 3.5 | 4.1 | 4.9 | 8.1 | 9.3 |
| States and political subdivisions | 10.9 | 11.0 | 10.4 | 6.0 | 8.6 | 9.6 | 13.5 | 12.8 |
| All other portfolio securities. | 4.0 | 4.0 | 3.3 | 1.7 | 2.5 | 2.4 | 5.0 | 6.6 |
| Other loans and Federal funds sold. | 59.3 | 59.3 | 59.6 | 58.8 | 66.5 | 61.4 | 57.5 | 58.0 |
| All other assets............... | 4.0 | 4.0 | 4.2 | 6.0 | 4.6 | 4.5 | 3.1 | 3.0 |
| Total loans and securities | 81.9 | 82.0 | 80.5 | 73.0 | 83.6 | 79.9 | 84.2 | 86.8 |
| Reserves for loans and securities. | . 9 | . 9 | 1.0 | 1.2 | 1.3 | 1.0 | . 9 | . 8 |
| Equity capital-Total. | 6.5 | 6.5 | 6.3 | 6.6 | 5.9 | 5.7 | 6.8 | 7.0 |
| Total capital accounts. | 7.0 | 7.0 | 6.8 | 7.2 | 6.1 | 6.4 | 7.2 | 7.5 |
| Number of banks. | 14,171 | 13,964 | 5,735 | 13 | 9 | 156 | 5,557 | 8,436 |

For notes see opposite page.
(In millions of dollars)


For notes see p. A-24.


For notes see p. A-24.

## ASSETS AND LIABILITIES OF LARGE COMmERCIAL BANKS-Continued

(In millions of dollars)

| Wednesday |  | Investments (cont.) |  |  |  |  |  | Reserves with F.R. Banks | Currency and coin | Balances with domestic banks | Investments in sub-sidiaries not consolidated | Other assets | Total assets/ total liabilities |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Other sccurities |  |  |  |  |  |  |  |  |  |  |  |
|  |  | Total | Obligations of State and political subdivisions |  | Other bonds, corp. stock, and securities |  |  |  |  |  |  |  |  |
|  |  | $\begin{gathered} \text { Tax } \\ \text { war- } \\ \text { rants }{ }^{3} \end{gathered}$ | All other | Certif. of participation ${ }^{4}$ | All other ${ }^{5}$ |  |  |  |  |  |  |  |
| Large banksTotal |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1973 |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Apr. $\begin{array}{r}4 \\ \\ \\ 118 \\ \\ \\ 25 .\end{array}$ |  |  | 54,216 | 7,344 | 38,378 | 1,686 | 6,808 | 28,904 | 19,428 | 3,575 | 9,653 | 1,256 | 19,324 | 416,679 |
|  |  | 55,015 | 7,886 | 38,459 | 1,813 | 6,857 | 27,969 | 18,984 | 3,873 | 8,910 | 1,235 | 19,209 | 415,176 |
|  |  | 54,717 | 7,587 | 38,308 | 1,831 | 6,991 | 28,575 | 24,431 | 3,991 | 9,302 | 1,236 | 19,088 | 421,394 |
|  |  | 54,910 | 7,667 | 38,357 | 1,802 | 7,084 | 28,087 | 19,239 | 4,152 | 9,399 | 1,237 | 19,406 | 419,182 |
| 1974 |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Mar. | 6. | 62,345 | 7,530 | 41,155 | 2,433 | 11,227 | 33,386 | 21,939 | 3,966 | 11,843 | 1,446 | 22,018 | 470,098 |
|  | 13. | 62,889 | 7,823 | 41,149 | 2,532 | 11,385 | 32,843 | 23,145 | 4,341 | 11,417 | 1,449 | 22,275 | 470,290 |
|  | 20. | 62,314 | 7,600 | 40,927 | 2,541 | 11,246 | 32,900 | 22,992 | 4,300 | 12,389 | 1,465 | 22,362 | 471,955 |
|  | 27. | 62,013 | 7,401 | 40,968 | 2,463 | 11,181 | 32,860 | 21,159 | 4,422 | 12,384 | 1,464 | 22,656 | 473,046 |
| Apr. | $3{ }^{p}$. | 61,904 | 7,356 | 41,007 | 2,443 | 11,098 | 33,258 | 20,994 | 4,037 | 12,816 | 1,477 | 23,196 | 480,152 |
|  | $10^{p}$. | 61,908 | 7,510 | 40,881 | 2,438 | 11,079 | 32,790 | 21,499 | 4,221 | 12,699 | 1,480 | 22,911 | 480,742 |
|  | $17 p$. | 62,085 | 7,657 | 41,026 | 2,443 | 10,959 | 35,297 | 22,205 | 4,492 | 12,838 | 1,495 | 23,165 | 486,033 |
|  | 24P. | 61,960 | 7,545 | 41,026 | 2,417 | 10,972 | 29,584 | 21,922 | 4,543 | 11,855 | 1,501 | 23,230 | 475,296 |
| New York City |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1973 |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Apr. | 4. | 8,146 | 1,344 | 5,350 | 478 | -974 | 9,003 | 4,878 | 446 | 3,768 | 618 | 6,364 | 95,990 |
|  | 11. | 8,579 | 1,727 | 5,288 | 524 | 1,040 | 8,961 | 5,093 | 475 | 3,355 | 592 | 6,232 | 94,491 |
|  | 18. | 8,444 | 1,586 | 5,231 | 540 | 1,087 | 8,515 | 7,370 | 460 | 3,777 | 591 | 6,162 | 96,516 |
|  | 25. | 8,488 | 1,598 | 5,258 | 536 | 1,096 | 9,342 | 4,851 | 475 | 4,012 | 590 | 6,401 | 96,790 |
| 1974 |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Mar. | 6. | 10,718 | 2,342 | 5,740 | 567 | 2,069 | 11,999 | 6,720 | 476 | 5,666 | 675 | 6,397 |  |
|  | 13. | 10,547 | 2,296 | 5,566 | 567 | 2,118 | 12,289 | 6,232 | 499 | 5,631 | 678 | 6,704 | 112,380 |
|  | 20. | 10,478 | 2,254 | 5,556 | 576 | 2,092 | 12,501 | 6,306 | 484 | 6,394 | 680 | 6,922 | 114, 146 |
|  | 27. | 10,136 | 2,090 | 5,423 | 562 | 2,061 | 13,583 | 4,859 | 500 | 6,313 | 679 | 6,987 | 114,663 |
| Apr. | 37. | 10,009 | 1,944 | 5,440 | 567 | 2,058 | 11,436 | 5,592 | 507 | 5,833 | 691 | 7,182 |  |
|  | $10^{p}$. | 10,120 | 2,081 | 5,448 | 564 | 2,027 | 12,250 | 5,401 | 497 | 6,469 | 691 | 7,139 | 115,818 |
|  | 17p. | 10,293 | 2,200 | 5,524 | 564 | 2,005 | 11,518 | 6,223 | 495 | 5,855 | 692 | 7,205 |  |
|  | 24 p. | 10,148 | 2,108 | 5,476 | 548 | 2,016 | 10,512 | 6,272 | 509 | 5,688 | 696 | 7,188 | 113,600 |
| Outside <br> New York City |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1973 |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Apr. | 4. | 46,070 | 6,000 | 33,028 | 1,208 | 5,834 | 19,901 | 14,550 | 3,129 | 5,885 | 638 | 12,960 | 320,689 |
|  | 11. | 46,436 | 6,159 | 33,171 | 1,289 | 5,817 | 19,008 | 13,891 | 3,398 | 5,555 | 643 | 12,977 | 320,685 |
|  | 18. | 46,273 | 6,001 | 33,077 | 1,291 | 5,904 | 20,060 | 17,061 | 3,531 | 5,525 | 645 | 12,926 | 324,878 |
|  | 25. | 46,422 | 6,069 | 33,099 | 1,266 | 5,988 | 18,745 | 14,388 | 3,677 | 5,387 | 647 | 13,005 | 322,392 |
| 1974 |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Mar. | 6. |  | 5,188 | 35,415 | 1,866 | 9,158 |  | 15,219 | 3,490 | 6,177 | 771 | 15,621 | 356,895 |
|  | 13. | 52,342 | 5,527 | 35,583 | 1,965 | 9,267 | 20,554 | 16,913 | 3,842 | 5,786 | 771 | 15,571 | 357,910 |
|  | 20 | 51,836 | 5,346 | 35,371 | 1,965 | 9,154 | 20,399 | 16,686 | 3,816 | 5,995 | 785 | 15,440 | 357,809 |
|  | 27. | 51,877 | 5,311 | 35,545 | 1,901 | 9,120 | 19,277 | 16,300 | 3,922 | 6,071 | 785 | 15,669 | 358,383 |
| Apr. | ${ }^{3 D}$. | 51,895 | 5,412 |  | 1,876 | 9,040 |  | 15,402 | 3,530 | 6,983 | 786 | 16,014 | 364,583 |
|  | $10^{p}$. | 51,788 | 5,429 | 35,433 | 1,874 | 9,052 | 20,540 | 16,098 | 3,724 | 6,230 | 789 | 15,772 | 364,924 |
|  | 17 p. | 51,792 | 5,457 | 35, 502 | 1,879 | 8,954 | 23,779 | 15,982 | 3,997 | 6,983 | 803 | 15,960 | 369,646 |
|  | 24p. | 51,812 | 5,437 | 35,550 | 1,869 | 8,956 | 19,072 | 15,650 | 4,034 | 6,167 | 805 | 16,042 | 361,696 |

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS-Continued
(In millions of dollars)


For notes see p. A-24.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS-Continued
(In millions of dollars)

| Wednesday |  | Federal funds purchased, etc. ${ }^{7}$ | Borrowings from- |  | Other liabilities, etc. 8 | Reserves for- |  | Total capital counts | Memoranda |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | F.R. <br> Banks | Others | Loans |  | Securities | Total loans (gross) adjusted ${ }^{9}$ |  | Total loans and investments (gross) $\underset{\text { justed }}{\text { ad }}$ | Demand deposits adjusted 10 | Large negotiable time CD's included in time and savings deposits ${ }^{11}$ |  |  | Gross <br> liabili- <br> ties of <br> banks to their foreign branches |
|  |  | Total |  |  |  |  |  |  |  |  | $\begin{aligned} & \text { Issued } \\ & \text { to } \\ & \text { IPC's } \end{aligned}$ | Issued to others |  |
| $\begin{gathered} \text { Large banks- } \\ \text { Total } \end{gathered}$ |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Apr. | 4 |  | 34,415 | 716 | 2,299 | 16,273 | 4,379 | 64 | 30,186 | 239,438 | 319,612 | 97,666 | 55,405 | 36,404 | 19,001 | 1,011 |
| Apr. | 11 | 35,459 | 907 | 2,468 | 16,713 | 4,398 | 64 | 30,191 | 240,051 | 320,488 | 99,925 | 56,337 | 36,844 | 19,493 | 1,209 |
|  | 18 | 36,375 | 2,722 | 2,742 | 16,742 | 4,401 | 64 | 30,085 | 241,056 | 320,611 | 99,230 | 55,363 | 36,272 | 19,091 | 1,193 |
|  | 25 | 36,006 | 1,052 | 2,907 | 17,267 | 4,406 | 64 | 30, 122 | 241,986 | 321,637 | 96,575 | 55,935 | 36,760 | 19,175 | 1,123 |
| 1974 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Mar. | 6. | 57,583 | 671 | 5,403 | 18,090 | 5,008 | 79 | 32,402 | 268,403 | 356,737 | 98,300 | 65,877 | 45,031 | 20,846 | 1,610 |
|  | 13. | 56, 802 | 1,362 | 5,922 | 18,342 | 5,008 | 79 | 32,450 | 268,602 | 357, 208 | 99,148 | 66,523 | 45, 805 | 20,718 | 2,274 |
|  | 20 | 55,240 | 1,910 | 6,163 | 18,708 | 5,000 | 74 | 32,399 | 271,127 | 358,297 | 97,981 | 66,261 | 45,469 | 20,792 | 2,459 |
|  | 27 | 53,527 | 1,700 | 6,372 | 19,430 | 4,997 | 74 | 32,444 | 273,880 | 360,712 | 99,337 | 67,815 | 46,842 | 20,973 | 2,947 |
| Apr. | $3 p$ | 54,544 | 823 | 6,317 | 19,601 | 4,994 | 74 | 32,762 | 278,044 | 365,274 | 101,444 | 69,479 | 48,191 | 21,288 | 2,717 |
|  | $10^{p}$ | 54,569 | 1,017 | 6,267 | 19,107 | 4,991 | 74 | 32,758 | 278,700 | 366, 302 | 102,732 | 71,540 | 49,812 | 21,728 | 2,908 |
|  | $17 p$ | 53,303 | +939 | 6,078 | 19,605 | 4,995 | 73 | 32,658 | 281,736. | 368,604 | 102,782 | 71,753 | 49,612 | 22, 141 | 3,020 |
|  | $24 p$ | 51,358 | 1,728 | 6,012 | 19,551 | 4,991 | 73 | 32,663 | 279,850 | 365,230 | 100,393 | 73,592 | 51,255 | 22,337. | 2,474 |
|  | New York City |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 1973 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Apr. | 4. | 7,360 |  | 924 | 6,407 | 1,236 |  | 7,667 | 55,479 | 68,271 | 20,707 | 19,218 | 13,015 | 6,113 | 638 |
|  | 11. | 7,738 |  | 986 | 6,488 | 1,256 |  | 7,656 | 54,824 | 67,884 | 21,015 | 19,414 | 13,065 | 6,349 | 848 |
|  | 18. | 8,406 | 800 | 1,242 | 6,424 | 1,260 |  | 7,607 | 54,684 | 67,319 | 21, 099 | 18,554 | 12,560 | 5,994 | 909 |
|  | 25. | 7,887 |  | 1,383 | 6,779 | 1,264 |  | 7,608 | 54,512 | 66,947 | 20,251 | 18,711 | 12,724 | 5,987 | 869 |
| 1974 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Mar. | 6. | 14,309 | 230 | 2,490 | 5,819 | 1,382 | . | 8,409 | 62,920 | 78,935 | 21,656 | 20,545 | 13,942 | 6,603 | 1,185 |
|  | 13. | 13,058 | 80 | 2,839 | 6,146 | 1,386 |  | 8,415 | 62,398 | 77,972 | 21, 238 | 20,921 | 14,310 | 6,611 | 1,601 |
|  | 20 | 12,297 | 898 | 2,837 | 6,491 | 1,382 |  | 8,449 | 63,250 | 78,519 | 21,169 | 20,829 | 14,182 | 6,647 | 1,750 |
|  | 27. | 11,340 | 220 | 2,896 | 6,746 | 1,386 |  | 8,441 | 64,061 | 79,016 | 21,804 | 21,287 | 14,539 | 6,748 | 1,779 |
| Apr. | $3 p$ | 11,785 | 240 | 2,821 | 6,970 | 1,370 |  | 8,537 | 65,321 | 80,555 | 22,884 | 21,933 | 15,093 | 6,840 | 1,829 |
|  | $10{ }^{P}$ | 11,420 | 145 | 2,851 | 6,807 | 1,370 |  | 8,534 | 65,357 | 80,710 | 22,185 | 22,944 | 15,805 | 7,139 | 2,072 |
|  | $17 p$ | 11,368 | 150 385 | 2,895 | 6,959 | 1,376 |  | 8,509 | 65,404 65,102 | 81,359 79 | 22,534 | 22,969 | 15,660 | 7,309 | 1,683 |
|  | $24 p$ | 11,206 | 385 | 2,849 | 6,646 | 1,377 |  | 8,485 | 65,102 | 79,254 | 22, 136 | 23,373 | 16,034 | 7,339 | 1,206 |
| Outside <br> New York City |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1973 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Apr. | 4. | 27,055 | 716 | 1,375 | 9,866 | 3,143 | 64 | 22,519 | 183,959 | 251,341 | 76,959 | 36,187 | 23,299 | 12,888 | 373 |
|  | 11 | 27,721 | 907 | 1,482 | 10,225 | 3,142 | 64 | 22,535 | 185,227 | 252,604 | 78,910 | 36,923 | 23,779 | 13,144 | 361 |
|  | 18 | 27,969 | 1,922 | 1,500 | 10,318 | 3,141 | 64 | 22,478 | 186,372 | 253, 292 | 78,131 | 36,809 | 23,712 | 13,097 | 284 |
|  | 25. | 28,119 | 1,052 | 1,524 | 10,488 | 3,142 | 64 | 22,514 | 187,474 | 254,690 | 76,324 | 37,224 | 24,036 | 13,188 | 254 |
| 1974 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Mar. | 6 | 43,274 | 441 | 2,913 | 12,271 | 3,626 | 79. | 23,993 | 205,483 | 277,802 | 76,644 | 45,332 | 31,089 | 14,243 | 425 |
|  | 13. | 43,744 | 1,282 | 3,083 | 12,196 | 3,622 | 79 | 24,035 | 206,204 | 279,236 | 77,910 | 45,602 | 31,495 | 14,107 | 673 |
|  | 20 | 42,943 | 1,012 | 3,326 | 12,217 | 3,618 | 74 | 23,950 | 207,877 | 279,778 | 76,812 | 45,432 | 31,287 | 14,145 | 709 |
|  | 27. | 42,187 | 1,480 | 3,476 | 12,684 | 3,611 | 74 | 24,003 | 209,819 | 281,696 | 77,533 | 46,528 | 32,303 | 14,225 | 1,168 |
| Apr. | $3^{3 p}$ | 42,759 | 583 | 3,496 | 12,631 | 3,624 | 74 | 24,225 | 212,723 | 284,719 | 78,560 | 47,546 | 33,098 | 14,448 | 888 |
|  | $10^{p}$ | 43,149 | 872 | 3,416 | 12,300 | 3,621 | 74 | 24,224 | 213,343 | $285,592$ | 80, 547 | $48,596$ | 34,007 | 14,589 | 838 |
|  | 17 p | 41,935 | 789 1843 | 3,183 | 12,646 | 3,619 3,614 | 73 | 24,149 | 215, 332 | 287, 245 | 80,248 | 48,784 | 33,952 | 14,832 | 1,337 |
|  | 24p. | 40, 152 | 1,343 | 3,163 | 12,905 | 3,614 | 73 | 24,178 | 214,748 | 285,976 | 78,257 | 50,219 | 35,221 | 14,998 | 1,268 |

1 Includes securities purchased under agreements to resell.
2 Includes official institutions and so forth.
3 Includes short-term notes and bills.
4 Federal agencies only.
5 Federal agencies only.
5 Includes corporate stock.
7 Includes securities sold under agreements to repurchase.

8 Includes minority interest in consolidated subsidiaries.
${ }^{9}$ Exclusive of loans and Federal funds transactions with domestic commercial banks.
10 All demand deposits except U.S. Govt. and domestic commercial banks, less cash items in process of collection
${ }_{11}$ Certificates of deposit issued in denominations of $\$ 100,000$ or more.

COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS
(In millions of dollars)

| Industry | Outstanding |  |  |  |  | Net change during- |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1974 |  |  |  |  | 1974 |  |  | 1974 | 1973 |  | 1973 |  |
|  | $\underset{24}{ }$ | Apr. 17 | Apr. 10 | Apr. <br> 3 | $\underset{27}{\text { Mar. }}$ | Apr. | Mar. | Feb. | I | IV | III | 2nd | 1st half |
| Durable goods manufacturing: |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Primary metals. . . . . . . . . . . | 1,914 | 1,920 | 1,939 | 1,924 | 1,893 | 21 | 95 | -69 | 84 | -247 | 18 | -229 | 20 |
| Transportation equipment | 3,053 | 3,055 | 2,966 | 2,914 | 2,878 | 175 | 217 | 171 | 1, 358 | 90 | 272 | 362 | 1,454 |
| Other fabricated metal products. . . | 2,705 | 2,724 | 2,680 | 2,616 | 2,600 | 105 | 244 | 12 | 267 | 15 | 56 | 71 | 503 |
| Other durable goods. . . . . . . . . . . | 4,326 | 4,325 | 4,271 | 4,193 | 4,052 | 274 | 316 | 115 | 349 | -363 | 290 | -73 | 872 |
| Nondurable goods manufacturing: Food, liquor, and tobacco....... |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Food, liquor, and tobacco......... | 4,326 | 4,368 | 4,325 <br> 3,879 | 4,363 3,770 | 4,281 | 45 122 | 299 345 | 238 | 124 570 | 340 -440 | 393 <br> 235 | $\begin{array}{r}733 \\ -205 \\ \hline 20\end{array}$ | $\overline{730}$ |
| Textiles, apparel, and leather...... Petroleum refining . . . . . . . . . . | 3,911 | 3,917 1,223 | 3,879 | 3,770 $\mathbf{1 , 3 6 9}$ | 3,789 | 122 | 345 12 | 234 -74 | $\begin{array}{r}570 \\ -176 \\ \hline\end{array}$ | -440 184 | $\begin{array}{r}235 \\ 19 \\ \hline\end{array}$ | -205 -203 | 730 211 |
| Chemicals and rubber | 2,998 | 3,102 | 2,975 | 2,893 | 2,771 | 227 | 272 | 54 | 255 | -198 | 48 | -150 | 809 |
| Other nondurable goods. | 2,357 | 2,355 | 2,304 | 2,308 | 2,261 | 96 | 128 | 27 | 116 | -65 | 156 | 91 | 360 |
| Mining, including crude petroleum and natural gas. | 4,261 | 4,238 | 4,308 | 4,266 | 4,116 | 145 | 50 | 39 | 312 | -233 | 77 | -156 | 331 |
| Trade: Commodity dealers........... | 1,962 | 2,007 | 2,126 | 2,170 | 2,199 | -237 | $-108$ | 49 | 357 | 630 | -42 | 588 | -540 |
| Other wholesale. | 6,124 | 6,002 | 5,965 | 5,906 | 5,886 | 238 | 258 | 178 | 471 | 151 | 43 | 194 | 567 |
| Retail. | 6,928 | 7,015 | 6,866 | 6,870 | 6,613 | 315 | 430 | 375 | 540 | -184 | 165 | -19 | 1,092 |
| Transportation | 6,065 | 6,094 | 6,056 | 6,087 | 6,069 | $-4$ | 164 | -61 | 105 | 14 | 66 | 80 | 294 |
| Communication | 2,428 | 2,483 | 2,389 | 2,380 | 2,175 | 253 | 73 | $-40$ | 149 | -78 | $-13$ | -91 | 258 |
| Other public utilitie | 5,976 | 6,029 | 5,886 | 5,886 | 5,586 | 390 | 146 | -271 | -291 | 596 | 734 | 1,330 | 961 |
| Construction | 5,720 | 5,709 | 5,642 | 5,623 | 5,582 | 138 | 94 | -8 | 29 | -200 | 211 | 11 | 878 |
| Services. | 11,540 | 11,531 | 11,389 | 11,349 | 11,244 | 296 | 310 | 129 | 188 | 565 | 362 | 927 | 997 |
| All other domestic loans | 8,858 | 9,001 | 8,829 | 8,941 | 8,812 | 46 | 535 | -95 | 541 | 302 | 380 | 682 | 1,754 |
| Bankers' acceptances. . . . . . . . . . . . . . . | 1,290 | 1,261 | 1,141 | 1,265 | 1,336 | -46 | 86 | 1 | 62 | 199 | -322 | -123 | -154 |
| Foreign commercial and industrial loans. <br> al | 100, 721 | 4,571 | 4,445 99 | 4,349 99 | 4,198 | 423 3.424 | 5 $\begin{array}{r}181 \\ \hline\end{array}$ | - 782 | 5 125 | 1,237 | -384 3,243 | -361  <br> 4 480 | $\begin{array}{r} 554 \\ 11.991 \end{array}$ |
| Total commercial and industrial loans of large commercial banks. . . . . . | 120,106 | 120,699 | 119,086 | 118,545 | 116,010 | 4,096 | 5,270 | 982 | 5,889 | 1,938 | 3,371 | 5,309 | 13,709 |

See Note to table below.
"TERM" COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

| Industry | (In millions of dollars) |  |  |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Outstanding |  |  |  |  |  |  |  |  | Net change during- |  |  |  |  |
|  | 1974 |  |  |  | 1973 |  |  |  |  | 1974 | 1973 |  |  | $\frac{1973}{\substack{\text { 2nd } \\ \text { half }}}$ |
|  | $\underset{24}{\text { Apr. }}$ | $\underset{27}{\text { Mar. }}$ | Feb. 27 | $\begin{gathered} \text { Jan. } \\ \mathbf{3 0} \end{gathered}$ | $\underset{26}{\text { Dec. }^{2}}$ | $\underset{28}{\text { Nov. }}$ | $\underset{31}{\text { Oct. }}$ | $\underset{26}{\text { Sept. }}$ | $\begin{array}{r} \text { Aug. } \\ 29 \end{array}$ | I | IV | III | II |  |
| Durable goods manufacturing: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Machinery................ | 3,145 | 3,114 | 3,037 | 2,950 | 2,866 | 1,726 | 1,259 | 1,307 | 1,290 | 248 | -203 | - 39 | 328 | 225 |
| Transportation equipment. | 1,423 | 1,365 | 1,367 | 1,324 | 1,284 | 1,257 | 1,239 | 1,266 | 1,231 | 81 | 18 | 77 | 15 | 95 |
| products. | 934 | 911 | 911 | 938 | 894 | 912 | 901 | 871 | 853 | 17 | 23 | 2 | 84 | 25 |
| Other durable goods...... | 1,972 | 1,915 | 1,837 | 1,737 | 1,772 | 1,754 | 1,795 | 1,788 | 1,738 | 143 | -16 | 98 | 170 | 82 |
| Nondurable goods manufacturing: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Food, liquor, and tobacco. Textiles, apparel, and | 1,533 | 1,529 | 1,527 | 1,514 | 1,491 | 1,469 | 1,470 | 1,477 | 1,410 | 38 | 14 | 84 | 43 | 98 |
| leather. . . . . . . . . . . . . | 1,147 | 1,089 | 1,043 | 1,032 | 1,003 | 1,036 | 1,033 | 1,028 | 1,023 | 86 | -25 | 59 | 77 | 34 |
| Petroleum refining.... . . . . | 934 | , 945 | r901 | 920 | 933 | 839 | 883 | 920 | 925 | 12 | 13 | 44 | 34 | 57 |
| Chemicals and rubber..... | 1,690 | 1,603 | 1,569 | 1,570 | 1,561 | 1,509 | 1,534 | 1,552 | 1,493 | 42 | 9 | 71 | 2 | 80 |
| Other nondurable goods.. | 1,145 | 1,139 | 1,080 | 1,069 | 1,082 | 1,077 | 1,090 | 1,100 | 1,080 | 57 | -18 | 37 | -37 | 19 |
| Mining, including crude petroleum and natural gas. | 3,284 | 3,245 | r3,203 | 3,153 | 2,958 | 2,950 | 2,958 | 2,990 | 2,921 | 287 | -32 | 144 | -26 | 112 |
| Trade: Commodity dealers.. | 144 | 140 | , 129 | 137 | 127 | 2,9513 | 2,958 | 2, 116 | 2,9215 | 13 | 11 | -7 | -27 | 4 |
| Other wholesale..... | 1,335 | 1,323 | 1,315 | 1,265 | 1,190 | 1,172 | 1,223 | 1,178 | 1,151 | 133 | 12 | 112 | 11 | 124 |
| Retail............... | 2,543 | 2,480 | 2,376 | 2,249 | 2,206 | 2,227 | 2,175 | 2,147 | 2,135 | 274 | 59 | 141 | 183 | 200 |
| Transportation............. | 4,414 | 4,417 | 4,311 | 4,327 | 4,320 | 4,208 | 4,220 | 4,279 | 4,292 | 97 | 41 | -26 | 71 | 15 |
| Communication.. | 978 | 966 | 940 | 947 | 860 | 828 | 819 | 858 | 835 | 106 | 2 | 73 | 39 | 75 |
| Other public utilities | 3,196 | 3,154 | 3,245 | 3,298 | 3,252 | 3,121 | 2,857 | 2,836 | 2,678 | -98 | 416 | 427 | 175 | 843 |
| Construction. | 1,908 | 1,898 | 1,940 | 1,943 | 1,905 | 1,936 | 1,954 | 1,992 | 2,000 | -7 | -87 | 96 | 187 | 9 |
| Services.. . . . . . . . . . . . . . . . . | 5,223 | 5,076 | 5,004 | 4,937 | 5,049 | 4,916 | 4,777 | 4,719 | 4,666 | 27 | 330 | 157 | 223 | 487 |
| All other domestic loans.... | 2,936 | 2,808 | r2,384 | 2,692 | 2,602 | 2,617 | 2,552 | 2,585 | 2,460 | 206 | 17. | 384 | 330 | 401 |
| Foreign commercial and industrial loans. | 2,657 | 2,370 | 2,321 | 2,469 | 2,334 | 2,306 | 2,308 | 2,186 | 2,292 | 36 | 148 | -399 | 18 | -251 |
| Total loans. | p43,624 | 42,551 | 41,486 | 41,563 | 40,793 | 40,235 | 39,898 | 39,875 | 39,230 | 1,758 | 918 | 1,592 | 1,893 | 2,510 |

Note-About 160 weekly reporting banks are included in this series; these banks classify, by industry, commercial and industrial loans amounting to about 90 per cent of such loans held by all weekly reporting banks ing to about 90 per cent of such loans held by all weekly repo
and about 70 per cent of those held by all commercial banks.
For description of series see article "Revised Series on Commercial and
For description of series see article "Revised Series on Con
Industrial Loans by Industry," Feb. 1967 BuLLETIN, p. 209.

GROSS DEMAND DEPOSITS OF INDIVIDUALS, PARTNERSHIPS, AND CORPORATIONS ${ }^{\text {I }}$
(In billions of dollars)

${ }^{1}$ Including cash items in process of collection.
Note.-Daily-average balances maintained during month as estimated
from reports supplied by a sample of commercial banks. For a detailed description of the type of depositor in each category, see June 1971 description of the
Bulletin, p. 466.

DEPOSITS ACCUMULATED FOR PAYMENT OF PERSONAL LOANS
(In millions of dollars)

| Class of bank | $\begin{gathered} \text { Dec. } 31, \\ 1971 \end{gathered}$ | $\begin{gathered} \text { Dec. 31, } \\ 1972 \end{gathered}$ | $\begin{aligned} & \text { June 30, } \\ & 1973 \text {, } \end{aligned}$ | $\begin{gathered} \text { Dec. } 31 \text {, } \\ 1973 \end{gathered}$ | Class of bank | $\begin{gathered} \text { Dec. } 31 \text {, } \end{gathered}$ | $\begin{gathered} \text { Dec. } 31, \\ 1972 \end{gathered}$ | $\begin{gathered} \text { June 30, } \\ 1973 \end{gathered}$ | $\begin{gathered} \text { Dec. } 31 \text {, } \end{gathered}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| All commercial. | 680 | 559 | 538 | 507 | All member-Cont. |  |  |  |  |
| Insured.. | 677 | 554 | 533 | 503 | Other large banks 1 | 112 | 69 | 63 | 58 |
| National member | 387 | 311 | 304 | 288 | All other member 1 | 371 | 313 | 312 | 294 |
| State member... | 95 | 71 | 71 | 64 | All nonmember.... | 197 | 177 | 163 | 155 |
| All member . | 482 | 381 | 375 | 352 | Insured. . . . . | 195 2 | 172 5 | 158 | 152 3 |

[^55]Note.-Hypothecated deposits, as shown in this table, are treated one way in monthly and weekly series for commercial banks and in another way in call-date series. That is, they are excluded from "Time deposits" and "Loans" in the monthly (and year-end) series as shown on pp. A-16; from the figures for weekly reporting banks as shown on pp. A-20-A-24, (consumer instalment loans); and from the figures in the table at the bottom of p. A-15. But they are included in the figures for "Time deposits" and "Loans" for call dates as shown on pp. A-16-A-19.

LOANS SOLD OUTRIGHT BY COMMERCIAL BANKS
(Amounts outstanding; in millions of dollars)

| Date | To own subsidiaries, foreign branches, holding companies, and other affiliates |  |  | To all others except banks |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Total | By type of loan |  | Total | By type of loan |  |
|  |  | $\begin{gathered} \text { Commercial } \\ \text { and } \\ \text { industrial } \end{gathered}$ | All other |  | $\begin{gathered} \text { Commercial } \\ \text { and } \\ \text { industrial } \end{gathered}$ | All other |
| 1974-Jan. $\begin{array}{rr} \\ & 9 . \\ & 16 \\ & 23 \\ & 30\end{array}$ | 4,460 | 2,675 | 1,785 | 1,794 | 327 | 1,467 |
|  | 4,487 | 2,700 | 1,787 | 1,790 | 325 | 1,465 |
|  | 4,503 | 2,691 | 1,812 | 1,791 | 332 | 1,459 |
|  | 4,301 | 2,508 | 1,793 | 1,790 | 340 | 1,450 |
|  | 4,439 | 2,623 | 1,816 | 1,810 | 343 | 1,467 |
| Feb. $\begin{array}{r}6 . \\ \\ \\ 20 \\ 27 \\ \\ 27\end{array}$ | 4,605 | 2,638 | 1,967 | 1,780 | 341 | 1,439 |
|  | 4,729 | 2,687 | 2,042 | 1,389 | 333 | 1,056 |
|  | 4,933 | 2,673 | 2,260 | 1,342 | 336 | 1,006 |
|  | 4,992 | 2,748 | 2,244 | 1,414 | 337 | 1,077 |
| Mar. $\begin{array}{r}6 \\ 13 \\ 20 \\ 27\end{array}$ | 4,939 | 2,754 | 2,185 | 1,414 | 339 | 1,075 |
|  | 4,935 | 2,768 | 2,167 | 1,420 | 339 | 1,081 |
|  | 4,840 | 2,787 | 2,053 | 1.419 | 340 | 1,079 |
|  | 4,904 | 2,834 | 2,070 | 1,454 | 369 | 1,085 |
| Apr. $\begin{gathered} \\ \\ \\ \\ \\ 17 \\ \\ \\ 24 . \\ \end{gathered}$ | 5,114 | 2,893 | 2,221 | 1,440 | 358 | 1,082 |
|  | 5,063 | 2,911 | 2,152 | 1,443 | 356 | 1,087 |
|  | 5,043 | 2,874 | 2,169 | 1,448 | 360 | 1,088 |
|  | 5,386 | 3,080 | 2,306 | 1,457 | 367 | 1,090 |

Note.-Amounts sold under repurchase agreement are excluded. Figures include small amounts sold by banks other than large weekly reporting banks.

## COMMERCIAL AND FINANCE COMPANY PAPER AND BANKERS' ACCEPTANCES OUTSTANDING

(In millions of dollars)

| End of period | Commercial and finance company paper |  |  |  |  | Dollar acceptances |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Total | Placed through dealers |  | Placed directly |  | Total | Held by- |  |  |  |  |  | Based on- |  |  |
|  |  |  |  | Accepting banks | F.R. Banks |  | Others | Im- <br> ports into <br> United <br> States | Exports from United States | All other |
|  |  | Bank related | Other ${ }^{1}$ |  |  | Bank related |  |  |  |  | Other ${ }^{2}$ | Total | Own bills | Bills bought | Own acct. | Foreign corr. |
| 1965 | 9,300 |  | 1,903 |  | 7,397 |  | 3,392 | 1,223 | 1,094 | 129 | 187 | 144 | 1,837 | 792 | 974 | 1,626 |
| 1966 | 13,645 |  | 3,089 |  | 10,556 |  | 3,603 | 1, 198 | $\begin{array}{r}1,983 \\ 1.447 \\ \hline 1.344\end{array}$ | 215 459 | 193 | 191 | 2,022 | $\begin{array}{r}997 \\ 1.086 \\ \hline\end{array}$ | 829 989 | 1,778 |
| 1967 | 17,085 |  | 4,901 |  | 12,184 | 4,317 | 1,906 | 1,447 | 459 200 | $\begin{array}{r}164 \\ 58 \\ \hline\end{array}$ | 156 | 2,090 2,717 | 1,086 | 989 952 | 2,241 $\mathbf{2 , 0 5 3}$ |
| 1969 | 31,600 | i,2i6 | 10,601 | 3,078 | 13,972 | 4,428 | 1,544 | 1,344 | 200 249 | 58 64 | 109 | 2,717 3,674 | 1,423 | -952 | 2,053 |
| 1970 | 33,071 | 409 | 12,262 | 1,940 | 18,460 | 7,058 | 2,694 | 1,960 | 735 | 57 | 250 | 4,057 | 2,601 | 1,561 | 2,895 |
| 1971 | 32,126 | 495 | 10,923 | 1,478 | 19,230 | 7,889 | 3,480 | 2,689 | 791 | 261 | 254 | 3,894 | 2,834 | 1,546 | 3,509 |
| 1972 | 34,721 | 930 | 11,242 | 1,707 | 20,842 | 6,898 | 2,706 | 2,006 | 700 | 106 | 179 | 3,907 | 2,531 | 1,909 | 2,458 |
| 1973-Mar. | 34,052 | 993 | 8,366 | 2,463 | 22,230 | 6,859 | 2,269 | 1,777 | 492 | 165 | 282 | 4,143 | 2,091 | 2,399 | 2,368 |
| Apr.. | 34,404 | 1,044 | 8,290 | 2,767 | 22,303 | 6,713 | 2,068 | 1,641 | 427 | 136 | 344 | 4,165 | 1,996 | 2,359 | 2,359 |
| May | 35,672 | 1,148 | 8,288 | 2,922 | 23,314 | 6,888 | 2,197 | 1,763 | 433 | 83 | 384 | 4,225 | 2,009 | 2,509 | 2,371 |
| June | 35,786 | 1,173 | 8,316 | 3,110 | 23,187 | 7,237 | 2, 185 | 1,746 | 439 | 66 | 395 | 4,591 | 2,053 | 2,755 | 2,428 |
| July. | 35,463 | 1,207 | 7,954 | 3,307 | 22,995 | 7,693 | 2,254 | 1,803 | 452 | 132 | 496 | 4,810 | 2,222 | 2,954 | 2,517 |
| Sept. | 37,641 | 1,353 | 8,875 | 3, 878 | 2, 565 | 8, 170 | , 089 | 1,629 | 370 | 145 | 548 | 5,379 | 2, 296 | 2,945 | 2,520 |
| Oct. | 37,641 | 1,353 | 8,845 | 3,878 | 23, 565 | 8,170 | 2,099 | 1,629 | 470 | 145 | 548 | 5,379 | 2,296 | 3,289 | 2,585 |
|  | 41,602 | 1,317 | 12,824 | 3,549 | 25,149 | 8, 8,493 | 2,566 | 2,129 | 437 | 71 | 604 | 5,499 | 2,340 | 3,340 | 2,670 |
| Dec. | 41,073 | 1,311 | 11,751 | 3,570 | 24,441 | 8,892 | 2,837 | 2,318 | 519 | 68 | 581 | 5,406 | 2,273 | 3,499 | 3,120 |
| 1974-Jan. | 45,491 | 1,429 | 13,990 | 4,072 | 26,000 | 9,101 | 2,706 | 2,251 | 454 | 68 | 589 | 5,738 | 2,334 | 3,492 | 3,275 |
| Feb | 47,164 | 1,449 | 15,897 | 4,080 | 25,738 | 9,364 | 2,854 | 2,328 | 525 | 69 | 592 | 5,850 | 2,434 | 3,182 | 3,748 |
| Mar. | 44,690 | 1,508 | 13,520 | 4,537 | 25,125 | 10,166 | 2,986 | 2,413 | 573 | 296 | 684 | 6,200 | 2,827 | 2,979 | 4,361 |

[^56]PRIME RATE CHARGED BY BANKS
(Per cent per annum)

| Effective date | Rate | Effective date | Rate | Effective date | Rate | Effective date | Rate |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1972-Jan. 3. | 5-51/8-51/4= | 1972-Oct. $2 .$. | 51/20-53/4 | 1973-Aug. 6. | $83 / 4-9$. | 1974-Apr. 2. | 91/4E-94/10- |
| 17. | 43/4-5-51/4= | 4. | 51/2-53/4 | 7. |  |  | 91/2 |
| 24. | $45 / 8-43 / 4-54$ $412-43 / 4=-5$ | 11. | $53 / 4 \mathrm{~L}$ $53 / 4 \mathrm{C}$ | 13. | 9-91/4E |  | 91/4-94/10- |
|  | $41 / 2-43 / 4=-5$ |  | 53/4--57/8 | 21. | 91/4-91/2 |  | ${ }_{94 / 10-91 / 2}^{91 / 2}$ |
| Feb. 28. | 43/8-41/2- | Nov. ${ }^{6}$. | 53/4- | 28. | 91/2-93/4. |  | 93/4 |
|  | 43/4! | 20. | 53/4-57/8 |  | 93/4= |  | $94 / 10-91 / 2-$ |
| Mar. $13 .$. | 41/2-43/4. | Dec. 26. | 53/4-6 | Sept. 14. | 93/4-10 |  | 93/4 ${ }^{\text {¢ }}$ - 9 98/10- |
| 27. | $43 / 4-47 / 8-5$ | 27. | 53/4-6E | 18 | 10= |  | 10 |
| Apr. 3. | 43/4-5 | 1973-Jan. 4. | 6■ |  | 93/4-10■ |  | 93/4-98/10- |
| Apr. 5. | 54. |  |  | Oct. 22. | 91/2-93/4-104 |  | 10-101/10- |
| 17... | 5--51/4 | Feb. 14. | 6m-61/4 |  | $91 / 2-93 / 4=-10$ |  | 101/4 |
| May 1. | 5e-51/8-51/4 | 26. | 6■-61/4 |  |  |  | 101/4 |
| 30. |  | 27. | 61/4. |  |  |  | 101/4-104/10 |
| June 12. | 5a-51/8 | Mar. 19 | 61/4-63/4 | 1974-Jan. 7. | 91/2-93/4 ${ }^{99 / 10}$ |  | $\begin{aligned} & 1 / 4 \pi- \\ & 10^{4} / 10- \end{aligned}$ |
| 26. | 5-51/4: |  | 61/2 | 14. | 91/2-93/4- |  | $\frac{101 / 2}{}$ |
| July 3 . | 51/4-53/8 | Apr. 18. | 61/2-63/4. | 29. | 91/4-91/20- | 25. | $101 / 4-10^{4} / 10-$ $101 / 2$ |
| 10. | 51/40-53/8- |  | 63/4= |  | 97/10 | 26. | 104/10- |
|  | $51 / 4 / 2$ | May 4. | 63/4--7 | Feb. 11 | 9-91/4093/10 |  | 103/2-11 |
|  | 51/44-53/8- |  |  | 19. | 9■-91/4 |  | 101/24- |
|  | 51/2 | 24. | 7a-71/4 |  | $8^{7 / 10-83 / 4} \mathrm{~m}-9$ |  | 10\%/10- |
| Aug. 11. | 51/4-53/8 | 25. | 7-71/4 |  | $87 / 10-83 / 4=$ |  | 103/4-11 |
| 14.. |  |  |  |  |  |  |  |
| 21. | $51 / 4=-53 / 8$ $51 / 4-53 / 8-$ | June $\begin{array}{r}8 . \\ 19 .\end{array}$ | 71/2 | Mar. 4. | $81 / 2-87 / 10$ |  |  |
|  |  | 19... | 73/4=-73/4 |  | 81/2-86/10- |  |  |
| 29. | 51/4-53/8- |  |  |  | 83/4= |  |  |
|  | 51/2" | July 2. | $73 / 4-8$ | 19. | $83 / 4 \mathrm{~m}-88 / 10$ |  |  |
|  |  |  | 73/4-8. | 21. | $83 / 4=-88 / 10-9$ |  |  |
| Sept. 4. | 51/4-51/20 | 9.. | 8-81/4 |  | $88 / 10-9{ }^{\text {a }}$ |  |  |
|  | 51/2. | 17. | 81/4-81/2 | 26. | 9. |  |  |
| 11. | $51 / 2-53 / 8$ | 18. | 81/4-81/2 |  | 9■-91/4 |  |  |
| 25... |  | 230.. |  | 29. | 9-91/4 $=-91 / 2$ |  |  |
|  | 53/4 | 30.. | 81/2-83/4 $=$ |  |  |  |  |
| Note.-Beginning Nov. 1971, several banks adopted a floating prime rate keyed to money market variables. denotes the predominate prime rate quoted by commercial banks to large businesses. |  |  |  | Effective Apr. 16, 1973, with the adoption of a two tier or "dual prime rate," this table shows only the "large-business prime rate," which is the range of rates charged by commercial banks on short-term loans to large businesses with the highest credit standing. |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |

RATES ON BUSINESS LOANS OF BANKS

| Center | Size of loan (in thousands of dollars) |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | All sizes |  | 1-9 |  | 10-99 |  | 100-499 |  | 500-999 |  | 1,000 and over |  |
|  | $\begin{aligned} & \text { Feb. } \\ & 1974 \end{aligned}$ | Nov. 1973 | Feb. 1974 | Nov. 1973 | $\begin{aligned} & \text { Feb. } \\ & 1974 \end{aligned}$ | Nov. 1973 | Feb. 1974 | Nov. 1973 | Feb. 1974 | Nov. 1973 | Feb. 1974 | $\begin{aligned} & \text { Nov. } \\ & 1973 \end{aligned}$ |
|  | Short-term |  |  |  |  |  |  |  |  |  |  |  |
| 35 centers | 9.91 | 10.08 | 9.86 | 9.80 | 10.09 | 10.14 | 10.28 | 10.43 | 10.06 | 10.18 | 9.75 | 9.95 |
| New York City. | 9.68 | 9.90 | 9.93 | 10.04 | 10.12 | 10.28 | 9.95 | 10.31 | 9.78 | 10.01 | 9.62 | 9.83 |
| 7 Other Northeas | 10.28 | 10.51 | 10.42 | 10.34 | 10.46 | 10.57 | 10.71 | 10.86 | 10.48 | 10.58 | 9.99 | 10.32 |
| 8 North Central. | 9.98 | 10.02 | 9.18 | 9.02 | 9.98 | 9.81 | 10.42 | 10.38 | 10.14 | 10.19 | 9.82 | 9.91 |
| 7 Southeast.. | 9.80 | 9.96 | 9.69 | 9.58 | 9.81 | 9.82 | 10.02 | 10.16 | 9.90 | 9.97 | 9.60 | 9.89 |
| 8 Southwest. | 9.93 | 10.08 | 9.90 | 9.91 | 9.98 | 10.09 | 10.04 | 10.28 | 9.99 | 10.04 | 9.82 | 9.97 |
| 4 West Coast...... | 9.78 | 10.04 | 10.16 | 10.23 | 10.08 | 10.26 | 10.05 | 10.28 | 9.83 | 10.13 | 9.68 | 9.95 |
|  | Revolving credit |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| 35 centers. | 9.82 | 10.13 | 10.22 | 10.09 | 10.09 | 10.18 | 10.10 | 10.20 | 9.78 | 10.23 | 9.79 | 10.11 |
| New York City. | 9.91 | 10.30 | 9.32 | 9.84 | 9.60 | 10.09 | 9.99 | 10.33 | 9.72 | 10.21 | 9.92 | 10.31 |
| 7 Other Northeast | 10.20 | 10.09 | 9.82 | 10.36 | 10.27 | 10.69 | 10.32 | 10.55 | 9.65 | 10.32 | 10.25 | 10.00 |
| 8 North Central. | 10.00 | 10.22 | 11.14 | 9.96 | 10.27 | 10.17 | 10.17 | 9.70 | 10.03 | 10.55 | 9.97 | 10.24 |
| 7 Southeast. . | 9.96 | 9.22 | 9.75 | 9.11 | 9.88 | 9.54 | 10.09 | 9.83 11.22 | 9.35 | 9.75 | 10.14 | 10.05 |
| 4 West Coast. . . . | 10.34 9.58 | 10.74 9.92 | 10.58 10.24 | 10.46 10.09 | 9.97 10.11 | 10.19 | 10.32 | $\underset{11.22}{11}$ | 10.43 | 10.72 | 10.35 | 10.64 |
|  | 9.58 | 9.92 | 10.24 | 10.09 | 10.11 | 10.21 | 10.04 | 10.16 | 9.65 | 10.04 | 9.51 | 9.88 |
|  | Long-term |  |  |  |  |  |  |  |  |  |  |  |
| 35 centers. | 10.16 | 10.68 | 10.74 | 10.36 | 10.42 | 10.45 | 10.47 | 10.23 | 10.24 | 10.54 | 10.09 | 10.78 |
| New York City | 10.03 | 11.05 |  | 9.69 | 10.93 | 10.92 | 10.06 | 10.45 | 9.95 | 10.60 | 10.02 | 11.12 |
| 7 Other Northeast | 10.48 | 10.17 | 10.93 | 10.80 | 10.07 | 10.32 | 10.19 | 9.83 | 10.58 | 9.94 | 10.58 | 10.29 |
| 8 North Central. | 10.48 | 10.92 | 10.51 | 10.08 | 9.69 | 10.40 | 10.45 | 10.12 | 10.10 | 10.25 | 10.57 | 11.16 |
| 7 Southeast... | 10.93 | 12.33 | 10.49 | 9.10 | 13.59 | 10.98 | 12.48 | 13.07 | 14.20 | 15.73 | 8.90 | 10.96 |
| 8 Southwest. | 9.90 | 10.28 | 10.88 | 10.95 | 10.23 | 10.22 | 10.56 | 10.15 | 9.63 | 10.59 | 9.79 | 10.21 |
| 4 West Coast. | 9.75 | 10.18 | 10.75 | 9.92 | 10.21 | 10.29 | 10.64 | 9.80 | 10.22 | 10.73 | 9.55 | 10.15 |

## MONEY MARKET RATES

(Per cent per annum)

| Period | Prime commercial paper ${ }^{1}$ |  | Finance co. paper placed directly, 3. to 6months ${ }^{2}$ | Prime bankers' acceptances, 90 days ${ }^{1}$ | Federal fundsrate $^{3}$ | U.S. Government securities ${ }^{4}$ |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 3-month bills ${ }^{5}$ |  |  | 6-month bills ${ }^{5}$ |  | 9-to 12-month issues |  | 3. to 5 year issues ${ }^{6}$ |
|  | $\begin{gathered} 90-119 \\ \text { days } \end{gathered}$ | 4- to 6 months |  |  |  | Rate on new issue | Market yield | Rate on new issue | Market yield |  | $\begin{aligned} & \text { 1-year } \\ & \text { bill (mar- } \\ & \text { ket yield) } \end{aligned}$ | Other ${ }^{6}$ |
| 1967. |  | 5.10 |  | 4.89 | 4.75 | 4.22 | 4.321 | 4.29 | 4.630 | 4.61 | 4.71 | 4.84 | 5.07 |
| 1968 |  | 5.90 | 5.69 | 5.75 | 5.66 | 5.339 | 5.34 | 5.470 | 5.47 | 5.46 | 5.62 | 5.59 |
| 1969 |  | 7.83 | 7.16 | 7.61 | 8.21 | 6.677 | 6.67 | 6.853 | 6.86 | 6.79 | 7.06 | 6.85 |
| 1970. |  | 7.72 | 7.23 4.91 | 7.31 4.85 | 7.17 4.66 | 6.458 4.348 | 6.39 4.33 | 6.562 4.511 | 6.51 4.52 | 6.49 4.67 | 6.90 4.75 | 7.37 5.77 |
| 1972 | 4.66 | 4.69 | 4.92 | 4.87 | 4.66 4.44 | 4.348 4.071 | 4.337 | 4.511 | 4.52 4.49 | 4.67 4.77 | 4.75 4.86 | 5.77 5.85 |
| 1973. | 8.20 | 8.15 | 7.40 | 8.08 | 8.74 | 7.041 | 7.03 | 7.178 | 7.20 | 7.01 | 7.30 | 6.92 |
| 1973-Apr. . . | 7.13 | 7.14 | 6.76 | 6.97 | 7.12 | 6.289 | 6.26 | 6.525 | 6.52 | 6.51 | 6.79 | 6.74 |
| May... | 7.26 | 7.27 | 6.85 | 7.15 | 7.84 | 6.348 | 6.36 | 6.615 | 6.62 | 6.63 | 6.83 | 6.78 |
| June. | 8.00 | 7.99 | 7.45 | 7.98 | 8.49 | 7.188 | 7.19 | 7.234 | 7.23 | 7.05 | 7.27 | 6.76 |
| July. | 9.26 | 9.18 | 8.09 | 9.19 | 10.40 | 8.015 | 8.01 | 8.081 | 8.12 | 7.97 | 8.37 | 7.49 |
| Aug. | 10.26 | 10.21 | 8.90 | 10.18 | 10.50 | 8.672 | 8.67 | 8.700 | 8.65 | 8.32 | 8.82 | 7.75 |
| Sept. | 10.31 | 10.23 | 8.90 | 10.19 | 10.78 | 8.478 | 8.29 | 8.537 | 8.45 | 8.07 | 8.44 | 7.16 |
| Oct. | 9.14 | 8.92 | 7.84 | 9.07 | 10.01 | 7.155 | 7.22 | 7.259 | 7.32 | 7.17 | 7.42 | 6.81 |
| Nov. | 9.11 | 8.94 | 7.94 | 8.73 | 10.03 9.95 | 7.866 7.364 | 7.83 | 7.823 | 7.96 | 7.40 | 7.66 | 6.96 |
| Dec. | 9.28 | 9.08 | 8.16 | 8.94 | 9.95 | 7.364 | 7.45 | 7.444 | 7.56 | 7.01 | 7.38 | 6.80 |
| 1974-Jan. | 8.86 | 8.66 | 7.92 | 8.72 | 9.65 | 7.755 | 7.77 | 7.627 | 7.65 | 7.01 | 7.46 | 6.94 |
| Feb. | 8.00 | 7.82 | 7.40 | 7.83 | 8.97 | 7.060 | 7.12 | 6.874 | 6.96 | 6.51 | 6.93 | 6.77 |
| Mar. | 8.64 | 8.42 | 7.76 | 8.43 | 9.35 | 7.986 | 7.96 | 7.829 | 7.83 | 7.34 | 7.86 | 7.33 |
| Apr. | 9.92 | 9.79 | 8.43 | 9.61 | 10.51 | 8.229 | 8.33 | 8.171 | 8.32 | 8.08 | 8.66 | 7.99 |
| Week ending- |  |  |  |  |  |  |  |  |  |  |  |  |
| 1974-Jan. 5. | 9.13 | 8.88 | 8.00 | 8.75 | 9.87 | 7.406 | 7.49 | 7.371 | 7.48 | 6.94 | 7.37 | 6.83 |
| 12. | 8.85 | 8.65 | 7.80 | 8.75 | 9.76 | 7.615 | 7.72 | 7.560 | 7.66 | 7.07 | 7.41 | 6.88 |
| 19. | 8.95 | 8.75 | 7.90 | 8.75 | 9.77 | 7.983 | 7.89 | 7.867 | 7.79 | 7.04 | 7.52 | 6.94 |
|  | 8.90 | 8.68 | 8.00 | 8.75 | 9.60 | 7.995 | 7.99 | 7.819 | 7.81 | 7.07 | 7.58 | 7.06 |
| Feb. 2. | 8.45 | 8.38 | 7.93 | 8.55 | 9.47 | 7.778 | 7.55 | 7.516 | 7.31 | 6.80 | 7.33 | 6.94 |
|  | 8.15 | 7.93 | 7.53 | 7.85 | 9.13 | 6.951 | 7.03 | 6.747 | 6.91 | 6.52 | 6.87 | 6.74 |
|  | 7.94 | 7.75 | 7.38 | 7.75 | 8.93 | 7.081 | 7.06 | 6.882 | 6.86 | 6.41 | 6.83 | 6.70 |
|  | 7.84 | 7.69 | 7.31 | 7.75 | 9.07 | 7.018 | 7.07 | 6.787 | 6.87 | 6.42 | 6.87 | 6.76 |
| Mar. 2. | 8.00 | 7.88 | 7.30 | 7.85 | 8.81 | 7.188 | 7.36 | 7.081 | 7.27 | 6.71 | 7.15 | 6.93 |
|  | 8.20 | 8.00 | 7.50 | 8.00 | 8.98 | 7.675 | 7.71 | 7.566 | 7.53 | 6.96 | 7.34 | 7.06 |
|  | 8.43 | 8.18 | 7.75 | 8.08 | 9.03 | 7.920 | 7.82 | 7.637 | 7.59 | 7.06 | 7.59 | 7.16 |
| 23. | 8.73 | 8.50 | 7.85 | 8.60 | 9.33 | 8.047 | 8.06 | 7.882 | 8.02 | 7.56 | 8.15 | 7.48 |
| 30. | 9.30 | 9.10 | 8.00 | 9.10 | 9.61 | 8.300 | 8.35 | 8.231 | 8.24 | 7.84 | 8.49 | 7.69 |
| Apr. 6. | 9.53 | 9.38 | 8.25 | 9.30 | 9.93 | 8.358 | 8.51 | 8.211 | 8.31 | 7.95 | 8.48 | 7.91 |
| 13. | 9.70 | 9.60 | 8.40 | 9.50 | 10.02 | 8.648 | 8.49 | 8.393 | 8.34 | 8.05 | 8.55 | 7.98 |
|  | 9.88 | 9.73 | 8.50 | 9.50 | 10.36 | 8.051 | 8.05 | 8.084 | 8.18 | 8.05 | 8.61 | 7.94 |
| 27. | 10.23 | 10.13 | 8.50 | 9.85 | 10.78 | 7.857 | 8.10 | 7.995 | 8.27 | 8.14 | 8.82 | 8.04 |

${ }^{1}$ Averages of the most representative daily offering rate quoted by dealers.

2 Averages of the most representative daily offering rate published by finance companies, for varying maturities in the $90-179$ day range.
${ }^{3}$ Seven-day averages for week ending Wednesday. Beginning with statement week ending July 25, 1973, weekly averages are based on the daily average of the range of rates on a given day weighted by the volume of transactions at these rates. For earlier statement weeks, the averages were based on the daily effective rate-the rate considered most repre-
sentative of the day's transactions, usually the one at which most transactions occurred.
${ }^{4}$ Except for new bill issues, yields are averages computed from daily closing bid prices.
${ }_{5}$ Bills quoted on bank-discount-rate basis.
6 Selected note and bond issues.
Note.-Figures for Treasury bills are the revised series described on $p$. A- 35 of the Oct. 1972 Bulletin.

## BOND AND STOCK YIELDS

(Per cent per annum)

| Period | Government bonds |  |  |  | Corporate bonds |  |  |  |  |  |  |  | Stocks |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | United States (longterm) | State and local |  |  | Aaa utility |  | Total ${ }^{1}$ | By selected rating |  | $\underset{\text { group }}{\text { By }}$ |  |  | Dividend/ price ratio |  | Earnings/ price ratio |
|  |  | Total ${ }^{1}$ | Aaa | Baa | New issue | $\mathrm{Re}-$ cently offered |  |  | Baa | Industrial | Rail- <br> road | Public utility | Pre- | Com- | Com- |
|  |  |  |  |  |  |  | Seasoned issues |  |  |  |  |  |  |  |  |
| 1963. | 4.00 | 3.28 | 3.06 | 3.58 | 4.21 |  | 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 | 4.34 |  | 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 | 4.50 | 4.51 | 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 | 5.43 | 5.38 | 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 | 5.79 | 5.82 | 5.51 | 6.23 | 5.74 | 5.89 | 5.81 | 5.34 | 3.20 | 5.71 |
| 1968. | 5.25 | 4.48 | 4.20 | 4.88 | 6.50 | 6.47 | 6.51 | 6.18 | 6.94 | 6.41 | 6.77 | 6.49 | 5.78 | 3.07 | 5.64 |
| 1969. | 6.10 | 5.73 | 5.45 | 6.07 | 7.71 | 7.64 | 7.36 | 7.03 | 7.81 | 7.22 | 7.46 | 7.49 | 6.41 | 3.24 | 6.08 |
| 1970. | 6.59 | 6.42 | 6.12 | 6.75 | 8.68 | 8.71 | 8.51 | 8.04 | 9.11 | 8.26 | 8.77 | 8.68 | 7.22 | 3.83 | 6.46 |
| 1971. | 5.74 | 5.62 | 5.22 | 5.89 | 7.62 | 7.66 | 7.94 | 7.39 | 8.56 | 7.57 | 8.38 | 8.13 | 6.75 | 3.14 | 5.41 |
| 1972. | 5.63 | 5.30 | 5.04 | 5.60 | 7.31 | 7.34 | 7.63 | 7.21 | 8.16 | 7.35 | 7.99 | 7.74 | 7.27 | 2.84 | 5.50 |
| 1973. | 6.30 | 5.22 | 4.99 | 5.49 | 7.74 | 7.75 | 7.80 | 7.44 | 8.24 | 7.60 | 8.12 | 7.83 | 7.23 | 3.06 |  |
| 1973-Apr. | 6.11 | 5.17 | 4.95 | 5.42 | 7.46 | 7.47 | 7.62 | 7.26 | 8.09 | 7.43 | 7.98 | 7.64 | 7.11 | 2.90 |  |
| May. | 6.22 | 5.13 | 4.90 | 5.41 | 7.51 | 7.50 | 7.62 | 7.29 | 8.06 | 7.41 | 8.01 | 7.63 | 7.13 | 3.01 |  |
| June. | 6.32 | 5.25 | 5.05 | 5.51 | 7.64 | 7.64 | 7.69 | 7.37 | 8.13 | 7.49 | 8.07 | 7.69 | 7.25 | 3.06 | 6.93 |
| July | 6.53 | 5.44 | 5.21 | 5.71 | 8.01 | 7.97 | 7.80 | 7.45 | 8.24 | 7.59 | 8.17 | 7.81 | 7.35 | 3.04 |  |
| Aug | 6.81 | 5.51 | 5.26 | 5.80 | 8.36 | 8.22 | 8.04 | 7.68 | 8.53 | 7.91 | 8.32 | 8.06 | 7.43 | 3.16 |  |
| Sept. | 6.42 | 5.13 | 4.90 | 5.41 | 7.88 | 7.99 | 8.06 | 7.63 | 8.63 | 7.89 | 8.37 | 8.09 | 7.38 | 3.13 | r7.09 |
| Oct. | 6.26 | 5.03 | 4.76 | 5.31 | 7.90 | 7.94 | 7.96 | 7.60 | 8.41 | 7.76 | 8.24 | 8.04 | 7.18 | 3.05 |  |
| Nov. | 6.31 | 5.21 5 | 5.03 | 5.46 | 7.90 | 7.94 | 8.02 | 7.67 | 8.42 | 7.81 | 8.28 | 8.11 | 7.40 | 3.36 |  |
| Dec. | 6.35 | 5.14 | 4.90 | 5.43 | 8.00 | 8.04 | 8.05 | 7.68 | 8.48 | 7.84 | 8.28 | 8.17 | 7.76 | 3.70 | 8.31 |
| 1974-Jan. | 6.56 | 5.23 | 5.03 | 5.49 | 8.21 | 8.22 | 8.15 | 7.83 | 8.58 | 7.97 | 8.34 | 8.27 | 7.60 | 3.64 |  |
| Feb. | 6.54 | 5.25 | 5.05 | 5.49 | 8.12 | 8.23 | 8.17 | 7.85 | 8.59 | 8.01 | 8.27 | 8.33 | 7.47 | 3.81 |  |
| Mar. | 6.81 | 5.44 | 5.20 | 5.71 | 8.46 | r8.44 | 8.27 | 8.01 | 8.65 | 8.12 | 8.35 | 8.44 | 7.56 | 3.65 |  |
| Apr..... | 7.04 | 5.76 | 5.45 | 6.06 | 8.98 | 8.94 | 8.50 | 8.25 | 8.88 | 8.39 | 8.51 | 8.68 | 7.83 | 3.86 |  |
| Week ending- |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1974-Mar. 2. | 6.62 | 5.29 | 5.10 | 5.55 | 8.30 | 8.29 | 8.18 | 7.87 | 8.59 | 8.03 | 8.25 | 8.35 | 7.39 | 3.70 | ..... |
| (974- 9 9. | 6.71 | 5.31 | 5.10 | 5.55 | 8.37 | 8.27 | 8.21 | 7.92 | 8.60 | 8.05 | 8.28 | 8.38 | 7.39 | 3.64 |  |
| 16. | 6.75 | 5.38 | 5.15 | 5.65 | 8.33 | 8.37 | 8.25 | 7.99 | 8.63 | 8.08 | 8.33 | 8.41 | 7.50 | 3.58 |  |
| 23. | 6.88 | 5.46 | 5.20 | 5.75 | 8.59 | 8.52 | 8.30 | 8.05 | 8.67 | 8.14 | 8.37 | 8.46 | 7.63 | 3.67 |  |
| 30. | 6.93 | 5.61 | 5.35 | 5.90 | 8.64 | 8.67 | 8.36 | 8.11 | 8.72 | 8.22 | 8.39 | 8.53 | 7.72 | 3.71 |  |
| Apr. 6. | 7.02 | 5.73 | 5.40 | 6.00 | 8.78 | 8.75 | 8.43 | 8.17 | 8.79 | 8.30 | 8.42 | 8.62 | 7.75 | 3.80 |  |
| Apr. 13. | 7.04 | 5.83 | 5.50 | 6.15 | 9.13 | 8.92 | 8.49 | 8.25 | 8.87 | 8.36 | 8.48 | 8.69 | 7.81 | 3.88 |  |
| 20. | 6.99 | 5.69 | 5.40 | 6.00 | 8.91 | 8.95 | 8.51 | 8.26 | 8.89 | 8.41 | 8.51 | 8.66 | 7.83 | 3.80 |  |
| 27. | 7.07 | 5.80 | 5.51 | 6.10 | 8.98 | 9.08 | 8.55 | 8.28 | 8.94 | 8.45 | 8.57 | 8.71 | 7.91 | 3.95 |  |
| Number of issues ${ }^{2}$. | 12 | 20 | 5 | 5 |  |  | 121 | 20 | 30 | 41 | 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 , there is no longer an Aaa-rated railroad bond series.
${ }^{2}$ 2 Number of issues varies over time; figures shown reflect most recent count.

Note.-Annual yields are averages of monthly or quarterly data.
Bonds: Monthly and weekly yields are computed as follows: (1) U.S. Govt.: Averages of daily figures for bonds maturing or callable in 10 years or more; from Treasury Dept. (2) State and local govt.: General obligations
only, based on Thurs. figures; from Moody's Investor Service. (3) Corporate: Rates for "New issue", and "Recently offered" Aaa utility bonds are weekly averages compiled by the Board of Governors of the Federal Reserve System. Rates for seasoned issues are averages of daily figures from Moody's Investors Service.
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 eight median yields for a sample of noncallable issues- 12 industrial and 2 public utility; common stock ratios on the 500 stocks in the price index. Quarterly earnings are seasonally adjusted at annual rates.

## NOTES TO TABLES ON OPPOSITE PAGE:

## Security Prices:

${ }^{1}$ Through Aug. 1973 the index is based upon an initial value of $10.90-$ the average price of a share of stock listed on the American Stock Exchange was $\$ 10.90$ on June 30, 1965. As of Sept. 1973, a new market-value index with a starting value of 100.00 replaced the previous series. An index for past periods is being calculated on the new market-value basis and will be published as it becomes available.

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 on p. A-30 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. Average daily volume of trading, normally conducted 5 days per week for $51 / 2$ hours per day, or $271 / 2$ hours per week. In recent years shorter days and/or weeks have cut total weekly trading to the following number of hours: 1967-Aug. 8-20, 20; 1968-Jan. 22Mar. 1, 20; June 30-Dec. 31, 22; 1969-Jan. 3-July 3, 20; July 7-Dec. 31221/2; 1970—Jan. 2-May 1, 25.

## Terms on Mortgages:

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 or home-seller. They exclude any closing costs related soleiy to transfer of property ownership.

Note.-Compiled by Federal Home Loan Bank Board in cooperation with Federal Deposit Insurance Corporation. Data are weighted averages based on probability sample survey of characteristics of mortgages originated by major institutional lender groups (including mortgage companies) for purchase of single-family homes. Data exclude loans for refinancing, reconditioning, or modernization; construction loans to homebuilders; and permanent loans that are coupled with construction loans to owner-builders. Series revised beginning Jan. 1973; hence data are not strictly comparable with earlier figures. See also the table on HomeMortgage Yields, p. A-49.

| Period | Bond prices (per cent of par) |  |  | Common stock prices |  |  |  |  |  |  |  |  |  | Volume of trading in stocks (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 <br> (Dec. 31, $1965=50$ ) |  |  |  |  |  |  |  |
|  | U.S. Govi. (long. term) | State and local | Corporate AAA | Total | Industrial | Railroad | Public utility | Total | Industrial | Trans-portation | Utility | $\underset{\text { nance }}{\mathrm{Fi}-}$ |  | NYSE | AMEX |
| 1963. | 86.31 | 111.3 | 96.8 | 69.87 | 73.39 | 37.58 | 64.99 |  |  |  |  |  | 8.52 | 4,573 | 1,269 |
| 1964. | 84.46 | 111.5 | 95.1 | 81.37 | 86.19 | 45.46 | 69.91 |  |  |  |  |  | 9.81 | 4,888 | 1,570 |
| 1965. | 83.76 | 110.6 | 93.9 | 88.17 | 93.48 | 46.78 | 76.08 |  |  |  |  |  | 12.05 | 6,174 | 2,120 |
| 1966. | 78.63 | 102.6 | 86.1 | 85.26 | 91.09 | 46.34 | 68.21 | 44.16 | 43.79 | 48.23 | 44.77 | 44.43 | 14.67 | 7,538 | 2,752 |
| 1967 | 76.55 | 100.5 | 81.8 | 91.93 | 99.18 | 46.72 | 68.10 | 50.77 | 51.97 | 53.51 | 45.43 | 49.82 | 19.67 | 10,143 | 4,508 |
| 1968 | 72.33 64.49 | 93.5 79.0 | 76.4 | 98.70 97.84 | 107.49 107.13 | 48.84 45.95 | 66.42 62.64 | 55.37 54.67 | 58.00 57.45 | 50.58 46.96 | 44.19 42.80 | 65.85 70.49 | 27.72 138.96 | 12,971 11,403 | 6,353 |
| 1970 | 60.52 | 72.3 | 61.6 | 83.22 | 91.29 | 32.13 | 54.48 | 45.72 | 48.03 | 32.14 | 37.24 | 54.64 | 96.63 | 10,532 | 3,376 |
| 1971 | 67.73 | 80.0 | 65.0 | 98.29 | 108.35 | 41.94 | 59.33 | 54.22 | 57.92 | 44.35 | 39.53 | 70.38 | 113.40 | 17,429 | 4,234 |
| 1972. | 68.71 | 84.4 | 65.9 | 109.20 | 121.79 | 44.11 | 56.90 | 60.29 | 65.73 | 50.17 | 38.48 | 78.35 | 129.10 | 16,487 | 4,447 |
| 1973 | 62.80 | 85.4 | 63.7 | 107.43 | 120.44 | 38.05 | 53.47 | 57.42 | 63.08 | 37.74 | 37.69 | 70.12 | 103.80 | 16,374 | 3,004 |
| 1973-Apr. | 64.39 | 85.7 | 64.9 | 110.27 | 123.56 | 35.88 | 55.34 | 58.67 | 64.41 | 40.57 | 38.97 | 69.42 | 105.32 | 13,900 | 2,981 |
| May | 63.43 | 86.1 | 64.7 | 107.22 | 119.95 | 36.14 | 55.43 | 56.74 | 62.22 | 36.66 | 39.01 | 65.33 | 97.11 | 15,329 | 3,043 |
| June | 62.61 | 85.8 | 64.4 | 104.75 | 117.20 | 34.35 | 54.37 | 55.14 | 60.52 | 33.72 | 37.95 | 63.52 | 92.60 | 12,796 | 2,316 |
| July. | 60.87 | 83.2 | 63.8 | 105.83 | 118.65 | 35.22 | 53.31 | 56.12 | 61.53 | 34.22 | 37.68 | 68.95 | 97.67 | 14,655 | 2,522 |
| Aug. | 58.71 | 82.2 | 61.0 | 103.80 | 116.75 | 33.76 | 50.14 | 55.33 | 61.09 | 33.48 | 35.40 | 68.26 | 99.23 | 14,761 | 1,796 |
| Sept | 61.81 | 86.2 | 61.3 | 105.61 | 118.52 | 35.49 | 52.31 | 56.71 | 62.25 | 35.82 | 36.79 | 72.23 | 101.88 | 17,320 | 2,055 |
| Oct. | 63.13 | 86.9 | 62.1 | 109.84 | 123.42 | 38.24 | 53.22 | 59.26 | 65.29 | 39.03 | 37.47 | 74.98 | 107.97 | 18,387 | 3,388 |
| Nov. | 62.71 | 85.6 | 62.1 | 102.03 | 114.64 | 39.74 | 48.30 | 54.59 | 60.15 | 36.31 | 34.73 | 67.85 | 99.91 | 19,044 | 3,693 |
| Dec. | 62.37 | 86.1 | 62.9 | 94.78 | 106.16 | 41.48 | 45.73 | 50.39 | 55.12 | 34.69 | 33.47 | 62.49 | 88.39 | 19,227 | 3,553 |
| 1974-Jan. | 60.66 | 85.2 | 62.3 | 96.11 | 107.18 | 44.37 | 48.60 | 51.39 | 55.77 | 36.85 | 35.89 | 64.80 | 95.32 | 16,506 | 2,757 |
| Feb. | 60.83 | 85.3 | 62.0 | 93.45 | 104.13 | 41.85 | 48.13 | 50.01 | 54.02 | 36.26 | 35.27 | 62.81 | 95.11 | 13,517 | 2,079 |
| Mar. | 58.70 | 83.5 | 61.3 | 97.44 | 108.98 | 42.57 | 47.90 | 52. 15 | 56.80 53.95 | 38.39 | 35.22 32 | 64.47 | 99.10 | 14,745 | 2,123 |
| Apr.... | 57.01 | 80.2 | 60.3 | 92.46 | 103.46 | 40.26 | 44.03 | 49.21 | 53.95 | 35.87 | 32.59 | 58.72 | 93.57 | 12,109 | 1,752 |
| Week ending- |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Apr. | 57.16 | 80.7 | 60.7 | 93.65 | 104.77 | 41.17 | 45.85 | 49.94 | 54.58 | 36.50 | 33.53 | 60.05 | 96.25 | 11,660 | 1,756 |
| Apr. 13. | 57.00 | 79.7 | 60.3 | 92.29 | 103.30 | 40.56 | 44.90 | 49.17 | 53.78 | 36.09 | 32.99 | 58.58 | 94.43 | 10,798 | 1,783 |
| 20. | 57.39 | 81.0 | 60.4 | 93.72 | 105.05 | 40.75 | 44.75 | 49.90 | 54.71 | 36.58 | 32.99 | 59.64 | 94.24 | 12,790 | 1,743 |
| 27. | 56.81 | 79.4 | 59.9 | 91.05 | 102.27 | 39.35 | 42.28 | 48.37 | 53.15 | 34.98 | 31.64 | 57.57 | 91.05 | 13,952 | 1,883 |

For notes see opposite page.

TERMS ON CONVENTIONAL FIRST MORTGAGES

| Period | New homes |  |  |  |  |  | Existing homes |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Contract rate (per cent) | Fees \& charges (per cent) | Maturity (years) | Loan/ price ratio (per cent) | Purchase price (thous. of dollars) | $\begin{gathered} \text { Loan } \\ \text { amount } \\ \text { (thous. of } \\ \text { dollars) } \end{gathered}$ | Contract rate (per cent) | Fees \& charges (per cent) ${ }^{1}$ | Maturity (years) | Loan/ price ratio (per cent) | Pur- chase price (thous, of dollars) | Loan amount (thous. of dollars) |
| 1965. | 5.74 | . 49 | 25.0 | 73.9 | 25.1 | 18.3 | 5.87 | . 55 | 21.8 | 72.7 | 21.6 | 15.6 |
| 1966. | 6.14 | . 71 | 24.7 | 73.0 | 26.6 | 19.2 | 6.30 | . 72 | 21.7 | 72.0 | 22.2 | 15.9 |
| 1967. | 6.33 | . 81 | 25.2 | 73.6 | 28.0 | 20.4 | 6.40 | . 76 | 22.5 | 72.7 | 24.1 | 17.4 |
| 1968. | 6.83 | . 89 | 25.5 | 73.9 | 30.7 | 22.4 | 6.90 | . 83 | 22.7 | 73.0 | 25.6 | 18.5 |
| 1969. | 7.66 | . 91 | 25.5 | 72.8 | 34.1 | 24.5 | 7.68 | . 88 | 22.7 | 71.5 | 28.3 | 19.9 |
| 1970. | 8.27 | 1.03 | 25.1 | 71.7 | 35.5 | 25.2 | 8.20 | . 92 | 22.8 | 71.1 | 30.0 | 21.0 |
| 1971. | 7.60 | . 87 | 26.2 | 74.3 | 36.3 | 26.5 | 7.54 | . 77 | 24.2 | 73.9 | 31.7 | 23.1 |
| 1972. | 7.45 | . 88 | 27.2 | 76.8 | 37.3 | 28.1 | 7.38 | . 81 | 25.7 | 76.0 | 33.4 | 25.0 |
| 1973. | 7.78 | 1.11 | 26.3 | 77.3 | 37.1 | 28.1 | 7.86 | . 94 | 23.2 | 75.2 | 31.2 | 22.8 |
| 1973-Apr.. | 7.53 | 1.11 | 26.6 | 78.2 | 36.9 | 28.2 | 7.55 | . 96 | 23.9 | 77.3 | 30.1 | 22.8 |
| May. | 7.55 | 1.05 | 25.9 | 77.7 | 35.6 | 27.2 | 7.62 | . 93 | 23.5 | 77.5 | 30.0 | 22.3 |
| June. | 7.62 | 1.08 | 26.3 | 78.0 | 35.8 | 27.5 | 7.64 | . 92 | 23.4 | 75.9 | 31.7 | 23.5 |
| July.. | 7.69 | 1.11 | 26.3 | 78.1 | 37.0 | 28.3 | 7.70 | . 91 | 24.1 | 75.5 | 33.3 | 24.6 |
| Aug. | 7.77 | 1.08 | 26.7 | 76.7 | 38.6 | 28.9 | 7.87 | . 92 | 23.4 | 75.6 | 32.0 | 23.6 |
| Sept. | 7.98 | 1.19 | 26.6 | 77.3 | 37.2 | 28.2 | 8.10 | . 97 | 23.1 | 74.1 | 32.8 | 23.5 |
| Oct. | 8.12 | 1.20 | 26.1 | 76.9 | 38.5 | 29.0 | 8.35 | . 92 | 22.5 | 72.7 | 31.8 | 22.6 |
| Nov... | 8.22 | 1.08 | 26.0 | 75.5 | 38.9 | 28.8 | 8.42 | . 94 | 22.2 | 71.2 | 32.3 | 22.6 |
| Dec., . | 8.31 | 1.12 | 25.6 | 75.5 | 37.7 | 28.0 | 8.46 | . 94 | 22.1 | 72.8 | 30.8 | 22.0 |
| 1974-Jan.. | 8.33 | 1.16 | 26.4 | 76.3 | 38.8 | 28.9 | 8.47 | 1.02 | 22.8 | 72.4 | 33.4 | 23.5 |
| Feb. | 8.40 | 1.33 | 25.9 | 76.5 | 37.8 | 28.5 | 8.53 | 1.02 | 22.9 | 73.9 | 33.7 | 24.6 |
| Mar. ${ }^{\text {r }}$ | 8.43 | 1.35 | 26.4 | 77.3 | 39.1 | 29.5 | 8.47 | 1.02 | 23.3 | 74.1 | 32.6 | 23.7 |
| Apr. ${ }^{\text {a }}$. | 8.46 | 1.25 | 26.4 | 77.7 | 38.4 | 29.4 | 8.42 | 1.01 | 23.2 | 74.0 | 32.2 | 23.5 |

For notes see opposite page.

STOCK MARKET CUSTOMER FINANCING
(In millions of dollars)

| End of period | Margin credit at brokers and banks 1 |  |  |  |  |  |  |  |  |  | Free credit balances at brokers 4 |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Regulated 2 |  |  |  |  |  |  |  |  | Unregulated 3 |  |  |
|  | By source |  |  | By type |  |  |  |  |  |  |  |  |
|  | Total | Brokers | Banks | Margin stock |  | Convertible bonds |  | Subscription issues |  | Nonmargin stock credit at banks |  |  |
|  |  |  |  | Brokers | Banks | Brokers | Banks | Brokers | Banks |  | Margin acets. | Cash accts. |
| 1973-Mar. | 8,347 | 7,468 | 879 | 7,200 | 813 | 244 | 48 | 24 | 18 | 1,862 | 442 | 1,719 |
| Apr. | 8,165 | 7,293 | 872 | 7,040 | 804 | 232 | 49 | 21 | 19 | 1,952 | 389 | 1,536 |
| May. | 7,650 | 6,784 | 866 | 6,540 | 802 | 224 | 47 | 20 | 18 | 1,992 | 413 | 1,564 |
| June. | 7,369 | 6,416 | 953 | 6,180 | 885 | 215 | 53 | 21 | 15 | 1,973 | 396 | 1,472 |
| July. | 7,299 | 6,243 | 1,056 | 6,010 | 976 | 216 | 64 | 17 | 16 | 1,957 | 379 | 1,542 |
| Aug.. | 7,081 | 6,056 | 1,025 | 5,830 | 949 | 210 | 61 | 16 | 15 | 1,952 | 348 | 1,462 |
| Sept. | 6,954 | 5,949 | 1,005 | 5,730 | +929 | 204 | 60 | 15 | 16 | 1,909 | 379 | 1,632 |
| Oct. . | 7,093 | 5,912 | 1,181 | 5,690 | 1,105 | 203 | 59 | 19 | 17 | 1,878 | 419 | 1,713 |
| Nov.. | 76,774 6,382 | 5,671 | 1,003 | 5,460 | 1,027 | 197 | 60 | 14 | 16 | 1,917 | 464 | 1,685 |
| Dec. | 6,382 | 5,251 | 1,131 | 5,050 | 1,070 | 189 | 46 | 12 | 15 | 1,866 | 454 | 1,700 |
| 1974-Jan. | 6,343 | 5,323 | 1,020 | 5,130 | 961 | 182 | 45 | 11 | 14 | 1,799 | 442 | 1,666 |
| Feb. | 6,462 | 5,423 | 1,039 | 5,230 | 977 | 183 | 46 | 10 | 16 | 1,843 | 420 | 1,604 |
| Mar... |  | 5,519 |  | 5,330 |  | 180 |  | 9 |  |  | 424 | 1,583 |

1 Margin credit includes all credit extended to purchase or carry stocks or related equity instruments and secured at least in part by stock (see Dec. 1970 Bulletin). Credit extended by brokers is end-of-month data for member firms of the New York Stock Exchange. June data for banks are universe totals; all other data for banks represent estimates for all commercial banks based on reports by a reporting sample, which accounted for 60 per cent of security credit outstanding at banks on June 30, 1971.
$\mathbf{2}$ In addition to assigning a current loan value to margin stock generally,

## EQUITY STATUS OF MARGIN ACCOUNT DEBT AT BROKERS

(Per cent of total debt, except as noted)

| End of period | Total debt (millions dollars) ${ }^{1}$ | Equity class (per cent) |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | 80 or more | 70-79 | 60-69 | 50-59 | 40-49 | $\begin{gathered} \text { Under } \\ 40 \end{gathered}$ |
| 1973-Mar. | 7,200 | 5.7 | 7.5 | 15.9 | 23.1 | 22.7 | 25.1 |
| Apr. | 7,040 | 4.8 | 7.3 | 13.4 | 19.8 | 22.4 | 32.4 |
| May | 6,540 | 4.9 | 7.2 | 12.7 | 18.7 | 21.9 | 34.9 |
| June. | 6,180 | 4.9 | 7.1 | 13.2 | 17.5 | 22.1 | 35.3 |
| July.. | 6,010 | 5.8 | 8.8 | 17.7 | 22.7 | 25.3 | 19.7 |
| Aug. | 5,830 | 5.0 | 8.4 | 16.4 | 19.6 | 24.2 | 26.4 |
| Sept.. | 5,730 | 5.0 | 13.9 | 18.9 | 23.9 | 23.5 | 16.8 |
| Oct. . | 5,690 | 7.2 | 10.0 | 19.9 | 22.6 | 22.1 | 18.2 |
| Nov.. | 5,460 | 5.4 | 6.1 | 12.0 | 16.9 | 19.5 | 40.1 |
| Dec.. | 5,050 | 5.8 | 7.7 | 14.4 | 17.4 | 20.3 | 34.2 |
| 1974-Jan... | 5,130 | 5.5 | 8.0 | 14.2 | 22.6 | 25.8 | 24.0 |
| Feb... | 5,230 | 5.4 | 7.4 | 13.3 | 22.6 | 28.0 | 23.3 |
| Mar.. | 5,330 | 5.0 | 7.0 | 11.4 | 19.4 | 30.2 | 27.1 |

1 See note 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 values.

Regulations $T$ and $U$ permit special loan values for convertible bonds and stock acquired through exercise of subscription rights.

3 Nonmargin stocks are those not listed on a national securities exchange and not included on the Federal Reserve System's list of Over the Counter margin stocks. At banks, loans to purchase or carry nonmargin stocks are unregulated; at brokers, such stocks have no loan value.
4 Free credit balances are in accounts with no unfulfilled commitments to the brokers and are subject to withdrawal by customers on demand.

## SPECIAL MISCELLANEOUS ACCOUNT BALANCES

 AT BROKERS, BY EQUITY STATUS OF ACCOUNTS(Per cent of total, except as noted)

| End of period | Net credit status | Equity class of accounts in debit status |  | Total balance (millions of dollars) |
| :---: | :---: | :---: | :---: | :---: |
|  |  | $\left\|\begin{array}{c} 60 \text { per cent } \\ \text { or more } \end{array}\right\|$ | Less than 60 per cent |  |
| 1973-Mar. | 36.3 | 47.9 | 15.7 | 5,790 |
| Apr. | 35.3 | 46.9 | 18.0 | 5,660 |
| May. | 35.8 | 45.0 | 19.1 | 5,670 |
| June. | 35.8 | 43.5 | 20.7 | 5,750 |
| July . | 35.9 | 46.7 | 17.4 | 5,740 |
| Aug.. | 35.9 | 45.6 | 18.5 | 5,650 |
| Sept. | 37.4 | 53.1 | 9.4 | 5,740 |
| Oct. | 38.5 | 46.7 | 14.8 | 5,860 |
| Nov. | 37.5 | 42.2 | 20.3 | 5,882 |
| Dec. | 39.4 | 40.0 | 20.6 | 5,935 |
| 1974-Jan. | 38.3 | 42.7 | 18.0 | 6,596 |
| Feb. | 39.4 | 43.3 | 24.9 | 6,740 |
| Mar. | 40.0 | 41.2 | 18.9 | 6,784 |

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.

MUTUAL SAVINGS BANKS
(In millions of dollars)

| End of period | Loans |  | Securities |  |  | Cash | Other assets | Total assetsTotal liabilities and general reserve accts. | $\begin{gathered} \text { Depos- } \\ \text { its }^{2} \end{gathered}$ | Other liabilities | General reserve accounts | Mortgage loan commitments ${ }^{3}$ classified by maturity (in months) |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Mortgage | Other | U.S. Govt. | State and local govt. | Corpo- <br> rate <br> and other ${ }^{1}$ |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  | 3 or less | 3-6 | 6-9 | Over 9 | Total |
| 1965 | 44,433 | 862 | 5,485 | 320 | 5,170 | 1,017 | 944 | 58,232 | 52,443 | 1,124 | 4,665 |  |  |  |  | 2,697 |
| 1966........ | 47,193 | 1,078 | 4,764 | 251 | 5,719 | 953 | 1,024 | 60,982 | 55,006 | 1,114 | 4,863 |  |  |  |  | 2,010 |
| 1967 | 50,311 | 1,203 | 4,319 | 219 | 8,183 | 993 | 1,138 | 66,365 | 60,121 | 1,260 | 4,984 | 742 |  |  | 799 | 2,523 |
| 1968. | 53,286 | 1,407 | 3,834 | 194 | 10,180 | 996 | 1,256 | 71,152 | 64,507 | 1,372 | 5,273 | 811 |  |  | 1,166 | 3,011 |
| 1969. | 55,781 | 1,824 | 3,296 | 200 | 10,824 | +912 | 1,307 | 74,144 | 67,026 | 1,588 | 5,530 | 584 | 485 | 452 | 946 | 2,467 |
| 1970. | 57,775 | 2,255 | 3,151 | 197 | 12,876 | 1,270 | 1,471 | 78,995 | 71,580 | 1,690 | 5,726 | 619 | 322 | 302 | 688 | 1,931 |
| 1971....... | 62,069 | 2,808 | 3,334 | 385 | 17,674 | 1,389 | 1,711 | 89,369 | 81,440 | 1,810 | 6,118 | 1,047 | 627 | 463 | 1,310 | 3,447 |
| 19724....... | 67,563 | 2,979 | 3,510 | 873 | 21,906 | 1,644 | 2,117 | 100,593 | 91,613 | 2,024 | 6,956 | 1,593 | 713 | 609 | 1,624 | 4,539 |
| 1973-Feb. | 68,352 | 4,030 | 3,419 | 986 | 22,389 | 1,331 | 2,070 | 102,577 | 92,949 | 2,540 | 7,088 | 1,729 | 862 | 732 | 1,480 | 4,803 |
| Mar... | 68,920 | 3,970 | 3,458 | 1,028 | 22,509 | 1,576 | 2,058 | 103,518 | 94,095 | 2,285 | 7,139 | 1,816 | 886 | 826 | 1,355 | 4,882 |
| Apr.... | 69,426 | 3,831 | 3,388 | 1,080 | 22,598 | 1,582 | 2,089 | 103,994 | 94,217 | 2,589 | 7,189 | 1,904 | 888 | 725 | 1,395 | 4,912 |
| May... | 69,988 | 4,099 | 3,376 | 1,076 | 22,615 | 1,629 | 2,116 | 104,899 | 94,744 | 2,904 | 7,251 | 1,792 | 913 | 712 | 1,406 | 4,824 |
| June. . . | 70,637 | 3,959 | 3,346 | 1,125 | 22, 562 | 1,775 | 2,273 | 105,677 | 95,706 | 2,650 | 7,321 | 1,711 | 1,020 | 573 | 1,378 | 4,683 |
| July. | 71,219 | 3,819 | 3,190 | 1,093 | 22,683 | 1,555 | 2,202 | 105,761 | 95,355 | 3,044 | 7,362 | 1,626 | 906 | 636 | 1,367 | 4,535 |
| Aug.. | 71,713 | 3,986 | 3,037 | 1999 | 22,277 | 1,551 | 2,227 | 105,789 | 94,882 | 3,496 | 7,411 | 1,302 | 840 | 718 | 1,315 | 4,174 |
| Sept. | 72,034 | 4,200 | 2,945 | 957 | 21,799 | 1,491 | 2,345 | 105,771 | 95,183 | 3,134 | 7,453 | 1,411 | 762 | 589 | 1,197 | 3,959 |
| Oct.... | 72,367 | 4,181 | 3,007 | 939 | 21,276 | 1,501 | 2,285 | 105,557 | 94,944 | 3,139 | 7,474 | 1,318 | 771 | 510 | 1,096 | 3,695 |
| Nov... . | 72,760 | 4,424 | 2,948 | 925 | 21, 150 | 1,519 | 2,264 | 105,991 | 95,259 | 3,201 | 7,530 | 1,272 | 685 | 479 | 1,079 | 3,515 |
| Dec.... | 73,231 | 3,871 | 2,957 | 926 | 21,383 | 1,968 | 2,314 | 106.651 | 96,496 | 2,566 | 7,589 | 1,250 | 598 | 405 | 1,008 | 3,261 |
| 1974-Jan. | 73,440 | 4,161 | 2,925 | 936 | 21,623 | 1,686 | 2,312 | 107,083 | 96,792 | 2,665 | 7,626 | 1,171 | 587 | 439 | 998 | 3,196 |
| Feb.... | 73,647 | 4,584 | 2,846 | 942 | 21,923 | 1,618 | 2,316 | 107,877 | 97,276 | 2,919 | 7,681 | 1,232 | 562 | 407 | 952 | 3,153 |

${ }^{1}$ Also includes securities of foreign governments and international organizations and nonguaranteed issues of U.S. Govt. agencies.

2 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. See table (and notes), Deposits Accumulated for Payment of Personal Loans, p. A-26. ${ }^{3}$ Commitments outstanding of banks in New York State as reported to the Savings Banks Assn. of the State of New York. Data include building loans beginning with Aug. 1967.

4 Balance sheet data beginning Jan. 1972 are reported on a gross-of-valuation-reserves basis. The data differ somewhat from balance sheet data previously reported by National Assn. of Mutual Savings Banks which were net of valuation reserves. For most items, however, the differences are relatively small.

Note.-NAMSB 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.

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: |  |  |  |  |  |  |  |  |  |  |  |  |
| 1965......... | 158,884 | 11,679 | 5,119 | 3,530 | 3,030 | 67,599 | 58,473 | 9,126 | 60,013 | 4,681 | 7,678 | 7,234 |
| 1966. | 167,022 | 10,837 | 4,823 | 3,114 | 2,900 | 69,816 | 61,061 | 8,755 | 64,609 | 4,883 | 9,117 | 7,760 |
| 1967. | 177,832 | 10,573 | 4,683 | 3,145 | 2,754 | 76,070 | 65,193 | 10,877 | 67,516 | 5,187 | 10,059 | 8,427 |
| 1968. | 188,636 | 10,509 | 4,456 | 3,194 | 2,859 | 82,127 | 68,897 | 13,230 | 69,973 | 5,571 | 11,306 | 9,150 |
| Book value: |  |  |  |  |  |  |  |  |  |  |  |  |
| 1966..... | 167,022 | 10,864 | 4,824 | 3,131 | 2,909 | 68,677 | 61,141 | 7,536 | 64,661 | 4,888 | 9,911 | 8,801 |
| 1967. | 177,361 | 10,530 | 4,587 | 2,993 | 2,950 | 73,997 | 65,015 | 8,982 | 67,575 | 5,188 | 10,060 | 11,011 |
| 1968 | 188,636 | 10,760 | 4,456 | 3,206 | 3,098 | 79,653 | 68,731 | 10,922 | 70,044 | 5,575 | 11,305 | 11,299 |
| 1969 | 197,208 | 10,914 | 4,514 | 3,221 | 3,179 | 84,566 | 70,859 | 13,707 | 72,027 | 5,912 | 13,825 | 9,964 |
| 1970 | 207,254 | 11,068 | 4,574 | 3,306 | 3,188 | 88,518 | 73,098 | 15,420 | 74,375 | 6,320 | 16,064 | 10,909 |
| 1971 | 222,102 | 11,000 | 4,455 | 3,363 | 3,182 | 99,805 | 79,198 | 20,607 | 75,496 | 6,904 | 17,065 | 11,832 |
| 1972 | 239,730 | 11,372 | 4,562 | 3,367 | 3,443 | 112,985 | 86,140 | 26,845 | 76,948 | 7,295 | 18,003 | 13,127 |
| 1973-Jan. ${ }^{\boldsymbol{r}}$. | 240,877 | 11,417 | 4,545 | 3,379 | 3,493 | 114,408 | 88,076 | 26,332 | 77,105 | 7,380 | 18,080 | 12,487 |
| Feb. ${ }^{\text {r }}$ | 241,639 | 11,342 | 4,484 | 3,363 | 3,495 | 115,017 | 88,966 | 26,051 | 77,108 | 7,443 | 18,163 | 12,566 |
| Mar. | 243,078 | 11,154 | 4,417 | 3,300 | 3,437 | 115,972 | 89,881 | 26,091 | 77,587 | 7,449 | 18,288 | 12,628 |
| Apr. | 242,562 | 11,455 | 4,566 | 3,388 | 3,501 | 115,181 | 89,710 | 25,471 | 77,258 | 7,522 | 18,420 | 12,726 |
| May | 243,589 | 11,434 | 4,538 | 3,384 | 3,512 | 115,897 | 90,314 | 25,583 | 77,400 | 7,545 | 18,533 | 12,780 |
| June | 244,531 | 11,359 | 4,468 | 3,373 | 3,518 | 116,153 | 90,484 | 25,669 | 77,914 | 7,548 | 18,673 | 12,884 |
| July. | 247,082 | 11,427 | 4,480 | 3,427 | 3, 520 | 118,061 | 91,144 | 26,917 | 78,243 | 7,577 | 18,841 | 12,933 |
| Aug. | 247,655 | 11,416 | 4,462 | 3,433 | 3,521 | 117,842 | 91,342 | 26,500 | 78,657 | 7,632 | 19,181 | 12,927 |
| Sept. | 250, 203 | 11,404 | 4,424 | 3,439 | 3,541 | 119,200 | 91,480 | 27,720 | 79,040 | 7,677 | 19,511 | 13,371 |
| Oct. | 251,590 | 11,402 | 4,423 | 3,438 | 3,541 | 119,714 | 91,707 | 28,007 | 79,516 | 7,765 | 19,768 | 13,425 |
| Nov | 251,055 | 11,462 | 4,471 | 3,444 | 3,547 | 118,016 | 91,847 | 26,169 | 80,191 | 7,838 | 19,926 | 13,622 |
| Dec. | 252,071 | 11,376 | 4,586 | 3,449 | 3,545 | 117,733 | 91,452 | 26,281 | 81,180 | 7,769 | 20,076 | 13,937 |
| 1974-Jan. | 253, 531 | 11,465 | 4,410 | 3,463 | 3,592 | 119,079 | 93,082 | 25,997 | 81,490 | 7,816 | 20,242 | 13,439 |
| Feb. | 254,739 | 11,535 | 4,429 | 3,518 | 3,588 | 119,715 | 93,672 | 26,043 | 81,745 | 7,825 | 20,382 | 13,537 |

${ }^{1}$ Issues of foreign governments and their subdivisions and bonds of the International Bank for Reconstruction and Development.
Note.-Institute of Life Insurance estimates for all life insurance companies in the United States.

Figures are annual statement asset values, with bonds carried on an amortized basis and stocks at year-end market value. 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 assetsTotal liabilities | Liabilities |  |  |  |  | Mortgage loan commitments outstanding at end of period ${ }^{5}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Mortgages | Investment ities 1 | Cash | Other ${ }^{2}$ |  | Savings capital | Net worth | $\underset{\substack{\text { Bor- } \\ \text { rowed } \\ \text { money }}}{ }$ money ${ }^{4}$ | Loans in process | Other |  |
| 1967. | 121,805 | 9,180 | 3,442 | 7,788 | 143,534 | 124,493 | 9,916 | 4,775 | 2,257 | 2,093 | 3,042 |
| 1968. | 130,802 | 11,116 | 2,962 | 8,010 | 152,890 | 131,618 | 10,691 | 5,705 | 2,449 | 2,427 | 3,631 |
| 1969 | 140,232 | 10,873 | 2,438 | 8,606 | 162,149 | 135,538 | 11,620 | 9,728 | 2,455 | 2,808 | 2,824 |
| 1970 | 150,331 | 13,020 | 3,506 | 9,326 | 176,183 | 146,404 | 12,401 | 10,911 | 3,078 | 3,389 | 4,452 |
| 1971 | 174,250 | 18,185 | 2,857 | 10,731 | 206,023 | 174,197 | 13,592 | 8,992 | 5,029 | 4,213 | 7,328 |
| 1972. | 206,182 | 21,574 | 2,781 | 12,590 | 243,127 | 206,764 | 15,240 | 9,782 | 6,209 | 5,132 | 11,515 |
| 1973. | 232, 104 | 21, |  | 19,227 | 272,358 | 227,254 | 17,108 | 17,100 | 4,676 | 6,220 | 9,532 |
| 1973-Mar. | 213,050 | 23, |  | 16,989 | 253,919 | 215,643 | 15,737 | 9,892 | 6,310 | 6,337 | 14,439 |
| Apr. | 216,037 | 23, |  | 17,489 | 257,329 | 216,474 | 16,044 | 11,269 | 6,532 | 7,010 | 14,939 |
| May. | 219,283 |  |  | 17,873 | 261,086 | 218,351 | 16,415 | 11,689 | 6,711 | 7,920 | 15,068 |
|  | 222,580 | 23, |  | 17,920 | 263,720 | 221,624 | 16,225 | 12,698 | 6,754 | 6,419 | 14,705 |
| July. | 225,265 | 22, |  | 18,296 18,704 | 266,189 | 221,399 220 243 | 16,550 | 14,226 | 6,686 | 7,328 | 13,710 |
| Aug. | 227,778 | 21, |  | 18,704 | 267,483 | 220,243 | 16,896 | 15,634 | 6,449 | 8,261 | 12,249 |
| Sept. | 229,182 | 20, |  | 19,008 | 268,215 | 222,086 | 16,782 | 16,255 | 6,064 | 7,028 | 10,799 |
| Oct. | 230,195 | 20, |  | 19,295 | 270, 108 | 223,033 | 17,041 | 16,435 | 5,535 | 8,064 | 9,909 |
| Nov. | 231,089 | 21, |  | 19,449 19,227 | 271,758 | 224,304 | 17,330 | 16,312 | 5,011 | 8,801 | 9,717 |
| Dec. | 232,104 |  |  | 19,227 | 272,358 | 227,254 | 17,108 | 17,100 | 4,676 | 6,220 | 9,532 |
| 1974-Jan. | 232,980 | 22, |  | 19,502 | 274,860 | 229,435 | 17,333 | 16,663 | 4,380 | 7,049 | 9,788 |
| Feb. | 234,426 | 23, |  | 19,901 | 277,654 | 231,264 | 17,623 | 16,431 | 4,304 | 8,032 | 10,740 |
| Mar | 236,501 | 24, |  | 20,403 | 280,951 | 235,465 | 17,476 | 16,665 | 4,488 | 6,857 | 11,935 |

1 Investment securities included U.S. Govt. securities only through 1967. Beginning 1968 the total reflects liquid assets and other investment securities. Included are U.S. Govt. obligations, Federal agency securities, State and local govt. securities, time deposits at banks, and miscellaneous securities, except stock of the Federal Home Loan Bank Board. Compensating changes have been made in "Other assets."

2 Includes other loans, stock in the Federal home loan banks, other investments, real estate owned and sold on contract, and office buildings and fixtures. See also notes 1,5 , and 6 .

3 Includes net undistributed income, which is accrued by most, but not all, associations.

4 Consists of advances from FHLBB and other borrowing.
5 Data comparable with those shown for mutual sayings banks (on preceding page) except that figures for loans in process are not included above but are included in the figures for mutual savings banks.
${ }^{6}$ Beginning Jan. 1973, participation certificates guaranteed by the Federal Home Loan Mortgage Corporation, loans and notes insured by the Farmers Home Administration and certain other Governmentinsured mortgage-type investments, previously included in mortgage loans, are included in other assets. The effect of this change was to reduce the mortgage total by about $\$ 0.6$ billion.

Also, GNMA-guaranteed, mortgage-backed securities of the passthrough type, previously included in cash and investment securities are included in other assets. These amounted to about $\$ 2.4$ billion at the end of 1972.

Note.-_FHLBB data; figures are estimates for all savings and loan assns. in the United States. Data are based on monthly reports of insured assns. and annual reports of noninsured assns. Data for current and preceding year are preliminary even when revised.

## 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) |  | Banksforcooperatives |  | Federal intermediate credit banks |  | Federal land banks |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Assets |  |  | Liabilities and capital |  |  |  |  |  |  |  |  |  |  |
|  | Advances to members | Investments | Cash <br> and <br> de- <br> posits | Bonds and notes | Member deposits | Capital stock | Mortgage loans (A) | Debentures and notes (L) | Loans to cooperatives (A) | Debentures <br> (L) | Loans and discounts (A) | Debentures <br> (L) | Mortgage loans (A) | Bonds <br> (L) |
| 1967. | 4,386 | 2,598 | 127 | 4,060 | 1,432 | 1,395 | 5,348 | 4,919 | 1,506 | 1,253 | 3,411 | 3,214 | 5,609 | 4,904 |
| 1968. | 5,259 | 2,375 | 126 | 4,701 | 1,383 | 1,402 | 6,872 | 6,376 | 1,577 | 1,334 | 3,654 | 3,570 | 6,126 | 5,399 |
| 1969. | 9,289 | 1,862 | 124 | 8,422 | 1,041 | 1,478 | 10,541 | 10,511 | 1,732 | 1,473 | 4,275 | 4,116 | 6,714 | 5,949 |
| 1970. | 10,614 | 3,864 | 105 | 10,183 | 2,332 | 1,607 | 15,502 | 15,206 | 2,030 | 1,755 | 4,974 | 4,799 | 7,186 | 6,395 |
| 1971....... | 7,936 | 2,520 | 142 | 7,139 | 1,789 | 1,618 | 17,791 | 17,701 | 2,076 | 1,801 | 5,669 | 5,503 | 7,917 | 7,063 |
| 1972...... | 7,979 | 2,225 | 129 | 6,971 | 1,548 | 1,756 | 19,791 | 19,238 | 2,298 | 1,944 | 6,094 | 5,804 | 9,107 | 8,012 |
| 1973-Mar. . | 8,420 | 1,938 | 108 | 7,220 | 1,291 | 1,943 | 20,571 | 19,985 | 2,896 | 2,188 | 6,414 | 6,076 | 9,591 | 8,280 |
| Apr... | 9,429 | 2,087 | 111 | 8,415 | 1,143 | 1,981 | 20,791 | 20,056 | 2,859 | 2,465 | 6,555 | 6,314 | 9,767 | 8,836 |
| May.. | 10,155 | 2,702 | 95 | 9,615 | 1,261 | 1,991 | 21,087 | 20,225 | 2,765 | 2,370 | 6,777 | 6,460 | 9,953 | 8,836 |
| June.. | 11,145 | 2,516 | 108 | 10,215 | 1,453 | 2,008 | 21,413 | 20,364 | 2,725 | 2,316 | 6,958 | 6,645 | 10,117 | 8,836 |
| July.. | 12,365 | 2,126 | 103 | 11,213 | 1,183 | 2,035 | 21,772 | 20,843 | 2,811 | 2,365 | 6,981 | 6,745 | 10,256 | 9,388 |
| Aug. . | 13,511 | 2,016 | 111 | 12,562 | 1,091 | 2,064 | 22, 319 | 21,186 | 2,865 | 2,310 | 7,065 | 6,727 | 10,441 | 9,390 |
| Sept. | 14,298 | 2,908 | 102 | 14,062 | 1,178 | 2,089 | 22,826 | 21,537 | 2,738 | 2,560 | 7,170 | 6,833 | 10,592 | 9,388 |
| Oct.. . | 14,799 | 3,498 | 106 | 15,362 | 1,270 | 2,107 | 23,348 | 22,243 | 2,711 | 2,728 | 7,130 | 6,901 | 10,781 | 9,838 |
| Nov. . | 14,866 | 3,649 | 77 | 15,362 | 1,545 | 2,112 | 23,912 | 22,404 | 2,662 | 2,704 | 7,029 | 6,890 | 10,926 | 9,838 |
| Dec... | 15,147 | 3,537 | 157 | 15,362 | 1,745 | 2,122 | 24,175 | 23,001 | 2,577 | 2,670 | 7,198 | 6,861 | 11,071 | 9,838 |
| 1974-Jan. . . | 15,188 | 2,843 | 121 | 14,556 | 1,692 | 2,246 | 24,424 | 23,131 | 3,123 | 2,741 | 7,163 | 6,956 | 11,245 | 10,048 |
| Feb... | 14,904 | 2,680 | 116 | 13,906 | 1,936 | 2,294 | 24,541 | 23,092 | 3,211 | 2,828 | 7,277 | 7,029 | 11,402 | 10,282 |
| Mar... | 14,995 | 2,779 | 124 | 13,906 | 2,027 | 2,306 | 24,888 | 23,515 | 3,143 | 2,878 | 7,545 | 7,162 | 11,467 | 10,282 |

Note.-Data from Federal Home Loan Bank Board, Federal National Mortgage Assn., and Farm Credit Admin. Among omitted balance sheet items are capital accounts of all agencies, except for stock of FHLB's. Bonds, debentures, and notes are valued at par. They include only publicly
offered securities (excluding, for FHLB's, bonds held within the FHLB System) and are not guaranteed by the U.S. Govt.; for a listing of these securities, see table on opposite page. Loans are gross of valuation reserves and represent cost for FNMA and unpaid principal for other agencies.

OUTSTANDING ISSUES OF FEDERALLY SPONSORED AGENCIES, MARCH 31, 1974

| Agency, and date of issue and maturity | Coupon rate | Amount (millions of dollars) | Agency, and date of issue and maturity | Coupon rate | Amount (millions of dollars) | Agency, and date of issue and maturity | Coupon rate | Amount <br> (millions of dollars) |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Federal home loan banks Bonds: |  |  | Federal National Mortgage Association-Cont. |  |  | Banks for cooperatives Debentures: |  |  |
| 6/25/71-5/25/74... | 6.35 | 300 | Debentures: |  |  | Debentures: $10 / 1 / 73-4 / 1 / 74$. | 9.85 | 332 |
| 2/26/73-5/28/74. | 6.45 | 700 | 8/5/70-6/10/74. | 7.90 | 400 | 11/1/73-5/1/74. | 7.95 | 364 |
| 8/25/69 - 8/25/74. | 7.65 | 173 | 11/10/71-6/10/74 | 5.70 | 350 | 12/3/73-6/3/74. | 8.80 | 617 |
| 8/25/72-8/26/74. | $53 / 8$ | 400 | 9/10/69-9/10/74 | 7.85 | 250 | 1/2/74-7/1/74. | 7.95 | 462 |
| 8/27/73-8/26/74 | 95/8 | 800 | 2/10/71-9/10/74. | 5.65 | 300 | 2/4/74-8/1/74. | 8.15 | 559 |
| 11/25/69-11/25/74 | 8.00 | 218 | 5/10/71-12/10/74 | 6.10 | 250 | 3/4/74-9/3/74 | 7.15 | 343 |
| 5/25/73-11/25/74.. | 7.05 | 1,000 | 9/10/71-12/10/74. | 6.45 | 450 | 10/1/73-4/4/77 | 7.70 | 200 |
| 1/26/71-2/25/75. | 6.10 | 250 | 11/10/70-3/10/75 | 7.55 | 300 | 10/13 |  |  |
| 11/27/72-2/25/75 | $57 / 8$ | 400 | 10/12/71-3/10/75 | 6.35 | 600 |  |  |  |
| 9/21/73-2/25/75. | 8.20 | 500 | 4/12/71-6/10/75. | 5.25 | 500 | Federal intermediate |  |  |
| 4/12/73-5/25/75 | 7.15 | 700 | 10/13/70-9/10/75 | 7.50 | 350 | credit banks |  |  |
| 8/25/70-5/26/75. | 8.05 | 265 | 3/12/73-9/10/75. | 6.80 | 650 | Debentures: |  |  |
| 2/25/74-5/27/75. | 6.80 | 300 | 3/10/72-12/10/75 | 5.70 | 500 | 7/2/73-4/1/74. | $71 / 2$ | 421 |
| 7/27/70-8/25/75 | 7.95 | 300 | 9/10/73-12/10/75 | 8.25 | 300 | 8/1/73-5/1/74. | 8.65 | 538 |
| 7/25/73-8/25/75. | $77 / 8$ | 500 | 3/11/71-3/10/76. | 5.65 | 500 | 9/4/73-6/3/74. | 93/4 | 626 |
| 10/25/73-8/25/75. | 7.15 | 400 | 6/12/73-3/10/76. | 7.13 | 400 | 10/1/73-7/1/74. | 93/4 | 699 |
| 12/18/70-11/25/75 | 6.50 | 350 | 6/10/71-6/10/76 | 6.70 | 250 | 1/4/71-7/1/74. | 5.95 | 224 |
| 5/25/73-11/25/75. | 7.05 | 600 | 2/10/72-6/10/76. | 5.85 | 450 | 11/1/73-8/1/74. | 7.95 | 583 |
| 8/27/71 - 2/25/76. | 73/8 | 300 | 11/10/71-9/10/76 | 6.13 | 300 | 12/3/73-9/3/74. | 8.60 | 528 |
| 8/27/73-2/25/76 | $83 / 4$ | 300 | 6/12/72-9/10/76. | 5.85 | 500 | 1/2/74-10/1/74. | 7.95 | 561 |
| 6/22/73-5/25/76. | 7.20 | 600 | 7/12/71-12/10/76 | 7.45 | 300 | 2/4/74-11/4/74. | 8.00 | 754 |
| 11/27/73-5/25/76 | 7.45 | 300 | 12/11/72-12/10/76 | 6.25 | 500 | 3/4/74-12/2/74 | 7.15 | 785 |
| 7/25/73-8/25/76. | 7.80 | 500 | 2/13/62-2/10/77 | 41/2 | 198 | 5/1/72-1/2/75. | 6.05 | 240 |
| 10/25/73-2/25/77 | 7.20 | 500 | 9/11/72-3/10/77. | 6.30 | 500 | 1/3/72-7/1/75. | 5.70 | 302 |
| 6/25/71-5/25/77. | 6.95 | 200 | 3/11/74-3/10/77. | 7.05 | 400 | 3/1/73-1/5/76. | 6.65 | 261 |
| 4/12/73-8/25/77. | 7.15 | 300 | 12/10/70-6/10/77 | 6.38 | 250 | 7/2/73-1/3/77. | 7.10 | 236 |
| 2/26/73-11/25/77 | 63/4 | 300 | 5/10/71-6/10/77 | 6.50 | 150 | 1/2/74-1/3/78. | 7.10 | 406 |
| 11/27/73-11/25/77 | 7.45 | 300 | 12/10/73-6/10/77 | 7.20 | 500 |  |  |  |
| 9/21/73-5/25/78. | 7.60 | 500 | 9/10/71-9/12/77. | 6.88 | 300 | Federal land banks |  |  |
| $3 / 25 / 70-2 / 25 / 80$ | 7.75 | 350 | 9/10/73-9/12/77. | 7.85 | 400 | Bonds: |  |  |
| 2/25/74-2/25/80. | 7.05 | 300 | 7/10/73-12/12/77 | 7.25 | 500 | 10/20/70-4/22/74 | 7.30 | 354 |
| 10/15/70-10/15/80. | 7.80 | 200 | 10/1/73-12/12/77 | 7.55 | 500 | 9/15/72-4/22/74. | 5.85 | 350 |
| 10/27/71-11/27/81 | 6.60 | 200 | 6/12/73-6/12/78. | 7.15 | 600 | 10/20/71-7/22/74 | 5.85 | 326 |
| 4/12/73-5/25/83. | 7.30 | 200 | 3/11/74-9/11/78. | 7.15 | 550 | 4/20/71-10/21/74. | 5.30 | 300 |
| 10/25/73-11/26/93. | 73/8 | 400 | 10/12/71-12/11/78 | 6.75 | 300 | 2/20/70-1/20/75. | 83/8 | 220 |
|  |  |  | 12/10/73-3/12/79 | 7.25 | 500 | 4/23/73-1/20/75. | 7.15 | 300 |
| Mortgage Corporation |  |  | 9/10/73-6/11/79 | 7.85 | 300 | 4/20/65-4/21/75 | 43/8 | 200 |
| Bonds: |  |  | 6/12/72-9/10/79.. | 6.40 | 300 | 7/20/73-4/21/75. | 7.65 | 300 |
| 2/10/72-8/26/74...... | 5.30 | 200 | 12/10/71-12/10/79 | 6.55 6.88 | 350 | 2/15/72-7/21/75. | 5.70 | 425 |
| 5/29/73-8/25/76...... | 7.05 | 400 | 2/10/72-3/10/80.. |  | 250 | 7/20/71-10/20/75. | 7.20 | 300 |
| 5/11/72-2/25/77...... | 6.15 | 350 | 2/16/73-7/31/80. | 5.19 3.18 | 9 | 10/23/73-10/20/75 | 7.40 | 362 |
| 11/19/70-11/27/95.... | 8.60 | 140 | 210/1/73-9/10/80. | 7.50 | 400 | 4/20/72-1/20/76...... $2 / 21 / 66-2 / 24 / 76 . .$. | $61 / 4$ 5.00 | 300 123 |
| 7/15/71-8/26/96...... | 7.75 | 150 | $1 / 16 / 73-10 / 30 / 80$ | 7.50 4.46 | 400 5 | 2/21/66-2/24/76...... | 5114 | 123 373 |
| 5/11/72-5/26/97...... | 7.15 | 150 | 12/11/72-12/10/80. | 6.60 | 300 | 7/20/66-7/20/76 | $53 / 8$ | 373 150 |
| Federal National Mortgage |  |  | 6/29/72-1/29/81. | 6.15 | 156 | 1/21/74-7/20/76. | 7.05 | 360 |
| Association- |  |  | 3/12/73-3/10/81. | 7.05 | 350 | 4/23/73-10/20/76 | 7.15 | 450 |
| Secondary market |  |  | 4/18/73-4/10/81. | 6.59 | 26 | 7/20/73-7/20/77. | 71/2 | 550 |
| operations |  |  | 3/21/73-5/1/81 | 4.50 | 18 | 10/20/71-10/20/77. | 6.35 | 300 |
| Discount notes. |  | 2,218 | 3/12/73-5/1/81 | 5.77 | 2 | 2/20/63-2/20/73-78 | $41 / 8$ | 148 |
| Capital debentures: |  |  | 1/21/71-6/10/81 | 7.25 | 250 | 5/2/66-4/20/78... | $51 / 8$ | 150 |
| 4/1/70-4/1/75.. | 8.00 | 200 | 9/10/71-9/10/81. | 7.25 | 250 | 7/20/72-7/20/78 | 6.40 | 269 |
| 9/30/71-10/1/96 | 4.38 | 248 | 3/11/74-12/10/81 | 7.30 | 250 | 10/23/73-10/19/78 | 7.35 | 550 |
| 10/2/72-10/1/97. | 7.40 | 250 | 6/28/72-5/1/82. | 5.84 | 58 | 2/20/67-1/22/79.. | 5.00 | 285 |
|  |  |  | 2/10/71-6/10/82. | 6.65 | 250 | 1/21/74-1/22/79. | 7.10 | 300 |
| Mortgage-backed bonds: 6/1/70-6/2/75 |  |  |  | 6.80 | 200 | 9/15/72-4/23/79...... | 6.85 | 235 |
| $\begin{aligned} & 6 / 1 / 70-6 / 2 / 751 \\ & 3 / 14 / 73-1 / 15 / 81 . \end{aligned}$ | 8.38 3.58 2. | 250 53 | 12/10/73-12/10/82.... | 7.35 6.75 | 300 200 | 2/20/74-7/23/79. | 7.15 | 389 |
| 3/14/73-1/15/81. | 3.38 <br> 5.48 | 5 | 6/12/73-6/10/83. | 6.75 7.30 | 200 300 | 10/23/72-10/23/79 | 6.80 6.70 | 400 300 |
| 6/21/73-7/1/82. | 5.85 | 71 | 11/10/71-9/12/83 | 6.75 | 250 |  |  | 250 |
| 6/21/73-7/1/82 | 5.92 | 35 | 4/12/71-6/11/84. | 6.25 | 200 | 2/23/71-4/20/81. | 7.2 6.70 | 224 |
| 3/1/73-8/31/84 | 5.50 | 10 | 12/10/71-12/10/84 | 6.90 | 250 | 4/20/72-4/20/82. | 6.90 | 200 |
| $3 / 1 / 73-10 / 31 / 85$ $3 / 1 / 73-3 / 1 / 86$ | 5.49 5.74 | 21 | 3/10/72-3/10/92. | 7.00 | 200 | 4/23/73-10/20/82. | 7.30 | 239 |
| $3 / 1 / 73-3 / 1 / 86 . . . . . . .$. $9 / 29 / 70-10 / 1 / 90 . . .$. | 5.74 8.63 | 81 | 6/12/72-6/10/92. | 7.05 | 200 | 10/23/73-10/20/83.... | 7.30 | 300 |
| 9/29/70-10/1/90. | 8.63 | 200 | 12/11/72-12/10/97.... | 7.10 | 200 | 10/23/73-10/20/83..... |  | 30 |

Note.-These securities are not guaranteed by the U.S. Govt.; see also note to table at bottom of opposite page.

FEDERAL FISCAL OPERATIONS: SUMMARY
(In millions of dollars)


[^57]4 Includes accrued interest payable on public debt securities, deposit unds, miscellaneous liability and asset accounts, and seigniorage.
5 As of Jan. 3, 1972, the Treasury operating balance was redefined to exclude the gold balance and to include previously excluded "Other depositaries" (deposits in certain commercial depositaries that have been converted from a time to a demand basis to permit greater flexibility in Treasury cash management).

6 Includes debt of Federal home loan banks, Federal land banks, R.F.K. Stadium Fund, FNMA (beginning Sept. 1968), and FICB and banks for cooperatives (both beginning Dec. 1968).
Note.-Half years may not add to fiscal year totals due to revisions in series that are not yet available on a monthly basis.

FEDERAL FISCAL OPERATIONS: DETAIL
(In millions of dollars)


[^58](In billions of dollars)

| End of period | Total gross $\underset{\text { debt }}{ }{ }_{1}^{\text {public }}$ | Public issues |  |  |  |  |  |  |  |  |  | Special issues ${ }^{5}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Total | Marketable |  |  |  |  | Con-vertible bonds | Nonmarketable |  |  |  |
|  |  |  | Total | Bills | Certificates | Note: | Bonds ${ }^{2}$ |  | Total ${ }^{3}$ | Foreign issues 4 |  |  |
| 1941-Dec. | 57.9 | 50.5 | 41.6 | 2.0 |  | 6.0 | 33.6 |  | 8.9 |  | 6.1 | 7.0 |
| 1946-Dec. | 259.1 | 233.1 | 176.6 | 17.0 | 30.0 | 10.1 | 119.5 |  | 56.5 | ........ | 49.8 | 24.6 |
| 1967-Dec. | 344.7 | 284.0 | 226.5 | 69.9 | ....... | 61.4 | 95.2 | 2.6 | 54.9 | 3.1 | 51.7 | 57.2 |
| 1968-Dec. | 358.0 | 296.0 | 236.8 | 75.0 | ......... | 76.5 | 85.3 | 2.5 | 56.7 | 4.3 | 52.3 | 59.1 |
| 1969-Dec. | 368.2 | 295.2 | 235.9 | 80.6 | . . | 85.4 | 69.9 | 2.4 | 56.9 | 3.8 | 52.2 | 71.0 |
| 1970-Dec. | 389.2 | 309.1 | 247.7 | 87.9 |  | 101.2 | 58.6 | 2.4 | 59.1 | 5.7 | 52.5 | 78.1 |
| 1971-Dec. | 424.1 | 336.7 | 262.0 | 97.5 |  | 114.0 | 50.6 | 2.3 | 72.3 | 16.8 | 54.9 | 85.7 |
| 1972-Dec. | 449.3 | 351.4 | 269.5 | 103.9 |  | 121.5 | 44.1 | 2.3 | 79.5 | 20.6 | 58.1 | 95.9 |
| 1973-Apr. | 457.1 | 358.9 | 267.8 | 103.2 | ... | 120.2 | 44.5 | 2.3 | 88.7 | 28.5 | 59.3 | 96.4 |
| May | 457.3 | 357.1 | 265.9 | 103.0 |  | 117.8 | 45.1 | 2.3 | 88.9 | 28.3 | 59.7 | 98.3 |
| June. | 458.1 | 354.6 | 263.0 | 100.1 |  | 117.8 | 45.1 | 2.3 | 89.4 | 28.5 | 59.9 | 101.7 |
| July. | 459.0 | 354.2 | 262.7 | 99.9 |  | 117.8 | 45.0 | 2.3 | 89.2 | 28.2 | 60.2 | 103.0 |
| Aug. | 461.8 | 353.8 | 262.4 | 101.8 | .... | 118.7 | 42.0 | 2.3 | 89.1 | 27.9 | 60.3 | 106.1 |
| Sept. | 461.4 | 354.1 | 262.4 | 99.8 |  | 120.7 | 41.9 | 2.3 | 89.5 | 28.2 | 60.3 | 105.4 |
| Oct. | 462.5 | 355.5 | 264.0 | 101.6 |  | 120.7 | 41.8 | 2.3 | 89.2 | 27.8 | 60.5 | 105.1 |
| Nov. | 464.0 | 360.5 | 270.2 | 107.7 |  | 124.6 | 37.8 | 2.3 | 88.0 | 26.1 | 60.8 | 101.6 |
| Dec. | 469.9 | 360.7 | 270.2 | 107.8 |  | 124.6 | 37.8 | 2.3 | 88.2 | 26.0 | 60.8 | 107.1 |
| 1974-Jan. | 468.2 | 360.1 | 270.1 | 107.8 |  | 124.6 | 37.7 | 2.3 | 87.7 | 25.3 | 61.0 | 106.2 |
| Feb. | 470.7 | 360.0 | 269.7 | 107.9 |  | 126.1 | 35.7 | 2.3 | 88.1 | 25.4 | 61.3 | 108.6 |
| Mar | 474.5 | 364.2 | 273.6 | 111.9 |  | 126.1 | 35.6 | 2.3 | 88.3 | 25.2 | 61.6 | 108.5 |
| Apr. | 471.9 | 361.7 | 270.5 | 107.3 |  | 127.6 | 35.5 | 2.3 | 89.0 | 25.7 | 61.9 | 108.4 |

${ }^{1}$ Includes non-interest-bearing debt (of which $\$ 618$ million on Apr 30, 1974 , was not subject to statutory debt limitation).
2 Includes Treasury bonds and minor amounts of Panama Canal and postal savings bonds.
3 Includes (not shown separately): depositary bonds, retirement plan bonds, and Rural Electrification Administration bonds; before 1954 Armed Forces leave bonds; before 1956, tax and savings notes; and before Oct. 1965, Series A investment bonds.

4 Nonmarketable certificates of indebtedness, notes, and bonds in the Treasury foreign series and foreign currency series issues.

5 Held only by U.S. Govt. agencies and trust funds and the Federal home loan banks.

Note--Based on Daily Statement of U.S. Treasury. See also second paragraph in Note to table below.

OWNERSHIP OF PUBLIC DEBT
(Par value, in billions of dollars)

| End of period | Total gross public debt | Held by- |  | Held by private investors |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | U.S. <br> Govt. agencies and trust funds | F.R. Banks | Total | Commercial banks | Mutual savings banks | Insurance companies | Other согроrations | State and local govts. | Individuals |  | Foreign and international ${ }^{1}$ | Other misc. investors 2 |
|  |  |  |  |  |  |  |  |  |  | Savings bonds | Other securities |  |  |
| 1939-Dec. | 41.9 | 6.1 | 2.5 | 33.4 | 12.7 | 2.7 | 5.7 | 2.0 | . 4 | 1.9 | 7.5 | . 2 | . 3 |
| 1946-Dec.. | 259.1 | 27.4 | 23.4 | 208.3 | 74.5 | 11.8 | 24.9 | 15.3 | 6.3 | 44.2 | 20.0 | 2.1 | 9.3 |
| 1967-Dec. | 344.7 | 73.1 | 49.1 | 222.4 | 63.8 | 4.2 | 9.0 | 12.2 | 24.1 | 51.2 | 22.3 | 15.8 | 19.9 |
| 1968-Dec | 358.0 | 76.6 | 52.9 | 228.5 | 66.0 | 3.8 | 8.4 | 14.2 | 24.9 | 51.9 | 23.3 | 14.3 | 21.9 |
| 1969-Dec. | 368.2 | 89.0 | 57.2 | 222.0 | 56.8 | 3.1 | 7.6 | 10.4 | 27.2 | 51.8 | 29.0 | 11.2 | 25.0 |
| 1970-Dec. | 389.2 | 97.1 | 62.1 | 229.9 | 62.7 | 3.1 | 7.4 | 7.3 | 27.8 | 52.1 | 29.1 | 20.6 | 19.9 |
| 1971--Dec. | 424.1 | 106.0 | 70.2 | 247.9 | 65.3 | 3.1 | 7.0 | 11.4 | 25.4 | 54.4 | 18.8 | 46.9 | 15.6 |
| 1972-Dec. | 449.3 | 116.9 | 69.9 | 262.5 | 67.7 | 3.4 | 6.6 | 9.8 | 28.9 | 57.7 | 16.2 | 55.3 | 17.0 |
| 1973-Apr. | 457.1 | 117.9 | 75.5 | 263.7 | 60.5 | 3.4 | 6.3 | 10.0 | 29.2 | 58.9 | 16.6 | 61.7 | 17.2 |
| May. | 457.3 | 120.1 | 74.1 | 263.1 | 58.9 | 3.3 | 6.3 | 10.8 | 28.6 | 59.2 | 16.5 | 61.1 | 18.4 |
| June. | 458.1 | 123.4 | 75.0 | 259.7 | 58.8 | 3.3 | 6.3 | 9.8 | 28.8 | 59.5 | 16.4 | 60.2 | 16.6 |
| July. | 459.0 | 125.0 | 77.1 | 256.9 | 56.5 | 3.1 | 6.4 | 10.3 | 28.4 | 59.7 | 17.0 | 59.7 | 15.8 |
| Aug. | 461.8 | 128.7 | 76.1 | 257.1 | 55.1 | 2.9 | 6.3 | 11.5 | 27.7 | 59.8 | 17.2 | 59.2 | 17.3 |
| Sept. | 461.4 | 127.8 | 76.2 | 257.4 | 55.4 | 2.9 | 6.3 | 9.2 | 29.0 | 59.8 | 17.3 | 58.5 | 18.9 |
| Oct. | 462.5 | 127.4 | 78.5 | 256.5 | 56.3 | 2.9 | 6.3 | 10.2 | 28.5 | 60.0 | 17.0 | 57.5 | 17.9 |
| Nov. | 464.0 | 127.1 | 77.1 | 259.8 | 58.5 | 2.9 | 6.2 | 11.1 | 28.9 | 60.3 | 16.9 | 56.2 | 18.9 |
| Dec. | 469.9 | 129.6 | 78.5 | 261.7 | 60.3 | 2.9 | 6.4 | 10.9 | 29.2 | 60.3 | 16.9 | 55.6 | 19.3 |
| 1974-Jan.. | 468.2 | 128.7 | 78.2 | 261.2 | 60.2 | 2.8 | 6.3 | 10.7 | 29.9 | 60.5 | 16.9 | 52.8 | 21.1 |
| Feb. | 470.7 | 131.3 | 78.2 | 261.1 | 58.2 | 2.8 | 6.0 | 10.9 | 30.7 | 60.8 | 17.0 | 53.6 | 21.2 |
| Mar. | 474.5 | 131.2 | 79.5 | 263.8 | 59.5 | 2.8 | 6.1 | 11.7 | 30.4 | 61.1 | 17.3 | 54.9 | 20.0 |

${ }^{1}$ Consists of investments of foreign and international accounts in the United States.
${ }^{2}$ Consists of savings and loan assns., nonprofit institutions, corporate pension trust funds, and dealers and brokers. Also included are certain Govt. deposit accounts and Govt.-sponsored agencies.
Note.-Reported data for F.R. Banks and U.S. Govt. agencies and trust funds; Treasury estimates for other groups.

The debt and ownership concepts were altered beginning with the Mar. 1969 Bulletin. The new concepts (1) exclude guaranteed securities and (2) remove from U.S. Govt. agencies and trust funds and add to other miscellaneous investors the holdings of certain Govt.-sponsored but privately owned agencies and certain Govt. deposit accounts.
(Par value, in millions of dollars)

| Type of holder and date | Total | Within 1 year |  |  | $\underset{\text { years }}{1-5}$ | $\begin{aligned} & 5-10 \\ & \text { years } \end{aligned}$ | $\begin{aligned} & 10-20 \\ & \text { years } \end{aligned}$ | Over <br> 20 years |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Total | Bills | Other |  |  |  |  |
| All holders: |  |  |  |  |  |  |  |  |
| 1971-Dec. 31. | 262,038 | 119,141 | 97,505 | 21,636 | 93,648 | 29,321 | 9,530 | 10,397 |
| 1972-Dec. 31. | 269,509 | 130,422 | 103,870 | 26,552 | 88,564 | 29,143 | 15,301 | 6,079 |
| 1973-Dec. 31. | 270,224 | 141,571 | 107,786 | 33,785 | 81,715 | 25,134 | 15,659 | 6,145 |
| 1974-Feb. 28. | 269,650 | 141,444 | 107,850 | 33,594 | 79,045 | 26,968 | 16,128 | 6,063 |
| Mar. 31. | 273,596 | 145,453 | 111,859 | 33,594 | 79,045 | 26,965 | 16,092 | 6,040 |
| U.S. Govt. agencies and trust funds: |  |  |  |  |  |  |  |  |
| 1971-Dec. 31. | 18,444 | 1,380 | 605 | 775 | 7,614 | 4,676 | 2,319 | 2.456 |
| 1972-Dec. 31. | 19,360 | 1,609 | 674 | 935 | 6,418 | 5,487 | 4,317 | 1,530 |
| 1973-Dec. 31 | 20,962 | 2,220 | 631 | 1,589 | 7,714 | 4,389 | 5,019 | 1,620 |
| 1974-Feb. 28 | 21, 234 | 2.391 2.416 | 694 744 | 1,697 | 7,355 | 4,603 | 5,264 | 1,620 |
| Mar. 31 | 21,272 | 2,416 | 744 | 1,672 | 7,379 | 4,573 | 5,284 | 1,620 |
| Federal Reserve Banks: |  |  |  |  |  |  |  |  |
| 1971-Dec. 31. | 70,218 | 36,032 | 31,033 | 4,999 | 25,299 | 7,702 | 584 | 601 |
| 1972-Dec. 31. | 69,906 | 37,750 | 29,745 | 8,005 | 24,497 | 6,109 | 1,414 | 136 |
| 1973-Dec. 31 | 78,516 | 46,189 | 36,928 | 9,261 | 23,062 | 7,504 | 1,577 | 184 |
| 1974-Feb. 28 | 78,237 | 46,425 | 36,467 | 9,958 | 22,236 | 7,780 | 1,612 | 184 |
| Mar. 31 | 79,483 | 47,032 | 38,938 | 10,094 | 22,618 | 7,987 | 1,648 | 198 |
| Held by private investors:1971--Dec$\mathbf{3 1}$ |  |  |  |  |  |  |  |  |
| 1971-Dec. $31 . \ldots$ | 173,376 180,243 | 81,729 91,063 | 65,867 73,451 | 15,862 17,612 | 60,735 57,649 | 16,943 17,547 | 6,627 9,570 | 7,340 4,413 |
| $1973-$ Dec. 31 | 170,746 | 93,162 | 70,227 | 22,935 | 50,939 | 13,241 | 9,063 | 4,341 |
| 1974-Feb. 28 | 170,179 | 92,628 | 70,689 | 21,939 | 49,454 | 14,585 | 9,252 | 4,259 |
| Mar. 31 | 172,841 | 96,005 | 74,177 | 21,828 | 49,048 | 14,405 | 9,160 | 4,222 |
|  |  |  |  |  |  |  |  |  |
| 1971-Dec. 31. | 51,363 | 14,920 | 8,287 | 6,633 | 28,823 | 6,847 | 555 | 217 |
| 1972-Dec. 31. | 52,440 | 18,077 | 10,289 | 7,788 | 27,765 | 5,654 | 864 | 80 |
| 1973-Dec. 31 | 45,737 | 17,499 | 7,901 | 9,598 | 22,878 | 4,022 | 1,065 | 272 |
| 1974-Feb. 28 | 45,369 | 16,441 | 7,336 | 9,105 | 22,450 | 5,142 | 1,070 | 265 |
| Mar. 31 | 45,524 | 16,726 | 7,763 | 8,963 | 22,381 | 5,106 | 1,023 | 290 |
| Mutual savings banks: |  |  |  |  |  |  |  |  |
| 1971-Dec. 31... | 2,742 | 416 | 235 | 181 | 1,221 | 499 | 281 | 326 |
| 1972-Dec. 31. | 2,609 | 590 | 309 | 281 | 1,152 | 469 | 274 | 124 |
| 1973-Dec. 31. | 1,955 | 562 | 222 | 340 | 750 | 211 | 300 | 131 |
| 1974-Feb. 28 | 1,834 | 493 | 221 | 272 | 704 | 228 | 291 | 117 |
| Mar. 31 | 1,855 | 509 | 240 | 269 | 710 | 230 | 254 | 151 |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1972-Dec. 31. | 5,220 | 799 779 | 448 | 351 | 1,190 1,073 | 976 1,278 | 1,593 1,301 | 661 523 |
| 1973-Dec. 31. | 4,956 4,858 | 779 710 | 312 298 | 467 412 | 1,073 | 1,278 | 1,301 | 523 510 |
| 1974-Feb. ${ }^{\text {Mar. }} 31$ | 4,959 | 815 | 413 | 402 | 1,066 | 1,297 | 1,278 | 501 |
|  |  |  |  |  |  |  |  |  |
| 1971-Dec. $31 . .$. | 6,021 | 4,191 | 3,280 | 911 | 1,492 | 301 | 16 | 20 |
| 1972-Dec. 31. | 4,948 | 3,604 | 1,198 | 2,406 | 1,198 | 121 | 25 | 15 |
| 1973-Dec 31. | 4,905 | 3,295 | 1,695 | 1,600 | 1,281 | 260 | 54 | 15 |
| 1974-Feb. 28. | 4,765 | 2,877 | 1,632 | 1,245 | 1,386 | 351 | 136 | 15 |
| Mar. 31 | 5,513 | 3,561 | 2,129 | 1,432 | 1,528 | 356 | 53 | 14 |
|  |  |  |  |  |  |  |  |  |
| 1971-Dec. 31......... | 3,002 | 629 | 343 | 286 | 1,449 | 587 | 162 | 175 |
| 1972-Dec. 31. | 2,873 | 820 | 498 | 322 | 1,140 | 605 | 226 | 81 |
| 1973-Dec. 31. | 2,103 | 576 | 121 | 455 | 1,011 | 320 | 151 | 45 |
| 1974-Feb. 28. | 2,116 | 580 | 159 | 421 | 978 | 338 | 169 | 50 |
| Mar. 31. | 2,184 | 603 | 194 | 409 | 968 | 372 | 191 | 50 |
|  |  |  |  |  |  |  |  |  |
| 1971-Dec. 31........ | 9,823 | 4.592 | 3,832 | 760 | 2,268 | 783 | 918 | 1,263 |
| 1972-Dec. 31. | 10,904 | 6,159 | 5,203 | 956 | 2.033 | 816 | 1,298 | 598 |
| 1973-Dec. 31. | 9,829 | 5,845 | 4,483 | 1,362 | 1,870 | 778 | 1,003 | 332 |
| 1974-Feb. 28. | 10,834 | 7,035 | 5,604 | 1,431 | 1,834 | 805 | 836 | 325 |
| Mar. 31. | 10,723 | 7,026 | 5,677 | 1,349 | 1,724 | 737 | 913 | 323 |
| All others: 31 |  |  |  |  |  |  |  |  |
| 1971-Dec. $31 .$. |  |  |  |  |  | 6,933 8,906 | 3,329 5,290 | 4,237 2,868 |
| 1972-Dec. 31. | 101,249 | 61,014 64,606 | 55,506 $\mathbf{5 5 , 4 9 3}$ | 5,508 9,113 | 23,171 22,076 | 8,906 6,372 | 5,290 5,189 | 2,868 3,023 |
| 1974-Feb. 28. | 100,403 | 64,492 | 55,439 | 9,053 | 21,034 | 6,425 | 5,474 | 2,977 |
| Mar. 31. | 102,083 | 66,765 | 57,761 | 9,004 | 20,671 | 6,307 | 5,448 | 2,893 |

[^59]banks, and 737 insurance companies combined, each about 90 per cent; (2) 465 nonfinancial corporations and 486 savings and loan assns., each about 50 per cent ; and (3) 505 State and local govts., about 40 per cent.
"All others," a residual, includes holdings of all those not reporting in the Treasury Survey, including investor groups not listed separately.

| Period | U.S. Government securities |  |  |  |  |  |  |  |  | U.S. Govt. agency securities |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Total | By maturity |  |  |  | By type of customer |  |  |  |  |
|  |  |  |  |  |  |  |  |  | $\operatorname{other}_{1}^{\text {All }}$ |  |
|  |  | Within 1 year | $\begin{gathered} 1-5 \\ \text { years } \end{gathered}$ | $\begin{gathered} 5-10 \\ \text { years } \end{gathered}$ | Over <br> 10 years | U.S. Govt. securities dealers | U.S. Govt. securities brokers | Commercial banks |  |  |
| 1973-Mar.Apr.May.June.July.Aug.Sept.Oct..Nov..Dec.. | 3,077 | 2,311 | 508 | 201 | 57 | 713 | 585 | 987 | 792 | 664 |
|  | 3,185 | 2,535 | 440 | 165 | 46 | 709 | 636 | 1,075 | 766 | 714 |
|  | 3,187 | 2,390 | 322 | 323 | 153 | 661 | 543 | 1,057 | 927 | 687 |
|  | 2,969 | 2,335 | 289 | 228 | 118 | 593 | 622 | 975 | 778 | 732 |
|  | 2,993 | 2,330 | 367 | 226 | 72 | 581 | 632 | 982 | 798 | 700 |
|  | 3,366 | 2,403 | 706 | 172 | 85 | 566 | 874 | 1,044 | 881 | 771 |
|  | 3,884 | 3,021 | 644 | 158 | 61 | 583 | 1,182 | 1,142 | 977 | 1,048 |
|  | 3,384 | 2,798 | 374 | 163 | 48 | 568 | . 954 | 1,073 | 789 | 810 |
|  | 4,022 | 3,001 | 485 348 | 447 317 | 89 58 | 655 675 | 1,188 | 1,173 | 1,007 | 810 |
|  | 3,889 | 3,167 | 348 | 317 | 58 | 675 | 1,051 | 1,123 | 1,040 | 869 |
| $\begin{array}{r} \text { 1974-Jan..... } \\ \begin{array}{l} \text { Feb.... } \\ \text { Mar..... } \end{array} \end{array}$ | 3,659 | 3,074 | 325 | 215 | 45 | 706 | 889 | 1,103 | 962 | 695 |
|  | 4,229 | 3,192 | 402 | 561 | 74 | 795 | 1,058 |  | 1,077 | 1,019 |
|  | 3,697 | 2,814 | 450 | 369 | 64 | 744 | 892 | 1,071 | 991 | 733 |
| Week ending- |  |  |  |  |  |  |  |  |  |  |
| 1974-Mar. $\begin{array}{r}6 . \\ \\ \\ \\ \\ 20 \\ 27 .\end{array}$ | 3,125 | 2,339 | 358 | 354 | 74 | 667 | 755 | 894 | 810 | 810 |
|  | 3,673 | 2,813 | 437 | 349 | 73 | 713 | 1,004 | 1,080 | 876 | 673 |
|  | 3,520 | 2,741 | 363 | 367 | 49 | 735 | 822 | . 969 | 995 | 542 |
|  | 3,910 | 2,978 | 445 | 426 | 60 | 748 | 884 | 1,238 | 1,039 | 1,011 |
| Apr. $\begin{gathered}3 \\ 10 \\ 17 \\ 24 \\ \end{gathered}$ | 3,929 | 2,921 | 736 | 228 | 44 | 723 | 972 | 1,069 | 1,165 | 512 |
|  | 3,609 | 2,762 | 590 | 195 | 61 | 638 | 1,058 | 1,000 | 913 | 870 |
|  | 3,839 | 3,145 | 415 | 248 | 32 | 774 | 1,056 | 1,126 | 882 | 742 |
|  | 3,067 | 2,644 | 240 | 135 | 48 | 557 | 588 | 938 | 983 | 772 |

${ }^{1}$ Since Jan. 1972 has included transactions of dealers and brokers in securities other than U.S. Govt.

Note-The transactions data combine market purchases and sales of U.S. Govt. securities dealers reporting to the F.R. Bank of New York.

They do not include allotments of, and exchanges for, new U.S. Govt. securities, redemptions of called or matured securities, or purchases or sales of securities under repurchase agreement, reverse repurchase (resale), or similar contracts. Averages of daily figures based on the number of trading days in the period.

## DAILY-AVERAGE DEALER POSITIONS

(Par value, in millions of dollars)

| Period | U.S. Government securities, by maturity |  |  |  |  | U.S. Govt. agency securities |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\underset{\substack{\text { maturi- } \\ \text { ties }}}{\text { All }}$ | Within year | $\xrightarrow[\text { years }]{1-5}$ | $\begin{array}{r} 5-10 \\ \text { years } \end{array}$ | $\begin{aligned} & \text { Over } \\ & 10 \\ & \text { years } \end{aligned}$ |  |
| 1973-Mar. | 2,702 | 3,130 | -274 | -143 | -11 | 180 |
| Apr. | 2,795 | 3,105 | -159 | -143 | -9 | 274 |
| May | 2,626 | 2,596 | -324 | 179 | 175 | 356 |
| June. | 2,976 | 2,818 | -165 | 91 | 232 | 744 |
| July | 1,901 | 2,062 | -250 | -43 | 131 | 511 |
| Aug. | 1,788 | 1,977 | -94 | -107 | 12 | 273 |
| Sept. | 3,201 | 2,958 | 316 | -111 | 38 | 799 |
| Oct. | 3,073 | 2,858 | 93 | 56 | 67 | 904 |
| Nov | 3,618 | 3,034 | 95 | 350 | 139 | 1,185 |
| Dec. | 4,441 | 3,697 | 223 | 396 | 124 | 1,400 |
| 1974-Jan. | 3,653 | 3,210 | 51 | 262 | 130 | 1,324 |
| Feb. | 4,081 | 2,707 | 537 | 647 | 190 | 1,435 |
| Mar. | 2,587 | 2,149 | 50 | 287 | 102 | 1,045 |
| Week ending- |  |  |  |  |  |  |
| 1974-Feb. 6. |  |  | 126 | 414 |  |  |
| 13. | 5,005 | 3,179 | 818 | 797 | 212 | 1,462 |
| 20. | 4,055 | 2,388 | 672 | 779 | 216 | 1,523 |
| 27. | 3,631 | 2,271 | 530 | 612 | 217 | 1,416 |
| Mar. 6. | 3,591 | 2,622 |  | 459 | 187 | 1,222 |
| 13. | 3,336 | 2,695 | 133 | 376 | 133 | 1,229 |
| 20. | 2,037 | 1,670 | 2 | 284 | 81 | 1,118 |
| 27. | 1,703 | 1.650 | $-138$ | 142 | 48 | 783 |

[^60]
## DAILY-AVERAGE DEALER FINANCING

(In millions of dollars)

| Period | All sources | Commercial banks |  | Corporations 1 | All other |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | New York City | Elsewhere |  |  |
| 1973-Mar. | 2,799 | 903 | 292 | 281 | 1,323 |
| Apr. | 3,032 | 935 | 513 | 311 | 1,273 |
| May....... | 2,667 | 674 | 452 | 252 | 1,291 |
| June....... | 3,769 | 1,242 | 690 | 431 | 1,406 |
| July. . . . . . | 2,826 | 725 | 544 | 510 | 1,047 |
| Aug. . . . . | 2,318 | 829 | 327 | 386 | , 777 |
| Sept....... | 4,244 | 1,620 | 877 | 441 | 1,306 |
| Oct. . . . . . . | 3,721 | 1,253 | 918 | 328 | 1,223 |
| Nov....... | 4,469 | 1,809 | $\begin{array}{r}900 \\ \hline 187\end{array}$ | 570 | 1,190 |
| Dec. | 5,468 | 2,322 | 1,147 | 671 | 1,329 |
| 1974-Jan. . . . . . . | 4,802 | 1,747 | 1,253 | 658 | 1,143 |
| Feb........ | 4,837 | 1,545 | 1,501 | 533 | 1,257 |
| Mar. . . . . | 3,817 | 1,196 | 952 | 485 | 1,185 |
| Week ending- |  |  |  |  |  |
| 1974 -Feb. 6... | 4,577 | 1,698 | 1,482 | 413 | 985 |
| 13... | 5,121 | 1,839 | 1,567 | 422 | 1,293 |
| 20... | 5,301 | 1,627 | 1,499 | 635 | 1,541 |
| 27... | 4,922 | 1,674 | 1,496 | 635 | 1,117 |
| Mar. 6... | 4,640 | 1,607 | 1,154 | 652 | 1,226 |
| 13... | 4,821 | 1,589 | 1,144 | 662 | 1,426 |
| 20... | 3,559 | 1,187 | , 904 | 455 | 1,013 |
| 27... | 2,733 | 690 | 737 | 306 | 999 |

${ }^{1}$ 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 table on the left.
U.S. GOVERNMENT MARKETABLE AND CONVERTIBLE SECURITIES, APRIL 30, 1974
(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. |  | 1975 |  | Treasury bonds |  |
| May 2, 197 | 4,308 | Sept. 26, 19 | 1,801 | Sept. 30, 1975.....83/8 | 2,042 | May 15, 1974.....41/4 | 2,847 |
| May 7, 197 | 1,800 | Oct. 3, 1974 | 1,810 | Oct. 1, 1975.....11/2 | 30 | Nov. 15, $1974 . \ldots .37 / 8$ | 1,213 |
| $\begin{array}{ll}\text { May } \\ \text { May } & \text { 16, } \\ \text { 19, } & 1974 \\ \end{array}$ | 4,306 4,303 | $\begin{array}{ll}\text { Oct. } \\ \text { Oct. } \\ \text { 17, } \\ \text { 17, } & 1974\end{array}$ | 1,802 | Nov. 15, 1975..... 7 | 3,115 | May 15, 1975-85..41/4 | 1,201 1,474 |
| May 23, 1974. | 4,303 | Oct. 22, 1974 | 1,802 | Feb. 15, 1976.... . 61/4 | 3,739 | Feb. 15, 1980..... 4 | 2,573 |
| May 30, 1974. | 4,301 | Oct. 24, 1974 | 1,802 | Feb. 15, 1976..... 5 7/8 | 4,945 | Nov. 15, 1980..... $31 / 2$ | 1,896 |
| June 4, 1974. | 1,801 | Nov. 19, 1974 | 1,801 | Mar. 31, 1976... . 8 | 1,532 | Aug. 15, 1981.... 7 | 807 |
| June 6, 1974 | 4,301 | Dec-17, 1974 | 1,803 | Apr. 1, 1976.....11/2 | 27 | Feb. 15, 1982....63/8 | 2,702 |
| June 13, 1974 | 4,303 | Jan. 14: 1975 | 1,802 | May 15, 1976..... $53 / 4$ | 2,802 | Aug. 15, 1984.... 63/8 | 2,353 |
| June 20, 1974 | 4,300 | Feb. 11, 1975 | 1,802 | May 15, 1976.... $61 / 2$ | 2,697 | May 15, 1985..... 31/4 | 936 |
| June 21, 1974 | 4, 523 | Mar. 11, 1975 | 1,801 1,801 | Aug. 15, 1976..... $71 / 2$ | 4,194 3,883 |  | 1,216 3,665 |
| June 27, 1974 | 4,303 1,802 | Apr. 8, 1975 | 1,801 | Aug. 15, 1976..... $61 / 2$ | 3,883 11 | Aug. 15, 1987-92..41/4 Feb. 15, 1988-93..4 | $\begin{array}{r}3,665 \\ \hline 227\end{array}$ |
| July 5, 1974 | 4,304 |  |  | Nov. 15, 1976..... . $61 / 4$ | 4,325 | May 15, 1989-94..41/8 | 1,446 |
| July 11, 1974 | 4,311 |  |  | Feb. 15, 1977..... 8 | 5,163 | Feb. 15, 1990..... 31/2 | 3,898 |
| July 18, 1974 | 4,314 | Treasury notes |  | Apr. 1, 1977..... 11/2 |  | Feb. 15, 1993... . . $63 / 4$ | 627 |
| July 25, 1974 | 4,299 | May 15, 1974.... 71/4 | 4,334 | May 15, 1977....6.678 | 2,565 | Aug. 15, $1993 . . . . .71 / 2$ | 1,914 |
| July 30, 1974 | 1,804 | Aug. 15, 1974..... $55 / 8$ | 10,284 | Aug. 15, 1977..... $73 / 4$ | 4,918 | Feb. 15, 1995.... 3 | 813 |
| Aug. 1, 1974 | 1,803 | Sept. 30, 1974.... 6 | 2,060 | Oct. 1, 1977..... 11/2 | 17 | May 15, 1993-98..7 | ${ }_{6} 69$ |
| Aug. 8, ${ }^{\text {Aug. }} 1974$ | 1,802 |  | 42 5,442 | Feb. 15, $1978 \ldots . .61 / 4$ Apr. 1, d | 8,389 15 | Nov. 15, 1998..... 31/2 | 3,030 |
| Aug. 22, 1974 | 1,797 | Dec. 31, 1974..... $57 / 8$ | 2,102 | Opt. 1 1, 1978...... $11 / 2$ | 3 |  |  |
| Aug. 27, 1974 | 1,805 | Feb. 15, 1975..... 53/4 | 4,015 | Nov. 15, 1978..... 6 | 8,207 |  |  |
| Aug. 29, 1974 | 1,802 | Feb. 15, 1975..... $57 / 8$ | 1,222 | Aug. 15, 1979.... . 61/4 | 4,559 | Convertible bonds |  |
| Sept. 5, 1974 | 1,805 | Apr. 1, 1975.... 11/2 |  | Nov. 15, 1979.....65\% | 1,604 | Investment Series B |  |
| Sept. 12, 1974 | 1,802 | May 15, 1975.... $57 / 8$ | 1,776 | Nov. 15, 1979.... 7 | 2,241 | Apr. 1, 1975-80..23/4 | 2,272 |
| Sept. 19, 1974 | 1.801 | May 15, 1975.... 6 | 6,760 | May 15, 1980....67/8 | 7,265 |  |  |
| Sept. 24, 1974 | 1,802 | Aug. 15, 1975.... 57/8 | 7,679 | Feb. 15, 1981.... 7 | 1,842 |  |  |

$\dagger$ 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 amoun ered ${ }^{3}$ | Issues for new capital |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Type of issue |  |  |  | Type of issuer |  |  |  | Total | Use of proceeds |  |  |  |  |  |
|  | Total |  | Revenue | HAA ${ }^{\text {I }}$ | U.S. Govt. loans | State | Special district and stat. auth. | Other ${ }^{2}$ |  |  | Education | Roads and bridges | Utilities ${ }^{4}$ | Housing ${ }^{5}$ | Veterans aid | Othes pur* poses |
| 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 |  | 11,303 | 3,738 | 1,476 | 1,880 | 533 |  | 3,667 |
| 1967. | 14,766 | 8,985 | 5,013 | 477 | 334 | 2,842 | 4,810 | 7,115 |  | 14,643 | 4,473 | 1,254 | 2,404 | 645 | .... . . | 5,867 |
| 1968 | 16,596 | 9,269 | 6,517 | 528 | 282 | 2,774 | 5,946 | 7,884 |  | 16,489 | 4,820 | 1,526 | 2,833 | 787 |  | 6,523 |
| 1969. | 11,881 | 7,725 | 3,556 | 402 | 197 | 3,359 | 3,596 | 4,926 |  | 11,838 | 3,252 | 1,432 | 1,734 | 543 |  | 4,884 |
| 1970. | 18,164 | 11,850 | 6,082 | 131 | 103 | 4,174 | 5,595 | 8,399 |  | 18,110 | 5,062 | 1,532 | 3,525 | 466 |  | 7,526 |
| 1971. | 24,962 | 15,220 | 8,681 | 1,000 | 62 | 5,999 | 8,714 | 10,246 |  | 24,495 | 5,278 | 2,642 | 5,214 | 2,068 |  | 9,293 |
| 1972. | 23,652 | 13, 305 | 9,332 | 959 | 57 | 4,991 | 9,496 | 9,165 |  | 22,073 | 4,981 | 1,689 | 4,638 | 1,910 |  | 6,741 |
| 1973. | 23,970 | 12,257 | 10,632 | 1,022 | 58 | 4,212 | 9,507 | 10,249 |  | 22,408 | 4,311 | 1,458 | 5,654 | 2,639 |  | 8,335 |
| 1973 r-Mar. . | 2,467 | 1,228 | 930 | 303 | 6 | 613 | 918 | 936 |  | 2,210 | 374 | 153 | 501 | 347 |  | 833 |
| Apr... | 1,826 | 870 | 947 |  | 9 | 159 | 731 | 934 |  | 1,757 | 306 | 12 | 452 | 88 |  | 898 |
| May... | 1,939 | 825 | 1,106 |  | 8 | 291 | 945 | 703 |  | 1,775 | 299 | 233 | 430 | 224 |  | 588 |
| June.. | 2,152 | 1,025 | 861 | 261 | 5 | 189 | 1,082 | 881 |  | 2,144 | 542 | 102 | 643 | 334 |  | 523 |
| July.. | 2,028 | 1,458 | 564 |  | 6 | 516 | 363 | 1,149 |  | 2,001 | 391 | 231 | 366 | 3 |  | 1,009 |
| Aug... | 1,657 | 1,067 | 588 |  | 2 | 529 | 498 | 630 |  | 1,602 | 311 | 30 | 352 | 290 |  | 618 |
| Sept. . | 1,750 | 721 | 741 | 285 | 2 | 236 | 828 | 675 |  | 1,653 | 327 | 66 | 579 | 384 |  | 298 |
| Oct.. | 2,313 | 1,344 | 964 |  | 6 | 337 | 842 | 1,135 |  | 2,163 | 299 | 142 | 412 | 251 |  | 1,060 |
| Nov. . | 2,257 | 866 | 1,383 |  | 9 | 243 | 1,247 | 766 |  | 1,929 | 356 | 42 | 596 | 247 |  | 687 |
| Dec... | 2,089 | 919 | 919 | 173 | 1 | 450 | 1,022 | 616 |  | 1,954 | 372 | 165 | 487 | 344 |  | 582 |
| 1974-Jan.... | 2,198 | 1,402 | 794 |  | 2 | 208 | 823 | 1,163 |  | 2,130 | 595 | 36 | 373 | 56 |  | 1,070 |
| Feb.... | 1,934 | 1,155 | 778 |  | 1 | 473 | 523 | 938 |  | 1,869 | 449 | 53 | 612 | 39 |  | 717 |
| Mar... | 1,979 | 1,160 | 590 | 227. | 3 | 346 | 776 | 856 |  | 1,868 | 359 | 258 | 349 | 241 |  | 660 |
| 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. <br> 4 Water, sewer, and other utit <br> 5 Includes urban redevelopm |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ${ }^{2}$ Municipalities, counties, townships, school districts. Note.-Security Industries Assn. data; par amounts of long-term issues |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ${ }^{3}$ Excludes U.S. Govt. loans. Based on date of delivery to purchaser based on date of sale unless otherwise indicated. and payment to issuer, which occurs after date of sale. |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

TOTAL NEW ISSUES
(In millions of dollars)

| Period | Gross proceeds, all issues ${ }^{\text {I }}$ |  |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Total | Noncorporate |  |  |  |  | Corporate |  |  |  |  |  |  |
|  |  | U.S. Govt. 2 | U.S. Govt. agency ${ }^{3}$ | State and local (U.S.) ${ }^{4}$ |  | Others | Total | Bonds |  |  |  | Stock |  |
|  |  |  |  |  |  | Total |  | Publicly offered |  |  | Preferred | Common |
| 1964. | 37, 122 | 10,656 | 1,205 | 10,5 |  |  |  | 13,957 | 10,865 | 3,623 |  |  | 412 | 2,679 |
| 1965. | 40,108 | 9,348 | 2,731 | 11,1 |  |  | 15,992 | 13,720 | 5,576 |  |  | 725 | 1,547 |
| 1967 | 45,015 68,514 | 8,231 19,431 | 6,806 8,180 | 11,0 |  |  | 18,074 24,798 | 15,561 | 8,018 14,990 |  |  | 574 885 | 1,939 1,959 |
| 1968 | 65,562 | 18,025 | 7,666 | 16,37 |  |  | 21,966 | 17,383 | 10,732 |  |  | 637 | 3,946 |
| 1969. | 52,496 | 4,765 | 8,617 | 11,4 |  |  | 26,744 | 18,347 | 12,734 |  |  | 682 | 7,714 |
| 1970. | 88,666 | 14,831 | 16,181 | 17,7 |  |  | 38,945 | 30,315 | 25,384 |  |  | 1,390 | 7,240 |
| 1971. | 105,233 | 17,325 | 16,283 | 24,3 |  |  | 45,090 | 32,123 | 24,775 |  |  | 3,670 | 9,291 |
| 1972. | 96,522 | 17,080 | 12,825 | 23,070 |  |  | 41,957 | 28,896 | 19,434 |  |  | 3,367 | 9,694 |
| 1973-Feb.. | 7,325 | 1,603 606 | 2,261 | 1,4 |  |  | 1,962 | 957 2.116 | 641 1.315 |  | 16 | 172 833 | 832 984 |
| Apr.. | 6,567 | 564 | 1,640 | 1,6 |  |  | 2,497 | 1,739 | 1,938 |  | 1 | 200 | 558 |
| May. | 11,225 | 3,353 | 3,442 | 1,8 |  | 7 | 2,543 | 1,721 | 1,049 |  | 72 | 187 | 635 |
| June. | 7,943 | 559 | 1,706 | 2,0 |  | 3 | 3,578 | 2,757 | 1,358 |  |  | 216 | 606 |
| July. | 7,643 | 490 | 2,471 |  |  | 8 | 2,631 | 1,870 | 857 |  |  | 226 | 536 |
| Aug. | 8,019 | 3,097 | 1,600 | 1,4 |  | 2 | 1,806 | 1,382 | 792 |  | 90 | 94 | 330 |
| Sept. | 8.091 | 2,432 | 2,100 |  |  | 5 | 1,915 | 1,366 | 684 |  | 82 | 119 | 430 |
| Oct.. | 8,924 | 485 | 2,612 | 2, |  |  | 3,398 | 2,358 | 1,805 |  | 53 | 355 | 685 |
| Nov. | 12,553 | 4,521 | 2,200 |  |  |  | 3,563 | 2,257 | 1,669 |  | 89 | 637 | 668 |
| Dec. | 6,635 | 148 | 1,032 | 1,9 |  |  | 3,238 | 2,469 | 1,552 |  | 17 | 196 | 573 |
| $\begin{array}{r} 1974 \text { Jan. }{ }^{6} \text { Feb. } \end{array}$ |  |  |  |  |  |  | 3,370 2,639 | 2,934 2,052 | 2,115 1,684 |  | 19 | 152 268 | 284 318 |
|  |  | Gross proceeds, major groups of corporate issuers |  |  |  |  |  |  |  |  |  |  |  |
|  |  | Manufacturing |  | Commercial and miscellaneous |  | Transportation |  | Public utility |  | Communication |  | Real estate and financial |  |
|  |  | Bonds | Stocks | Bonds | Stocks | Bonds | Stocks | Bonds | Stocks | Bonds | Stocks | s Bonds | Stocks |
| 1964........................... |  | 2,8194,7125,861 | $\begin{aligned} & 228 \\ & 704 \end{aligned}$ | 902 | 220 | 944 | 38 | 2,139 | 620604 | 669 | 1,520139 | 3,391 | 466514 |
| 1965. |  |  |  | 1,153 | 251 | $\begin{array}{r} 953 \\ 1,856 \end{array}$ | 60 | 2,332 |  | 808 |  | 3,762 |  |
| 1966. |  |  | 1,208 | 1,166 | 257 |  | 116 |  | 549 | 1,814 | 189 | 1,747 | 193 |
| 1967. |  | ¢, 9,8945,668 | 1,164 | 1,950 | 117 | ,859 | 466 | 4,217 | 718 | 1,786 | 193 | 2,247 | 186 |
| 1968. |  |  |  | 1,759 | 116 | ,665 | 1,579 | 4,407 | 873 | 1,724 | 43 | 2,159 | 662 |
| 1969. |  | 4,448 | 1,904 | 1,888 | 3,022 | ,899 | 247 | 5,409 | 1,326 | 1,963 | 225 | 2,739 | 1,671 |
| 1970. |  | $\begin{aligned} & 9,192 \\ & 9,426 \end{aligned}$ | $\begin{aligned} & 1,320 \\ & 2,152 \end{aligned}$ | 1,963 | 2,540 | ,213 | 47 | 8,016 | 3,001 | 5,053 | 83 | 3,878 | 1,638 |
| 1971 |  |  |  | 2,272 | 2,390 | ,998 | 420 | 7,605 | 4,195 | 4,227 | 1,592 | 6,601 | 2,212 |
| 1972 |  | 4,821 | $\begin{aligned} & 2,152 \\ & 1,809 \end{aligned}$ | 2,645 | 2,882 | 2,862 | 185 | 6,392 | 4,965 | 3,692 | 1,125 | 8,485 | 2,095 |
| 1973-Feb.. |  | 178772 | 35125 | 118177 | 111327 | 96317 | 461 | $\begin{array}{r} 319 \\ 1,076 \end{array}$ | $\begin{array}{r} 277 \\ 1,351 \end{array}$ | 58548 | 117668 | $\begin{array}{r} 290 \\ 1,462 \end{array}$ | 4611,397 |
| Mar. |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Apr. |  | 772 387 | 2212 | 237 | $\begin{aligned} & 139 \\ & 142 \end{aligned}$ | $\begin{array}{r} 91 \\ 236 \end{array}$ |  | $\begin{aligned} & 150 \\ & \hline 66 \end{aligned}$ | +369 | $258$ | . . . ${ }^{\text {. }}$. . | .. $\begin{array}{r}743\end{array}$ | 228 |
| May |  | 387 |  |  |  |  | ........ |  | 410497 |  | 1929 | $\cdots 351$ | 231181 |
|  |  | 703 | $\begin{array}{r} 25 \\ 169 \end{array}$ | 133 | 89 | 183 |  | $\begin{array}{r} 361 \\ 1,099 \end{array}$ |  | $\begin{aligned} & 355 \\ & 303 \end{aligned}$ |  | 337 |  |
| July. |  | $\begin{aligned} & 364 \\ & 230 \end{aligned}$ |  | $\begin{aligned} & 139 \\ & 149 \end{aligned}$ | $\begin{aligned} & 112 \\ & 129 \end{aligned}$ | 25083 | $\left\lvert\, \begin{array}{r} 1 \\ 15 \\ 2 \end{array}\right.$ | -651 | 269 | 244 | 60 | $223$ | 151 |
|  |  | $\begin{array}{r} 169 \\ 49 \end{array}$ | 319 |  |  |  |  | 90 | 320 | 5 | 182 | 136 |  |
| Sept. |  |  |  | $270$ | 78 | 149 |  | $\begin{array}{r} 96 \\ 147 \end{array}$ |  | 140 | 252 |  | 16 | 244 |
| Oct. |  | 472 |  |  | $\begin{aligned} & 114 \\ & 241 \end{aligned}$ | $\begin{array}{r} 4 \\ 6 \end{array}$ | $\begin{aligned} & 342 \\ & 584 \end{aligned}$ |  | $\begin{aligned} & 608 \\ & 496 \end{aligned}$ | $\begin{aligned} & 633 \\ & 296 \end{aligned}$ | 46 | $692$ | 123115 |
| Dec. |  | 383 485 | $\begin{aligned} & 93 \\ & 18 \end{aligned}$ | $\begin{array}{r} 61 \\ 145 \end{array}$ | $\begin{array}{r} 92 \\ 285 \end{array}$ |  | $\begin{aligned} & 241 \\ & 226 \end{aligned}$ | 569 | 319 | 350 | 4 | 693 |  |
| 1974-Jan. |  | 854337 | 2936 | 13247 | 125143 | 136 | $\ldots . .1$. | $\begin{array}{r} 1,192 \\ 536 \end{array}$ | $\begin{aligned} & 249 \\ & 293 \end{aligned}$ | 141372 | 425 | 478756 | 3087 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

1 Gross proceeds are derived by multiplying principal amounts or number of units by offering price.
${ }^{2}$ Includes guaranteed issues.
${ }^{3}$ Issues not guaranteed.
${ }_{5}^{4}$ See note to table at bottom of preceding page.
5 Foreign governments and their instrumentalities, International Bank for Reconstruction and Development, and domestic nonprofit organizations.

NET CHANGE IN OUTSTANDING CORPORATE SECURITIES
(In millions of dollars)

| Period | Derivation of change, all issuers ${ }^{1}$ |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | All securities |  |  |  | Bonds and notes |  |  |  | Common and preferred stocks |  |  |  |
|  | New issues |  | Retirements | Net change | New issues | Retirements |  | Net change | New issues | Retirements |  | Net change |
| 1969... | 28,8 |  | 10,813 | 18,027 | 19,5 |  | 767 | 13,755 | 9,318 |  | 45 | 4,272 |
| 1970... | 38,707 |  | 9,079 | 29,628 | 29,4 |  | ,667 | 22,825 | 9,21 |  | 11 | 6,801 |
| 1971....... | 46,687 |  | 9,507 | 37,180 | 31,9 |  | 190 | 23,728 | 14,76 |  | 318 | 13,452 |
| 1972.. | 42,30 |  | 10,224 | 32,082 | 27, |  | ,003 | 19,062 | 15,2 |  | 222 | 13,018 |
| 1973p. | 35,0 |  | 11,804 | 23,252 | 21, |  | 810 | 12,691 | 13,55 |  |  | 10,561 |
| 1972-IV.. | 10,94 |  | 2,932 | 8,012 | 6,9 |  | 207 | 4,790 | 3,94 |  | 725 | 3,220 |
| 1973-I.... | 8,219 |  | 2,806 | 5,412 | 4,1989 |  | 781 | 2,417 | 4,020 |  | 25 | 2,995 |
| II. | 9,41 |  | 2,470 | 6,947 | 5,7 |  | 664 | 4,106 | 3,64 |  | 06 | 2,842 |
| III. . | 6,638 |  | 2,150 | 4,488 | 4,5 |  | 579 | 2,941 | 2,118 |  | 571 | 1,547 |
| IV.... | 10,78 |  | 4,378 | 6,405 | 7,0 |  | 786 | 3,227 | 3,76 |  | 591 | 3,177 |
| Period | Type of issues |  |  |  |  |  |  |  |  |  |  |  |
|  | Manufacturing |  | Commercial and other 2 |  | Transportation ${ }^{3}$ |  | Public utility |  | Communi-cation |  | Real estate and financial 1 |  |
|  | Bonds \& notes | Stocks | $\begin{array}{c\|c} \text { Bonds } \\ \text { \& notes } \end{array}$ | Stocks | Bonds \& notes | Stocks | Bonds \& notes | Stocks | Bonds \& notes | Stocks | Bonds \& notes | Stocks |
| 1970. | 6,641 | $\begin{array}{r} 870 \\ 2,534 \end{array}$ | 853 | 1,778 | 1,104900 | 36800 | 6,861 | 2,917 | 4,806 | 94 | 2,564 | 1,107 |
| 1971.. | 6,585 |  | - 827 | 2,290 |  |  | 6,486 | 4,206 | 3,925 | 1,600 | 5,005 | 2,017 |
| 1972. | 1,995 | 2,094 | 1,409 | 2,471 | 711 | 254 | 5,137 | 4,844 | 3,343 | 1,260 | 7,045 | 2,096 |
| 1973. | 801 | -658 | -109 | 1,411 | 1,044 | -93 | 4,265 | 4,509 | 3,165 | 1,389 | 3,522 | 3,141 |
| 1972-IV.. | 116 | 290 | 575 | 479 | 179 | 47 | 1,056 | 1,735 | 944 | 89 | 1,920 | 580 |
| 1973-I. | 135 | 63-2 | $\begin{array}{r}-174 \\ \hline 119\end{array}$ | 377 | 127 | -43 | 844 | 1,170 | 520 | 185 | 965 | 1,244 |
|  | 632 |  |  | 327 | 327 | 7 | 1,136 | 1,276 | 842 | 562 | 1,049 | , 673 |
| III. . | 165 | 450 | $\begin{array}{r} 108 \\ -162 \end{array}$ | 247 | 414 | -44 | 1,217 | + 557 | 752 | 77 | , 284 | 260 |
| IV.. | -131 | 147 |  | 460 | 176 | -13 | 1,068 | 1,506 | 1,051 | 575 | 1,224 | 964 |

1 Excludes investment companies.
2 Extractive and commercial and miscellaneous companies.
3 Railroad and other transportation companies.
Note.-Securities and Exchange Commission estimates of cash transactions only. As contrasted with data shown on opposite page, new issues
exclude foreign sales and include sales of securities held by affiliated companies, special offerings to employees, and also new stock issues and cash proceeds connected with conversions of bonds into stocks. Retirements are defined in the same way and also include securities retired with internal funds or with proceeds of issues for that purpose.

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 ${ }^{\text {f }}$ | Redemptions | Net sales | Total ${ }^{2}$ | Cash position ${ }^{3}$ | Other |
| 1962. | 2,699 | 1,123 | 1,576 | 21,271 | 1,315 | 19,956 | 1973-Mar... | 519 | 531 | -12 | 53,377 | 3,774 | 49,603 |
| 1963 | 2,460 | 1,504 | 952 | 25,214 | 1,341 | 23,873 | Apr... | 300 | 452 | -120 | 50,837 | 3,837 | 46,464 |
| 1964 | 3,404 | 1,875 | 1,528 | 29,116 | 1,329 | 27,787 | May.. | 285 | 446 | -161 | 48,588 | 4,154 | 44,434 |
|  |  |  |  |  |  |  | June. . | 303 | 349 | -46 | 48,127 | 4,164 | 43,963 |
| 1965 | 4,359 | 1,962 | 2,395 | 35,220 | 1.803 | 33,417 | July. . | 364 | 357 | -7 | 50,933 | 4,594 | 46,339 |
| 1966 | 4,671 | 2,005 | 2,665 | 34,829 | 2,971 | 31,858 | Aug. . | 239 | 432 | -193 | 49,553 | 4,567 | 44,986 |
| 1967 | 4,670 | 2,745 | 1,927 | 44,701 | 2,566 | 42,135 | Sept... | 330 | 395 | -65 | 52,322 | 4,641 | 47,681 |
|  |  |  |  |  |  |  | Oct.. . | 305 | 559 | -254 | 51,952 | 4,168 | 47,784 |
| 1968. | 6,820 6,717 | 3,841 3,661 | 2,979 | 52,677 48,291 | 3,187 | 49,490 44,445 | Noc... | 502 349 | 542 392 | -40 -43 | 45,814 46,518 | 4,126 4,002 | 41,688 42,516 |
| 1970 | 6,624 | 2,681 | 1,637 | 47,618 | 3,846 3,649 | 43,969 |  | 349 |  |  |  |  | 42,516 |
|  |  |  |  |  |  |  | 1974-Jan. . . | 334 | 325 | 9 | 47,094 | 4,226 | 42,863 |
| 1971. | 5,145 | 4,751 | 774 | 56,694 | 3,163 | 53,531 | Feb. . | 215 | 303 | -88 | 45,958 | 4,447 | 41,511 |
| 1972 | 4,892 | 6,563 | -1,671 | 59,831 | 3,035 | 56,796 | Mar... | 297 | 346 | -49 | 44,423 | 4,406 | 40,017 |
| 1973 | 4,358 | 5,651 | 1,261 | 46,518 | 4,002 | 42,516 |  |  |  |  |  |  |  |

[^61]${ }^{3}$ 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.

CORPORATE PROFITS, TAXES, AND DIVIDENDS
(In billions of dollars)

| Year | Profits before taxes | Income taxes | Profits after taxes | Cash <br> divi- <br> dends | Undistributed profits | Corporate capital consumption allowances ${ }^{1}$ | Quarter | Profits before taxes | Income taxes | Profits after taxes | Cash dividends | Undistributed profits | Corporate capital consumption allowances ${ }^{1}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1966 | 84.2 | 34.3 | 49.9 | 20.8 | 29.1 | 39.5 | 1972-I. | 92.8 | 40.6 | 52.2 | 25.7 | 26.5 | 63.4 |
| 1967 | 79.8 | 33.2 | 46.6 | 21.4 | 25.3 | 43.0 | II | 94.8 | 41.4 | 53.4 | 25.9 | 27.5 | 66.2 |
|  |  |  |  |  |  |  | III. | 98.4 | 42.9 | 55.6 | 26.2 | 29.4 | 66.0 |
| 1968 | 87.6 | 39.9 | 47.8 | 23.6 | 24.2 | 46.8 | IV. | 106.1 | 45.9 | 60.3 | 26.4 | 33.9 | 68.0 |
| 1969. | 84.9 | 40.1 | 44.8 | 24.3 | 20.5 | 51.9 |  |  |  |  |  |  |  |
| 1970. | 74.0 | 34.8 | 39.3 | 24.7 | 14.6 | 56.0 | 1973-J. | 119.6 | 52.7 | 66.9 | 26.9 | 40.0 | 69.3 |
| 1971. | 85.1 | 37.4 | 47.6 | 25.1 | 22.5 | 60.4 | II. | 128.9 | 57.4 | 71.6 | 27.3 | 44.2 | 70.5 |
| 1972. | 98.0 | 42.7 | 55.4 | 26.0 | 29.3 | 65.9 | III. | 129.0 | 57.6 | 71.5 | 28.1 | 43.4 | 71.7 |
| 1973. | 126.3 | 55.8 | 70.4 | 27.8 | 42.6 | 71.4 | IV. | 127.4 | 55.7 | 71.6 | 29.0 | 42.6 | 74.2 |

${ }^{1}$ Includes depreciation, capital outlays charged to current accounts, and accidental damages.
adjusted annual rates.
CURRENT ASSETS AND LIABILITIES OF NONFINANCIAL CORPORATIONS
(In billions of dollars)

| End of period | Net working capital | Current assets |  |  |  |  |  |  | Current liabilities |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Total | Cash | $\begin{gathered} \text { U.S. } \\ \text { Govt. } \\ \text { securi- } \\ \text { ties } \end{gathered}$ | Notes and accts. receivable |  | Inventories | Other | Total | Notes and accts. payable |  | Accrued Federal income taxes | Other |
|  |  |  |  |  | U.S. <br> Govt. ${ }^{1}$ | Other |  |  |  | $\begin{aligned} & \text { U.S. } \\ & \text { Govt. }{ }^{1} \end{aligned}$ | Other |  |  |
| 1969. | 185.7 | 473.6 | 47.9 | 10.6 | 4.8 | 192.2 | 186.4 | 31.6 | 287.9 | 7.3 | 192.0 | 12.6 | 76.0 |
| $1970{ }^{\text {r }}$. | 187.4 | 492.3 | 50.2 | 7.7 | 4.2 | 201.9 | 193.3 | 35.0 | 304.9 | 6.6 | 204.7 | 10.0 | 83.6 |
| 1971 - 1. | 192.0 | 496.1 | 49.0 | 8.0 | 4.2 | 202.6 | 195.8 | 36.5 | 304.1 | 6.1 | 200.0 | 11.5 | 86.5 |
| II. | 196.4 | 500.3 | 51.6 | 7.9 | 3.9 | 204.6 | 196.4 | 35.8 | 303.9 | 5.3 | 200.1 | 10.5 | 88.2 |
| III | 200.9 | 509.3 | 52.9 | 8.0 | 3.9 | 207.9 | 198.8 | 37.7 | 308.4 | 5.0 | 201.7 | 11.6 | 90.1 |
| IV. | 204.9 | 518.8 | 55.7 | 10.7 | 3.5 | 208.8 | 200.3 | 39.7 | 313.9 | 4.9 | 207.3 | 12.2 | 89.5 |
| 1972 ${ }^{\text {r-I }}$ - | 209.8 | 528.1 | 55.6 | 10.2 | 3.4 | 212.8 | 204.3 | 41.8 | 318.3 | 4.9 | 207.0 | 13.3 | 93.2 |
| II. | 215.0 | 536.5 | 56.0 | 8.9 | 2.8 | 217.8 | 207.7 | 43.1 | 321.5 | 4.9 | 208.5 | 11.4 | 96.7 |
| III | 219.2 | 547.5 | 57.7 | 7.8 | 2.9 | 224.1 | 212.2 | 42.8 | 328.3 | 4.7 | 212.1 | 12.7 | 98.8 |
| IV. | 224.3 | 563.1 | 60.5 | 9.9 | 3.4 | 230.5 | 215.1 | 43.6 | 338.8 | 4.0 | 221.6 | 14.1 | 99.1 |
| 1973 r-I. | 231,8 | 579.2 | 61.2 | 10.8 | 3.2 | 235.7 | 222.8 | 45.5 | 347.4 | 4.1 | 222.8 | 15.7 | 104.7 |
| II. | 237.7 | 596.8 | 62.3 | 9.6 | 2.9 | 245.6 | 230.3 | 46.0 | 359.1 | 4.5 | 232.5 | 13.9 | 108.1 |
| III. | 241.9 | 613.6 | 62.2 | 9.5 | 3.0 | 254.2 | 238.2 | 46.6 | 371.7 | 4.4 | 240.8 | 15.3 | 111.2 |
| IV. | 245.3 | 631.4 | 65.2 | 10.7 | 3.5 | 255.8 | 247.0 | 49.3 | 386.1 | 4.3 | 252.0 | 16.6 | 113.3 |

${ }^{1}$ Receivables from, and payables to, the U.S. Govt. exclude amounts
Note: Based on Securities and Exchange Commission estimates. offset against each other on corporations' books.

BUSINESS EXPENDITURES ON NEW PLANT AND EQUIPMENT
(In billions of dollars)

| Period | Total | Manufacturing |  | Mining | Transportation |  |  | Public utilities |  | Communications | Other ${ }^{1}$ | $\begin{aligned} & \text { Total } \\ & \text { (S.A. } \\ & \text { A.R.) } \end{aligned}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Durable | Nondurable |  | Railroad | Air | Other | Electric | Gas and other |  |  |  |
| 1969. | 75.56 | 15.96 | 15.72 | 1.86 | 1.86 | 2.51 | 1.68 | 8.94 | 2.67 | 8.30 | 16.05 |  |
| 1970 | 79.71 | 15.80 | 16.15 | 1.89 | 1.78 | 3.03 | 1.23 | 10.65 | 2.49 | 10.10 | 16.59 |  |
| 1971 | 81.21 | 14.15 | 15.84 | 2.16 | 1.67 | 1.88 | 1.38 | 12.86 | 2.44 | 10.77 | 18.05 | . |
| 1972 | 88.44 | 15.64 | 15.72 | 2.45 | 1.80 | 2.46 | 1.46 | 14.48 | 2.52 | 11.89 | 20.07 |  |
| 1973. | 99.74 | 19.25 | 18.76 | 2.74 | 1.96 | 2.41 | 1.66 | 15.91 | 2.76 | 12.85 | 21.40 |  |
| 1971-IV.. | 22.79 | 4.12 | 4.32 | . 59 | . 45 | . 56 | . 37 | 3.60 | . 69 | 2.84 | 5.26 | 83.18 |
| 1972-I. | 19.38 | 3.29 | 3.32 | . 58 | . 48 | . 50 | . 32 | 3.19 | . 44 | 2.72 | 4.55 | 86.79 |
| II | 22.01 | 3.71 | 3.92 | . 61 | . 48 | . 73 | . 39 | 3.61 | .62 | 2.95 | 4.98 | 87.12 |
| III. . | 21.86 | 3.86 | 3.87 | . 59 | .38 | . 61 | .35 | 3.67 | . 72 | 2.84 | 4.97 | 87.67 |
| IV. | 25.20 | 4.77 | 4.61 | . 63 | . 47 | . 63 | . 40 | 4.01 | . 73 | 3.39 | 5.57 | 91.94 |
| 1973-I. | 21.50 | 3.92 | 3.88 | . 63 | . 46 | . 52 | . 32 | 3.45 | . 50 | 2.87 | 4.94 | 96.19 |
| II. | 24.73 | 4.65 | 4.51 | . 71 | . 46 | . 72 | . 43 | 3.91 | . 68 | 3.27 | 5.40 | 97.76 |
| III. | 25.04 | 4.84 | 4.78 | .69 | . 48 | . 57 | . 44 | 4.04 | . 77 | 3.19 | 5.24 | 100.90 |
| IV. | 28.48 | 5.84 | 5.59 | . 71 | . 56 | . 60 | . 47 | 4.54 | . 82 | 3.53 | 5.83 | 103.74 |
| 1974-İ. ${ }^{2}$ | 23.92 | 4.85 | 4.54 | . 75 | . 50 | . 48 | . 39 | 3.99 | . 53 | 7.9 |  | 107.18 |
|  | 27.83 | 5.54 | 5.60 | . 80 | . 60 | . 65 | .41 | 4.48 | . 91 | 8.8 |  | 109.96 |

${ }_{1}^{1}$ Includes trade, service, construction, finance, and insurance.
2 Anticipated by business.

Note.-Dept. of Commerce and Securities and Exchange Commission estimates for corporate and noncorporate business; excludes agriculture, real estate operators, medical, legal, educational, and cultural service, and nonprofit organizations.

## MORTGAGE DEBT OUTSTANDING

(In billions of dollars)

| End of period | All properties |  |  |  | Farm |  |  | Nonfarm |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | All holders | Financial institutions ${ }^{1}$ | Other holders ${ }^{2}$ |  | All holders | $\left\|\begin{array}{c} \text { Finan- } \\ \text { cial } \\ \text { insti- } \\ \text { tutions } 1 \end{array}\right\|$ | 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 | $\begin{aligned} & \text { FHA- } \\ & \text { VA- } \\ & \text { under- } \\ & \text { written } \end{aligned}$ | Con-ventional |
| 1964 | 300.1 | 241.0 | 11.4 | 47.7 | 18.9 | 7.0 | 11.9 | 281.2 | 197.6 | 170.3 | 27.3 | 83.6 | 63.7 | 19.9 | 77.2 | 204.0 |
| 1965 | 325.8 | 264.6 | 12.4 | 48.7 | 21.2 | 7.8 | 13.4 | 304.6 | 212.9 | 184.3 | 28.7 | 91.6 | 72.5 | 19.1 | 81.2 | 223.4 |
| 1966. | 347.4 | 280.8 | 15.8 | 50.9 | 23.3 | 8.4 | 14.9 | 324.1 | 223.6 | 192.1 | 31.5 | 100.5 | 80.2 | 20.3 | 84.1 | 240.0 |
| 1967 | 370.2 | 298.8 | 18.4 | 53.0 | 25.5 | 9.1 | 16.3 | 344.8 | 236.1 | 201.8 | 34.2 | 108.7 | 87.9 | 20.9 | 88.2 | 256.6 |
| 1968 | 397.5 | 319.9 | 21.7 | 55.8 | 27.5 | 9.7 | 17.8 | 370.0 | 251.2 | 213.1 | 38.1 | 118.7 | 97.1 | 21.6 | 93.4 | 276.6 |
| 1969. | 425.3 | 339.1 | 26.8 | 59.4 | 29.5 | 9.9 | 19.6 | 395.9 | 266.8 | 223.7 | 43.2 | 129.0 | 105.5 | 23.5 | 100.2 | 295.7 |
| 1970. | 451.7 | 355.9 | 33.0 | 62.8 | 31.2 | 10.1 | 21.1 | 420.5 | 280.2 | 231.3 | 48.9 | 140.3 | 114.5 | 25.8 | 109.2 | 311.3 |
| 1971. | 499.9 | 394.4 | 39.4 | 66.2 | 32.9 | 9.9 | 23.0 | 467.0 | 307.8 | 254.2 | 53.7 | 159.2 | 130.3 | 28.9 | 120.7 | 346.3 |
| 1972. | 565.4 | 450.6 | 45.8 | 69.0 | 35.4 | 10.5 | 24.9 | 530.0 | 346.1 | 288.7 | 57.4 | 183.9 | 151.3 | 32.6 | 131.1 | 398.9 |
| 1971-III. . | 485.6 | 383.5 | 37.4 | 64.6 | 32.4 | 9.8 | 22.6 | 453.2 | 299.7 | 248.0 | 51.7 | 153.5 | 125.8 | 27.7 | 117.5 | 335.7 |
| IV. . | 499.9 | 394.4 | 39.4 | 66.2 | 32.9 | 9.9 | 23.0 | 467.0 | 307.8 | 254.2 | 53.7 | 159.2 | 130.3 | 28.9 | 120.7 | 346.3 |
| 1972-I.... | 511.7 | 404.2 | 41.2 | 66.4 | 33.5 | 9.9 | 23.6 | 478.2 | 314.1 | 259.6 | 54.5 | 164.1 | 134.6 | 29.4 | 123.7 | 354.5 |
| II... | 529.1 | 418.9 | 42.7 | 67.5 | 34.4 | 10.2 | 24.2 | 494.8 | 324.6 | 268.8 | 55.8 | 170.2 | 140.0 | 30.3 | 126.6 | 368.2 |
| III.. | 547.3 | 434.6 | 44.3 | 68.3 | 35.0 | 10.3 | 24.7 | 512.3 | 335.8 | 279.2 | 56.6 | 176.5 | 145.1 | 31.3 | 129.0 | 383.3 |
| IV.. | 565.4 | 450.6 | 45.8 | 69.0 | 35.4 | 10.5 | 24.9 | 530.0 | 346.1 | 288.7 | 57.4 | 183.9 | 151.3 | 32.6 | 131.1 | 398.9 |
| 1973-I. | 580.1 | 463.3 | 47.3 | 69.5 | 36.5 | 10.7 | 25.8 | 543.6 | 353.9 | 296.3 | 57.6 | 189.7 | 156.4 | 33.4 | 132.5 | 411.1 |
| II. | 600.4 | 480.5 | 49.0 | 71.0 | 37.7 | 11.0 | 26.7 | 562.7 | 365.7 | 306.9 | 58.8 | 197.0 | 162.5 | 34.5 | 133.6 | 429.1 |
| III ${ }^{p}$. | 619.9 | 494.9 | 53.0 | 71.9 | 38.7 | 11.4 | 27.3 | 581.2 | 376.6 | 315.0 | 61.6 | 204.5 | 168.5 | 36.0 |  |  |

${ }^{1}$ 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 include former Federal National Mortgage Assoc. and, beginning fourth quarter 1968, new Government National Mortgage Assoc. as well as Federal Housing Admin., Veterans Admin., Public Housing Admin., Farmers Home Admin. They also include UU.S. sponsored agencies-new FNMA, Federal land banks, GNMA (Pools), and the Federal Home Loan Mortgage Corp. Other U.S. agencies (amounts small or 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 tables below.
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 in table below.

Note.-Based on data from Federal Deposit Insurance Corp., Federal Home Loan Bank Board, Institute of Life Insurance, Depts. of Agriculture and Commerce, FNMA, FHA, PHA, VA, GNMA, FHLMC, and Comptroller of the Currency.

Figures for first three quarters of each year are F.R. estimates.

MORTGAGE DEBT OUTSTANDING ON NONFARM 1- to 4-FAMILY PROPERTIES
(In billions of dollars)

| End of period | Total | Governmentunderwritten |  |  | Con-ventional |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Total | $\begin{aligned} & \text { FHA- } \\ & \text { in- } \\ & \text { sured } \end{aligned}$ | VA-guaranteed ${ }^{1}$ |  |
| 1964. | 197.6 | 69.2 | 38.3 | 30.9 | 128.3 |
| 1965 | 212.9 | 73.1 | 42.0 | 31.1 | 139.8 |
| 1966 | 223.6 | 76.1 | 44.8 | 31.3 | 147.6 |
| 1967. | 236.1 | 79.9 | 47.4 | 32.5 | 156.1 |
| 1968. | 251.2 | 84.4 | 50.6 | 33.8 | 166.8 |
| 1969. | 266.8 | 90.2 | 54.5 | 35.7 | 176.6 |
| 1970. | 280.2 | 97.3 | 59.9 | 37.3 | 182.9 |
| 1971. | 307.8 | 105.2 | 65.7 | 39.5 | 202.6 |
| 1972. | 346.1 | 113.0 | 68.2 | 44.7 | 233.1 |
| 1971-III. | 299.7 | 102.9 | 64.4 | 38.5 | 196.8 |
| IV. | 307.8 | 105.2 | 65.7 | 39.5 | 202.6 |
| 1972-I. | 314.1 | 107.5 | 66.8 | 40.7 | 206.6 |
| II. | 324.6 | 109.6 | 67.6 | 42.0 | 215.0 |
| III. | 335.8 | 111.5 | 68.4 | 43.1 | 224.3 |
| IV. | 346.1 | 113.0 | 68.2 | 44.7 | 233.1 |
| 1973-I. | 353.9 | 113.7 | 67.9 | 45.8 | 204.2 |
| II... | 365.7 | 114.7 | 67.5 | 47.2 | 251.0 |
| III ${ }^{p}$. . | 376.6 | . . . . . ${ }^{\text {a }}$ | . . . . . |  |  |

${ }^{1}$ Includes outstanding amount of VA vendee accounts held by private investors under repurchase agreement.

[^62]MORTGAGE LOANS HELD BY BANKS
(In millions of dollars)

| End of period | Commercial bank holdings 1 |  |  |  |  |  |  | Mutual savings bank holdings |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Total | Residential |  |  |  | Other nonfarm | Farm | Total | Residential |  |  |  | Other nonfarm | Farm |
|  |  | Total | FHA-insured | $\begin{aligned} & \text { VA- } \\ & \text { guar- } \\ & \text { anteed } \end{aligned}$ | Con-ventional |  |  |  | Total | FHA-insured | $\begin{aligned} & \text { VA- } \\ & \text { guar- } \\ & \text { anteed } \end{aligned}$ | Con-ventional |  |  |
| 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 |
| 1968. | 65,696 | 41,433 | 7,926 | 2,708 | 30,800 | 20,505 | 3,758 | 53,456 | 46,748 | 15,569 | 12,033 | 19,146 | 6,592 | 117 |
| 1969. | 70,705 | 44,573 | 7,960 | 2,663 | 33,950 | 22,113 | 4,019 | 56,138 | 48,682 | 15,862 | 12,166 | 20,654 | 7,342 | 114 |
| 1970. | 73,275 | 45,640 | 7,919 | 2,589 | 35,131 | 23,284 | 4,351 | 57,948 | 49,937 | 16,087 | 12,008 | 21,842 | 7,893 | 119 |
| 1971. | 82,515 | 52,004 | 8,310 | 3,980 | 40,714 | 26,306 | 4,205 | 61,978 | 53,027 | 16,141 | 12,074 | 24,812 | 8,901 | 50 |
| 1972. | 99,314 | 62,782 | 8,495 | 3,203 | 51,084 | 31,751 | 4,781 | 67,556 | 57,140 | 16,013 | 12,622 | 28,505 | 10,354 | 62 |
| 1972-I. | 85,614 | 53,937 | 8,360 | 2,999 | 42,578 | 27,353 | 4,324 | 62,978 | 53,733 | 16,184 | 12,144 | 25,405 | 9,195 | 50 |
| II. | 90,114 | 56,782 | 8,477 | 3,141 | 45,163 | 28,785 | 4,547 | 64,404 | 54,758 | 16,256 | 12,325 | 26,178 | 9,586 | 60 |
| III | 95,048 | 59,976 | 8,515 | 3,118 | 48,343 | 30,415 | 4,657 | 65,901 | 55,889 | 16,130 | 12,463 | 27,296 | -9,951 | 61 |
| IV.. | 99,314 | 62,782 | 8,495 | 3,203 | 51,084 | 31,751 | 4,781 | 67,556 | 57,140 | 16,013 | 12,622 | 28,505 | 10,354 | 62 |
| 1973-I. | 103,548 | 65,236 |  |  |  | 33,342 | 4,970 | 68,920 | 58,169 |  |  |  | 10,683 | 68 |
| III. | 109,114 | 68,650 | 8,482 | 3,211 | 56,957 | 35,224 | 5,240 | 70,634 | 59,397 |  |  |  | 11,178 | 59 |
| III. | 114,414 | 71,852 |  |  |  | 37,070 | 5,492 | 72,034 | 60,305 |  |  |  | 11,670 | 59 |

1 Includes loans held by nondeposit trust companies but not bank trust depts.

Note.-Second and fourth quarters, FDIC series for all commercial and mutual savings banks in the United States and possessions. First and third quarters, estimates based on special F.R. interpolations.

MORTGAGE ACTIVITY OF LIFE INSURANCE COMPANIES
(In millions of dollars)

| Period | Loans acquired |  |  |  |  |  | Loans outstanding (end of period) |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Total | Nonfarm |  |  |  | Farm | Total | Nonfarm |  |  |  | Farm |
|  |  | Total | FHAinsured | VA- guaranteed | Other ${ }^{1}$ |  |  | Total | FHAinsured | VA. guaranteed | Other |  |
| 1945. | 976 |  |  |  |  |  | 6,637 | 5,860 | 1,394 |  | 4,466 | 766 |
| 1964. | 10,433 | 9,386 | 1,812 | 674 | 6,900 | 1,047 | 55,152 | 50,848 | 11,484 | 6,403 | 32,961 | 4,304 |
| 1965 | 11,137 | 9,988 | 1,738 | 553 | 7,697 | 1,149 | 60,013 | 55,190 | 12,068 | 6,286 | 36,836 | 4,823 |
| 1966. | 10,217 | 9,223 | 1,300 | 467 | 7,456 | 994 | 64,609 | 59,369 | 12,351 | 6,201 | 40,817 | 5,240 |
| 1967. | 8,470 | 7,633 | 757 | 444 | 6,432 | 837 | 67,516 | 61,947 | 12,161 | 6,122 | 43,664 | 5,569 |
| 1968 | 7,925 | 7,153 | 733 | 346 | 6,074 | 772 | 69,973 | 64,172 | 11,961 | 5,954 | 46,257 | 5,801 |
| 1969 | 7,531 | 6,991 | 594 | 220 | 6,177 | 540 | 72,027 | 66,254 | 11,715 | 5,701 | 48,838 | 5,773 |
| 1970. | 7,181 | 6,867 | 386 | 88 | 6,393 | 314 | 74,375 | 68,726 | 11,419 | 5,394 | 51,913 | 5,649 |
| 1971. | 7,573 | 7,070 | 322 | 101 | 6,647 | 503 | 75,496 | 69,895 | 10,767 | 5,004 | 54,124 | 5,601 |
| 1972. | 8,696 | 7,996 | 331 | 182 | 7,483 | 700 | 76,948 | 71,270 | 9,962 | 4,660 | 56,648 | 5,678 |
| 1973 | 11,122 | 10,109 | 280 | 240 | 9,589 | 1,013 | 81,180 | 75,193 | 9,212 | 4,396 | 61,585 | 5,987 |
| 1973-Jan. ${ }^{\text {r }}$ | 725 | 662 | 17 | 21 | 624 | 63 | 77,105 | 71,473 | 9,930 | 4,641 | 56,902 | 5,632 |
| Feb. | 603 | 542 | 27 | 24 | 491 | 61 | 77,510 | 71,892 | 9,806 | 4,613 | 57,473 | 5,618 |
| Mar. | 670 | 573 | 37 | 24 | 512 | 97 | 77,587 | 71,953 | 9,735 | 4,594 | 57,624 | 5,634 |
| Apr. | 702 | 624 | 20 | 22 | 582 | 78 | 77,258 | 71,611 | 9,708 | 4,572 | 57,331 | 5,647 |
| May | 774 | 694 | 22 | 21 | 651 | 80 | 77,400 | 71,721 | 9,627 | 4,549 | 57,545 | 5,679 |
| June. | 1,101 | 1,009 | 24 | 27 | 958 | 92 | 77,914 | 72,187 | 9,544 | 4,524 | 58,119 | 5,727 |
| July. | , 933 | 849 | 26 | 19 | 804 | 84 | 78,243 | 72,474 | 9,464 | 4,496 | 58,514 | 5,769 |
| Aug. | 1,034 | 947 | 11 | 20 | 916 | 87 | 78,657 | 72,839 | 9,388 | 4,471 | 58,980 | 5,818 |
| Sept. | 944 | 862 | 23 | 17 | 822 | 82 | 79,040 | 73,182 | 9,330 | 4,447 | 59,405 | 5,858 |
| Oct. | 972 | 899 | 13 | 18 | 868 | 73 | 79,516 | 73,619 | 9,270 | 4,428 | 59,921 | 5,897 |
| Nov | 1,146 | 1,051 | 25 | 15 | 1,011 | 95 | 80,191 | 74,261 | 9,233 | 4,414 | 60,614 | 5,930 |
| Dec. | 1,532 | 1,410 | 36 | 13 | 1,361 | 122 | 81,180 | 75,193 | 9,212 | 4,396 | 61,585 | 5,987 |
| 1974-Jan.. | 932 | 845 | 8 | 14 | 823 | 87 | 81,490 | 75,534 | 9,150 | 4,380 | 62,004 | 5,956 |

[^63]COMMITMENTS OF LIFE INSURANCE COMPANIES FOR INCOME PROPERTY MORTGAGES

| Period | Number of loans | Total amount committed (millions of (dollars) | Averages |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | Loan amount (thousands of dollars) | Contract interest rate (per cent) | $\begin{gathered} \text { Maturity } \\ \text { (yrs./mos.) } \end{gathered}$ | Loan-to-value ratio (per cent) | Capitalization rate (per cent) | Debt coverage ratio | Per cent constant |
| 1968. | 2,569 | 3,244.3 | 1,263 | 7.66 | 22/11 | 73.6 | 9.0 | 1.30 | 9.5 |
| 1969. | 1,788 | 2,920.7 | 1,633 | 8.69 | 21/8 | 73.3 | 9.6 | 1.29 | 10.2 |
| 1970. | 912 | 2,341.1 | 2,567 | 9.93 | 22/8 | 74.7 | 10.8 | 1.32 | 11.1 |
| 1971. | 1,664 | 3,982.5 | 2,393 | 9.07 | $22 / 10$ | 74.9 | 10.0 | 1.29 | 10.4 |
| 1972. | 2,132 | 4,986.5 | 2,339 | 8.57 | 23/3 | 75.2 | 9.6 | 1.29 | 9.8 |
| 1971-Nov. | 136 | 288.2 | 2,119 | 9.01 | 23/5 | 75.6 | 9.9 | 1.27 | 10.2 |
| Dec. | 133 | 290.0 | 2,181 | 8.96 | 23 | 74.4 | 9.9 | 1.30 | 10.2 |
| 1972-Jan. . | 107 | 198.6 | 1,856 | 8.78 | 22/1 | 73.3 | 10.0 | 1.31 | 10.2 |
| Feb.. | 122 | 423.5 | 3,471 | 8.62 | 22/6 | 73.3 | 9.7 | 1.31 | 10.0 |
| Mar. | 220 | 530.4 | 2,411 | 8.50 | 24/2 | 76.3 | 9.5 | 1.29 | 9.7 |
| Apr... | 200 | 381.1 | 1,906 | 8.44 | 24/6 | 76.3 | 9.5 | 1.29 | 9.6 |
| May.. | 246 | 399.6 | 1,624 | 8.48 | 23/4 | 76.0 | 9.5 | 1.26 | 9.8 |
| June. . | 268 | 683.2 | 2,549 | 8.55 | 23/0 | 75.4 | 9.5 | 1.29 | 9.8 |
| July. . | 170 | 421.2 | 2,478 | 8.56 | 23/0 | 74.5 | 9.5 | 1.31 | 9.8 |
| Aug. | 178 | 515.7 | 2,897 | 8.54 | 23/0 | 74.9 | 9.5 | 1.27 | 9.9 |
| Sept. | 152 | 354.1 | 2,329 | 8.58 | 23/4 | 75.7 | 9.5 | 1.28 | 9.8 |
| Oct.. | 159 | 343.5 | 2,161 | 8.65 | 23/0 | 75.8 | 9.6 | 1.29 | 9.9 |
| Nov. | 180 130 | 371.7 363.9 | 2,065 2,799 | 8.63 8.64 | 23/2 | 74.7 74.4 | 9.6 9.8 | 1.28 1.37 | 9.9 9.9 |
|  |  |  | 2,799 |  |  |  |  |  |  |

Note.-American Life Insurance Association data for new commitments of $\$ 100,000$ and over each on mortgages for multifamily and nonresidential nonfarm properties located largely in the United States. The 15 companies account for a little more than one-half of both the total assets and the nonfarm mortgages held by all U.S. life insurance companies. Averages, which are based on number of loans, vary in part with loan composition by type and location of property, type and purpose of loan, and Ioan amortization and prepayment terms. Data for the following are
limited to cases where information was available or estimates could be made: capitalization rate (net stabilized property earnings divided by property value); debt coverage ratio (net stabilized earnings divided by debt service); and per cent constant (annual level payment, including principal and interest, per $\$ 100$ of debt). All statistics exclude construction loans, increases in existing loans in a company's portfolio, reapprovals, and loans secured by land only.

## MORTGAGE ACTIVITY OF SAVINGS AND LOAN ASSOCIATIONS

(In millions of dollars)

| Period | Loans made |  |  | Loans outstanding (end of period) |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Total 1 | New home con-struction | Home purchase | Total ${ }^{2}$ | $\begin{aligned} & \text { FHA } \\ & \text { in- } \\ & \text { sured } 3 \end{aligned}$ | $\begin{gathered} \text { VA- } \\ \text { guar- } \\ \text { anteed } \end{gathered}$ | Con-ventional |
| 1965 | 24,192 | 6,013 | 10,830 | 110,306 | 5,145 | 6,398 | 98,763 |
| 1966. | 16,924 | 3,653 | 7,828 | 114,427 | 5,269 | 6,157 | 103,001 |
| 1967 | 20,122 | 4,243 | 9,604 | 121,805 | 5,791 | 6,351 | 109,663 |
| 1968 | 21,983 | 4,916 | 11,215 | 130,802 | 6,658 | 7,012 | 117,132 |
| 1969 | 21,847 | 4,757 | 11,254 | 140,347 | 7,917 | 7,658 | 124,772 |
| 1970 | 21,383 | 4,150 | 10,237 | 150,331 | 10,178 | 8,494 | 131,659 |
| 1971 | 39,419 | 6,824 | 18,779 | 174,250 | 13,675 | 10,623 | 149,952 |
| 1972. | 51,369 | 8.548 | 26,594 | 206,182 | 15,400 | 13,474 | 177,308 |
| 1973. | 49,464 | 8,423 | 28,248 | 232, 104 | 29,7 |  | 202,391 |
| 1973-Jan.. | 3,698 | 589 | 1,968 | 207,926 | 29,0 |  | 178,870 |
| Feb. | 3,706 | 614 | 2,017 | 210,054 | 29, |  | 180,835 |
| Mar.. | 4,985 | 886 | 2,683 | 213,050 | 29,5 |  | 183,545 |
| Apr.... | 4,984 | 885 | 2,760 | 216,037 | 29,63 |  | 186,401 |
| May... | 5,471 | 930 | 3,137 | 219,283 | 29,7 |  | 189,541 |
| June. . | 5,732 | 902 | 3,465 | 222,580 | 29,8 |  | 192,757 |
| July... | 5,054 | 850 | 3,076 | 225,265 | 29,7 |  | 195,558 |
| Aug. . | 4,966 | 800 | 3,056 | 227,778 | 29,7 |  | 198,074 |
| Sept. | 3,174 | 571 | 1,836 | 229,182 | 30,0 |  | 199,116 |
| Oct.. | 2,786 | 532 | 1,547 | 230,195 | 29,7 |  | 200,436 |
| Nov. | 2,379 | 448 | 1,365 | 231,089 | 29,7 |  | 201, 365 |
| Dec. | 2,529, | 425 | 1,338 | 232,104 | 29,7 |  | 202,391 |
| 1974-Jan. ${ }^{p}$. . | 2,353 | 387 | 1,306 | 233,027 | 29,7 |  | 203,314 |

[^64]FEDERAL HOME LOAN BANKS
(In millions of dollars)

| Period | Advances | Repayments | Advances outstanding (end of period) |  |  | Members' deposits (end of period) |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | Total | Shortterm 1 | Longterm 2 |  |
| 1965 | 5,007 | 4,335 | 5,997 | 3,074 | 2,923 | 1,043 |
| 1966. | 3,804 | 2,866 | 6,935 | 5,006 | 1,929 | 1,036 |
| 1967. | 1,527 | 4,076 | 4,386 | 3,985 | 401 | 1,432 |
| 1968. | 2,734 | 1,861 | 5,259 | 4,867 | 392 | 1,382 |
| 1969. | 5,531 | 1,500 | 9,289 | 8,434 | 855 | 1,041 |
| 1970. | 3,256 | 1,929 | 10,615 | 3,081 | 7,534 | 2,331 |
| 1971. | 2,714 | 5,392 | 7,936 | 3,002 | 4,934 | 1,789 |
| 1972. | 4,790 | 4,749 | 7,979 | 2,961 | 5,018 | 2,104 |
| 1973. | 10,013 | 2,845 | 15,147 | 4,583 | 10,564 | 1,744 |
| 1973-Mar. | 764 | 288 | 8,421 | 2,975 | 5,446 | 1,290 |
| Apr. | 1,187 | 178 | 9,429 | 3,450 | 5,979 | 1,142 |
| May. | . 916 | 189 | 10,156 | 3,428 | 6,728 | 1,261 |
| June. | 1,093 | 104 | 11,145 | 4,016 | 7,129 | 1,453 |
| July. | 1,373 | 153 | 12,365 | 4,583 | 7,782 | 1,183 |
| Aug. | 1,380 | 235 | 13,510 | 4,737 | 8,773 | 1,091 |
| Sept. | 999 | 212 | 14,298 | 4,834 | 9,464 | 1,178 |
| Oct. | 728 | 226 | 14,799 | 4,805 | 9,994 | 1,264 |
| Nov. | 295 | 228 | 14,866 | 4,669 | 10,197 | 1,538 |
| Dec. | 529 | 248 | 15,147 | 4,583 | 10,564 | 1,744 |
| 1974-Jan. | 426 | 385 | 15,188 | 4,486 | 10,702 | 1,602 |
| Feb. | 322 | 607 | 14,904 | 4,304 | 10,600 | 1,935 |
| Mar. | 640 | 548 |  |  |  | 2,027 |

${ }^{1}$ 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.-FHLBB data.

FEDERAL NATIONAL MORTGAGE ASSOCIATION ACTIVITY
(In millions of dollars)

| End of period | Mortgage holdings |  |  | Mortgage transactions (during period) |  | Mortgage commitments |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Total | $\begin{gathered} \text { FHA- } \\ \text { in- } \\ \text { sured } \end{gathered}$ | $\begin{gathered} \text { VA- } \\ \text { guar- } \\ \text { anteed } \end{gathered}$ | Purchases | Sales | Made <br> during period | standing |
| 1968 | 7,167 | 5,122 | 2,046 | 1,944 |  | 2,696 | 1,287 |
| 1969 | 10,945 | 7,676 | 3,269 | 4,120 |  | 6,630 | 3,539 |
| 1970 | 15,492 | 11,063 | 4,429 | 5,079 | 20 | 8,047 | 5,203 |
| 1971 | 17,791 | 12,681 | 5,110 | 3,574 | 336 | 9,828 | 6,497 |
| 1972 | 19,791 | 14,624 | 5,112 | 3,699 | 211 | 8,797 | 8,124 |
| 1973 | 24,175 | 16,852 | 6,352 | 6,127 | 71 | 8,914 | 7,889 |
| 1973-Mar. | 20,571 | 15,201 | 5,259 | 522 |  | 933 | 8,139 |
| Apr. | 20,791 | 15,390 | 5,269 | 355 |  | 1,211 | 8,742 |
| May. | 21,087 | 15,581 | 5,335 | 472 |  | 1,180 | 9,312 |
| June. | 21,413 | 15,768 | 5,411 | 516 | 1 | 1,191 | 9,778 |
| July... | 21,772 | 15,877 | 5,574 | 516 |  | 1,102 | 9,859 |
| Aug... | 22,319 | 16,085 | 5,761 | 699 |  | 1,019 | 9,809 |
| Sept. | 22,831 | 16,293 | 5,937 | 633 |  | 724 | 9,602 |
| Oct. | 23,348 | 16,510 | 6,101 | 659 |  | 264 | 8,918 |
| Nov.. | 23,912 | 16,734 | 6,294 | 656 |  | 200 | 8,690 |
| Dec. | 24,175 | 16,852 | 6,352 | 410 | 40 | 158 | 7,889 |
| 1974-Jan... | 24,424 | 17,008 | 6,348 | 350 |  | 110 | 6,715 |
| Feb. | 24,529 | 17,050 | 6,336 | 242 |  | 489 | 6,768 |
| Mar... | 24,875 | 17.315 | 6,340 | 462 | 1 | 1,646 | 7,913 |

Note.-FNMA data. Total holdings include conventional loans. Data prior to Sept. 1968 relate to secondary market portfolio of former FNMA. Mortgage holdings include loans used to back bond issues guaranteed by GNMA. Mortgage commitments made during the period include some multifamily and nonprofit hospital loan commitments in addition to 1- to 4-family loan commitments accepted in FNMA's free market auction system, and through the FNMA-GNMA Tandem Plan (Program 18).

## GOVERNMENT NATIONAL MORTGAGE ASSOCIATION ACTIVITY

(In millions of dollars)

| End of period | Mortgage holdings |  |  | Mortgage transactions (during period) |  | Mortgage commitments |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Total | $\begin{aligned} & \text { FHA- } \\ & \text { in- } \\ & \text { sured } \end{aligned}$ | $\begin{aligned} & \text { VA- } \\ & \text { guar- } \end{aligned}$anteed |  |  |  |  |
|  |  |  |  | Purchases | Sales | Made during period | $\begin{aligned} & \text { Out } \\ & \text { stand- } \\ & \text { ing } \end{aligned}$ |
| 1967. | 3,348 | 2,756 | 592 | 860 |  | 1,045 | 1,171 |
| 1968 | 4,220 | 3,569 | 651 | 1,089 | 1 | 867 | 1,266 |
| 1969. | 4,820 | 4,220 | 600 | 827 |  | 615 | 1,131 |
| 1970. | 5,184 | 4,634 | 550 | 621 |  | 897 | 738 |
| 1971. | 5,294 | 4,777 | 517 | 393 |  |  | 1,494 |
| 1972 | 5,113 | 4,664 | 436 |  |  |  |  |
| 1973. | 4,029 | 3,642 | 376 |  |  |  |  |
| 1973-Feb. . . | 4,984 | 4,552 | 420 |  |  |  |  |
| Mar... | 4,663 | 4,233 | 418 |  |  |  |  |
| Apr... | 4,439 | 4,010 | 417 |  |  |  |  |
| May. . | 3,980 | 3,687 | 281 |  |  |  |  |
| June. . | 3,908 | 3,604 | 292 |  |  |  |  |
| July... | 4,156 | 3,753 | 391 |  |  |  |  |
| Aug.. . | 4,455 | 3,949 | 495 |  |  |  |  |
| Sept... | 4,429 | 3,878 | 540 |  |  |  |  |
| Oct.... | 4,338 | 3,843 | 484 |  |  |  |  |
| Nov... | 4,172 | 3,779 | 382 |  |  |  |  |
| Dec... | 4,029 | 3,642 | 376 |  |  |  |  |
| 1974-Jan... | 3,767 | 3,505 | 251 |  |  |  |  |
| Feb... | 3,798 | 3,539 | 249 |  |  |  |  |

Note.-GNMA data. Total holdings include a small amount of conventional loans. Data prior to Sept. 1968 relate to Special Assistance and Management and Liquidating portfolios of former FNMA and include mortgages subject to participation pool of Government Mortgage Liquidation Trust, but exclude conventional mortgage loans acquired by former FNMA.

## FEDERAL NATIONAL MORTGAGE ASSOCIATION AUCTIONS

| Date of auction | Government-underwritten home loans |  |  | Conventional home loans |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Mortgage amounts |  | Average yield (shortterm commitments) | Mortgage amounts |  | Average yield (shortterm commitments) |
|  | Offered | Accepted |  | Offered | $\xrightarrow[\text { Ac- }]{\text { cepted }}$ |  |
| 1973-July | In millions of dollars |  | $\begin{aligned} & \text { In } \\ & \text { per cent } \end{aligned}$ | In millions of dollars |  | In per cent |
|  | 539.3 | 244.8 | 8.38 | 108.4 | 72.5 | 8.67 |
|  | 351.4 | 181.4 | 8.54 | 119.0 | 61.7 | 8.79 |
| Aug. 6. | 458.5 | 201,9 | 8.71 | 154.3 | 77.4 | 8.98 |
| 20 | 525.0 | 223.8 | 8.95 | 171.3 | 77.2 | 9.27 |
| Sept. 4 | 551.0 | 288.9 | 9.27 | 118.6 | 61.5 | 9.53 |
| 17 | 138.1 | 107.9 | 9.37 | 48.6 | 46.8 | 9.68 |
| Oct. 1 | 32.5 | 24.1 | 9.11 | 9.1 | 7.1 | 9.43 |
| 15. | 24.8 | 16.6 | 8.97 | 18.6 | 16.2 | 9.10 |
|  | 28.2 | 21.6 | 8.94 | 17.4 | 9.4 | 9.01 |
| Nov. 12. | 29.3 | 23.1 | 8.87 | 24.1 | 16.7 | 8.94 |
| 26. | 24.9 | 20.9 | 8.81 | 31.0 | 22.1 | 8.90 |
| Dec. 17. | 38.6 | 36.2 | 8.78 | 51.4 | 32.2 | 8.82 |
| 1974-Jan. 14... | 40.2 | 35.6 | 8.71 | 48.9 | 34.5 | 8.77 |
| Feb. 11.... | 50.4 | 49.5 | 8.53 | 48.4 | 48.1 | 8.69 |
| Feb. 25... | 58.0 | 42.3 | 8.43 | 48.6 | 39.4 | 8.50 |
| Mar. 11 | 351.1 | 285.3 | 8.44 | 74.2 | 50.1 | 8.47 |
| 25. | 1,154.7 | 332.5 | 8.62 | 126.3 | 34.2 | 8.64 |
| Apr. 8... |  | 267.0 | 8.95 | 163.9 | 63.3 | 9.00 |
| A2... | $333.6$ | 168.5 | 9.18 | 80.3 | 40.9 | 9.21 |

Note.-Average secondary market yields are gross-before deduction of 38 basis-point fee paid for mortgage servicing. They reflect the average accepted bid yield for home mortgages assuming a prepayment period of 12 years for 30 -year loans, without special adjustment for FNMA commitment fees and FNMA stock purchase and holding requirements. Since Oct. 18, 1971, the maturity on new short-term commitments has been Oct. 18, 1971 , the maturity on new short-term commitments has been
4 months. Mortgage amounts offered by bidders are total bids re4 mont

GNMA MORTGAGE-BACKED SECURITY PROGRAM

| Period | Pass-through securities |  | Bonds sold |
| :---: | :---: | :---: | :---: |
|  | Applications received | Securities issued |  |
| 1970. | 1,126.2 | 452.4 | 1,315.0 |
| 1971. | 4,373.6 | 2,701.9 | 300.0 |
| 1972. | 3,854.5 | 2,661.7 | ........... |
| 1973. | 5,588.0 | 3,294.4 | ........ |
| 1973-Feb.. | 167.2 | 216.8 |  |
| Mar. | 339.4 | 139.9 | ......... |
| Apr. | 467.8 | 182.1 | -........ |
| May | 563.3 | 338.8 |  |
| June. | 243.1 | 315.3 | - |
| July. | 215.7 | 384.7 |  |
| Aug. | 174.0 | 191.3 |  |
| Sept. | 533.8 825.7 | 380.0 240.8 |  |
| Nov. | 923.3 | 210.4 |  |
| Dec. | 515.2 | 370.9 |  |
| 1974-Jan.. | $816 . \frac{2}{8}$ | 665.5 |  |
| Feb. | 748.8 | 463.1 |  |

Note.-GNMA data. Under the Mortgage-Backed Security Program, GNMA guarantees the timely payment of principal and interest on both pass-through and bond-type securities, which are backed by a pool of mortgages insured by FHA or Farmers Home Admin. or guaranteed by VA and issued by an approved mortgagee. To date, bond-type securities have been issued only by FNMA and FHLMC.

HOME-MORTGAGE YIELDS
(In per cent)

| Period | Primary market (conventional loans) |  |  | Secondary market |
| :---: | :---: | :---: | :---: | :---: |
|  | FHLBB series (effective rate) |  | $\underset{\text { series }}{\text { HUD }}$ series | Yield <br> on FHAinsured newhome loans |
|  | New homes | Existing homes | New homes |  |
| 1968. | 6.97 | 7.03 | 7.12 | 7.21 |
| 1969. | 7.81 | 7.82 | 7.99 | 8.29 |
| 1970. | 8.44 | 8.35 | 8.52 | 9.03 |
| 1971. | 7.74 | 7.67 | 7.75 | 7.70 |
| 1972. | 7.60 | 7.52 | 7.64 | 7.52 |
| 1973. | 7.95 | 8.01 | 8.30 | 8.19 |
| 1973-Apr.. | 7.71 | 7.70 | 7.90 | 7.73 |
| May. | 7.71 | 7.77 | 7.95 | 7.79 |
| June. | 7.79 | 7.79 | 8.05 | 7.89 |
| July. | 7.87 | 7.84 | 8.40 | 8.19 |
| Aug. | 7.94 | 8.01 | 8.85 |  |
| Sept. | 8.17 | 8.26 | 8.95 | 9.18 |
| Oct. | 8.31 | 8.50 | 8.80 | 8.97 |
| Dec. | 8.49 | 8.61 | 8.75 | 8.86 8,78 |
| 1974-Jan. ${ }^{\text {c }}$. | 8.52 | 8.64 | 8.65 |  |
| Feb. ${ }^{\text {c }}$. | 8.62 | 8.70 | 8.55 | 8.54 |
| Mar. ${ }^{\text {r }}$ | 8.64 | 8.63 | 8.60 | 8.66 |
| Apr. ${ }^{\text {P }}$ | 8.67 | 8.59 |  |  |

Note,-Annual data are averages of monthly figures. The Housing and Urban Development (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. Any gaps in data are due to periods of adjustment to changes in maximum permissible contract interest rates. The HUD (FHA) 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-31) and an assumed prepayment at end of 10 years.

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 |  |
| 1965......... | 3.29 | 2.40 | . 55 | . 34 | .40 |
| 1966......... | 3.40 | 2.54 | . 54 | . 32 | . 36 |
| 1967......... | 3.47 | 2.66 | . 54 | . 27 | . 32 |
| 1968.......... | 3.17 | 2.43 | . 51 | . 23 | . 26 |
| 1969......... | 3.22 | 2.43 | . 52 | . 27 | . 27 |
| 1970......... | 3.64 | 2.67 | . 61 | . 36 | . 33 |
| 1971.......... | 3.93 | 2.82 | . 65 | . 46 | . 46 |
| 1972......... | 4.65 | 3.42 | . 78 | . 45 | . 48 |
| 1971-II...... | 3.27 | 2.36 | . 53 | . 38 | . 38 |
| III..... | 3.59 | 2.54 | . 62 | . 43 | . 41 |
| IV..... | 3.93 | 2.82 | . 65 | . 46 | . 46 |
| 1972-I. . . . . | 3.16 | 2.21 | . 58 | . 37 | . 50 |
| II..... | 3.27 | 2.38 | . 53 | . 36 | . 48 |
| III. . | 3.82 | 2.74 | . 65 | . 43 | . 52 |
| IV 1... | $\{4.66$ | 3.41 | . 79 | . 46 | . 50 |
| IV ... | 14.65 | 3.42 | . 78 | . 45 | . 48 |
| 1973-I. . . . . | 3.63 | 2.52 | . 68 | . 43 | ... |
| II. . . . . | 3.84 | 2.81 | . 64 | . 39 |  |
| III. . . . | 4.36 | 3.10 | . 78 | . 48 |  |
| IV..... | 4.70 | 3.42 | . 79 | . 49 |  |

1 First line is old series; second line is new series.
Note-Mortgage Bankers Association of America data from reports on l- 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.

## GOVERNMENT-UNDERWRITTEN RESIDENTIAL LOANS MADE

(In millions of dollars)

| Period | FHA-insured |  |  |  |  | VA-guaranteed |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Total | Mortgages |  | $\begin{aligned} & \text { Pro- } \\ & \text { jects }{ }^{1} \end{aligned}$ | Property im-provements ${ }^{2}$ | Total ${ }^{3}$ | Mortgages |  |
|  |  | New homes | Existing homes |  |  |  | New homes | Existing homes |
| 1965 | 8,689 | 1,705 | 5,760 | 591 | 634 | 2,652 | 876 | 1,776 |
| 1966. | 7,320 | 1,729 | 4,366 | 583 | 641 | 2,600 | 980 | 1,618 |
| 1967 | 7,150 | 1,369 | 4,516 | 642 | 623 | 3,405 | 1,143 | 2,259 |
| 1968 | 8,275 | 1,572 | 4,924 | 1,123 | 656 | 3,774 | 1,430 | 2,343 |
| 1969 | 9,129 | 1,551 | 5,570 | 1,316 | 693 | 4,072 | 1,493 | 2,579 |
| 1970 | 11,982 | 2,667 | 5,447 | 3,251 | 617 | 3,440 | 1,311 | 2,129 |
| 1971. | 14,689 | 3,900 | 6,475 | 3,641 | 674 | 5,961 | 1,694 | 4,267 |
| 1972 | 12,320 | 3,459 | 4,608 | 3,448 | 805 | 8,293 | 2,539 | 5,754 |
| 1973 | 7,591 | 1,675 | 2,798 | 2,286 | 832 | 7,416 | 2,313 | 5,103 |
| 1973-Feb. . | 710 | 162 | 235 | 262 | 52 | 592 | 187 | 405 |
| Mar.. | 969 | 195 | 268 | 440 | 65 | 596 | 185 | 411 |
| Apr. . | 620 | 151 | 223 | 172 | 74 | 621 | 187 | 434 |
| May. | 589 | 158 | 228 | 122 | 81 | 634 | 198 | 436 |
| June. | 650 | 153 | 229 | 207 | 61 | 646 | 182 | 464 |
| July.. | 559 | 143 | 250 | 100 | 66 | 666 | 204 | 462 |
| Aug. . | 537 | 100 | 195 | 167 | 75 | 565 | 193 | 372 |
| Sept. | 485 | 90 | 177 | 134 | 84 | 565 | 184 | 381 |
| Oct... | 556 | 113 | 246 | 126 | 72 | 652 | 221 | 431 |
| Nov.. | 623 | 100 | 257 | 190 | 76 | 725 | 216 | 509 |
| Dec. . | 459 | 56 | 168 | 168 | 66 | 473 | 138 | 335 |
| 1974-Jan... | 482 | 73 | 243 | 115 | 52 | 652 | 175 | 477 |
| Feb.. | 399 | 54 | 206 | 92 | 46 | 520 | 133 | 387 |

${ }^{1}$ Monthly figures do not reflect mortgage amendments included in annual totals.
2 Not ordinarily secured by mortgages.
3 Includes refinancing loans, mobile home loans and also 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.-FHA and VA 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.

FEDERAL HOME LOAN MORTGAGE CORPORATION ACTIVITY
(In millions of dollars)

| End of period | Mortgage holdings |  |  | Mortgage transactions (during period) |  | Mortgage commitments |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Total | $\underset{\text { FA }}{\text { FHA }}$ | $\begin{aligned} & \text { Con- } \\ & \text { ven- } \\ & \text { tional } \end{aligned}$ | Purchases | Sales | Made during period | Out-standing |
| 1970. | 325 | 325 |  | 325 |  |  |  |
| 1971 | 968 | 821 | 147 | 778 | 64 |  | 182 |
| 1972. | 1,789 | 1,503 | 286 | 1,298 | 408 | 1,606 | 198 |
| 1973. | 2,604 | 1,743 | 861 | 1,334 | 409 | 1,629 | 186 |
| 1973-Mar. | 1,718 | 1,589 | 128 | 119 | 68 | 141 | 295 |
| Apr.. | 1,784 | 1,646 | 138 | 126 | 51 | 193 | 343 |
| May..... | 1,906 | 1,695 | 211 | 147 | 17 | 187 | 344 |
| June. . . . . | 2,029 | 1,716 | 313 | 154 | 21 | 159 | 316 |
| July..... | 2,158 | 1,714 | 444 | 140 | ....... | 139 | 278 |
| Aug. ..... | 2,307 | 1,728 | 579 | 161 | . . . . . | 208 | 291 |
| Sept. | 2,423 | 1,729 | 694 | 126 |  | 143 | 288 |
| Oct. | 2,527 | 1,742 | 785 | 113 |  | 63 | 218 |
| Nov. | 2,565 | 1,746 | 819 | 46 |  | 45 | 207 |
| Dec...... | 2,604 | 1,743 | 861 | 50 | 2 | 43 | 186 |
| 1974-Jan. . . . . | 2,621 | 1,736 | 885 | 34 | 8 | 26 | 161 |
| Feb...... | 2,625 | 1,730 | 895 | 21 | 6 | 49 | 185 |
| Mar....... | 2,638 | 1,724 | 914 | 29 | 2 | 595 | 748 |

Note.-FHLMC data. Data for 1970 include only the period beginning Nov. 26 when the FHLMC first became operational. Holdings, purchases, and sales include participations as well as whole loans. Mortgage holdings include loans used to back bond issues guaranteed by GNMA. Commitment data cover the conventional and Govt.-underwritten loan programs.

TOTAL CREDIT
(In millions of dollars)

| End of period | Total | Instalment |  |  |  |  | Noninstalment |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Total | Automobile paper | Other consumer goods paper |  | Personal loans | Total | Singlepaymen loans | Charge accounts | Service |
| 1940 |  | 5,514 | 2,071 | 1,827 | 371 | 1,245 | 2,824 | 800 |  | 553 |
| 1950 | 21,471 | 14,703 | 6,074 | 4,799 | 1,016 | 2,814 | 6,768 | 1,821 | 3,367 | 1,580 |
| 1960. | 38,830 56,141 | 28,906 | 13,460 17,658 | 7,641 11,545 | 1.693 3.148 | 6,112 | -9,924 | 3,002 4,507 | 4,795 5,329 | 2,337 |
| 1965. | 89,883 | 70,893 | 28,437 | 18,483 | 3,736 | 20,237 | 18,990 | 7,671 | 6,430 |  |
| 1966. | 96,239 | 76,245 | 30,010 | 20,732 | 3,841 | 21,662 | 19,994 | 7,972 | 6,686 | 5, 336 |
| 1967 | 100,783 | 79,428 | 29,796 | 22,389 | 4,008 | 23, 235 | 21,355 | 8,558 | 7,070 | 5,727 |
| 1968 | 110,770 | 87,745 97 | 32,948 35,527 | 24,626 28,313 | 4,239 4,613 | 25,932 28,652 | 23,025 24,041 | 9,532 | 7,193 | 6,300 6,921 |
| 1970. | 127,163 | 102,064 | 35,184 | 31,465 | 5,070 | 30,345 | 25,099 | 9,675 | 7,968 | 7,456 |
| 1971. | 138,394 | 111,295 | 38,664 | 34,353 | 5,413 | 32,865 | 27,099 | 10,585 | 8,350 | 8,164 |
| 1972 | 157,564 | 127,332 | 44,129 | 40,080 | 6,201 | 36,922 | 30,232 | 12,256 | 9,002 | 8,974 |
| 1973 | 180,486 | 147,437 | 51,130 | 47,530 | 7,352 | 41,425 | 33,049 | 13,241 | 9,829 | 9,979 |
| 1973-Mar. | 159,320 | 129,375 | 45,610 | 39,951 | 6,328 | 37,486 | 29,945 | 12,540 | 7,702 | 9,703 |
| Apr. | 161,491 | 131,022 | 46,478 | 40,441 | 6,408 | 37,695 | 30,469 | 12,686 | 8,036 | 9,747 |
| May | 164,277 | 133,531 | 47,518 | 41,096 | 6,541 | 38,376 <br> 38,928 | 30,746 31,065 | -12,817 | 8 8,319 | ${ }_{9}^{9,610}$ |
| July. | 169,148 | 138,212 | 49,352 | 42,575 | 6,845 | 39,440 | 30,936 | 12,968 | 8,479 | 9,489 |
| Aug. | 171,978 | 140, 810 | 50,232 | 43,505 | 7,009 | 40,064 | 31,168 | 13,111 | 8,605 | 9,452 |
| Sept | 173,035 | 142,093 | 50,557 | 44,019 | 7,120 | 40,397 | 30,942 | 13,088 | 8,335 | 9,519 |
| Oct. | 174,840 | 143,610 | 51,092 51,971 | 44,632 | 7,235 | 40,651 | 31,230 31 | 13,145 | 8,590 | 9,495 |
|  | 176,969 180,486 | 145,400 147,437 | 51,371 51,130 | 45,592 47 | 7,321 | 41,116 | 31,569 33,049 | 13,161 13,241 | 8,785 9,829 | 9,623 |
| 1974-Jan. | 178,686 |  |  | 47,303 | 7,303 |  |  | 13,117 | 8,875 | 10,119 |
| Feb | 177,522 | 145,927 | 50,386 | 46,781 | 7,343 | 41,417 | 31,595 31 | 13,159 | 8,018 | 10,418 |
| Mar | 177,572 | 145,768 | 50,310 | 46,536 | 7,430 | 41,492 | 31,804 | 13,188 | 7,939 | 10,677 |

${ }^{1}$ Holdings of financial institutions; holdings of retail outlets are included in "Other consumer goods paper."

Note.-Consumer credit estimates cover loans to individuals for house-
hold, 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 Bulletins for Dec. 1968 and Oct. 1972.

INSTALMENT CREDIT
(In millions of dollars)

| End of period | Total | Financial institutions |  |  |  |  | Retail outlets |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Total | Commercial banks | Finance companies | Credit unions | $\begin{gathered} \text { Mis- } \\ \text { cellaneous } \\ \text { lenders 1 } \end{gathered}$ | Total | Autodealers 2 | Other retail outlets |
| 1940 | 5,514 | 3,918 | 1,452 | 2,278 | 171 | 17 | 1,596 | 167 | 1,429 |
| 1950. | 14,703 | 11,805 | 5,798 | 5,315 | 590 | 102 | 2,898 | 287 | 2,611 |
| 1960. | - 42,968 | 24,398 | - | 11,435 | 1,678 3,923 | 2813 | 6,295 | 487 359 | 5,936 |
| 1965. | 70,893 | 61,102 | 28,962 | 23,851 | 7,324 | 965 | 9,791 | 315 | 9,476 |
| 1966 | 76,245 | 65,430 | 31,319 | 24,796 | 8,255 | 1,060 | 10,815 | 277 | 10,538 |
| 1968. | 79,428 87,745 | 67, 724 | 33,936 | - 26,074 | 10,300 | 1,417 | 11,2018 | 281 | 11,737 |
| 1969 | 97,105 | 83,989 | 42,421 | 27,846 | 12,028 | 1,694 | 13,116 | 250 | 12,866 |
| 1970. | 102,064 | 88,164 | 45,398 | 27,678 | 12,986 | 2,102 | 13,900 | 218 | 13,682 |
| 1971 | 111,295 | 97,144 | 51,240 | 28,883 | 14,770 | 2,251 | 14,151 | 226 | 13,925 |
| 1972. | 127,332 | 111,382 | 59,783 | 32,088 | 16,913 | 2,598 | 15,950 | 261 | 15,689 |
| 1973. | 147,437 | 129,305 | 69,495 | 37,243 | 19,609 | 2,958 | 18,132 | 299 | 17,833 |
| 1973-Mar. | 129,375 | 114, 190 |  | 32,750 |  | 2,813 | 15,185 | 272 |  |
| Apr. | 131,022 | 115,727 118,165 | 62,459 63 | 33,078 33,859 | 17,455 <br> 17,832 | 2,735 2,767 | 15,295 | 278 | 15,017 |
|  | 133,531 136,018 | 118,165 120,450 | 63,707 64,999 | 33,859 34,367 | 17,832 18,269 | 2,767 2,815 | 15,366 15,568 | 284 289 | 15,082 15,279 |
| June | 138,212 | 120,479 | 64,069 | 34, 35 | 18,517 | 2,877 | 15,733 | 293 | 15,440 |
| Aug. | 140,810 | 124,823 | 67,381 | 35,634 | 18,961 | 2,847 | 15,987 | 296 | 15,691 |
| Sept. | 142,093 | 126,040 | 67,918 | 35,993 | 19,207 | 2,922 | 16,053 | 297 | 15,756 |
| Oct. | 143,610 145,400 | 127,307 128,553 | 68,627 69,161 | 36,365 36,887 3, | 19,339 19,517 | 2,976 2,988 | 16,303 | 300 302 | 16,003 |
| $\stackrel{\text { Nov. }}{\text { Dec }}$ | 147, 437 | 128,553 129,305 | 69,495 69,461 | 36,887 37,243 | 19,517 19,609 | 2,988 | 16,847 18,132 | 302 299 | 16,545 17,833 |
| 1974-Jan. | 146,575 | 128,870 | 69,429 |  | 19,429 |  |  |  | 17,409 |
|  | 145,927 | 128,807 | 69,246 | 37, 148 | 19,430 | 2,983 | 17,120 | 293 | 16,827 |
|  | 145,768 | 128,799 | 69,232 | 37,005 | 19,550 | 3,012 | 16,969 | 292 | 16,677 |

${ }^{1}$ Finance companies consist of those institutions formerly classified as sales finance, consumer finance, and other finance companies. Miscellaneous lenders include savings and loan associations and mutual savings banks.

2 Automobile paper only; other instalment credit held by automobile dealers is included with "Other retail outlets."

See also Note to table above.
(In millions of dollars)

| End of period | Commercial banks |  |  |  |  |  |  |  | Finance companies ${ }^{1}$ |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Total | Automobile paper |  | Other consumer goods paper |  |  | $\begin{gathered} \text { Home } \\ \text { improve- } \\ \text { ment } \\ \text { loans } \end{gathered}$ | Personal loans | Total | Automobile paper | Other consumer goods paper |  | Home improvement loans | Personal loans |
|  |  | Purchased | Direct | Mobile homes | Credit cards | Other |  |  |  |  | Mobile homes | Other |  |  |
| 1940. | 1,452 | 339 | 276 |  | 232 |  | 165 | 440 | 2,278 | 1,253 |  |  | 193 | 673 |
| 1950. | 5,798 | 1,177 | 1,294 |  | 1,456 |  | 834 | 1,037 | 5,315 | 3,157 |  |  | 80 | 1,386 |
| 1955. | 10,601 | 3,243 | 2,062 |  | 2,042 |  | 1,338 | 1,916 | 11,838 | 7,108 | 1,4 |  | 42 | 3,240 |
| 1960. | 16,672 | 5,316 | 2,820 |  | 2,759 |  | 2,200 | 3,577 | 15,435 | 7,703 | 2,5 |  | 173 | 5,006 |
| 1965. | 28,962 | 10,209 | 5,659 |  | 4,166 |  | 2,571 | 6,357 | 23,851 | 9,218 | 4,3 |  | 232 | 10,058 |
| 1966 | 31,319 | 11,024 | 5,956 |  | 4,681 |  | 2,647 | 7,011 | 24,796 | 9,342 | 4,9 |  | 214 | 10,315 |
| 1967. | 33,152 | 10,972 | 6,232 |  | 5,469 |  | 2,731 | 7,748 | 24,576 | 8,627 | 5,0 |  | 192 | 10,688 |
| 1968. | 37,936 | 12,324 | 7,102 |  | 1,307 | 5,387 | 2,858 | 8,958 | 26,074 | 9,003 | 5,4 |  | 166 | 11,481 |
| 1969. | 42,421 | 13,133 | 7,791 |  | 2,639 | 6,082 | 2,996 | 9,780 | 27,846 | 9,412 | 5,7 |  | 174 | 12,485 |
| 1970. | 45,398 | 12,918 | 7,888 |  | 3,792 | 7,113 | 3,071 | 10,616 | 27,678 | 9,044 | 2,464 | 3,237 | 199 | 12,734 |
| 1971. | 51,240 | 13,837 | 9,277 | 4,423 | 4,419 | 4,501 | 3,236 | 11,547 | 28,883 | 9,577 | 2,561 | 3,052 | 247 | 13,446 |
| 1972. | 59,783 | 16,320 | 10,776 | 5,786 | 5,288 | 5,122 | 3,544 | 12,947 | 32,088 | 10.174 | 2,916 | 3,589 | 497 | 14,912 |
| 1973. | 69,495 | 19,038 | 12,218 | 7,223 | 6,649 | 6,054 | 3,982 | 14,331 | 37,243 | 11,927 | 3,378 | 4,434 | 917 | 16,587 |
| 1973-Mar... | 61,388 | 16,951 | 11,216 | 6,035 | 5,243 | 5,289 | 3,538 | 13,116 | 32,750 | 10,419 | 2,943 | 3,796 | 581 | 15,011 |
| Apr... | 62,459 | 17,327 | 11,436 | 6,163 | 5,290 | 5,401 | 3,581 | 13,261 | 33,078 | 10,617 | 2,991 | 3,831 | 611 | 15,028 |
| May.. | 63,707 | 17,716 | 11,680 | 6,321 | 5,360 | 5,538 | 3,635 | 13,457 | 33,859 | 10,872 | 3,025 | 3,985 | 656 | 15,321 |
| June.. | 64,999 | 18,138 | 11,866 | 6,473 | 5,502 | 5,688 | 3,700 | 13,632 | 34,367 | 11,121 | 3,081 | 4,002 | 694 | 15,469 |
| July.. | 66,065 | 18,439 | 12,023 | 6,629 | 5,603 | 5,815 | 3,774 | 13,782 | 35,020 | 11,365 | 3,132 | 4,103 | 733 | 15,687 |
| Aug... | 67,381 | 18,771 | 12,190 | 6,825 | 5,792 | 5,923 | 3,863 | 14,017 | 35,634 | 11,583 | 3,187 | 4,194 | 771 | 15,899 |
| Sept. | 67,918 | 18,886 | 12,160 | 6,956 | 5,909 | 5,978 | 3,903 | 14,126 | 35,993 | 11,721 | 3,235 | 4,265 | 809 | 15,963 |
| Oct... | 68,627 | 19,123 | 12,262 | 7,106 | 5,991 | 6,012 | 3,950 | 14,183 | 36,365 | 11,859 | 3,269 | 4,316 | 847 | 16,074 |
| Nov... | 69,161 | 19,198 | 12,306 | 7,208 | 6,171 | 6,035 | 3,979 | 14,264 | 36,887 | 11,949 | 3,310 | 4,371 | 886 | 16,371 |
| Dec... | 69,495 | 19,038 | 12,218 | 7,223 | 6,649 | 6,054 | 3,982 | 14,331 | 37,243 | 11,927 | 3,378 | 4,434 | 917 | 16,587 |
| 1974-Jan. . | 69,429 | 18,885 | 12,113 | 7,237 | 6,826 | 6,041 | 3,944 | 14,383 | 37,140 | 11,754 | 3,392 | 4,460 | 940 | 16,594 |
| Feb... | 69,246 | 18,770 | 12,028 | 7,285 | 6,770 | 6,063 | 3,937 | 14,393 | 37,148 | 11,710 | 3,406 | 4,486 | 968 | 16,578 |
| Mar.. | 69,232 | 18,775 | 11,985 | 7,333 | 6,667 | 6,082 | 3,958 | 14,432 | 37,005 | 11,624 | 3,324 | 4,497 | 1,018 | 16,542 |

${ }^{1}$ Finance companies consist of those institutions formerly classified as sales finance, consumer finance, and other finance companies.

## INSTALMENT CREDIT HELD BY OTHER FINANCIAL LENDERS

(In millions of dollars)

| End of period | Total | Automobile paper | Other consumer goods paper | Home improvement loans | Personal loans |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 1940. | 188 | 36 | 7 | 13 | 132 |
| 1950 | 692 | 159 | 40 | 102 | 391 |
| 1955 | 1,959 | 560 | 130 | 313 | 956 |
| 1960 | 4,566 | 1,460 | 297 | 775 | 2,034 |
| 1965. | 8,289 | 3,036 | 498 | 933 | 3,822 |
| 1966 | 9,315 | 3,411 | 588 | 980 | 4,336 |
| 1967 | 10,216 | 3,678 | 654 | 1,085 | 4,799 |
| 1968 | 11,717 | 4,238 | 771 | 1,215 | 5,493 |
| 1969 | 13,722 | 4,941 | 951 | 1,443 | 6,387 |
| 1970. | 15,088 | 5,116 | 1,177 | 1,800 | 6,995 |
| 1971 | 17,021 | 5,747 | 1,472 | 1,930 | 7,872 |
| 1972. | 19,511 | 6,598 | 1,690 | 2,160 | 9,063 |
| 1973. | 22,567 | 7,648 | 1,959 | 2,453 | 10,507 |
| 1973-Mar. | 20,052 | 6,752 | 1,732 | 2,209 | 9,359 |
| Apr. | 20,190 | 6,820 | 1,748 | 2,216 | 9,406 |
| May | 20,599 | 6,966 | 1,785 | 2,250 | 9,598 |
| June | 21,084 | 7,135 | 1,828 | 2,294 | 9,827 |
| July. | 21,394 | 7,232 | 1,853 | 2,338 | 9,971 |
| Aug. | 21,808 | 7,392 | 1,893 | 2,375 | 10,148 |
| Sept | 22,129 | 7,493 | 1,920 | 2,408 | 10,308 |
| Oct. | 22,315 | 7,548 | 1,935 | 2,438 | 10,394 |
| Nov | 22,505 | 7,616 | 1,952 | 2,456 | 10,481 |
| Dec. | 22,567 | 7,648 | 1,959 | 2,453 | 10,507 |
| 1974-Jan. | 22,301 | 7,569 | 1,938 | 2,419 | 10,375 |
| Feb | 22,413 | 7,585 | 1,944 | 2,438 | 10,446 |
| Mar | 22,562 | 7,634 | 1,956 | 2,454 | 10,518 |

Note.-Other financial lenders consist of credit unions and miscellaneous lenders. Miscellaneous lenders include savings and loan associations and mutual savings banks.

## NONINSTALMENT CREDIT

(In millions of dollars)

| End of period | Total | Singlepayment loans |  | Charge accounts |  | Service credit |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Com-mercial banks | Other financial institutions | Retail outlets | Credit cards ${ }^{1}$ |  |
| 1940. | 2,824 | 636 | 164 | 1,471 |  | 553 |
| 1950 | 6,768 | 1,576 | 245 | 3,291 | 76 | 1,580 |
| 1955. | 9,924 | 2,635 | 367 | 4,579 | 216 | 2,127 |
| 1960. | 13,173 | 3,884 | 623 | 4,893 | 436 | 3,337 |
| 1965. | 18,990 | 6,690 | 981 | 5,724 | 706 | 4,889 |
| 1966. | 19,994 | 6,946 | 1,026 | 5,812 | 874 | 5,336 |
| 1967. | 21,355 | 7,478 | 1,080 | 6,041 | 1,029 | 5,727 |
| 1968. | 23,025 | 8,374 | 1,158 | 5,966 | 1,227 | 6,300 |
| 1969. | 24,041 | 8,553 | 1,194 | 5,936 | 1,437 | 6,921 |
| 1970. | 25,099 | 8,469 | 1,206 | 6,163 | 1,805 | 7,456 |
| 1971. | 27,099 | 9,316 | 1,269 | 6,397 | 1,953 | 8,164 |
| 1972. | 30,232 | 10,857 | 1,399 | 7,055 | 1,947 | 8,974 |
| 1973. | 33,049 | 11,753 | 1,488 | 7,783 | 2,046 | 9,979 |
| 1973-Mar.. | 29,945 | 11,074 | 1,466 | 5,825 | 1,877 | 9,703 |
| Apr.... | 30,469 | 11,237 | 1,449 | 6,129 | 1,907 | 9,747 |
| May... | 30,746 | 11,359 | 1,458 | 6,387 | 1,932 | 9,610 |
| June... | 31,065 | 11,520 | 1,470 | 6,544 | 2,011 | 9,520 |
| July... | 30,936 | 11,491 | 1,477 | 6,424 | 2,055 | 9,489 |
| Aug.... | 31,168 | 11,655 | 1,456 | 6,475 | 2,130 | 9,452 |
| Sept.... | 30,942 | 11,608 | 1,480 | 6,229 | 2,106 | 9,519 |
| Oct.... | 31,230 | 11,654 | 1,491 | 6,554 | 2,036 | 9,495 |
| Nov... | 31,569 | 11,669 | 1,492 | 6,761 | 2,024 | 9,623 |
| Dec. | 33,049 | 11,753 | 1,488 | 7,783 | 2,046 | 9,979 |
| 1974-Jan.... | 32,111 | 11,652 | 1,465 | 6,894 | 1,981 | 10,119 |
| Feb.... | 31,595 | 11,663 | 1,496 | 6,136 | 1,882 | 10,418 |
| Mar... | 31,804 | 11,686 | 1,502 | 6,097 | 1,842 | 10,677 |

[^65]INSTALMENT CREDIT EXTENDED AND REPAID, BY TYPE OF CREDIT
(In millions of dollars)

| Period | Total |  | Automobile paper |  | Other consumer goods paper |  | Home improvementloans |  | 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 |  |  |  |  |  |  |  |  |  |
| 1966 |  | 82,832 |  | 27,192 |  | 26,329 |  | 2,223 |  | 27,088 |
| 1967 |  | 87,171 |  | 26,320 |  | 29,504 |  | 2,369 |  | 28,978 |
|  |  | 99,984 109,146 |  | 31,083 <br> 32,553 |  | 33,507 38,322 |  | 2,534 |  | 32,860 35,430 |
| 1970 |  | 112,158 |  | 29,794 |  | 43,873 |  | 2,963 |  | 35,528 |
| 1971 |  | 124,281 |  | 34,873 |  | 47,821 |  | 3,244 |  | 38,343 |
| 1972. |  | 142,951 |  | 40,194 |  | 56,599 |  | 4,006 |  | 43,152 |
|  |  | 165,083 |  | 46,453 |  | 66,859 |  |  |  |  |
| 1973-Mar. | 13,852 | 13,681 | 4,001 | 4,164 | 5,349 | 5,169 | 406 | 377 | 4,096 | 3,971 |
| Apr. | 13,8465 <br> 13,932 | 13,681 14,792 | 3,822 3 3 | 4,101 4,409 | 5,563 5,504 | 5,378 5,698 5 | 365 374 37 | 372 431 | 3,715 4,065 | 3,810 4,254 |
| May | 13,932 <br> 13,646 | 14,792 14,608 | 3,989 <br> 3,762 | 4,409 4,313 | 5,504 | 5,698 <br> 5,678 | 374 <br> 400 | 431 450 | 4,065 3,979 | 4,254 4,167 |
| July. | 14,542 | 14,812 | 3,930 | 4,177 | 5,943 | 5,753 | 433 | 472 | 4,236 | 4,410 |
| Aug. | 14,294 | 15,099 | 3,968 | 4,252 | 5,961 | 6,065 | 408 | 471 | 3,957 | 4,311 |
| Sept. | 13,691 | 12,624 | 3,939 | 3,476 | 5,537 | 5,217 | 410 | 420 | 3,805 | 3,511 |
|  | 14,149 14,275 | 14,454 14,098 | 3,912 3,819 | 4,196 3,693 | 5,978 | 5,894 5,980 | 415 | 439 <br> 389 | 3,911 4,076 | 3,925 4,036 |
| Dec. | 12,677 | 14,117 | 3,315 | 2,872 | 5,254 | 6,826 | 429 | 348 | 3,679 | 4,071 |
| 1974-Jan. | 13,714 | 12,375 | 3,492 | 2,934 | 5,662 | 5,471 | 373 | 298 | 4,187 | 3,672 |
| Feb......... |  |  |  |  | 5,647 | + ${ }^{4,525}$ | 409 <br> 424 | 341 <br> 389 | 4,096 | 3,416 |
|  | 13,823 | 13,246 | 3,484 | 3,546 | 5,933 | 5,479 | 424 | 389 | 3,982 | 3,832 |
|  | Repayments |  |  |  |  |  |  |  |  |  |
| 1966. |  | 77,480 |  | 25,619 |  | 24,080 |  | 2,118 |  | 25,663 |
|  |  | 83,988 |  | 26,534 |  | 27,847 |  | 2,202 |  | 27,405 |
| 1969 |  | 99,786 |  | 29,974 |  | 34,645 |  | 2,457 |  | 32,710 |
| 1970 |  | 107,199 | . | 30,137 |  | 40,721 |  | 2,506 |  | 33,835 |
| 1971 |  | 115,050 |  | 31,393 34 3 |  | 44.933 |  | 2,901 |  | 35,823 |
| 1972. |  | 126,914 144,978 |  | 34,729 39,452 |  | 49,872 |  | 3,218 3,577 |  | 39,095 42,540 |
|  |  |  |  |  |  |  |  |  |  |  |
| 1973-Mar. | 11,808 | 12,265 | 3,225 | 3,371 | 4,755 | 5,013 | 286 | 288 | 3,542 | 3,593 |
| Apr. | 12,061 | 12,014 12,283 | 3,218 <br> 3,261 | 3,233 3,369 | 4,963 4,917 | 4,888 5,043 | 294 290 | 292 298 | 3,586 3,473 | 3,601 3,573 |
| June | 12,034 | 12,121 | 3,253 | 3,282 | 4,955 | 4,921 | 300 | 303 | 3,526 | 3,615 |
| July. | 12,544 | 12,618 | 3,334 | 3,374 | 5,141 | 5,031 | 308 | 315 | 3,761 | 3,898 |
| Aug. | 12,399 | 12,501 | 3,293 | 3,372 | 5,168 | 5,135 | 298 | 307 | 3,640 | 3,687 |
| Sept. | 12,332 12,449 | 11,341 12,937 | 3,406 3,427 | 3,151 <br> 3,661 | 5,072 <br> 5 <br> 149 | 4,703 <br> 5 | 322 <br> 308 | $\begin{array}{r}309 \\ 324 \\ \hline\end{array}$ | 3,532 | 3,178 |
|  | 12,549 | 12,308 | 3,471 | 3,414 | 5,154 | 5,020 | 301 | 303 | 3,623 |  |
| Dec. | 12,267 | 12,080 | 3,338 | 3,113 | 5,001 | 4,888 | 332 | 317 | 3,596 | 3,762 |
| 1974-Jan.. |  |  | 3,433 | 3,447 | 5,193 | 5,698 | 356 | 347 | 3,815 | 3,745 |
|  | 12,870 | 11,875 |  | 3,176 | 5,340 | 5,047 | 323 | 301 | 3,813 |  |
|  | 13,206 | 13,405 | 3,544 | 3,622 | 5,596 | 5,724 | 308 | 302 | 3,758 | 3,757 |
|  | Net change in credit outstanding 2 |  |  |  |  |  |  |  |  |  |
| 1966. |  | 5,352 |  |  |  |  |  | 105 |  |  |
| 1967 |  | 3,183 |  | -214 |  | 1,657 |  | 167 |  | 1,573 |
| 1968 |  | 8,317 |  | 3,152 |  | 2,237 |  | 231 |  | 2,697 |
| 1969 |  | 9,360 |  | $\begin{array}{r}2,579 \\ -343 \\ \hline\end{array}$ |  | 3,687 |  | 374 |  | 2,720 |
| 1971. |  | 9,231 |  | 3,480 |  | 2,888 |  | 343 |  | 2 , 520 |
| 1972. |  | 16,037 |  | 5,465 |  | 5,727 |  | 788 |  | 4,057 |
| 1973. |  | 20,105 |  | 7,001 |  | 7,450 |  | 1,151 |  | 4,503 |
| 1973-Mar. |  |  | 776 |  |  |  | 120 | 89 |  |  |
| Apr. | 1,404 | 1,647 | 604 | ${ }^{868}$ | 600 587 | 490 | 71 | 80 | 129 | 209 |
| May | 1,991 | 2,509 | 728 | 1,040 | 587 | 655 | 84 | 133 | 592 | 681 |
| June | 1,612 | 2,487 | 509 | 1,031 | 550 | 757 | 100 | 147 | 453 | 552 |
| July. | 1,998 |  | 596 | 883 | 8802 | 722 | 125 | 157 | 475 | 512 |
| Aug. | 1,895 1,359 | 2,598 <br> 1,283 | 675 533 | $\begin{array}{r}880 \\ 325 \\ \hline\end{array}$ | 793 465 | 930 514 | $\begin{array}{r}110 \\ 88 \\ \hline\end{array}$ | 164 | 317 | 624 |
| Oct. | 1,700 | 1,517 | 485 | 535 | 765 | 514 613 | $\begin{array}{r}88 \\ 107 \\ \hline\end{array}$ | 1115 | 273 346 | 333 254 |
| Nov | 1,726 | 1,'790 | 348 | 279 | 824 | 960 | 101 | 86 | 453 | 465 |
| Dec. | 410 | 2,037 | -23 | -241 | 253 | 1,938 | 97 | 31 | 83 | 309 |
| 1974-Jan.. | 917 671 | -862 | $\begin{array}{r}59 \\ -5 \\ \hline\end{array}$ | -513 -231 -26 | 469 <br> 307 | - 227 | 17 86 | $\begin{array}{r}\text {-49 } \\ \hline 40 \\ \hline 87\end{array}$ | 372 283 28 | $\begin{array}{r}-73 \\ -65 \\ \hline 75\end{array}$ |
| Mar. | 617 | -159 | -60 | -76 | 337 | -245 | 116 | 87 | 224 | 75 |

[^66][^67]INSTALMENT CREDIT EXTENDED AND REPAID, BY HOLDER
(In millions of dollars)

| Period | Total |  | Commercial banks |  | Finance companies |  | Other financial lenders |  | 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 |  |  |  |  |  |  |  |  |  |
| 1966. |  | 82,832 |  | 30,073 |  | 25,897 |  | 10,368 |  | 16,494 |
| 1967 |  | 87, 171 |  | 31,382 |  | 26,461 | .... | 11, 238 | …… | 18,090 |
| 1968. |  | 99,984 109,146 |  | 37,395 <br> 40,955 |  | 30,261 32,753 |  | 13,206 15,198 |  | 19,122 20,240 |
| 1970 |  | 112,158 |  | 42,960 | , | 31,952 |  | 15,720 | ...... | 21,526 |
| 1971 |  | 124,281 |  | 51,237 |  | 32,935 |  | 17,966 |  | 22,143 |
| 1972. |  | 142,951 |  | 59,339 69 |  | 38,464 |  | 20,607 |  | -24,541 |
| 1973-Mar. |  |  |  |  |  |  |  |  |  |  |
| Apr. | 13,852 | 13,661 | 5,644 | 5,973 | 3,654 | 3,598 | 2,1792 | 2,083 | 2,214 | 2,110 |
| May | 13,932 | 14,792 | 5,859 | 6,356 | 3,820 | 4,027 | 1,868 | 2,060 | 2,385 | 2,349 |
| June | 13,646 | 14,608 | 5,684 | 6,219 | 3,584 | 3,817 | 1,978 | 2,211 | 2,400 | 2,361 |
| July. | 14,542 | 14,812 | 5,976 | 6,232 | 3,824 3 3 | 3,931 | 2,110 | 2, 2194 | 2,632 | 2,416 |
|  | 14,294 13,691 | 15,099 | 6,195 5 | 6,518 5,376 | 3,685 <br> 3 | 3,877 3,189 | 1,943 | 2,194 | 2,471 | 2,510 |
| Oct. | 14,149 | 14,454 | 6,060 | 6,169 | 3,623 | 3,765 | 1,951 | 1,968 | 2,515 | 2,552 |
| Nov | 14,275 | 14,098 | 6,222 | 5,697 | 3,564 | 3,722 | 2,029 | 1,929 | 2,460 | 2,750 |
| Dec. | 12,677 | 14,117 | 5,124 | 5,224 | 3,279 | 3,714 | 1,897 | 1,772 | 2,377 | 3,407 |
| 1974-Jan. | 13,714 | 12,375 | 5,715 | 5,345 | 3,693 | 3,127 | 1,911 | 1,639 | 2,395 | 2,264 |
| Febr........... | 13,541 | 11,227 |  | 4,837 | 3,656 | 3,056 | 1,861 | 1,644 | 2,230 | 1,690 |
|  | 13,823 | 13,246 | 5,710 | 5,612 | 3,497 | 3,367 | 1,976 | 1,920 | 2,640 | 2,347 |
|  | Repayments |  |  |  |  |  |  |  |  |  |
| 1966 |  | 77,480 |  | 27,716 |  | 24,952 |  | 9,342 |  | 15,470 |
|  |  | 83,988 |  | 29,549 |  | 26,681 |  | 10,337 |  | 17,421 |
| 1969 |  | 991;786 |  | 36,470 |  | 28,981 |  | 13,193 |  | 19,142 |
| 1970 |  | 107,199 |  | 40, 398 |  | 31,705 |  | 14,354 |  | 20,742 |
| 1971 |  | 115,050 |  | 45,395 |  | 31,730 |  | 16,033 |  | 21,892 |
| 1972 |  | 126,914 |  | 50,796 |  | 35,259 |  | 18,117 |  | 22,742 |
| 1973 |  | 144,978 |  | 60,014 |  | 38,066 |  | 20,358 |  | 26,540 |
| 1973-Mar. | 11,808 | 12,265 | 4,870 | 5,084 | 3,141 | 3,279 | 1,665 | 1,648 | 2,132 | 2,254 |
| Apr. | 12,061 | 12,014 | 4,919 | 4,902 | 3,251 | 3,248 | 1,693 | 1,694 | 2,198 | 2,170 |
|  | 11,941 12,034 | 12,283 12,121 | 4,976 4,890 | 5,927 | 3,100 3,241 | 3,246 3,309 | 1,612 | 1,651 | 2,253 $\mathbf{2}, 209$ |  |
| July. | 12,544 | 12,618 | 5,112 | 5,166 | 3,312 | 3,278 | 1,771 | 1,923 | 2,349 | 2,251 |
| Aug. | 12,399 | 12,501 | 5,146 | 5,202 | 3,241 | 3,263 | 1,738 | 1,780 | 2,274 | 2,256 |
| Sept. | 12,332 | 11,341 12,937 |  | 4,839 5,460 | 3,144 | 2,830 |  | 1,591 | 2, 2,264 | 2,081 |
| Nov. | 12,549 | 12,308 | 5,345 | 5,460 | 3,287 3,143 | 3,393 3,200 | 1,703 1,814 | 1,782 1,739 | 2,247 2,247 | 2,302 2,206 |
| Dec. | 12,267 | 12,080 | 5,088 | 4,890 | 3,151 | 3,358 | 1,766 | 1,710 | 2,262 | 2,122 |
| 1974-Jan. |  |  |  |  |  |  |  |  |  |  |
| $\xrightarrow[\text { Mar }]{\text { Feb, }}$ | 12,870 | 11,875 | 5,430 | 5,020 | 3,423 | 3,048 | 1,692 | 1,532 | 2,325 | 2,275 |
|  | 13,206 | 13,405 | 5,479 | 5,626 | 3,452 | 3,510 | 1,827 | 1,771 | 2,448 | 2,498 |
|  | Net change in credit outstanding 2 |  |  |  |  |  |  |  |  |  |
| 1966. |  |  | ..... |  |  |  |  | 1,026 |  | 1,024 |
| 967 |  | 3,183 |  | 1,833 |  | -220 |  | 1901 |  | ${ }_{5}^{669}$ |
| 969 |  | 9,360 |  | 4,485 |  | 1,772 |  | 2,005 |  | 1,098 |
| 1970 |  | 4,959 | ..... | 2,977 |  | -168 |  | 1,366 |  | 784 |
| 971. |  | 9,231 |  | 5,842 |  | 1,205 |  | 1,933 |  | 251 |
| 972. |  | 16,037 |  | 8,543 |  | 3,205 |  | 2,490 |  | 1,799 |
| 1973. |  | 20,105 |  | 9,712 |  | 5,155 |  | 3,056 |  | 2,182 |
| 1973-Mar. |  |  | 983 | 806 | 513 | 319 | 466 | 435 | 82 | -144 |
| Apr. | 1,404 |  | 725 | 1,071 | 304 | 328 | 99 | 138 | 276 | 110 |
| May | 1,991 1,612 | 2,509 | 883 <br> 794 <br> 8 | 1,248 | 720 343 | 781 | 256 | 409 | 132 | 71 |
| June. | 1,612 | 2,487 | 794 | 1,292 | 343 | 508 | 284 | 485 | 191 | 202 |
| July. | 1,998 |  |  | 1,066 | 512 | 653 | 339 | 310 | 283 | 165 |
| Aug. | 1,895 1,359 | 2,598 1,283 | 1,049 642 | 1,316 | 444 | $\begin{array}{r}614 \\ 359 \\ \hline\end{array}$ | 205 | 414 321 | $\begin{array}{r}197 \\ -3 \\ \hline\end{array}$ | 254 66 |
| Oct. | 1,700 | 1, 1, | 848 | 709 | 336 | 372 | 248 | 186 | 268 | 250 |
| Nov. | 1,726 | 1,790 | 877 | 534 | 421 | 522 | 215 | 190 | 213 | 544 |
| Dec.. | 410 | 2,037 | 36 | 334 | 128 | 356 | 131 | 62 | 115 | 1,285 |
| 974-Jan.. |  |  |  |  |  |  |  |  |  |  |
| Feb. | 671 | -648 | 364 | -183 | 233 45 | 8 -183 -143 | 169 169 | -266 <br> 112 <br> 1 | -95 | -585 -151 |
|  | 617 | -159 | 231 | -14 | 45 | -143 | 149 | 149 | 192 | -151 |

[^68]their outstanding credit. Such transfers do not affect total instalment credit extended, repaid, or outstanding.

Note.-Other financial lenders include credit unions and miscellaneous lenders. See also Note to preceding table and footnote 1 at bottom of p. A-50.

## MARKET GROUPINGS

$(1967=100)$

| Grouping | $\begin{aligned} & 1967 \\ & \text { pro- } \\ & \text { por- } \\ & \text { tion } \end{aligned}$ | 1973 average ${ }^{p}$ | 1973 |  |  |  |  |  |  |  |  | 1974 |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | Jan. ${ }^{\text {r }}$ | Feb. ${ }^{\text {r }}$ | Mar. ${ }^{p}$ | Apr. ${ }^{\text {b }}$ |
| Total index. | 100.0 | 125.6 | 124.1 | 124.8 | 125.6 | 126.7 | 126.5 | 126.8 | 127.0 | 127.5 | 126.5 | 125.4 | 124.6 | 124.2 | 124.7 |
| Products, total | 62.21 | 123.4 | 122.0 | 122.9 | 123.7 | 124.2 | 123.7 | 124.3 | 124.3 | 125.3 | 124.0 | 122.9 | 122.2 | 121.9 | 122.3 |
| Final products | 48.95 | 121.3 | 120.0 | 120.8 | 121.3 | 122.1 | 121.4 | 122.4 | 122.7 | 123.7 | 122.6 | 121.2 | 120.3 | 120.3 | 121.0 |
| Consumer goo | 28.53 | 131.7 | 130.9 | 131.8 | 131.9 | 132.8 | 131.2 | 132.3 | 132.6 | 133.5 | 131.3 | 129.2 | 127.8 | 127.4 | 128.3 |
| Equipment. | 20.42 | 106.7 | 104.7 | 105.7 | 106.6 | 107.3 | 107.6 | 108.5 | 108.9 | 110.1 | 110.1 | 109.8 | 110.0 | 110.4 | 110.7 |
| Intermediate prod | 13.26 37.79 | 131.1 129.3 | 129.3 | 130.5 128.3 | 132.0 129.0 | 132.5 130.9 | 132.1 | 131.0 131.3 | 130.6 131.1 | 131.1 131.5 | 129.1 | 129.2 | 128.7 128.3 | 127.5 128.2 | 127.2 |
| Consumer goods |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Durable consumer goods | 7.86 | 139.0 | 140.5 | 141.5 | 141.8 | 142.4 | 134.0 | 138.2 | 137.3 | 138.5 | 134.6 | 128.2 | 126.3 | 127.2 | 129.7 |
| Automotive products. | 2.84 | 136.8 | 141.7 | 142.6 | 142.6 | 141.7 | 121.1 | 129.8 | 131.4 | 133.7 | 120.6 | 108.0 | 104.9 | 104.3 | 111.0 |
| Autos....... | 1.87 | 125.4 | 128.1 | 129.8 | 132.6 | 134.0 | 103.9 | 118.4 | 122.5 | 124.8 | 106.2 | 90.0 | 86.4 | 86.3 | 97.7 |
| Auto parts and allied good | . 97 | 158.9 | 167.5 | 167.0 | 161.9 | 156.7 | 154.2 | 151.8 | 148.4 | 150.9 | 147.8 | 142.6 | 140.5 | 138.8 | 136.4 |
| Home goods.. . . . . . . . . . . . . . . . . | 5.02 | 140.3 | 139.8 | 140.9 | 141.3 | 142.9 | 141.1 | 142.91 | 140.9 | 141.2 | 142.5 | 139.6 | 138.6 | 140.1 | 140.4 |
| Appliances, TV, and radios....... | 1.41 | 144.8 | 149.7 | 148.0 | 147.2 | 147.8 | 146.3 | 149.4 | 143.4 | 140.4 | 147.9 | 138.4 | 133.4 | 135.9 |  |
| Appliances and A/C......... | . 92 | 156.9 | 157.6 | 157.8 | 154.1 | 156.0 | 153.3 | 159.8 | 159.3 | 154.7 | 172.2 | 153.9 | 150.5 | 150.1 |  |
| TV and home audio.......... | .49 1.08 | 150.0 | 146.7 | 147.8 | 148.9 | 155.4 | 154.2 | 153.3 | 153.9 | 152.7 | 150.1 | 153.5 | 153.3 | 154.2 |  |
| Misc. home goods. | 2.53 | 133.6 | 131.4 | 134.0 | 134.7 | 134.7 | 132.9 | 134.8 | 134.1 | 136.8 | 136.3 | 134.4 | 135.5 | 136.5 | 136.4 |
| Nondurable consumer goods | 20.67 | 129.0 | 127.2 | 128.0 | I28.1 | 129.1 | 130.2 | 130.1 | 130.8 | 131.5 | 130.2 | 129.5 | 128.3 | 127.5 | 127.9 |
| Clothing. | 4.32 | 116.0 | 114.5 | 114.2 | 116.0 | 116.5 | 117.0 | 118.0 | 116.8 | 117.3 | 120.3 | 116.3 | 112.0 |  |  |
| Consumer staples | 16.34 | 132.4 | 130.6 | 131.7 | 131.4 | 132.5 | 133.6 | 133.2 | 134.5 | 135.2 | 132.8 | 133.0 | 132.7 | 132.2 | 133.0 |
| Consumer foods and tobacco | 8.37 | 122.2 | 121.0 | 120.9 | 119.6 | 121.3 | 121.9 | 122.2 | 123.3 | 126.5 | 125.0 | 126.9 | 125.9 | 124.7 | 124.9 |
| Nonfood staples. | 7.98 | 143.1 | 140.7 | 143.1 | 143.7 | 144.1 | 145.8 | 144.8 | 146.2 | 144.3 | 141.1 | 139.4 | 139.6 | 140.0 | 141.4 |
| Consumer chemical products.. | 2.64 | 153.3 | 151.5 | 154.9 | 153.5 | 153.0 | 155.6 | 153.4 | 156.2 | 154.9 | 156.7 | 157.8 | 159.0 | 160.1 |  |
| Consumer paper products..... | 1.91 | 121.3 | 119.0 | 121.7 | 121.7 | 122.5 | 124.1 | 124.4 | 122.5 | 123.6 | 120.5 | 119.4 | 117.4 | 116.4 |  |
| Consumer fuel and lighting | 3.43 | 147.5 | 144.4 | 145.6 | 148.2 | 149.2 | 150.4 | 149.7 | 151.9 | 147.8 | 140.7 | 136.7 | 137.2 | 137.8 |  |
| Residential utilities. | 2.25 | 156.8 | 152.3 | 152.1 | 155.4 | 157.8 | 160.0 | 160.9 | 161.9 | 158.0 | 149.8 | 145.6 | 148.6 | 147.9 |  |
| Equipment |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Business equipment. | 12.74 | 122.6 | 119.6 | 121.3 | 122.5 | 123.0 | 124.6 | 125.8 | 126.2 | 127.8 | 126.9 | 126.8 | 127.3 | 127.9 | 128.6 |
| Industrial equipment | 6.77 | 120.1 | 117.4 | 119.1 | 119.8 | 120.5 | 122.5 | 124.1 | 124.5 | 125.6 | 124.9 | 125.3 | 126.5 | 127.3 | 128.5 |
| Building and mining equip. | 1.45 | 120.4 | 118.1 | 118.8 | 119.1 | 119.6 | 123.0 | 123.7 | 124.7 | 126.0 | 126.0 | 128.5 | 130.3 | 132.0 | 133.5 |
| Manufacturing equipmen | 3.85 | 113.0 | 109.4 | 112.0 | 113.1 | 113.9 | 115.1 | 117.3 | 117.3 | 118.2 | 118.5 | 119.3 | 120.4 | 120.9 | 122.2 |
| Power equipment. . | 1.47 | 138.5 | 137.6 | 138.2 | 138.3 | 138.5 | 141.0 | 142.3 | 143.0 | 144.6 | 140.3 | 138.0 | 138.7 | 139.2 | 140.3 |
| Commercial, transit, farm | 5.97 | 125.5 | 122.2 | 123.7 | 125.4 | 125.8 | 127.0 | 127.7 | 128.1 | 130.3 | 129.2 | 128.5 | 128.2 | 128.5 | 128.7 |
| Commercial equipment | 3.30 | 135.0 | 131.3 | 131.6 | 134.1 | 135.9 | 137.0 | 138.2 | 140.1 | 141.3 | 139.3 | 139.8 | 140.0 | 141.0 | 140.2 |
| Transit equipment. | 2.00 | 109.8 | 107.5 | 109.8 | 109.7 | 109.0 | 108.4 | 109.6 | 109.8 | 111.4 | 111.1 | 109.5 | 109.3 | 109.0 | 109.2 |
| Farm equipment. | . 67 | 125.1 | 120.9 | 126.5 | 129.3 | 126.4 | 132.8 | 129.4 | 123.5 | 132.4 | 133.4 | 129.2 | 126.0 | 124.9 |  |
| Defense and space equi | 7.68 | 80.2 | 80.0 | 79.7 | 80.1 | 81.1 | 79.7 | 79.8 | 80.0 | 80.9 | 81.9 | 81.4 | 81.4 | 81.3 | 80.9 |
| Military products.. | 5.15 | 80.3 | 81.0 | 80.1 | 80.0 | 81.1 | 79.0 | 79.1 | 79.3 | 80.0 | 81.3 | 80.6 | 81.0 | 81.1 | 80.1 |
| Intermediate products |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Construction products. | 5.93 | 134.2 | 132.2 | 132.2 | 135.9 | 134.5 | 135.3 | 134.9 | 134.3 | 133.7 | 131.1 | 133.0 | 131.4 | 129.0 | 129.0 |
| Misc. intermediate products. | 7.34 | 128.6 | 127.0 | 129.2 | 128.9 | 132.7 | 129.6 | 128.1 | 127.5 | 129.0 | 127.4 | 126.3 | 126.5 | 126.2 |  |
| Materials |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Durable goods materials | 20.91 | 130.1 | 127.9 | 128.6 | 129.2 | 131.7 | 131.8 | 132.3 | 132.2 | 133.0 | 132.7 | 129.8 | 127.7 | 126.9 | 127.9 |
| Consumer durable | 4.75 | 127.8 | 129.0 | 125.7 | 128.8 | 126.9 | 128.6 | 129.9 | 128.2 | 128.4 | 121.0 | 113.0 | 110.1 | 106.0 | 109.0 |
| Equipment parts. | 5.41 | 119.3 | 113.8 | 118.0 | 118.2 | 124.5 | 122.3 | 122.1 | 122.7 | 125.8 | 125.3 | 123.9 | 122.6 | 123.1 | 122.2 |
| Durable materials nec | 10.75 | 136.5 | 134.7 | 135.3 | 134.9 | 137.6 | 138.0 | 138.7 | 139.0 | 138.7 | 141.6 | 140.0 | 138.0 | 137.8 | 139.0 |
| Nondurable goods materials. | 13.99 | 129.1 | 128.5 | 128.9 | 129.4 | 130.4 | 130.6 | 130.3 | 130.1 | 130.7 | 129.2 | 131.1 | 130.5 | 131.5 | 131.5 |
| Textile, paper, and chem. mat | 8.58 | 139.8 | 138.8 | 139.4 | 140.2 | 142.2 | 142.4 | 141.9 | 141.4 | 142.4 | 140.1 | 143.4 | 141.4 | 142.5 | 143.4 |
| Nondurable materials n.e.c | 5.41 | 112.2 | 112.2 | 112.3 | 112.3 | 112.1 | 111.7 | 112.0 | 112.3 | 112.1 | 111.9 | 111.7 | 113.1 | 113.9 | 112.7 |
| Fuel and power, industrial.......... | 2.89 | 123.9 | 122.1 | 122.9 | 125.3 | 126.9 | 126.3 | 128.3 | 126.9 | 124.9 | 123.1 | 121.5 | 122.6 | 121.2 | 120.8 |
| Supplementary groups |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Home goods and clothing. | 9.34 | 129.0 | 128.1 | 128.6 | 129.7 | 130.7 | 130.0 | 131.3 | 129.8 | 130.2 | 132.4 | 128.8 | 126.3 | 126.1 | 125.9 |
| Containers................ | 1.82 | 139.9 | 139.1 | 138.0 | 141.4 | 135.1 | 140.5 | 139.8 | 141.2 | 142.3 | 141.0 | 148.4 | 144.5 | 151.5 |  |
| Gross value of products in market structure <br> (In billions of 1963 dollars) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Products, total. | 286.3 | 449.8 | 446.2 | 449.7 | 451.8 | 452.9 | 446.2 | 449.8 | 452.6 | 456.9 | 449.1 | 445.4 | 441.0 | 441.4 | 444.0 |
| Final products | 221.4 | 346.1 | 343.7 | 346.6 | 347.8 | 347.7 | 341.9 | 346.3 | 349.7 | 353.3 | 346.9 | 342.5 | 338.9 | 340.1 | 343.4 |
| Consumer good | 156.3 | 239.7 | 238.9 | 241.1 | 241.3 | 241.0 | 235.4 | 239.0 | 241.7 | 243.6 | 237.8 | 233.6 | 229.7 | 230.2 | 233.9 |
| Equipment. | 65.3 | 106.4 | 104.8 | 105.6 | 106.6 | 106.6 | 106.6 | 107.3 | 108.0 | 109.5 | 109.0 | 108.9 | 109.2 | 109.6 | 109.6 |
| Intermediate products | 64.9 | 103.7 | 102.3 | 103.1 | 104.3 | 104.8 | 104.6 | 103.5 | 103.1 | 103.6 | 102.5 | 130.1 | 102.3 | 101.4 | 100.9 |

For Note see p. A-55.

## INDUSTRY GROUPINGS

$(1967=100)$

| Grouping | 1967 pro-portion | 1973 average ${ }^{p}$ | 1973 |  |  |  |  |  |  |  |  | 1974 |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | Jan. ${ }^{\text {r }}$ | Feb. ${ }^{\text {r }}$ | Mar. ${ }^{p}$ | Apr ${ }^{\text {* }}$ |
| Manufacturing | 88.55 | 125.2 | 123.8 | 124.9 | 125.6 | 126.5 | 126.1 | 126.3 | 126.4 | 127.4 | 126.4 | 125.3 | 124.2 | 124.2 | 124.7 |
| Durable. | 52.33 | 122.1 | 120.6 | 121.8 | 123.0 | 123.8 | 122.6 | 123.3 | 123.5 | 124.3 | 123.1 | 121.1 | 119.6 | 120.0 | 121.1 |
| Nondurable | 36.22 | 129.6 | 128.4 | 129.3 | 129.3 | 130.5 | 130.9 | 130.7 | 130.4 | 131.3 | 131.2 | 131.4 | 131.0 | 130.5 | 130.2 |
| Mining. | 6.37 5.08 | 110.2 | 109.0 148.7 | 149.5 | 109.5 151.5 | 111.0 154.8 | 111.5 154.8 | 111.8 | 111.9 156.2 | 111.3 | 110.4 147.6 | 109.9 | 146.5 | 111.2 144.3 | 110.8 144.9 |
| Durable manufactures |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Primary and fabricated metals. | 12.55 | 128.8 | 127.3 | 128.1 | 128.7 | 130.6 | 129.5 | 129.5 | 130.6 | 131.0 | 130.5 | 130.4 | 128.1 | 128.6 | 129.2 |
| Primary metals....... | 6.61 | 127.1 | 125.8 | 126.1 | 124.5 | 128.1 | 125.6 | 127.8 | 128.7 | 128.9 | 130.7 | 129.5 | 125.6 | 125.7 | 126.3 |
| Iron and steel, subtotal | 4.23 | 121.6 | 119.7 | 119.8 | 119.9 | 120.9 | 118.5 | 122.7 | 123.6 | 124.2 | 127.7 | 125.5 | 119.4 | 119.4 | 120.3 |
| Fabricated metal products | 5.94 | 130.7 | 128.9 | 130.3 | 133.4 | 133.5 | 133.8 | 131.5 | 132.4 | 133.1 | 130.0 | 131.4 | 130.9 | 131.8 | 132.3 |
| Machinery and allied goods | 32.44 | 117.3 | 115.7 | 117.3 | 118.8 | 119.3 | 117.7 | 118.9 | 118.9 | 119.9 | 118.6 | 115.2 | 113.8 | 114.6 | 115.8 |
| Machinery | 17.39 | 125.9 | 122.6 | 124.7 | 126.9 | 127.6 | 128.5 | 130.0 | 129.2 | 130.4 | 130.9 | 128.6 | 127.4 | 128.4 | 129.2 |
| Nonelectrical machi | 9.17 | 125.1 | 121.5 | 124.0 | 126.1 | 127.1 | 128.9 | 130.0 | 130.0 | 130.3 | 130.2 | 129.4 | 128.1 | 129.8 | 131.0 |
| Electrical machinery | 8.22 | 126.8 | 123.8 | 125.4 | 127.8 | 128.0 | 128.2 | 129.8 | 128.5 | 130.5 | 131.6 | 127.7 | 126.5 | 126.9 | 127.1 |
| Transportation equipment | 9.29 | 109.2 | 110.0 | 111.0 | 112.2 | 112.1 | 105.7 | 107.3 | 108.8 | 109.8 | 103.0 | 95.7 | 93.4 | 93.9 | 97.0 |
| Motor vehicles and parts. | 4.56 | 138.1 | 140.1 | 140.9 | 143.3 | 144.1 | 131.0 | 133.9 | 136.4 | 137.8 | 124.6 | 112.7 | 109.2 | 110.0 | 116.5 |
| Aerospace and misc. trans. eq | 4.73 | 81.4 | 81.1 | 82.2 | 82.2 | 81.3 | 81.3 | 81.7 | 82.3 | 82.9 | 82.2 | 79.3 | 78.3 | 78.4 | 78.2 |
| Instruments. | 2.07 | 138.4 | 134.7 | 138.9 | 140.2 | 140.8 | 140.9 | 141.5 | 141.0 | 142.6 | 142.7 | 143.0 | 143.4 | 143.5 | 143.5 |
| Ordnance, private and Govt. | 3.69 | 85.4 | 86.4 | 85.4 | 86.7 | 86.7 | 83.8 | 83.7 | 83.8 | 84.3 | 86.1 | 85.2 | 85.3 | 85.6 | 84.5 |
| Lumber, clay, and glass | 4.44 | 129.5 | 129.9 | 130.3 | 129.2 | 129.8 | 129.2 | 128.8 | 129.7 | 129.3 | 127.8 | 129.7 | 127.5 | 128.5 | 128.2 |
| Lumber and products | 1.65 | 128.9 | 129.1 | 127.5 | 126.6 | 125.4 | 128.4 | 128.9 | 127.4 | 127.3 | 126.3 | 126.1 | 127.1 | 127.2 |  |
| Clay, glass, and stone products | 2.79 | 129.9 | 130.4 | 132.0 | 130.5 | 132.3 | 129.6 | 128.8 | 131.2 | 130.4 | 128.7 | 131.8 | 127.7 | 129.2 |  |
| Furniture and miscellaneou | 2.90 | 135.2 | 133.1 | 136.0 | 135.4 | 135.9 | 137.5 | 138.2 | 136.1 | 136.4 | 135.3 | 133.4 | 136.3 | 136.9 | 136.4 |
| Furniture and fixtures | 1.38 | 126.3 | 123.8 | 126.5 | 126.5 | 127.5 | 129.5 | 130.4 | 128.8 | 127.9 | 124.9 | 124.2 | 125.4 | 126.8 |  |
| Miscellaneous manufactures | 1.52 | 143.3 | 141.6 | 144.5 | 143.6 | 143.5 | 144.9 | 145.3 | 142.9 | 144.3 | 144.5 | 141.8 | 146.2 | 146.0 |  |
| Nondurable manufactures |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Textiles, apparel, and leather | 6.90 | 114.7 | 114.0 | 113.3 | 115.0 | 114.5 | 115.4 | 117.5 | 116.8 | 116.7 | 118.8 | 116.2 | 114.5 | 112.9 | 112.0 |
| Textile mill products. | 2.69 | 127.1 | 126.1 | 127.2 | 129.2 | 128.9 | 129.0 | 130.2 | 130.2 | 129.4 | 130.9 | 128.4 | 126.9 | 125.8 |  |
| Apparel products. | 3.33 | 112.9 | 111.7 | 110.0 | 111.0 | 112.1 | 113.6 | 115.4 | 114.9 | 115.3 | 118.5 | 116.4 | 113.6 |  |  |
| Leather and produc | . 88 | 83.6 | 86.8 | 83.0 | 86.6 | 79.2 | 81.0 | 86.4 | 83.1 | 82.9 | 82.9 | 77.6 | 79.9 | 82.3 |  |
| Paper and printing | 7.92 | 122.1 | 120.8 | 122.0 | 122.8 | 123.8 | 124.5 | 122.1 | 121.3 | 121.9 | 121.2 | 121.7 | 120.7 | 120.6 | 120.1 |
| Paper and product | 3.18 | 135.4 | 133.6 | 135.1 | 134.6 | 135.3 | 137.0 | 134.8 | 135.3 | 136.2 | 136.7 | 138.7 | 137.7 | 140.2 |  |
| Printing and publishing | 4.74 | 113.2 | 112.2 | 113.2 | 114.8 | 116.0 | 116.2 | 113.6 | 112.1 | 112.3 | 110.8 | 110.4 | 109.3 | 107.5 | 106.5 |
| Chemicals, petroleum, and rubber | 11.92 | 149.3 | 147.9 | 150.2 | 149.8 | 151.8 | 151.0 | 150.9 | 151.1 | 151.6 | 151.6 | 151.5 | 151.1 | 151.0 | 151.0 |
| Chemicals and products | 7.86 | 150.1 | 147.8 | 150.2 | 150.4 | 152.0 | 151.4 | 153.0 | 152.7 | 153.0 | 154.5 | 154.9 | 155.2 | 155.0 | 154.5 |
| Petroleum products. | 1.80 | 127.4 | 126.9 | 128.5 | 129.7 | 129.3 | 128.2 | 126.0 | 130.4 | 129.5 | 125.5 | 120.5 | 116.9 | 117.7 | 118.0 |
| Rubber and plastics product | 2.26 | 164.0 | 165.1 | 166.8 | 163.9 | 168.8 | 167.9 | 163.6 | 161.9 | 164.5 | 162.3 | 164.3 | 163.5 | 164.0 |  |
| Foods and tobacc | 9.48 | 121.9 | 120.7 | 121.5 | 119.5 | 121.3 | 122.0 | 122.2 | 121.7 | 124.7 | 123.0 | 125.4 | 126.0 | 125.6 | 126.0 |
| Foods. | 8.81 | 122.7 | 121.3 | 122.4 | 120.3 | 122.4 | 122.9 | 123.2 | 122.4 | 125.4 | 124.5 | 126.3 | 127.2 | 126.7 | 127.1 |
| Tobacco products | . 67 | 111.6 | 112.9 | 111.2 | 108.1 | 105.3 | 110.1 | 109.1 | 113.7 | 115.8 | 104.2 | 113.3 | 112.1 |  |  |
| Mining |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Metal, stone, and earth minerals. | 1.26 | 118.1 | 116.8 | 116.2 | 111.8 | 116.9 | 120.6 | 120.4 | 120.9 | 121.3 | 122.0 | 121.4 | 120.1 | 119.4 | 118.5 |
| Metal mining | . 51 | 130.8 | 128.5 | 127.0 | 121.6 | 128.4 | 131.4 | 136.6 | 138.3 | 135.2 | 135.2 | 135.2 | 132.6 | 132.2 |  |
| Stone and earth minerals. | . 75 | 109.5 | 108.8 | 108.8 | 105.2 | 109.1 | 113.1 | 109.5 | 109.2 | 111.7 | 113.1 | 111.9 | 111.6 | 110.7 |  |
| Coal, oil, and gas. | 5.11 | 108.3 | 107.1 | 107.3 | 108.9 | 109.5 | 109.2 | 109.5 | 109.7 | 108.8 | 107.5 | 107.0 | 108.1 | 109.2 | 108.9 |
| Coal | . 69 | 103.6 | 99.9 | 100.9 | 108.0 | 109.0 | 104.0 | 109.8 | 103.0 | 104.1 | 110.4 | 108.7 | 112.7 | 114.1 | 110.6 |
| Oil and gas extraction | 4.42 | 109.0 | 108.3 | 108.4 | 109.1 | 109.5 | 110.0 | 109.7 | 110.8 | 109.6 | 107.0 | 106.8 | 107.4 | 108.5 | 108.6 |
| Utilities |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Electric. | 3.91 | 160.7 | 156.2 | 156.8 | 159.7 | 164.0 | 163.8 | 165.1 | 165.3 | 163.4 | 155.6 | 153.0 | 154.6 |  |  |
| Gas | 1.17 | 12 |  |  |  |  |  |  |  |  |  |  |  |  |  |

Note.-Data for the complete year of 1972 are available in a pamphlet Industrial Production Indexes 1972 from Publications Services, Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

Published groupings include series and subtotals not shown separately. Figures for individual series and subtotals are published in the monthly Business Indexes release.

Indexes without seasonal adjustment are no longer being published in the Bulletin, but they are available in the Board's monthly release "Industrial Production (the G.12.3), which is available upon request to Publications Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

## SELECTED BUSINESS INDEXES

(1967 $=100$, except as noted)

${ }_{2}^{1}$ Employees only: excludes personnel in the Armed Forces.
${ }_{2}^{2}$ Production workers only.
${ }_{4}^{3}$ F.R. index based on Census Bureau figures.
${ }_{5}^{4}$ Prices are not seasonally adjusted. Latest figure is final.
${ }^{5}$ Figure is for first quarter 1973.
Note.-All series: Data are seasonally adjusted unless otherwise noted.
Capacity utilization: Based on data from Federal Reserve, McGrawHill Economics Department, and Dept. of Commerce.

Construction contracts; McGraw-Hill Informations Systems Company F.W. Dodge Division, monthly index of dollar value of total construction contracts, including residential, nonresidential, and heavy engineering; does not include data for Alaska and Hawaii.
Employmert and payrolls: Based on Bureau of Labor Statistics data; includes data for Alaska and Hawaii beginning with 1959.

Prices: Bureau of Labor Statistics data.

## CONSTRUCTION CONTRACTS AND PRIVATE HOUSING PERMITS

| Type of ownership and type of construction | 1972 | 1973 | 1972 | 1973 |  |  |  |  |  |  |  |  | 1974 |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | Dec. | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | Jan. | Feb. | Mar. |
| Total construction $1 .$. | 90,979 | 101,071 | 6,423 | 8,814 | 9,428 | 9,910 | 9,228 | 10,303 | 8,151 | 8,983 | 7,905 | 6,133 | 5,954 | 6,610 | 7,911 |
| By type of ownership: Public. |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Public. <br> Private 1 | 24,043 66,936 | 26,686 | 1,629 4,793 | 2,071 | 2,359 | 2,995 | 2,581 | 2,968 | 2,328 | 2,055 | 2,140 | 1,855 4,277 | 2,135 | 2,212 | 2,481 5,430 |
| By type of construction: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Residential building ${ }^{1} . . . . .$. . | 44,975 | 46,246 | 3,115 | 4,512 | 4,754 | 4,612 | 4,224 | 4,233 | 3,638 | 3,673 | 3,299 | 2,341 | 2,231 | 2,678 | 3,374 |
| Nonresidential building....... Nonbuilding. . . . . . . . . | 27,021 | 31,761 | 2,189 1,119 | 2,634 | 2,629 | 2,976 | 2,991 | 3,241 | 2,719 <br> 1,794 | 2,758 | 2,655 | 2,210 1,581 | 2,307 | 2,260 | 2,752 |
| Private housing units authorized.. . (In thousands, S.A., A.R.) | 2,219 | 1,796 | 2,399 | 1,939 | 1,838 | 2,030 | 1,780 | 1,750 | 1,596 | 1,316 | 1,314 | 1,237 | 1,301 | 1,333 | 1,421 |

${ }^{1}$ Because of improved procedures for collecting data for 1 -family homes, some totals are not strictly comparable with those prior to 1968 . 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.

Nore.-Dollar value of construction contracts as reported by the

McGraw-Hill Informations Systems Company, F.W. Dodge Division. Totals of monthly data exceed annual totals because adjustments-negative-are made in accumulated monthly data after original figures have been published.
Private housing units authorized are Census Bureau series for 14,000 reporting areas with local building permit systems; 1971 data are for 13,000 reporting areas.

## VALUE OF NEW CONSTRUCTION ACTIVITY

(In millions of dollars)

| Period | Total | Private |  |  |  |  |  |  | Public |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Total | dential | Nonresidential |  |  |  |  | Total | $\begin{gathered} \text { Mili- } \\ \text { tary } \end{gathered}$ | $\underset{\text { wigh- }}{\text { wiy }}$ |  | Other ${ }^{2}$ |
|  |  |  |  | Total | Buildings |  |  | Other |  |  |  |  |  |
|  |  |  |  |  | $\begin{gathered} \text { Indus- } \\ \text { trial } \end{gathered}$ | Commercial | Other buildings ${ }^{1}$ |  |  |  |  |  |  |
| $1962{ }^{3}$ | 59,965 64,563 | 42,096 | 27,150 | $\xrightarrow[16,946]{17}$ | 2,842 | 5,144 4,995 | 3,631 | 5,329 | 17,869 19,357 | 1,266 1,179 | 6,365 7 7,084 | 1,523 1,694 | 8,715 9,400 |
| 1964 | 67,413 | 47,030 | 28,010 | 19,020 | 3,565 | 5,396 | 3,994 | 6,065 | 20,383 | -910 | 7,133 | 1,750 | 10,590 |
| 1965 | 73,412 | 51,350 51,995 | 27,934 | $\xrightarrow{26,480}$ | 5,118 6,679 | 6,739 6,879 | 4,735 | 6,824 | 22,062 | 830 727 | 7,550 8,405 | 2,019 | 11,663 12,681 |
| 1967 | 77,503 | 51,967 | 25,568 | 26,399 | 6,131 | 6,982 | 4,993 | 8,293 | 25, 536 | 695 | 8,591 | 2,124 | 14,126 |
| 1968 | 86,626 | 59,021 | 30,565 | 28,456 | 6,021 | 7,761 | 4,382 | 10,292 | 27,605 | 808 | 9,321 | 1,973 | 15,503 |
| 1969 | 93,368 | 65,404 | 33,200 | 32,204 | 6,783 | 9,401 | 4,971 | 11,049 | 27,964 | 879 | 9,250 | 1,783 | 16,052 |
| 1970. | 94,167 | 66,071 | 31,864 | 34,207 | 6,538 | 9,754 | 5,125 | 12,790 | 28,096 | 718 | 9,981 | 1,908 | 15,489 |
| 1971 | 109,238 | 79,367 | 43,268 | 36,099 | 5,423 | 11,619 | 5,437 | 13,620 | 29,871 | 901 | 10,658 | 2,095 | 16,217 |
| 1972 | 123,836 | 93,640 | 54,186 | 39,454 44,848 | 4,676 6,058 | 13,462 | 5,898 6,131 | 13,418 | 30,196 <br> 32 | 1,080 | 10,448 | 2,172 | 16,496 |
| 1973-Feb | 136,416 | 104,128 | 61,487 | 42,641 | 5,180 | 14,873 | 6,145 | 16,443 | 32,288 | 1,422 | 11,019 | 1,989 | 17,858 |
| Mar | 137,467 | 103,838 | 60,747 | 43,091 | 5,479 | 15,071 | 6,179 | 16,362 | 33,629 | 1,303 | 10,454 | 2,825 | 19,047 |
|  | 133,858 | 101,298 | 58,111 | 43,187 | 5,287 | 15,473 | 6,282 | 16,145 | 32,560 | 1,158 | 9,901 | 2,062 | 19,439 |
| May. | 134,177 | 101, 878 | 57,490 | 44,338 | 5,338 | 16,118 | 6,251 | 16,631 | 32,349 | 1,277 | 9,645 | 2,569 | 18,858 |
| June | 133,680 | 102,708 | 58,083 | 44,625 | 5,928 | 15,704 | 6,383 | 16,610 | 30,972 |  | 10,094 |  | 17,481 |
| July. | 136,524 <br> 136,370 | 105,029 | 59,007 59 | 46,022 | 6,340 6,687 | 16,110 | 6,492 6,122 | 17,080 | 31,495 31,052 | 1,341 1,048 | 10,762 10,391 | 1,977 | 17,415 17,417 |
| Sept | 136,208 | 103, 034 | 58,505 | 44,529 | 6,324 | 15,111 | 5,742 | 17,352 | 33,174 | '962 | 11,210 | 2,296 | 18,706 |
|  | 135,871 | 102,388 | 56,458 | 45,930 | 6,573 | 15,561 | 5,883 | 17,913 | 33,483 | 1,032 |  | 2,330 |  |
|  | 134,831 | 101,922 | 54,667 | 47,285 | 6,742 | 16,139 | 6,035 | 18,339 | 32,909 | 1,040 |  |  |  |
| Dec. | 133,370 | 99,611 | 52,728 | 46,883 | 7,057 | 15,685 | 6,089 | 18,052 | 33,759 | 1,128 |  |  |  |
| 1974-Jan. | 132,762 |  | 50,439 |  |  |  | 6,199 | 18,531 |  | 1,282 |  |  |  |
| Feb. | 133, 181 | 99,227 | 49,880 | 49,347 | 7,938 | 16,530 | 6,230 | 18,649 | 33,954 | 1,386 |  |  |  |

1 Includes religious, educational, hospital, institutional, and other buildings.
${ }_{2}$ Sewer and water, formerly shown separately, now included in "Other."
3 Beginning July 1962, reflects inclusion of new series affecting most private nonresidential groups.
${ }^{4}$ Beginning 1963, reflects inclusion of new series under "Public" (for State and local govt. activity only).

Note-Census Bureau data; monthly series at seasonally adjusted annual rates.

NEW HOUSING UNITS
(In thousands)

| Period | Units started |  |  |  |  |  |  |  |  |  |  |  |  |  | Mobile ship(N.S.A. |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Private (S.A., A.R.) |  |  |  |  |  |  |  | Private and public (N.S.A.) |  |  | Governmentunderwritten (N.S.A.) |  |  |  |
|  | Total | Region |  |  |  | Type of structure |  |  |  |  |  |  |  |  |  |
|  |  | North- east | North | South | West | $\begin{array}{\|l\|} 1- \\ \text { family } \end{array}$ | $\begin{aligned} & 2 \text { - to } 4 \\ & \text { family } \end{aligned}$ | $\begin{aligned} & 5 \text { 5- or } \\ & \text { more- } \\ & \text { family } \end{aligned}$ | Total | Private | Public | Total | FHA | VA |  |
| 1963. | 1,603 | 261 254 | 328 340 | 591 578 | 430 | 1,012 | 108 | 9450 | 1,635 | 1,603 | 32 32 | 292 | $\begin{aligned} & 2221 \\ & 205 \end{aligned}$ | 71 59 | 151 191 |
| 1965. | 1,473 | 270 206 20 | 362 <br> 288 <br> 8 | 575 <br> 472 <br> 72 | 266 | 964 <br> 778 | 87 61 7 | 422 | 1,510 1,196 | 1,473 1,165 | 37 31 31 | 246 195 | 197 158 158 | $\begin{array}{r}49 \\ 37 \\ \hline\end{array}$ | 216 |
| 1967 | 1,292 | 215 | 337 | 520 | 220 | 844 | 72 | 376 | 1,322 | 1,292 | 30 | 232 | 180 | 53 | 240 318 |
|  | 1,467 | 206 | 349 349 | 588 588 | 324 | 814 | 85 | 571 | 1,500 | 1,467 | 33 | 284 | 233 | 51 | 413 |
| 1970. | 1,434 | 218 | 294 | 612 | 310 | 813 | 85 | 536 | 1,469 | 1,434 | 35 | 482 | 421 | 61 | 401 |
|  |  | $\begin{array}{r}264 \\ 330 \\ \hline\end{array}$ | 434 443 | 869 1,057 | 486 | 1,151 | 120 141 | 781 |  |  | 32 <br> 22 | 621 475 | 528 371 | $\begin{array}{r}93 \\ 104 \\ \hline\end{array}$ | 497 576 |
| 1973. | 2,045 | 277 | 440 | -897 | 428 | 1,132 | 118 | 795 | 2,057 | 2,045 | 12 | 247 | 161 | 86 | 580 |
| 1973-Mar.. | 2,283 | 321 | 433 | 1,115 | 414 | 1,244 | 128 | 912 | 201 | 200 | 1 | 27 | 19 | 8 | 57 |
|  | 2,153 | 293 | 397 531 | 908 <br> 983 <br> 88 | 555 | 1,231 | 127 159 | 795 929 | 205 234 | 205 |  | 27 29 | 18 18 | 11 | 62 57 |
| Maye. | 2,330 2,152 | $\begin{array}{r}294 \\ 345 \\ \hline\end{array}$ | 531 485 | 983 873 | 522 449 | 1,140 | 159 | 929 <br> 886 | 203 | 203 | 1 | 25 | 17 | 8 | 57 |
| July. | 2,152 | 245 | 475 | 1,020 | 412 | 1,232 | 144 | 776 | 203 | 203 | 1 | 20 | 12 | 8 | 50 |
| Aug. | 2,030 | 285 | 46 | 844 <br> 748 | 465 <br> 384 | 1,108 | 107 97 | 814 <br> 757 | 200 149 | 197 | 3 | $\stackrel{23}{15}$ | 14 10 | 9 | 54 45 |
| Oct. | 1,674 | 242 | 383 | 715 | 334 | 957 | 81 | 637 | 149 | 147 | 2 | 15 | 9 | 6 | 46 |
| Nov. | 1,675 | 241 | 322 | 750 | 362 | 938 | 84 | 653 | 135 | 133 | 1 | 16 | 11 | 5 4 | 40 29 |
| Dec. | 1,403 | 192 | 278 | 654 | 279 | 767 | 73 | 563 | 91 | 90 |  | 11 | 7 | 4 | 29 |
| 1974-Jan. ${ }_{\text {Feb. }}$ | 1,464 | 258 270 | 330 390 | 650 874 | 226 328 | 793 1,042 | 89 85 | 582 735 | $\begin{array}{r}86 \\ 108 \\ \hline\end{array}$ | $\begin{array}{r}85 \\ 107 \\ \hline\end{array}$ | 2 | 19 | 13 15 | 7 | ${ }_{30} 29$ |
| Mar. | 1,460 | 191 | 324 | 613 | 332 | , 943 | 91 | 426 | 124 | 122 | 2 | 28 | 20 | 8 |  |

Note.-Starts are Census Bureau series (including farm starts) except for Govt.-underwritten, which are from Federal Housing Admin. and Digitized foleteranss Admin. and represent units started, including rehabilitation
units under FHA, based on field office reports of first compliance inspections. Data may not add to totals because of rounding.
Mobile home shipments are as reported by Mobile Homes Manufacturers Assn.

LABOR FORCE, EMPLOYMENT, AND UNEMPLOYMENT
(In thousands of persons, except as noted)

| Period | Total noninstitutional population (N.S.A.) | Not in labor force (N.S.A.) | Total labor force (S.A.) | Civilian labor force (S.A.) |  |  |  |  | Unemployment rate ${ }^{2}$ (per cent; S.A.) |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  |  | Employed ${ }^{1}$ |  |  | Unemployed |  |
|  |  |  |  | Total | Total | In nonagricultural industries | $\underset{\text { agriculture }}{\text { In }}$ |  |  |
| 1968. | 135,562 | 53,291 | 82,272 | 78,737 | 75,920 | 72,103 | 3,817 | 2,817 | 3.6 |
| 1969. | 137,841 | 53,602 | 84,240 | 80,734 | 77,902 | 74,296 | 3,606 | 2,832 | 3.5 |
| 1970. | 140,182 | 54,280 | 85,903 | 82,715 | 78,627 | 75,165 | 3,462 | 4,088 | 4.9 |
| 1971. | 142,596 | 55,666 | 86,929 | 84,113 | 79,120 | 75,732 | 3,387 | 4,993 | 5.9 |
| 1972. | 145,775 | 56,785 | 88,991 | 86,542 | 81,702 | 78,230 | 3,472 | 4,840 | 5.6 |
| 1973. | 148,263 | 57,222 | 91,040 | 88,714 | 84,409 | 80,957 | 3,452 | 4,304 | 4.9 |
| 1973-Apr.. | 147,729 | 57,906 | 90,622 | 88,272 | 83,854 | 80,498 | 3,356 | 4,418 | 5.0 |
| May. | 147,940 | 58,050 | 90,597 | 88,263 | 83,950 | 80,630 | 3,320 | 4,313 | 4.9 |
| June. | 148,147 | 55,417 | 91,133 | 88,818 | 84,518 | 81,088 | 3,430 | 4,300 | 4.8 |
| July. | 148,361 | 55, 133 | 91,139 | 88,828 | 84,621 | 81,109 | 3,512 | 4,207 | 4.7 |
| Aug. | 148,565 | 56,129 | 91,011 | 88,704 | 84,513 | 81,088 | 3,425 | 4,191 | 4.7 |
| Sept. | 148,782 | 57,484 | 91,664 | 89,373 | 85,133 | 81,757 | 3,376 | 4,240 | 4.7 |
| Oct. | 149,001 | 56,955 | 92,038 | 89,749 | 85,649 | 82,194 | 3,455 | 4,100 | 4.6 |
| Nov. | 149,208 | 57,040 | 92,186 | 89,903 | 85,649 | 82,088 | 3,561 | 4,254 | 4.7 |
| Dec.. | 149,436 | 57,453 | 92,315 | 90,033 | 85,669 | 82,026 | 3,643 | 4,364 | 4.8 |
| 1974-Jan. | 149,656 | 58,303 | 92,801 | 90,543 | 85,811 | 82,017 | 3,794 | 4,732 | 5.2 |
| Feb. | 149,857 | 58,165 | 92,814 | 90,556 | 85,803 | 81,951 | 3,852 | 4,753 | 5.2 |
| Mar. | 150,066 | 58,183 | 92,747 | 90,496 | 85,863 | 82,164 | 3,699 | 4,633 | 5.1 |
| Apr.. | 150,283 | 58,547 | 92,556 | 90,313 | 85,775 | 82,264 | 3,511 | 4,538 | 5.0 |

1 Includes self-employed, unpaid family, and domestic service workers.
${ }^{2}$ Per cent of civilian labor force.
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 12 th day; annual data are averages of monthly figures. Description of changes in series beginning 1967 is available from Bureau of Labor Statistics.

EMPLOYMENT IN NONAGRICULTURAL ESTABLISHMENTS, BY INDUSTRY DIVISION
(In thousands of persons)

| Period | Total | Manufacturing | Mining | Contract construction | Transportation \& public utilities | Trade | Finance | Service | Government |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1968. | 67,915 | 19,781 | 606 | 3,285 | 4,310 | 14,084 | 3,382 | 10,623 | 11,845 |
| 1969 | 70,284 | 20,167 | 619 | 3,435 | 4,429 | 14,639 | 3,564 | 11,229 | 12,202 |
| 1970 | 70,593 | 19,349 | 623 | 3,381 | 4,493 | 14,914 | 3,688 | 11,612 | 12,535 |
| 1971 | 70,645 | 18,529 | 602 | 3,411 | 4,442 | 15,142 | 3,796 | 11,869 | 12,856 |
| 1972 | 72,764 | 18,933 | 607 | 3,521 | 4,495 | 15,683 | 3,927 | 12,309 | 13,290 |
| 1973. | 75,567 | 19,820 | 625 | 3,648 | 4,611 | 16,288 | 4,053 | 12,866 | 13,657 |
| seasonally adjusted |  |  |  |  |  |  |  |  |  |
| 1973-Mar. | 74,914 | 19,643 | 610 | 3,604 | 4,580 | 16,163 | 4,024 | 12,716 | 13,574 |
| Apr. | 75,105 | 19,727 | 608 | 3,571 | 4,591 | 16,217 | 4,031 | 12,746 | 13,614 |
| May | 75,321 | 19,782 | 608 | 3,620 | 4,593 | 16,256 | 4,044 | 12,776 | 13,642 |
| June. | 75,526 | 19,856 | 629 | 3,654 | 4,597 | 16,262 | 4,049 | 12,820 | 13,659 |
| July . | 75,493 | 19,804 | 631 | 3,680 | 4,598 | 16,294 | 4,048 | 12,828 | 13,610 |
| Aug. | 75,747 | 19,861 | 634 | 3,676 | 4,617 | 16,352 | 4,064 | 12,906 | 13,637 |
| Sept. | 75,961 | 19,882 | 633 | 3,700 | 4,629 | 16,388 | 4,078 | 12,995 | 13,656 |
| Oct. | 76,363 | 20,016 | 639 | 3,694 | 4,671 | 16,465 | 4,088 | 13,044 | 13,746 |
| Nov. | 76,679 | 20,095 | 644 | 3,711 | 4,654 | 16,520 | 4,095 | 13,122 | 13,838 |
| Dec. | 76,626 | 20,090 | 646 | 3,732 | 4,644 | 16,398 | 4,101 | 13,128 | 13,887 |
| 1974-Jan. | -76,526 | 20,006 | 654 | 3,636 | 4,684 | 16,417 | 4,109 | 13,136 | r13,884 |
| Feb. | 76,813 | 19,904 | 656 | 3,757 | 4,691 | 16,472 | 4,124 | 13,215 | 13,994 |
| Mar. ${ }^{\text {p }}$ | 76,785 | 19,854 | 656 | 3,717 | 4,675 | 16,480 | 4,128 | 13,236 | 14,039 |
| Apr. ${ }^{\text {a }}$ | 76,911 | 19,929 | 658 | 3,644 | 4,669 | 16,518 | 4,132 | 13,267 | 14,094 |
| Not Seasonally adjusted |  |  |  |  |  |  |  |  |  |
| 1973-Mar. | 74,255 | 19,521 | 598 | 3,294 | 4,539 | 15,880 | 4,000 | 12,627 | 13,796 |
| Apr. | 74,861 | 19,586 | 603 | 3,442 | 4,559 | 16,088 | 4,019 | 12,771 | 13,793 |
| May | 75,404 | 19,667 | 608 | 3,616 | 4,593 | 16,200 | 4,040 | 12,865 | 13,815 |
| June. | 76,308 | 20,002 | 642 | 3,837 | 4,661 | 16,335 | 4,089 | 12,999 | 13,743 |
| July. | 75,384 | 19,729 | 644 | 3,934 | 4,653 | 16,262 | 4,113 | 12,982 | 13,067 |
| Aug. | 75,686 | 20,018 | 648 | 3,981 | 4,659 | 16,279 | 4,121 | 13,009 | 12,971 |
| Sept. | 76,238 | 20,132 | 641 | 3,944 | 4,671 | 16,367 | 4,082 | 12,982 | 13,419 |
| Oct. | 76,914 | 20,168 | 640 | 3,923 | 4,680 | 16,515 | 4,076 | 13,057 | 13,855 |
| Nov. | 77,322 | 20,202 | 643 | 3,822 | 4,659 | 16,780 | 4,079 | 13,096 | 14,041 |
| Dec. | 77,391 | 20,110 | 642 | 3,639 | 4,644 | 17,113 | 4,080 | 13,062 | 14,101 |
| 1974-Jan. . | 75,620 | 19,818 | 642 | 3,280 | 4,618 | 16,290 | 4,072 | 12,913 | 13,987 |
| Feb. | 75,792 | 19,738 | 641 | 3,329 | 4,616 | 16,127 | 4,087 | 13,056 | 14,198 |
| Mar. ${ }^{\text {p }}$ | 76,100 | 19,731 | 643 | 3,397 | 4,633 | 16,180 | 4,103 | 13,143 | 14,270 |
| Apr. ${ }^{p}$ | 76,678 | 19,785 | 652 | 3,513 | 4,636 | 16,398 | 4,120 | 13,294 | 14,280 |

Note.-Bureau of Labor Statistics; data include all full- and parttime employees who worked during, or received pay for, the pay period that includes the 12 th of the month. Proprietors, self-employed
persons, domestic servants, unpaid family workers, and members of Armed Forces are excluded.

Beginning with 1970 , series has been adjusted to Mar. 1971 benchmark.

CONSUMER PRICES
$(1967=100)$

| Period | $\underset{\text { items }}{\text { All }}$ | Food | Housing |  |  |  |  |  | Apparel and upkeep | Trans-portation | Health and recreation |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | Total | Rent | Home-ownership | Fuel oil and coal | Gas and electricity | Fur-nishings and operation |  |  | Total | Medical care | Per- <br> sonal care | Reading and recreation | Other goods and services |
| 1929 | 51.3 | 48.3 |  | 76.0 |  |  |  |  | 48.5 |  |  |  |  |  |  |
| 1933 | 38.8 | 30.6 |  | 54.1 |  |  |  |  | 36.9 |  |  |  |  |  |  |
| 1941 | 44.1 | 38.4 | 53.7 | 57.2 |  | 40.5 | 81.4 |  | 44.8 | 44.2 |  | 37.0 | 41.2 | 47.7 | 49.2 |
| 1945 | 53.9 | 50.7 | 59.1 | 58.8 |  | 48.0 | 79.6 |  | 61.5 | 47.8 |  | 42.1 | 55.1 | 62.4 | 56.9 |
| 1960 | 88.7 | 88.0 | 90.2 | 91.7 | 86.3 | 89.2 | 98.6 | 93.8 | 89.6 | 89.6 | 85.1 | 79.1 | 90.1 | 87.3 | 87.8 |
| 1965 | 94.5 | 94.4 | 94.9 | 96.9 | 92.7 | 94.6 | 99.4 | 95.3 | 93.7 | 95.9 | 93.4 | 89.5 | 95.2 | 95.9 | 94.2 |
| 1966 | 97.2 | 99.1 | 97.2 | 98.2 | 96.3 | 97.0 | 99.6 | 97.0 | 96.1 | 97.2 | 96.1 | 93.4 | 97.1 | 97.5 | 97.2 |
| 1967 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| 1968 | 104.2 | 103.6 | 104.2 | 102.4 | 105.7 | 103.1 | 100.9 | 104.4 | 105.4 | 103.2 | 105.0 | 106.1 | 104.2 | 104.7 | 104.6 |
| 1969 | 109.8 | 108.9 | 110.8 | 105.7 | 116.0 | 105.6 | 102.8 | 109.0 | 111.5 | 107.2 | 110.3 | 113.4 | 109.3 | 108.7 | 109.1 |
| 1970 | 116.3 | 114.9 | 118.9 | 110.1 | 128.5 | 110.1 | 107.3 | 113.4 | 116.1 | 112.7 | 116.2 | 120.6 | 113.2 | 113.4 | 116.0 |
| 1971 | 121.3 | 118.4 | 124.3 | 115.2 | 133.7 | 117.5 | 114.7 | 118.1 | 119.8 | 118.6 | 122.2 | 128.4 | 116.8 | 119.3 | 120.9 |
| 1972 | 125.3 | 123.5 | 129.2 | 119.2 | 140.1 | 118.5 | 120.5 | 121.0 | 122.3 | 119.9 | 126.1 | 132.5 | 119.8 | 122.8 | 125.5 |
| 1973 | 133.1 | 141.4 | 135.0 | 124.2 | 146.7 | 136.0 | 126.4 | 124.9 | 126.8 | 123.8 | 130.2 | 137.7 | 125.2 | 125.9 | 129.0 |
| 1973-Mar. | 129.8 | 134.5 | 132.3 | 122.6 | 143.2 | 127.8 | 125.0 | 123.0 | 124.8 | 121.5 | 128.6 | 135.8 | 123.1 | 124.5 | 127.6 |
| Apr. | 130.7 | 136.5 | 132.8 | 123.0 | 143.6 | 128.3 | 125.5 | 123.6 | 125.8 | 122.6 | 129.2 | 136.2 | 123.8 | 125.2 | 128.2 |
| May | 131.5 | 137.9 | 133.3 | 123.5 | 144.2 | 129.3 | 125.7 | 123.9 | 126.7 | 123.5 | 129.6 | 136.6 | 124.4 | 125.6 | 128.5 |
| June | 132.4 | 139.8 | 133.9 | 123.9 | 145.0 | 131.6 | 125.4 | 124.7 | 126.8 | 124.6 | 130.0 | 137.0 | 124.9 | 125.9 | 129.0 |
| July. | 132.7 | 140.9 | 134.2 | 124.3 | 145.2 | 131.7 | 125.5 | 125.0 | 125.8 | 124.8 | 130.3 | 137.3 | 125.3 | 126.2 | 129.5 |
| Aug. | 135.1 | 149.4 | 135.2 | 125.0 | 147.0 | 132.8 | 125.8 | 125.3 | 126.5 | 124.5 | 130.5 | 137.6 | 125.7 | 126.1 | 129.4 |
| Sept | 135.5 | 148.3 | 136.6 | 125.4 | 149.2 | 133.6 | 126.5 | 126.1 | 128.3 | 123.9 | 131.1 | 138.3 | 126.3 | 126.8 | 129.9 |
| Oct. | 136.6 | 148.4 | 138.1 | 125.9 | 151.5 | 141.1 | 127.4 | 126.7 | 129.6 | 125.0 | 132.1 | 140.6 | 127.3 | 127.2 | 130.3 |
| Nov | 137.6 | 150.0 | 139.4 | 126.3 | 152.6 | 155.6 | 129.8 | 127.5 | 130.5 | 125.8 | 132.6 | 140.9 | 128.1 | 127.5 | 130.8 |
| Dec. | 138.5 | 151.3 | 「140.6 | 126.9 | 153.6 | 172.8 | 131.0 | 128.0 | 130.5 | 126.7 | 133.0 | 141.4 | 129.2 | 127.6 | 131.3 |
| 1974-Jan. | 139.7 | 153.7 | 142.2 | 127.3 | 154.8 | 194.6 | 134.3 | 129.0 | 128.8 | 128.1 | 133.7 | 142.2 | 129.8 | 128.3 | 131.8 |
| Feb | 141.5 | 157.6 | 143.4 | 128.0 | 155.8 | 202.0 | 137.3 | 130.1 | 130.4 | 129.3 | 134.5 | 143.4 | 130.8 | 128.9 | 132.3 |
| Mar | 143.1 | 159.1 | 144.9 | 128.4 | 157.2 | 201.5 | 140.0 | 132.6 | 132.2 | 132.0 | 135.4 | 144.8 | 131.8 | 129.5 | 132.8 |

Note.-Bureau of Labor Statistics index for city wage-earners and
clerical workers.
WHOLESALE PRICES: SUMMARY
(1967 $=100$, except as noted)

| Period | All com$\underset{\text { ties }}{\text { modi- }}$ ties | Farm products | Processed foods and feeds | Industrial commodities |  |  |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  | Total | Textiles, etc. | Hides, etc. | Fuel, etc. | Chem icals, etc. | Rubber, etc. | Lumber, etc. | Paper, etc. | Metals, etc. | Ma-chinery and equipment | Furni ture, etc. | Non-metallic minerals | Trans-portation equipment ${ }^{1}$ | Mis-cellaneous |
| 1960 | 94.9 | 97.2 | 89.5 | 95.3 | 99.5 | 90.8 | 96.1 | 101.8 | 103.1 | 95.3 | 98.1 | 92.4 | 92.0 | 99.0 | 97.2 |  | 93.0 |
| 1961 | 94.5 | 96.3 | 91.0 | 94.8 | 97.7 | 91.7 | 97.2 | 100.7 | 99.2 | 91.0 | 95.2 | 91.9 | 91.9 | 98.4 | 97.6 |  | 93.3 |
| 1962 | 94.8 | 98.0 | 91.9 | 94.8 | 98.6 | 92.7 | 96.7 | 99.1 | 96.3 | 91.6 | 96.3 | 91.2 | 92.0 | 97.7 | 97.6 |  | 93.7 |
| 1963 | 94.5 | 96.0 | 92.5 | 94.7 | 98.5 | 90.0 | 96.3 | 97.9 | 96.8 | 93.5 | 95.6 | 91.3 | 92.2 | 97.0 | 97.1 |  | 94.5 |
| 1964 | 94.7 | 94.6 | 92.3 | 95.2 | 99.2 | 90.3 | 93.7 | 98.3 | 95.5 | 95.4 | 95.4 | 93.8 | 92.8 | 97.4 | 97.3 |  | 95.2 |
| 1965 | 96.6 | 98.7 | 95.5 | 96.4 | 99.8 | 94.3 | 95.5 | 99.0 | 95.9 | 95.9 | 96.2 | 96.4 | 93.9 | 96.9 | 97.5 |  | 95.9 |
| 1967 | 100.0 | 100.9 <br> 108 | 100.0 | 100.0 | 100.0 | 1100.0 | 100.0 | 100.4 | 100.0 | 100.2 | (100.0 | 198.8 | 100.8 | 98.0 |  |  | 97.7 100.0 |
| 1968 | 102.5 | 102.5 | 102.2 | 102.5 | 103.7 | 103.2 | 98.9 | 99.8 | 103.4 | 113.3 | 101.1 | 102.6 | 103.2 | 102.8 | 103.7 |  | 102.2 |
| 1969 | 106.5 | 109.1 | 107.3 | 106.0 | 106.0 | 108.9 | 100.9 | 99.9 | 105.3 | 125.3 | 104.0 | 108.5 | 106.5 | 104.9 | 107.7 | 100.8 | 105.2 |
| 1970. | 110.4 | 111.0 | 112.0 | 110.0 | 107.2 | 110.1 | 105.9 | 102.2 | 108.6 | 113.7 | 108.2 | 116.7 | 111.4 | 107.5 | 113.3 | 104.5 | 109.9 |
| 1971 | 113.9 | 112.9 | 114.3 | 114.0 | 108.6 | 114.0 | 114.2 | 104.2 | 109.2 | 127.0 | 110.1 | 119.0 | 115.5 | 109.9 | 122.4 | 110.3 | 112.8 |
| 1972 | 119.1 | 125.0 | 120.8 | 117.9 | 113.6 | 131.3 | 118.6 | 104.2 | 109.3 | 144.3 | 113.4 | 123.5 | 117.9 | 111.4 | 126.1 | 113.8 | 114.6 |
| 1973 | 135.5 | 176.3 | 148.1 | 126.9 | 123.8 | 143.1 | 145.5 | 110.0 | 112.4 | 177.2 | 122.1 | 132.8 | 121.7 | 115.2 | 130.2 | 115.1 | 119.7 |
| 1973-Apr. | 130.7 | 160.6 | 139.8 | 124.4 | 120.8 | 145.0 | 131.8 | 107.7 | 110.6 | 182.0 | 119.8 | 130.5 | 120.8 | 114.1 | 130.0 | 114.9 | 118.6 |
| May | 133.5 | 170.4 | 145.0 | 125.8 | 122.3 | 142.2 | 135.5 | 109.3 | 111.5 | 186.9 | 120.7 | 131.7 | 121.5 | 115.1 | 130.5 | 115.1 | 119.5 |
| June | 136.7 | 182.3 | 151.8 | 126.9 | 123.7 | 140.9 | 142.8 | 110.4 | 112.6 | 183.1 | 122.0 | 132.5 | 121.9 | 115.2 | 131.1 | 115.0 | 120.2 |
| July. | 134.9 | 173.3 | 146.5 | 126.9 | 124.2 | 141.4 | 142.8 | 110.8 | 112.9 | 177.8 | 122.3 | 132.8 | 122.0 | 115.2 | 130.0 | 115.0 | 120.9 |
| Aug. | 142.7 | 213.3 | 166.2 | 127.4 | 125.2 | 143.0 | 142.9 | 111.0 | 113.1 | 178.8 | 123.3 | 133.7 | 122.3 | 115.9 | 130.0 | 115.1 | 121.0 |
| Sept. | 140.2 | 200.4 | 156.3 | 128.1 | 126.8 | 143.8 | 144.8 | 111.5 | 112.8 | 181.9 | 124.4 | 134.4 | 122.6 | 116.0 | 129.9 | 114.5 | 121.1 |
| Oct. | 139.5 | 188.4 | 153.1 | 129.6 | 128.5 | 143.8 | 150.5 | 112.7 | 114.0 | 180.3 | 125.8 | 135.9 | 123.1 | 116.6 | 130.9 | 115.9 | 121.0 |
| Nov | 141.8 | 184.0 | 151.9 | 133.5 | 130.0 | 143.0 | 179.2 | 113.5 | 114.8 | 184.7 | 127.6 | 138.5 | 123.8 | 117.2 | 131.5 | 116.1 | 121.3 |
| Dec | 145.3 | 187.2 | 155.7 | 137.1 | 131.4 | 141.9 | 201.3 | 115.6 | 116.5 | 186.1 | 128.7 | 141.8 | 124.6 | 117.5 | 132.6 | 117.3 | 121.6 |
| 1974-Jan. | 150.4 | 202.6 | 162.1 | 140.5 | 133.8 | 142.6 | 214.6 | 118.2 | 117.7 | 183.7 | 131.8 | 145.0 | 126.0 | 119.0 | 138.7 | 118.6 | 123.5 |
| Feb | 152.7 | 205.6 | 164.7 | 142.5 | 135.2 | 143.4 | 221.7 | 120.2 | 119.8 | 184.1 | 132.9 | 148.0 | 127.0 | 120.2 | 142.1 | 118.9 | 124.6 |
| Ma | 154.5 | 197.0 | 163.0 | 146.6 | 136.1 | 143.4 | 232.2 | 127.3 | 123.8 | 191.3 | 137.2 | 154.7 | 129.0 | 121.3 | 144.2 | 119.1 | 125.8 |
| Apr | 155.3 | 186.2 | 159.1 | 150.1 | 137.5 | 145.4 | 234.0 | 132.3 | 129.4 | 200.2 | 144.4 | 161.2 | 130.8 | 122.9 | 146.7 | 119.4 | 128.2 |

${ }^{1}$ Dec. $1968=100$.

GROSS NATIONAL PRODUCT
(In billions of dollars)

| Item | 1929 | 1933 | 1941 | 1950 | 1969 | 1970 | 1971 | 1972 | 1973 | 1973 |  |  |  | $\frac{1974}{I^{p}}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  |  |  |  |  |  |  | I | II | III | IV |  |
| Gross national product | 103.1 | 55.6 | 124.5 | 284.8 | 930.3 | 977.1 | 1,055.5 | 1,155. 2 | 1,789.1 | 1,242.5 | ,272. 0 | 1,304.5 | 1337.5 | 1,351.8 |
| Final purchases. | 101.4 | 57.2 | 120.1 | 278.0 | 922.5 | 972.6 | 1,049.4 | 1,149.1 | 1,281.1 | 1,237.8 | $1,267.5$ | 1,299.8 | 1,319.4 | 1,344.0 |
| Personal consumption expenditures | 77.2 | 45.8 | 80.6 | 191.0 | 579.5 | 617.6 | 667.2 | 726.5 | 804.0 | 779.4 | 795.6 | 816.0 | 825.2 | 844.6 |
| Durable goods. . . . . . . . . . . . . . | 9.2 | 3.5 | 9.6 | 30.5 | 90.8 | 91.3 | 103.6 | 117.4 | 130.8 | 132.2 | 132.8 | 132.8 | 125.6 | 124.5 |
| Nondurable goods | 37.7 | 22.3 | 42.9 | 98.1 | 245.9 | 263.8 | 278.7 | 299.9 | 335.9 | 322.2 | 330.3 | 341.6 | 349.6 | 362.3 |
| Services. | 30.3 | 20.1 | 28.1 | 62.4 | 242.7 | 262.6 | 284.9 | 309.2 | 337.3 | 325.0 | 332.6 | 341.6 | 350.0 | 357.8 |
| Gross private domestic investment. . . . . . . . . . | 16.2 | 1.4 | 17.9 | 54.1 | 139.0 | 136.3 | 153.2 | 178.3 | 202.1 | 194.5 | 198.2. | 202.0 | 213.9 | 201.8 |
| Fixed investment. . . . . . . . . . . . . . . . . . . . . | 14.5 | 3.0 | 13.4 | 47.3 | 131.1 | 131.7 | 147.1 | 172.3 | 194.2 | 189.9 | 193.7 | 197.3 | 195.9 | 194.0 |
| Nonresidential. | 10.6 | 2.4 | 9.5 | 27.9 | 98.5 | 100.6 | 104.4 | 118.2 | 136.2 | 130.9 | 134.1 | 138.0 | 141.8 | 144.4 |
| Structures. . . . . . . . . . . . . . . . . . . . . . . | 5.0 | 1.9 | 2.9 | 9.2 | 34.2 | 36.1 | 37.9 | 41.7 | 48.4 | 45.3 | 47.2 | 49.5 | 51.7 | 54.3 |
| Producers' durable equipment. .... . . . | 5.6 | 1.5 | 6.6 3.9 | 18.7 | 64.3 | 64.4 | 66.5 | 76.5 | 87.8 | 85.5 | 86.9 | 88.6 | 90.1 | 90.1 |
| Residential structures. . . . . . . . . . . . . . . | 4.0 | .6 | 3.9 | 19.4 | 32.6 | 31.2 | 42.7 | 54.0 | 58.0 | 59.0 | 59.6 | 59.2 | 54.0 | 49.5 |
| Nonfarm..... | 3.8 | -1.5 | 3.7 4.5 | 18.6 6.8 | 32.0 | 30.7 | 42.2 | 53.5 | 57.4 | 58.4 | 59.1 | 58.6 | 53.4 | 48.9 |
| Change in business Nonfarm. . . . . . . | 1.7 1.8 | -1.6 | 4.5 4.0 | 6.8 6.0 | 7.8 | 4.5 4.3 | 6.1 | 6.0 5.6 | 8.0 7.3 | 4.6 4.4 | 4.5 4.4 | 4.7 3.2 | 18.0 17.3 | 7.8 6.8 |
| Net exports of goods and services | 1.1 | . 4 | 1.3 | 1.8 | 1.9 | 3.6 | . 8 | -4.6 | 5.8 | . 0 | 2.8 | 7.6 | 12.8 | 9.5 |
| Exports. . . . . . . . . . . . . . . . . . . . . . . . . . . . | 7.0 | 2.4 | 5.9 | 13.8 | 55.5 | 62.9 | 66.3 | 73.5 | 102.0 | 89.7 | 97.2 | 104.5 | 116.4 | 125.9 |
| Imports. . . . . . . . . . . . . . . . . . . . . . . . . . . . | 5.9 | 2.0 | 4.6 | 12.0 | 53.6 | 59.3 | 65.5 | 78.1 | 96.2 | 89.7 | 94.4 | 97.0 | 103.6 | 116.4 |
| Government purchases of goods and services.. | 8.5 | 8.0 | 24.8 | 37.9 | 210.0 | 219.5 | 234.3 | 255.0 | 277.1 | 268.6 | 275.3 | 279.0 | 285.6 | 295.9 |
| Federal. | 1.3 | 2.0 | 16.9 | 18.4 | 98.8 | 96.2 | 98.1 | 104.4 | 106.6 | 105.5 | 107.3 | 106.8 | 106.8 | 111.3 |
| National defens |  |  | 13.8 | 14.1 | 78.4 | 74.6 | 71.6 | 74.4 | 73.9 | 74.3 | 74.2 | 74.2 | 73.0 | 76.2 |
| Other. |  |  | 3.1 | 4.3 | 20.4 | 21.6 | 26.5 | 30.1 | 32.7 | 31.2 | 33.1 | 32.7 | 33.8 | 35.1 |
| State and local. | 7.2 | 6.0 | 7.9 | 19.5 | 111.2 | 123.3 | 136.2 | 150.5 | 170.5 | 163.0 | 168.0 | 172.2 | 178.8 | 184.6 |
| Gross national product in constant (1958) dollars. | 203.6 | 141.5 | 263.7 | 355.3 | 725.6 | 722.5 | 745.4 | 790.7 | 837.4 | 829.3 | 834.3 | 841.3 | 844.6 | 832.0 |

Nore.-Dept. of Commerce estimates. Quarterly data are seasonally see the Survey of Current Business, (generally the July issue) and the Aug. adjusted totals at annual rates. For back data and explanation of series, 1966 Supplement to the Survey.

NATIONAL INCOME
(In billions of dollars)

| Item | 1929 | 1933 | 1941 | 1950 | 1969 | 1970 | 1971 | 1972 | 1973 | 1973 |  |  |  | 1974 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  |  |  |  |  |  |  | 1 | II | III | IV | $\mathrm{I}^{p}$ |
| National income. | 86.8 | 40.3 | 104.2 | 241.1 | 766.0 | 800.5 | 859.4 | 941.8 | 1,053.9 | 1,015.0 | 1,038.2 | 1,067.4 | 1,095.1 |  |
| Compensation of employees | 51.1 | 29.5 | 64.8 | 154.6 | 566.0 | 603.9 | 644.1 | 707.1 | 785.2 | 757.4 | 774.9 | 794.0 | 814.7 | 826.6 |
| Wages and salari | 50.4 | 29.0 | 62.1 | 146.8 | 509.7 | 542.0 | 573.8 | 627.3 | 691.4 | 666.7 | 682.3 | 699.3 | 717.2 | 726.0 |
| Private. | 45.5 | 23.9 | 51.9 | 124.4 | 405.6 | 426.9 | 449.7 | 493.3 | 546.0 | 525.1 | 538.7 | 553.2 | 566.9 | 573.1 |
| Military | . 3 | . 3 | 1.9 | 5.0 | 19.0 | 19.6 | 19.4 | 20.3 | 20.8 | 20.9 | 20.5 | 20.4 | 21.3 | 21.2 |
| Government civilian | 4.6 | 4.9 | 8.3 | 17.4 | 85.1 | 95.5 | 104.7 | 113.8 | 124.6 | 120.7 | 123.1 | 125.7 | 129.1 | 131.7 |
| Supplements to wages and salaries......... . Employer contributions for social in- | . 7 | . 5 | 2.7 | 7.8 | 56.3 | 61.9 | 70.3 | 79.7 | 93.9 | 90.8 | 92.6 | 94.7 | 97.5 | 100.6 |
| surance. . . . . . . . . . . . . . . . . . . . . . . | . 1 | . 1 | 2.0 | 4.0 | 27.8 | 29.7 | 33.7 | 39.0 | 49.0 | 47.4 | 48.3 | 49.4 | 50.8 | 52.6 |
| Other labor income. | . 6 | . 4 | . 7 | 3.8 | 28.4 | 32.2 | 36.6 | 40.7 | 44.9 | 43.3 | 44.2 | 45.3 | 46.7 | 47.9 |
| Proprietors' income. | 15.1 | 5.9 | 17.5 | 37.5 | 67.2 | 66.9 | 68.7 | 74.2 | 84.2 | 80.6 | 81.5 | 85.0 | 89.8 | 88.2 |
| Business and professi | 9.0 | 3.3 | 11.1 | 24.0 | 50.5 | 50.0 | 51.9 | 54.0 | 57.5 | 56.3 | 57.1 | 57.9 | 58.5 | 59.1 |
| Farm. . | 6.2 | 2.6 | 6.4 | 13.5 | 16.7 | 16.9 | 16.8 | 20.2 | 26.8 | 24.3 | 24.4 | 27.1 | 31.3 | 29.1 |
| Rental income of persons | 5.4 | 2.0 | 3.5 | 9.4 | 22.6 | 23.9 | 24.5 | 24.1 | 25.1 | 24.7 | 24.6 | 25.3 | 25.7 | 25.8 |
| Corporate profits and inventory valuation adjustment | 10.5 | -1.2 | 15.2 | 37.7 | 79.8 | 69.2 | 80.1 | 91.1 | 109.0 | 104.3 | 107.9 | 112.0 | 111.9 |  |
| Profits before tax | 10.0 | 1.0 | 17.7 | 42.6 | 84.9 | 74.0 | 85.1 | 98.0 | 126.3 | 119.6 | 128.9 | 129.0 | 127.4 |  |
| Profits tax liability | 1.4 | . 5 | 7.6 | 17.8 | 40.1 | 34.8 | 37.4 | 42.7 | 55.8 | 52.7 | 57.4 | 57.6 | 55.7 |  |
| Profits after tax | 8.6 |  | 10.1 | 24.9 | 44.8 | 39.3 | 47.6 | 55.4 | 70.4 | 66.9 | 71.6 | 71.5 | 71.6 |  |
| Dividends. | 5.8 | 2.0 | 4.4 | 8.8 | 24.3 | 24.7 | 25.1 | 26.0 | 27.8 | 26.9 | 27.3 | 28.1 | 29.0 | 29.5 |
| Undistributed profits | 2.8 | -1.6 | 5.7 | 16.0 | 20.5 | 14.6 | 22.5 | 29.3 | 42.6 | 40.0 | 44.2 | 43.4 | 42.6 |  |
| Inventory valuation adjustment | . 5 | $-2.1$ | -2.5 | -5.0 | $-5.1$ | -4.8 | -4.9 | -6.9 | -17.3 | -15.4 | -21.1 | -17.0 | -15.5 | -30.9 |
| Net interest. | 4.7 | 4.1 | 3.2 | 2.0 | 30.5 | 36.5 | 42.0 | 45.2 | 50.4 | 47.9 | 49.4 | 51.1 | 53.0 | 55.0 |

Nore.-Dept. of Commerce estimates. Quarterly data are seasonally adjusted totals at annual rates. See also Note to table above.

RELATION OF GROSS NATIONAL PRODUCT, NATIONAL INCOME, AND PERSONAL INCOME AND SAVING
(In billions of dollars)


[^69]PERSONAL INCOME
(In billions of dollars)

| Item | 1972 | 1973 | 1973 |  |  |  |  |  |  |  |  |  | 1974 |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov | Dec. | Jan. | Feb. | Mar. ${ }^{\text {p }}$ |
| Total personal income | 939.2 | 1,035.4 | 1,003.3 | 1,011.6 | 1,018.7 | 1,026. 6 | 1,035.6 | 1,047.3 | 1,058.5 | 1,068.5 | 1,079.4 | 1,089.0 | 1,087.0 | 1,094.8 | 1,099.9 |
| Wage and salary disbursements . | 627.8 | 691.5 | 671.1 | 677.6 | 682.0 | 688.2 | 693.2 | 698.9 | 706.0 | 711.2 | 717.8 | 722.6 | 721.8 | 726.5 | 729.7 |
| Commodity-producing industries.. | 226.0 | 251.9 | 243.5 | 245.9 | 248.3 | 251.7 | 253.4 | 254.8 198.7 | 257.8 | 259.5 202.5 | 262.5 204.6 | 264.1 | 261.0 | 263.0 203.5 | 263.5 203.8 |
| Manufacturing only . . . . . . . . . | 175.9 151.5 | 196.8 165.1 | 190.6 160.6 | 192.9 162.2 | 194.7 163.2 | 197.0 164.5 | 197.9 | 198.7 | 200.8 168.7 | 202.5 169.6 | 204.6 | 205.1 | 203.0 171.8 | 203.5 172.2 | 203.8 173.3 |
| Service industrie | 116.1 | 129.0 | 124.9 | 126.4 | 126.8 | 127.7 | 129.4 | 130.8 | 132.5 | 132.9 | 134.1 | 135.9 | 136.8 | 138.3 | 139.2 |
| Government. | 134.2 | 145.4 | 142.2 | 143.1 | 143.7 | 144.4 | 145.1 | 146.2 | 147.0 | 149.2 | 150.4 | 151.3 | 152.2 | 152.9 | 153.7 |
| Other labor income | 40.7 | 44.9 | 43.6 | 43.9 | 44.2 | 44.5 | 44.8 | 45.3 | 45.8 | 46.2 | 46.7 | 47.1 | 47.5 | 47.9 | 48.3 |
| Proprictors' income | 74.2 | 84.2 | 81.0 | 81.0 | 81.5 | 81.9 | 83.7 | 85.1 | 86.4 | 88.4 | 90.3 | 91.0 | 88.2 | 88.4 | 88.1 |
| Business and prof | 54.0 | 57.5 | 56.4 | 56.8 | 57.1 | 57.3 | 57.8 | 58.0 | 58.1 | 58.5 | 58.7 | 58.6 | 58.6 | 59.3 | 59.5 |
| Farm. | 20.2 | 26.8 | 24.6 | 24.2 | 24.4 | 24.6 | 25.9 | 27.1 | 28.3 | 29.9 | 31.6 | 32.4 | 29.6 | 29.1 | 28.6 |
| Rental income | 24.1 | 25.1 | 24.6 | 24.3 | 24.6 | 24.9 | 25.0 | 25.3 | 25.5 | 25.6 | 25.7 | 25.7 | 25.8 | 25.8 | 25.8 |
| Dividends | 26.0 | 27.8 | 27.0 | 27.3 | 27.3 | 27.4 | 27.6 | 28.2 | 28.3 | 28.5 | 28.7 | 29.8 | 29.5 | 29.4 | 29.6 |
| Personal interest income. | 78.0 | 87.5 | 83.4 | 84.5 | 85.7 | 86.5 | 87.8 | 89.0 | 90.3 | 91.5 | 92.6 | 94.0 | 95.3 | 96.3 | 97.2 |
| Transfer payments. | 103.0 | 117.5 | 114.5 | 115.3 | 115.9 | 116.0 | 116.9 | 119.0 | 120.2 | 121.1 | 121.9 | 123.0 | 125.9 | 127.6 | 128.3 |
| Less: Personal contributions for social insurance. | 34.7 | 43.1 | 42.0 | 42.4 | 42.5 | 42.8 | 43.4 | 43.6 | 43.9 | 44.0 | 44.3 | 44.3 | 47.0 | 47.2 | 47.3 |
| Nonagricultural income | 911.5 | 1,000.5 | 970.9 | 979.5 | 986.4 | 994.21 | 1,001.8 | 1,012.1 | 1,021.8 | 1,030.0 ${ }^{1}$ | 1,03901 | 1,047.5 1, | 1,048.1 | 056.41 | 061.8 |
| Agricultural income | 27.7 | 34.9 | 32.4 | 32.0 | 32.2 | 32.4 | 33.8 | 35.2 | 36.7 | 38.6 | 40.4 | 41.5 | 38.9 | 38.4 | 38.1 |

Note.-Dept. of Commerce estimates. Monthly data are seasonally adjusted totals at annual rates. See also Note to table at top of opposite page.

# SUMMARY OF FUNDS RAISED AND ADVANCED IN U.S. CREDIT MARKETS 

(Seasonally adjusted annual rates; in billions of dollars)


[^70]Funds raised by type and sector. Credit flows included here are the net amounts raised by households, nonfinancial business, governments, and foreigners. All funds raised by financial sectors are excluded. issued by CCC Export-Import Bank, FNMA, and GNMA, together with security issues by FHA, Export-Import Bank, and TVA. Issues by Federally sponsored credit agencies are excluded as borrowing by financial institusponsored credit agencies are excluded as borrowing by financial institu-
tions. Such issues are on p. A-63, line 11 . Corporate equity issues are net tions. Such issues are on p. A-63, line 1 . Corporate equity issues are net
cash issues by nonfinancial and foreign corporations. Mortgages exclude loans in process. Open-market paper is commercial paper issued by nonfinancial corporations plus bankers' acceptances.


## Notes <br> Line

1. Line 2 of p. A-62.

Sum of lines 3-6 or 7-10.
6. Includes farm and commercial mortgages.
11. Credit market funds raised by Federally sponsored credit agencies. Included below in lines 13 and 33. Includes all GNMA-guaranteed security issues backed by mortgage pools.
12. Line 1 less line 2 plus line 11. Also line 19 less line 26 plus line 32. Also sum of lines 27, 32, 39, and 44.
17. Includes farm and commercial mortgages.
25. Lines $39+44$.
26. Excludes equity issues and investment company shares. Includes line 18.
28. Foreign deposits at commercial banks, bank borrowings from foreign branches, and liabilities of foreign banking agencies to foreign affiliates.
29. Demand deposits at commercial banks.
30. Excludes net investment of these reserves in corporate equities.
31. Mainly retained earnings and net miscellaneous liabilities.
32. Line 12 less line 19 plus line 26 .

33-37. Lines 13-17 less amounts acquired by private finance. Line 37 includes mortgages.
$39+44$. See line 25 .
45. Mainly an offset to line 9.
46. Lines 32 plus 38 or line 12 less line 27 plus line 45.
47. Line $2 /$ line 1.
48. Line $19 /$ line 12.
49. Lines 10 plus 28.

## Corporate equities

Line 1 and 3. Includes issues by financial institutions.

## 1. U.S. BALANCE OF PAYMENTS

(In millions of dollars)

| Line | Credits + , debits - | 1971 | 1972 | $1973{ }^{\text {a }}$ | 1972 | 1973 |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  |  | IV | I | II | III | IV $^{p}$ |

Summary-Seasonally adjusted

| 1 | Merchandise trade balance ${ }^{1}$ | -2,698 | -6,912 | 688 | -1,745 | -945 | -337 | 612 | 1,358 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 2 | Exports | 42,768 | 48,769 | 70,255 | 13,213 | 15,229 | 16,672 | 18,143 | 20,211 |
| 3 | Imports | -45,466 | $-55,681$ | -69,567 | -14,958 | -16,174 | -17,009 | -17,531 | $-18,853$ |
| 4 | Military transactions, | -2,918 | -3,558 | -2,171 | -864 | -825 | -730 | -541 | -75 |
| 5 | Travel and transportation, ne | -2,288 | -2,853 | -2,312 | -730 | -608 | -703 | -476 | -525 |
| 6 | Investment income, net | 7,972 | 7,863 | 9,723 | 2,232 | 2,330 | 2,133 | 2,333 | 2,927 |
| 7 | U.S. direct investments abroad | 9,456 | 10,433 | 13,974 | 2,991 | 3,177 | 3,248 | 3,479 | 4,070 |
| 8 | Other U.S. investments abroa | 3,443 | 3,492 | 4,576 | 2,875 | 1,006 | 1,088 | 1,182 | 1,300 |
| 9 | Foreign investments in the United States | -4,927 | -6,062 | -8,827 | -1,634 | -1,853 | -2,203 | -2,328 | -2,443 |
| 10 | Other services, | 739 | 851 | 972 | 237 | 232 | 238 | 221 | 280 |
| 11 | Balance on goods and services | 807 | $-4,610$ | 6,900 | -870 | 184 | 601 | 2,149 | 3,965 |
| 12 | Remittances, pensions, and other | -1,553 | -1,570 | -1,913 | -429 | -397 | -389 | -404 | -724 |
| 13 | Balance on goods, services, and | -745 | -6, 180 | 4,987 | -1,299 | $-213$ | 212 | 1,745 | 3,241 |
| 14 | U.S. Government grants (excluding | -2,045 | -2,174 | -1,947 | -452 | -345 | -652 | -499 | -450 |
| 15 | Balance on current account | -2,790 | $-8,353$ | -3,041 | -1,751 | -558 | -440 | 1,246 | 2,791 |
| 16 | U.S. Government capital flows excluding nonscheduled repayments, net 4. | -2,117 | -1,714 | -2,894 | -627 | -671 | -583 | -572 | -1,069 |
| 17 | Nonscheduled repayments of U.S. Government assets. . . . . | 225 | 137 | 289 | 26 | 111 | 174 | 4 | * |
| 18 | U.S. Government nonliquid liabilities to other than foreign official reserve agencies. | -467 | 238 | 1,136 | 15 | 224 | 484 | 205 | 223 |
| 19 | Long-term private capital flows, n | -4,401 | -152 | -357 | 781 | 8 | -303 | 1,666 | -1,731 |
| 20 | U.S. direct investments abroa | -4,943 | -3,404 | -4,855 | -771 | -2,025 | -946 | -478 | -1,407 |
| 21 | Foreign direct investments in the United States | -115 | 160 | 2,068 | 160 | 273 | 534 | 753 | 507 |
| 22 | Foreign securities | -966 | -614 | -791 | -40 | 51 | -126 | -204 | - 512 |
| 23 | U.S. securities other than Treasur | 2,269 | 4,335 | 4,093 | 1,768 | 1,745 | 496 | 1,187 | 664 |
| 24 | Other, reported by U.S. banks | -862 | -1,120 | -596 | -442 | -110 | -238 | 247 | -495 |
| 25 | Other, reported by U.S. nonbanking concerns | 216 | 492 | -276 | 106 | 74 | -23 | 161 | -488 |
| 26 | Balance on current account and long-te | -9,550 | $-9,843$ | 1,214 | -1,556 | --886 | -668 | 2,549 | 214 |
| 27 | Nonliquid short-term private capital flows, | -2,347 | -1,637 | $-4,210$ | -982 | -1,765 | -1,426 | 46 | $-1,065$ |
| 28 | Claims reported by U.S. banks | -1,802 | -1,495 | -3,953 | -859 | -1,804 | -1,413 | 217 | -953 |
| 29 | Claims reported by U.S. nonbanking conc | -530 | -315 | -735 | -250 | -11 | -12 | -470 | -242 |
| 30 | Liabilities reported by U.S. nonbanking conc | -15 | 173 | 478 | 127 | 50 | -1 | 299 | 130 |
| 31 | Allocations of Special Drawing Rights (SD | 717 | 710 |  | 177 |  |  |  |  |
| 32 | Errors and omissions, | -10,784 | -3,112 | -4,793 | -1,490 | $-3,898$ | 477 | -1,097 | -275 |
| 33 | Net liquidity balanc | -21,965 | -13,882 | -7,789 | $-3,851$ | -6,549 | -1,617 | 1,498 | -1,126 |
| 34 | Liquid private capi | -7,788 | 3,542 | 2,503 | 2,367 | -3,927 | 1,972 | 632 | 3,826 |
| 35 | Liquid claims. | -1,097 | -1,234 | -1,933 | -131 | -2,050 | 869 | -323 | -429 |
| 36 | Reported by U.S. banks | - 566 | -742 | -1,100 | -77 | -1,357 | 939 | -303 | -379 |
| 37 | Reported by U.S. nonb | -531. | -492 | -833 | -54 | -693 | -70 | -20 | -50 |
| 38 | Liquid liabilities | -6,691 | 4,776 | 4,436 | 2,498 | -1,877 | 1,103 | 955 | 4,255 |
| 39 | To foreign commercial banks | -6,908 | 3,862 | 2,863 | 1,995 | -1,897 | 709 | 851 | 3,200 |
| 40 | To international and regional | 682 | 104 | 373 | 181 | 11 | 31 | -50 | 381 |
| 41 | To other foreigners | -465 | 810 | 1,200 | 322 | 9 | 363 | 154 | 674 |
| 42 | Official reserve transactions balan | -29,753 | $-10,340$ | -5,286 | -1,484 | $-10,476$ | 355 | 2,130 | 2,700 |
| 43 | Linanced by changes in: | 27,615 | 9,720 | 4,434 | 1,645 | 9,097 | -798 | -1,676 | -2,184 |
| 44 | Other readily marketable liabilities to foreign official agencies ${ }^{5}$. | -551. | 399 | 1,118. | 17 | 1,202 | 259 | 11 | -354 |
| 45 | Nonliquid liabilities to foreign official reserve agencies reported by U.S. Govt. | 341 | 189 | -475 | -167 | -43 | 167 | -452 | -147 |
| 46 | U.S. official reserve ass | 2,348 | 32 | 209 | -111 | 220 | 17 | -13 | -15 |
| 47 | Gold | 866 | 547 |  |  |  |  |  |  |
| 48 | SDR's | -249 | -703 | 9 | -177 |  | 9 |  |  |
| 49 | Convertible cur | 381 | 35 | 233 | 82 | 233 |  |  |  |
| 50 | Gold tranche position in IMF | 1,350 | 153 | -33 | -16 | -13 | 8 | -13 | -15 |
|  | Memoranda : |  |  |  |  |  |  |  |  |
| 51 | Transfers under military grant programs (excluded from lines 2,4 , and 14). | 3,153 | 4,200 | 2,558 | 949 | 716 | 833 | 521 | 487 |
| 52 | Reinvested earnings of foreign incorporated affiliates of U.S. firms (excluded from lines 7 and 20). | 3,192 | 4,521 | $\left.{ }^{6}\right)$ | (6) | (6) |  | (6) | (6) |
| 53 | Reinvested earnings of U.S. incorporated affiliates of foreign firms (excluded from lines 9 and 21).............. | 3,192 498 | 4,521 548 | (6) | (6) | (6) | (6) (6) | (6) | (6) (6) |

For notes see end of table.

## 1. U.S. BALANCE OF PAYMENTS-Continued

(In millions of dollars)

${ }_{1}{ }^{1}$ Adjusted to balance of payments basis; excludes transfers under military grants, exports under U.S. military agency sales contracts and imports of U.S. military agencies.
${ }^{2}$ Includes fees and royalties from U.S. direct investments abroad or from foreign direct investments in the United States.
${ }^{3}$ Equal to net exports of goods and services in national income and product accounts of the United States.

[^71]
## 2. MERCHANDISE EXPORTS AND IMPORTS

(Seasonally adjusted; in millions of dollars)

|  | Exports 1 |  |  |  | Imports 2 |  |  |  | Trade balance |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1971 | 1972 | 1973 | 1974 | 1971 | 1972 | 1973 | 1974 | 1971 | 1972 | 1973 | 1974 |
| Month: |  |  |  |  |  |  |  |  |  |  |  |  |
| Jan... | 3,601 | 4,074 | 4,955 | 7,111 | 3,599 | '4,436 | 5,244 | 6,467 | 2 | r-361 | -289 | 644 |
| Feb. | 3,695 | 3,824 | 5,071 | 7,606 | 3,564 | 4,473 | 5,482 | 7,392 | 130 | -649 | -412 | 213 |
| Mar. | 3,790 | 3,869 3,820 | 5,309 5,492 | 7,674 | 3,628 3,774 | 4,515 4,417 | 5,411 | 7,845 | 160 -143 | -647 -596 | -102 | -171 |
| May | 3,746 | 3,882 | 5,557 | . $\cdot . .1$. | 3,908 | 4,486 | 5,700 | . | -161 | -604 | -143 | .... |
| June. | 3,672 | 3,971 | 5,726 |  | 4,037 | 4,468 | 5,765 |  | -365 | -497 | -40 | ....... |
| July. | 3,573 | 4,074 | 5,860 | ...... | 3,832 | 4,565 | 5,821 |  | -259 | -491 | 39 |  |
| Aug. | 3,667 | 4,197 | 6,044 |  | 3,913 | 4,726 | 5,991 |  | -247 | -530 | 54 |  |
| Sept. | 4,487 | 4,176 | 6,414 |  | 4,179 | 4,612 | 5,621 |  | 308 | -436 | 792 |  |
| Oct. | 2,669 | 4,316 | 6,584 |  | 3,469 | 4,738 | 5,969 |  | -800 | -421 | 615 |  |
| Nov. | 3,196 | 4,473 | 6,871 |  | 3,456 | 5,148 | 6,628 |  | -260 | -675 | 243 |  |
| Dec. | 3,881 | 4,558 | 6,954 |  | 4,169 | 5,002 | 6,084 |  | -288 | -444 | 870 | . . . . . . . |
| Quarter: |  |  |  |  |  |  |  |  |  |  |  |  |
| I. . | 11,086 | 11,767 | 15,334 |  | 10,792 | 13,403 | 16,137 |  | 294 | -1,657 | -803 |  |
| II. | 11,049 | 11,673 | 16,775 |  | 11,719 | 13,370 | 16,821 |  | -670 | -1,697 | -46 |  |
| III. | 11,727 | 12,447 | 18,318 |  | 11,924 | 13,903 | 17,434 |  | -197 | -1,456 | 884 |  |
| IV. | 9,746 | 13,347 | 20,408 |  | 11,094 | 14,888 | 18,680 |  | -1,348 | -1,540 | 1,728 |  |
| Year ${ }^{3}$. | 43,549 | 49,208 | 70,799 |  | 45,563 | 55,555 | 69,121 |  | -2,014 | -6,347 | 1,678 |  |

[^72]
## ${ }^{3}$ Sum of unadjusted figures.

Note.-Bureau of the Census data. Details may not add to totals because of rounding.

## 3. U.S. NET MONETARY GOLD TRANSACTIONS WITH FOREIGN COUNTRIES AND INTERNATIONAL ORGANIZATIONS

(Net sales [-] or net acquisitions; in millions of dollars valued at $\$ 35$ per fine ounce through Apr. 1972, at $\$ 38$ from May 1972-Sept. 1973, and at $\$ 42.22$ thereafter)

| Area and country | 1963 | 1964 | 1965 | 1966 | 1967 | 1968 | 1969 | 1970 | 1971 | 1972 | 1973 |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  |  |  |  |  |  |  |  | 1 | II | III | IV |
| Western Europe: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Austria...... | -82 | -55 | -100 | -25 |  |  | 4 |  |  |  |  |  |  |  |
| Belgium.... | - -518 | -40 -405 | $\begin{array}{r}-83 \\ -884 \\ \hline\end{array}$ | -601 |  | -58 600 | 325 | -129 | -110 -473 |  |  |  |  |  |
| Grance............ | -518 | - 225 |  |  |  |  | 500 | -129 |  |  |  |  |  |  |
| Ireland........... |  | -1 | $\cdots$ | - ${ }^{-2}$ |  | --5i | -41 | 2 |  |  |  |  |  |  |
| Italy...... |  | 200 -60 | -80 | -60 | -85 | -209 -19 | -76 | $\cdots$ | -25 |  |  |  |  |  |
| Spain. | -130 | -32 | -180 |  |  |  |  |  |  |  |  |  |  |  |
| Switzerland.. |  | -818 | -500 | -2 | -30 -879 | -50 -835 | -25 | -50 | -175 |  |  |  |  |  |
| United Kingdom. ${ }_{\text {Bank }}$ for Inti.... | 329 | 618 | 150 | 80 | -879 | -835 | 200 |  |  |  |  |  |  |  |
| Other................. | 1 | $\cdots$ | $\cdots 35$ | $\cdots$ | 16 | $\cdots \ddot{4} 7$ | 11 | $\cdots 29$ | -13 |  |  |  |  |  |
| Total. | -399 | -88 | -1,299 | -659 | -980 | -669 | 969 | -204 | -796 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Latin American republics: Argentina | -30 |  |  | -39 | -1. | -25 | -25 | -28 |  |  |  |  |  |  |
| ${ }_{\text {Brazil....... }}^{\text {Colombia.. }}$ | 72 | 54 10 | 25 29 | -3 | -1 |  | $\cdots$ | -23 -1 | ... |  |  |  |  |  |
| Venezuela. |  |  | -25 |  |  |  |  |  |  |  |  |  |  |  |
| Other. | -1i | -9 | -13 | -6 | 11 | -40 | -29 | -80 | -5 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Iraq.... |  |  | -10 | -4 -56 | -21 | -42 |  | -119 |  |  |  |  |  |  |
| Lebanor. |  | -ii |  | -11 | -i | -95 |  |  | $\cdots-35$ |  |  |  |  |  |
| Malaysia.. |  |  |  |  |  | -34 |  |  | -10 |  |  |  |  |  |
| Philippines |  | 20 |  | -1 |  | - ${ }^{9} 0$ | 40 | -4 | -2 |  |  |  |  |  |
| Singapore |  |  |  |  |  | -81 | 11 |  | -30 |  |  |  |  |  |
| Other.. | -13 | 6 | 14 | -14 | -22 | -75 | -9 | 2-91 | 39 | -3 |  |  |  |  |
| Total. | 12 |  |  | -86 |  | -366 | 42 | -213 | -38 | -3 |  |  |  |  |
| All other. | -36 | -7 | -16 | -22 | 3-166 | 3-68 | -1 | -81 | -6 |  |  |  |  |  |
| Total foreign countries. | -392 | -36 | -1,322 | -608 | -1,031 | -1,118 | 957 | -631 | -845 | -3 |  |  |  |  |
| Intl. Monetary Fund ${ }^{4}$. |  |  | $s-225$ |  |  |  | 10 | -156 | -22 | -544 |  |  |  |  |
| Grand total | -392 | -36 | -1,547 | -431 | -1,009 | -1,121 | 967 | 6-787 | -867 | -547 |  |  |  |  |

${ }^{1}$ Includes purchase from Denmark of $\$ 25$ million.
${ }_{2}$ Includes purchase from Kuwait of $\$ 25$ million.
3 Includes sales to Algeria of $\$ 150$ million in 1967 and $\$ 50$ million in 1968.

4 Includes IMF gold sales to and purchases from the United States, U.S. payment of increases in its gold subscription to IMF, gold deposits by the IMF (see note 1 (b) to Table 4), and withdrawal of deposits. The first withdrawal ( $\$ 17$ million) was made in June 1968 and the last withdrawal ( $\$ 144$ million) was made in Feb. 1972.

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. Treasury securities. IMF repurchased $\$ 400$ million in Sept. 1970 and the remaining $\$ 400$ million in Feb. 1972.
5 Payment to the IMF of $\$ 259$ million increase in U.S. gold subscription less gold deposits by the IMF.
6 Includes the U.S. payment of $\$ 385$ million increase in its gold subscription to the IMF and gold sold by the IMF to the United States in mitigation of U.S. sales to other countries making gold payments to the IMF. The country data include U.S. gold sales to various countries in connection with the IMF quota payments. Such U.S. sales to countries and resales to the United States by the IMF totaled $\$ 548$ million each.

## NOTES TO TABLE 5 ON OPPOSITE PAGE:

[^73]that the United States could purchase in foreign currencies automatically if needed. Under appropriate conditions, the United States could purchase additional amounts equal to its quota.

5 Includes $\$ 30$ million of Special Drawing Rights.
6 Represents amount payable in dollars to the IMF to maintain the value of IMF holdings of U.S. dollars.

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 , to $\$ 5,160$ million in Feb. 1966 , to $\$ 6,700$ million in Dec. 1970, and revalued to $\$ 7,274$ million in May 1972 and $\$ 8,083$ million in Oct. 1973 as a result of changes in par value of the U.S. dollar. 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.

## 4. U.S. RESERVE ASSETS

(In millions of dollars)

| End of year | Total | Gold stock : |  | Convertible foreign currencies | Reserve position in IMF ${ }^{3}$ | SDR's ${ }^{4}$ | End of month | Total | Gold stock ${ }^{1}$ |  | Convertible foreign currencies ${ }^{5}$ | Reserveposition $\stackrel{i n}{\mathrm{IMF}^{3}}$ | SDR's ${ }^{4}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Total ${ }^{2}$ | Treasury |  |  |  |  |  | Total ${ }^{2}$ | Treasury |  |  |  |
| 1960... | 19,359 | 17,804 | 17,767 |  | 1,555 |  | 1973 |  |  |  |  |  |  |
| 1961. | 18,753 | 16,947 | 16,889 | 116 | 1,690 |  | Apr. .. | 12,904 | 10,487 | 10,410 | 8 | 460 | 1,949 |
| 1962. | 17,220 | 16,057 | 15,978 | 99 | 1,064 |  | May... | 12,916 | 10,487 | 10,410 | 16 | 464 | 1,'949 |
| 1963. | 16,843 | 15,596 | 15,513 | 212 | 1,035 |  | June. . | 12,914 | 10,487 | 10,410 | 8 | 470 | 1,949 |
| 1964... | 16,672 | 15,471 | 15,388 | 432 | '769 |  | July. . | 12,918 | 10,487 | 10.410 | 8 | 474 | 1,949 |
|  |  |  |  |  |  |  | Aug.... | 12,923 | 10,487 | 10,410 | 8 | 479 | 1,949 |
| 1965.. | 15,450 | 613,806 | 613,733 | 781 | 6863 | ....... | Sept.... | 12,927 | 10,487 | 10,410 | 8 | 483 | 1,949 |
| 1966. | 14,882 14,830 | 13,235 | 13,159 | 1,321 | 326 |  | Oct. . . | 1014,367 | 1011,652 | 1011,567 | 8 | 10541 | 102,166 |
| 1968... | 15,710 | 10,892 | 10,367 | 3,528 | 1,290 |  | Dec.. | 14,378 | 11,652 | 11,567 | 8 | 552 | 2,166 |
| 1969. | 716,964 | 11,859 | 10,367 | 72,781 | 2,324 |  |  |  |  |  |  |  | 2,166 |
|  |  |  |  |  |  |  | 1974 |  |  |  |  |  |  |
| 1970. |  | 11,072 | 10,732 | 629 8276 | 1,935 | + 851 | Jan. | 14,565 | 11,652 | 11,567 | 59 | 688 | 2,166 |
| 1971... | 812,167 | 10,206 | 10,132 | 8276 | 585 | 1,100 | Feb. | 14,643 | 11,652 | 11,567 | 68 | 757 | 2,166 |
| 19729.. | 13,151 | 10,487 | 10,410 | 241 | 465 | 1,958 | Mar... | 14,588 | 11,652 | 11,567 | 9 | 761 | 2,166 |
| 1973.... | 14,378 | 11,652 | 11,567 | 8 | 552 | 2,166 | Apr.... | 14,651 | 11,652 | 11,567 | 9 | 824 | 2,166 |

1 Includes (a) gold sold to the United States by the IMF 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.
${ }^{3}$ The United States has the right to purchase foreign currencies equivalent to its reserve position in the IMF automatically if needed. Under appropriate conditions the United States could purchase additional amounts equal to the U.S. quota. See Table 5.

4 Includes allocations by the IMF of Special Drawing Rights as follows: $\$ 867$ million on Jan. 1, 1970; $\$ 717$ million on Jan. 1, 1971 ; and $\$ 710$ million on Jan. 1, 1972; plus net transactions in SDRs.
${ }_{6}^{5}$ For holdings of F.R. Banks only, see pp. A-12.
6 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.

7 Includes gain of $\$ 67$ million resulting from revaluation of the German mark in Oct. 1969, of which \$13 million represents gain on mark holdings at time of revaluation

8 Includes $\$ 28$ million increase in dollar value of foreign currencies revalued to reflect market exchange rates as of Dec. 31, 1971.

9 Total reserve assets include an increase of $\$ 1,016$ million resulting from change in par value of the U.S. dollar on May 8, 1972; of which, total gold stock is $\$ 828$ million (Treasury gold stock $\$ 822$ miltion), reserve position in IMF $\$ 33$ million, and SDR's $\$ 155$ million.
10 Total reserve assets include an increase of $\$ 1,436$ million resulting from change in par value of the U.S. dollar on Oct. 18, 1973; of which, total gold stock is $\$ 1,165$ million (Treas. gold stock' $\$ 1,157$ million) reserve position in IMF $\$ 54$ million, and SDR's $\$ 217$ million

Note.-See Table 23 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) 4 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | U.S. transactions with IMF |  |  |  | Transactions by other countries with IMF |  | Total change |  |  |  |
|  | $\begin{aligned} & \text { Payments } \\ & \text { of } \\ & \text { subscrip- } \\ & \text { tions in } \\ & \text { dollars } \end{aligned}$ | $\begin{gathered} \text { Net } \\ \text { gold } \\ \text { sales } \\ \text { by IMF } \end{gathered}$ | Transactions in foreign currencies 2 | IMF net income in dollars |  |  |  |  |  |
|  |  |  |  |  | $\begin{aligned} & \text { Purchases } \\ & \text { of } \\ & \text { dollars }^{3} \end{aligned}$ | $\begin{gathered} \text { Re- } \\ \text { purchases } \\ \text { in } \\ \text { dollars } \end{gathered}$ |  | Amount | OI.S. quota |  |
| 1946-1957. | 2,063 | 600 |  | -45 | -2,670 | 827 |  | 775 | 775 | 28 | 1,975 |
| 1958-1963. | 1,031 | 150 |  | 60 | -1,666 | 2,740 | 2,315 | 3,090 | 75 | 1,035 |
| 1964-1966. | '776 | ..... | 1,640 | 45 | -723 | 2,76 | 1,744 | 4,834 | 94 | , 326 |
| 1967-1969. |  | 22 | -84 | 59 | -2,263 | 268 | -1,998 | 2,836 | 55 | 2,324 |
| 1970. | 1,155 | 5712 | 150 | 25 | -854 | 741 | 1,929 | 4,765 | 71 | 1,935 |
| 1971. |  | * | 1,362 | -28 | -24 | 40 | 1,350 | 6,115 | 91 | 585 |
| 1972. | ${ }_{6} 541$ |  | 200 | -47 |  |  | - 694 | 6,810 | 94 | 465 |
| 1973. | 6754 |  |  | -33 |  |  | 721 | 7,531 | 93 | 552 |
| 1973-Apr.. . |  |  |  | 18 -4 | ........ |  |  | 6,814 |  |  |
| May. June. |  |  |  | -4 | . . . . . . . . |  | -4 | 6,810 6,804 | 94 | 464 470 |
| July. |  |  |  | -4 |  |  | -4 | 6,800 | 93 | 474 |
| Aug. |  |  |  | -5 |  |  | -5 | 6,795 | 93 | 479 |
| Sept. |  |  |  | -4 |  |  | -4 | 6,791 | 93 | 483 |
| Oct. | 6754 |  |  | -4 |  |  | 750 | 7,541 | 93 | 541 |
| Nov. |  |  |  | -5 |  |  | -5 | 7,536 | 93 | 547 |
| Dec. |  |  |  | -5 |  |  | -5 | 7,531 | 93 | 552 |
| 1974-Jan.. |  |  | -133 | -4 |  |  | -137 | 7,394 | 91 | 688 |
| Feb. |  |  |  | -4 | -65 |  | -69 | 7,325 | 91 | 757 |
| Mar. |  |  |  | -4 |  |  | -4 | 7,321 | 91 | 761 |
| Apr. |  |  |  | -2 | -61 |  | -63 | 7,258 | 90 | 824 |

[^74]
## 6. U.S. LIQUID AND OTHER LIABILITIES TO FOREIGN OFFICIAL INSTITUTIONS, AND LIQUID LIABILITIES TO ALL OTHER FOREIGNERS

(In millions of dollars)

| $\begin{aligned} & \text { End } \\ & \text { of } \\ & \text { period } \end{aligned}$ | Total | Liquid ties to IMF $\underset{\text { frong }}{ }$ gold actions ${ }^{\text {trans- }}$ | Liabilities to foreign countries |  |  |  |  |  |  |  |  |  | Liquid liabilities to mone. tary intl. and regional zations |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | Official institutions ${ }^{2}$ |  |  |  |  |  | $\left\lvert\, \begin{gathered} \text { Liquid } \\ \text { liabili- } \\ \text { ties } \\ \text { to com- } \\ \text { mercial } \\ \text { banks } \\ \text { abroad } 6 \end{gathered}\right.$ | Liquid liabilities to other foreigners |  |  |  |
|  |  |  | Total | Liquid |  |  | Nonmar-ketablenoncon-vertibleT.S.Treas.bondsandnotes 4 | Other readily market-liabilities ${ }^{5}$ |  |  |  |  |  |
|  |  |  |  | Shortterm liabili- ties reported by in $_{\text {U.S. }}$ | $\begin{gathered} \text { Market- } \\ \text { able } \\ \text { Ure. } \\ \text { Treas. } \\ \text { bonds } \\ \text { and } \\ \text { notes } \end{gathered}$ | Nonmar- <br> ketable <br> con- <br> vertible <br> Tr.S. <br> Treas. <br> bonds <br> and <br> noves |  |  |  | Total | Short term ties reported by bs in | $\begin{gathered} \text { Market- } \\ \text { able } \\ \text { UT.S. } \\ \text { Treas. } \\ \text { bondd } \\ \text { and } \\ \text { notes } \end{gathered}$ |  |
| 1962 | 24,268 | 800 | 12,914 | 11,963 | 751 |  | 200 |  | 5,346 | 3,013 | 2,565 | 448 | 2,195 |
| 1963 9. | $\left\{\begin{array}{l}26,433 \\ 26,394\end{array}\right.$ | 800 800 | 12,459 14,425 | 12,467 | 1,217 1,183 | 703 703 | 63 63 | 9 9 | $\begin{aligned} & 5,817 \\ & 5,817 \end{aligned}$ | 3,397 3,387 | $\begin{aligned} & 3,046 \\ & 3,046 \end{aligned}$ | 351 341 | $\begin{aligned} & 1,960 \\ & 1,965 \end{aligned}$ |
| 1964 9. | $\left\{\begin{array}{l}29,313 \\ 29,364\end{array}\right.$ | 800 800 | 15,790 | 13,224 13,220 | 1,125 1,125 | 1,079 | 204 | 158 <br> 158 | 7,271 | 3,730 3,753 | 3,354 | 3376 | 1,722 1,722 |
| 1965.. | 29,569 | 834 | 15,826 | 13,066 | 1,105 | 1,201 | 334 | 120 | 7,419 | 4,059 | 3,587 | 472 | 1,431 |
| 1966 9. | $\left\{\begin{array}{l}31,145 \\ 31,020\end{array}\right.$ | 1,011 1,011 | 14,841 | 12,484 | 860 860 | 256 256 | 328 <br> 328 | 913 | 10,116 9,936 | 4,271 4,272 | 3,743 <br> 3,744 | 528 528 | 906 905 |
| 1967 9. | $\left\{\begin{array}{l}35,819 \\ 35,667\end{array}\right.$ | 1,033 1,033 | 18,201 | $\begin{aligned} & 14,034 \\ & 14,027 \end{aligned}$ | 908 | 711 | 741 741 | 1,807 1,807 | $\begin{aligned} & 11,209 \\ & 11,085 \end{aligned}$ | 4,685 4,678 | $\begin{aligned} & 4,127 \\ & 4,120 \end{aligned}$ | 558 588 | 691 |
| 1968 9.. | $\left\{\begin{array}{l}38,687 \\ 38,473\end{array}\right.$ | 1,030 | $\begin{aligned} & 17,407 \\ & 17,340 \end{aligned}$ | $\begin{aligned} & 11,318 \\ & 11,318 \end{aligned}$ | 529 462 | 701 | 2,518 | 2,341 | 14,472 14,472 | 5,053 | 4,444 4,444 | 609 465 | 725 |
| 1969 9. | ${ }^{10} 945,755$ | 1,019 1,019 | 1015,975 <br> 15,998 | 11,054 | 346 346 | 10555 555 | 102,515 2,515 | 1,505 | 23,638 | 4,464 | 3,939 <br> 4,064 | 525 | 659 |
| 1970-Dec.9.. | $\left\{\begin{array}{l}47,009 \\ 46,960\end{array}\right.$ | 566 | $\begin{aligned} & 23,786 \\ & 23,775 \end{aligned}$ | $\begin{aligned} & 19,333 \\ & 19,33 \end{aligned}$ | 306 295 | $\begin{aligned} & 429 \\ & 429 \end{aligned}$ | $\begin{aligned} & 3,023 \\ & 3,023 \end{aligned}$ | $\begin{aligned} & 695 \\ & 695 \end{aligned}$ | $\begin{aligned} & 17,137 \\ & 17,169 \end{aligned}$ | $\begin{aligned} & 4,676 \\ & 4,604 \end{aligned}$ | 4,029 4,039 | $\begin{aligned} & 647 \\ & 565 \\ & \end{aligned}$ | 844 846 |
| 1971-Dec. ${ }^{11}$. | $\left\{\begin{array}{l} 67,681 \\ 67,808 \end{array}\right.$ | 544 | $\begin{aligned} & 51,209 \\ & 50,651 \end{aligned}$ | $\begin{aligned} & 39,679 \\ & 39,018 \end{aligned}$ | 1,955 | 6,060 | 3,371 3,441 | 144 | $\begin{aligned} & 10,262 \\ & 10,949 \end{aligned}$ | 4,138 4,141 | 3,691 <br> $\mathbf{3 , 6 9 4}$ <br> 4 | 447 | 1,528 1,523 |
| 1972-Dec. | 82,886 |  | 61,524 | 39,998 | 5,236 | 12,108 | 3,639 | 543 | 14,665 | 5,070 | 4,645 | 425 | 1,627 |
| 1973-Mar. | 1290,886 |  | 1271,335 | 46,928 | 6,917 | 1212,128 | 3,617 | 1,745 | 12,769 | 5,144 | 4,768 | 376 399 | 1,638 |
| Apr. | 1390,582 |  | 70,752 | 45,953 | 6,934 | 12,245 | 3,631 3,628 | 1,989 | 12,851 14,058 | 5,348 5 5 | 4,949 <br> 4,977 | 399 <br> 384 | 1,631 1,749 |
| May | 92,087 |  | 70,919 70 | 46,116 | 6,934 | 12,245 12,245 | 3,628 3,805 | 2,096 | 14,058 | 5,361 5,463 | 4,977 5,080 | $\begin{array}{r}384 \\ 383 \\ \hline\end{array}$ | 1,749 $\mathbf{1}, 669$ |
| July. | 93,217 |  | 71,026 | 46,136 | 6,934 | 12,245 | 3,705 | 2,006 | 15,311 | ${ }_{5}^{5} \mathbf{5}, 363$ | 4,989 | 374 | 1,517 |
| Ang. | 92,578 |  | 70, 520 | 45,721 | 6,906 | 12,319 | 3,555 | 2,019 | 15,076 | 5,450 | 5,115 <br> 5 <br> 5 | $\begin{array}{r}335 \\ 347 \\ \hline\end{array}$ | 1,532 |
| Sept. | 92,072 |  | 69,775 | 45, 4 4172 | 6,914 6,929 | 12,319 12,319 | 3,355 3,233 | 2,015 | 15,026 | 5,652 5,699 | 5,305 5,325 | 347 <br> 374 | 1,619 1,820 |
|  | 92,581 |  | 67,398 | 43,789 | 6,207 | 12,319 | 3,234 | 1,849 | 17,256 | 5,917 | 5,507 | 410 | 2,010 |
| Dec. | 92,572 |  | 66,775 | 43,899 | 5,686 | 12,319 | 3,210 | 1,661 | 17,643 | 6,151 | 5,721 | 430 | 2,003 |
| 1974-Jan. |  |  |  |  |  |  |  |  | 18.014 |  |  |  |  |
| Feb, | 92,005 95,655 |  | 64,111 | 42,018 43,419 | 5,177 5,177 | 12,322 | 3,210 3,210 | 1,384 1,384 | [19,642 | 6,456 6,729 | 6,046 6,329 | 410 400 | $\begin{aligned} & 1,796 \\ & 1,410 \end{aligned}$ |

1 Includes (a) liability on gold deposited by the IMF to mitigate the impact on the U.S. gold stock of foreign purchases for gold subscriptions to the IMF under quota increases, and (b) U.S. Treasury 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.

2 Includes BIS and European Fund.
${ }_{3}$ Derived by applying reported transactions to benchmark data; breakdown of transactions by type of holder estimated 1962-63.
${ }^{4}$ Excludes notes issued to foreign official nonreserve agencies.
5 Includes long-term liabilities reported by banks in the United States and debt securities of U.S. Federally-sponsored agencies and U.S. corporations.

6 Includes short-term liabilities payable in dollars to commercial banks abroad and short-term liabilities payable in foreign currencies to commercial banks abroad and to "other foreigners."

7 Includes marketable U.S. Treasury bonds and notes held by commercial banks abroad.
${ }_{8}$ Principally the International Bank for Reconstruction and Development and the Inter-American and Asian Development Banks.

9 Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on first line are comparable with those shown for the preceding date; figures on second line are comparable with those shown for the following date.
10 Includes $\$ 101$ million increase in dollar value of foreign currency liabilities resulting from revaluation of the German mark in Oct. 1969 as follows: liquid, $\$ 17$ million, and other, $\$ 84$ million.
${ }^{11}$ Data on the second line differ from those on first line because certain accounts previously classified as "official institutions" are included with "banks"; a number of reporting banks are included in the series for the first time; and U.S. Treasury securities payable in foreign currencies issued to official institutions of foreign countries have been increased in value to reflect market exchange rates as of Dec. 31, 1971.

12 Includes $\$ 15$ million increase in dollar value of foreign currency liabilities revalued to reflect market exchange rates.
13 Includes $\$ 147$ million increase in dollar value of foreign currency liabilities to official institutions of foreign countries revalued to reflect market exchange rates as follows: short-term liabilities, $\$ 15$ million; nonmarketable convertible U.S. Treasury bonds and notes, $\$ 113$ million; and nonmarketable nonconvertible U.S. Treasury bonds and notes, $\$ 19$ million.

Note.-Based on Treasury Dept. data and on data reported to the Treasury Dept. by banks and brokers in the United States. Data correspond generally to statistics following in this section, except for the exclusion of nonmarketable, nonconvertible U.S. Treasury notes issued to foreign official nonreserve agencies, the inclusion of investments by foreign official nonreserve agencies, the inclusion of investments by fill
official reserve agencies in debt securities of U.S. Federally-sponsored agencies and U.S. corporations, and 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 U.S. notes held by other international and regional organizations.

## 7. U.S. LIQUID AND OTHER 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 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1967. | 18,194 | 10,321 | 1,310 | 1,582 | 4,428 | 250 | 303 |
| $1968{ }^{3}$ | \{17,407 | 8,070 | 1,867 | 1,865 | 5,043 | 259 | 303 |
|  |  | 8,062 | 1,866 | 1,865 | 4,997 | 248 | 302 |
| 19693 | $\left\{\begin{array}{l}4 \\ 4 \\ 4 \\ 15,975\end{array}\right.$ | 47,074 | 1,624 | 1,888 | 4,552 | 546 | 291 |
|  | $\left\{\begin{array}{l}4 \\ 15,998\end{array}\right.$ | 4 7,074 | 1,624 | 1,911 | 4,552 | 546 | 291 |
| $1970{ }^{3}$ | (23,786 | 13,620 | 2,951 | 1,681 | 4,713 | 407 | 414 |
|  | $\{23,775$ | 13,615 | 2,951 | 1,681 | 4,708 | 407 | 413 |
| 19715. | [51,209 | 30,010 | 3,980 | 1,414 | 14,519 | 415 | 871 |
|  | \{50,651 | 30,134 |  |  | 13,823 | 415 | 870 |
| 1972. | 61,524 | 34,197 | 4,279 | 1,731 | 17,577 | 777 | 2,963 |
| 1973-Mar. . | 671,335 | 6 45,229 | 4,221 | 1,750 | 16,568 | 823 | 2,744 |
| Apr. | 7 70,752 | 7 45,608 | 4,157 | 1,915 | 15,420 | 839 | 2,813 |
| May. | 70,919 | 46,646 | 4,104 | 1,903 | 14,429 | 940 | 2,897 |
| June. | 70,700 | 46,967 | 4,111 | 1,998 | 13,734 | 992 | 2,898 |
| July. | 71,026 | 47,140 | 4,043 | 2,073 | 13,692 | 928 | 3,150 |
| Aug. | 70,520 | 47,260 | 3,836 | 2,014 | 13,637 | 738 | 3,035 |
| Sept. | 69,775 | 47,099 | 3,759 | 1,860 | 13,289 | 769 | 2,999 |
| Oct. | 69,701 67,398 | 47,515 | 3,851 | 1,937 2,232 | 12,601 11,474 | 735 785 | 3,062 3,085 |
| Nec. | 67,398 66,775 | 46,002 | 3,820 3,838 | 2,232 | 11,474 10,884 | 785 788 | 3,085 3,024 |
| 1974-Jan. | 63,876 | 43,290 | 3,930 | 2,446 | 10,479 | 838 | 2,893 |
| Feb. ${ }^{p}$ | 64, 111 | 42,411 | 4,254 | 2,743 | 10,878 | 1,000 | 2,825 |
| Mar. ${ }^{\text {P }}$. | 65,519 | 42,780 | 4,180 | 2,886 | 11,631 | 1,249 | 2,793 |

1 Includes Bank for International Settlements and European Fund.
2 Includes countries in Oceania and Eastern Europe, and Western European dependencies in Latin America.
${ }^{3}$ See note 9 to Table 6 .
4 Includes $\$ 101$ million increase in dollar value of foreign currency liabilities resulting from revaluation of the German mark in Oct. 1969.
5 Data on second line differ from those on the first line because certain accounts previously classified as "Official institutions" are included in "Banks"; a number of reporting banks are included in the series for the first time; and U.S. Treasury liabilities payable in foreign currencies to official institutions of foreign countries have been increased in value by $\$ 110$ million to reflect market exchange rates as of Dec. 31, 1971.

6 Includes $\$ 15$ million increase in dollar value of foreign currency liabilities revalued to reflect market exchange rates.
${ }^{7}$ Includes $\$ 147$ million increase in dollar value of foreign currency liabilities revalued to reflect market exchange rates.

Note.-Data represent short- and long-term liabilities to the official institutions of foreign countries, as reported by banks in the United States; foreign official holdings of marketable and nonmarketable U.S. Treasury securities with an original maturity of more than 1 year, except for nonmarketable notes issued to foreign official nonreserve agencies; and investments by foreign official reserve agencies in debt securities of U.S. Federally-sponsored agencies and U.S. corporations.

## 8. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS

 IN THE UNITED STATES, BY TYPE(Amounts outstanding; in millions of dollars)

| End of period | To all foreigners |  |  |  |  |  |  | IMF gold ment ${ }^{5}$ | To nonmonetary international and regional organizations ${ }^{6}$ |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Total ${ }^{1}$ | Payable in dollars |  |  |  |  | Payable in foreign currencies |  | Total | Deposits |  | U.S. <br> Treasury bills and certificates | Other shortterm liab. 4 |
|  |  | Total | Deposits |  | U.S. <br> Treasury <br> bills and certificates ${ }^{3}$ | Other shortterm liab. ${ }^{4}$ |  |  |  |  |  |  |  |
|  |  |  | Demand | Time 2 |  |  |  |  |  |  |  |  |  |
| 1969. | 40,199 | 39,770 | 20,460 | 6,959 | 5,015 | 7,336 | 429 | 800 | 613 | 62 | 83 | 244 | 223 |
| 1970 | $\left\{\begin{array}{l}41,719\end{array}\right.$ | 41,351 | 15,785 | 5,924 | 14,123 | 5,519 | 368 | 400 | 820 | 69 | 159 | 211 | 381 |
| $1970{ }^{\text {² }}$ | \{ 41,761 | 41,393 | 15,795 | 5,961 | 14,123 | 5,514 | 368 | 400 | 820 | 69 | 159 | 211 | 381 |
| 19718 | $\left\{\begin{array}{l}55,404 \\ 55,428\end{array}\right.$ | 55,018 | 10,399 6,459 | 5,209 | 33,025 | 6,385 | 386 | 400 | 1,372 | 73 | 192 | 210 | 896 |
| 1972. | 55,428 60,722 | 55,036 | 6,459 8,288 | 4,217 5,631 | 33,025 31,850 | 11,335 14,456 | 392 | 400 | 1,367 | 73 | 192 | 210 | 892 |
| 1973-Mar. |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 65,891 | 65,343 | 7,607 | 5,613 | 37,947 | 14,175 | 548 |  | 1,426 | 114 | 134 | 260 | 918 |
| Арг.. | 65,182 | 64,598 | 8,119 | 5,655 | 36,440 | 14,383 | 584 |  | 1,429 | 119 | 112 | 221 | 976 |
| May. | 66,731 | 66,159 | 8,365 | 5,715 | 35,965 | 16,114 | 572 |  | 1,579 | 141 | 119 | 148 | 1,172 |
| June. | 66,717 | 66,073 | 9,114 | 5,830 | 34,931 | 16,198 | 644 |  | 1,569 | 155 | 134 | 169 | 1,110 |
| July. | 67,924 | 67,317 | 8,989 | 5,879 | 34,556 | 17,893 | 607 |  | 1,488 | 206 | 116 | 116 | 1,049 |
| Aug. | 67,398 | 66,788 | 8,436 | 6,137 | 34,257 | 17,958 | 611 |  | 1,487 | 178 | 118 | 61 | 1,129 |
| Sept. | 67,056 | 66,395 | 8,754 | 6,130 | 33,702 | 17,809 | 660 |  | 1,552 | 80 | 100 | 62 | 1,311 |
| Oct. | 68,256 | 67,679 | 9,108 | 6,772 | 32,869 | 18,930 | 577 |  | 1,767 | 70 | 93 | 173 | 1,430 |
| Nov. | 68,514 | 67,891 | 9,849 | 6,884 | 31,977 | 19,182 | 622 |  | 1,962 | 73 | 97 | 373 | 1,420 |
| Dec. | 69,218 | 68,622 | 11,399 | 6,995 | 31,866 | 18,362 | 597 |  | 1,955 | 101 | 86 | 296 | 1,471 |
| 1974-Jan. | 67,281 | 66,641 | 10,822 | 7,030 | 29,543 | 19,245 | 640 |  | 1,855 | 95 | 94 | 286 | 1,380 |
| Feb, ${ }^{p}$. | 69,402 | 68,634 | 11,478 | 7,065 | 30,274 | 19,817 | 768 |  | 1,696 | 77 | 70 | 232 | 1,317 |
| Mar. ${ }^{p}$ | 72,888 | 72,122 | 11,646 | 7,156 | 31,483 | 21,837 | 766 |  | 1,142 | 96 | 70 | 227 | 749 |

For notes see the following page.

## 8. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS

 IN THE UNITED STATES, BY TYPE-Continued(Amounts outstanding; in millions of dollars)

| End of period | Total to official, banks and other foreigners |  |  |  |  |  | To official institutions ${ }^{10}$ |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Total | Payable in dollars |  |  |  | Payable in foreign currencies | Total | Payable in dollars |  |  |  | $\begin{gathered} \text { Payable } \\ \text { in } \\ \text { coreign } \\ \text { currencies } \end{gathered}$ |
|  |  | Deposits |  | U.S. <br> Treasury bills and certificates ${ }^{3}$ | Other <br> short- <br> term <br> liab. 4 |  |  | Deposits |  | U.S. <br> Treasury bills and certificates ${ }^{3}$ | Other shortterm liab. 4 |  |
|  |  | Demand | Time ${ }^{2}$ |  |  |  |  | Demand | Time ${ }^{2}$ |  |  |  |
| 1969. | 38,786 | 20,397 | 6,876 | 3,971 | 7,113 | 429 | 11,077 | 1,930 | 2,942 | 3,844 | 2,159 | 202 |
| 19707 | $\left\{\begin{array}{l}40,499 \\ 40,541\end{array}\right.$ | 15,716 | 5,765 | 13,511 | 5,138 | 368 | 19,333 | 1,652 | 2,554 | 13,367 | 1,612 | 148 |
| $1970{ }^{\circ}$ | 40,541 | 15,726 | 5,802 | 13,511 | 5,133 | 368 | 19,333 | 1,652 | 2,554 | 13,367 | 1,612 | 148 |
| 19718. | $\left\{\begin{array}{l}53,632 \\ 53,661\end{array}\right.$ | 10,326 6,386 | 5,017 | 32,415 32,415 | 5,489 10,443 | 386 | 39,679 | 1,620 | 2,504 | 32,311 | 3,086 | 158 |
| 1972.. | [53,661 59,308 | 6,386 8,203 | 4,025 5,429 | 32,415 31,523 | 10,443 13,657 | 392 496 | 39,018 39,998 | 1,327 | 2,039 2,880 | 32,311 31,453 | 3,177 3,905 | 165 171 |
| 1973-Mar. | 64,465 | 7,493 | 5,479 | 37,687 | 13,257 | 548 | 46,928 | 1,543 | 2,837 | 37,620 | 4,757 | 172 |
| Apr. | 63,753 | 8,000 | 5,543 | 36,219 | 13,407 | 584 | 45,953 | 1,714 | 2,920 | 36,137 | 4,996 | 187 |
| May | 65,151 | 8,224 | 5.597 | 35,817 | 14,942 | 572 | 46,116 | 1,719 | 2,949 | 35,736 | 5,525 | 187 |
| June. | 65,148 | 8,959 | 5,696 | 34,762 | 15,088 | 644 | 45,712 | 1,940 | 3,124 | 34,684 | 5,777 | 187 |
| July. | 66,436 | 8,782 | 5,762 | 34,440 | 16,844 | 607 | 46,136 | 1,934 | 3,192 | 34, 360 | 6,461 | 189 |
| Aug. | 65,912 | 8,258 | 6,019 | 34,196 | 16,829 | 611 | 45,721 | 1,575 | 3,355 | 34, 118 | 6,545 | 127 |
| Sept. | 65,503 | 8,674 | 6,030 | 33,640 | 16,498 | 660 | 45,172 | 1,631 | 3,226 | 33,554 | 6,634 | 127 |
| Oct. | 66,489 | 9,038 | 6,678 | 32,696 | 17,500 | 577 | 45,211 | 1,810 | 3,846 | 32,613 | 6,815 | 127 |
| Nov. | 66,552 | 9,776 | 6,787 | 31,604 | 17,762 | 622 | 43,789 | 2,034 | 3,802 | 31,529 | 6,298 | 127 |
| Dec. | 67,263 | 11,297 | 6,909 | 31,570 | 16,891 | 597 | 43,899 | 2,125 | 3,911 | 31,491 | 6,245 | 127 |
|  | 65,426 | 10,728 | 6,936 | 29,257 | 17,865 | 640 | 41,576 | 2,379 | 3,705 | 29,152 | 6,212 | 127 |
|  | 67,706 71,745 | 11,400 | 6,996 7,086 | 30,041 31,255 | 18,500 21,089 | 768 766 | 42,018 43,419 | 2,412 | 3,700 3,799 | 29,917 31,064 | 5,861 5,798 | 127 |
| End of period | Total | To banks ${ }^{11}$ |  |  |  |  | To other foreigners |  |  |  |  | To banks and other foreigners: Payable in foreign currencies |
|  |  | Payable in dollars |  |  |  |  |  |  |  |  |  |  |
|  |  | Total | Deposits |  | U.S. <br> Treasury bills and certificates | Other shortterm liab. 4 | Total | Deposits |  | U.S. <br> Treasury <br> bills and certificates | Other shortliab. 4 rab. |  |
|  |  |  | Demand | Time ${ }^{2}$ |  |  |  | Demand | Time ${ }^{2}$ |  |  |  |
| 1969... | 27,709 | 23,419 | 16,756 | 1,999 | 20 | 4,644 | 4,064 | 1,711 | 1,935 | 107 | 312 | 226 |
|  | \{21,166 | 16,917 | 12,376 | 1,326 | 14 | 3,202 | 4,029 | 1,688 | 1,886 | 131 | 325 | 220 |
| 19707 | (21,208 | 16,949 | 12,385 | 1,354 | 14 | 3,197 | 4,039 | 1,688 | 1,895 | 131 | 325 | 220 |
| 19718. | $\{13,953$ | 10,034 | 7,047 | . 850 | 8 | 2,130 | 3,691 | 1,660 | 1,663 | 96 | 274 | 228 |
| 1971. | [14,643 | 10,721 | 3,399 | 320 | 8 | 6,995 | 3,694 | 1,660 | 1,666 | 96 | 271 | 228 |
| 1972. | 19,310 | 14,340 | 4,659 | 405 | 5 | 9,270 | 4,645 | 1,954 | 2,145 | 65 | 481 | 325 |
| 1973-Mar.. | 17,537 | 12,393 | 4,145 | 331 | 5 | 7,912 | 4,767 | 1,805 | 2,312 | 63 | 588 | 376 |
| Apr. . | 17,800 | 12,453 | 4,336 | 312 | 7 | 7,799 | 4,949 | 1,951 | 2,312 | 75 | 611 | 398 |
| May. | 19,035 | 13,673 | 4,646 | 319 | 8 | 8,701 | 4,977 | 1.859 | 2,329 | 73 | 716 | 385 |
| June. | 19,437 | 13,899 | 5,054 | 258 | 8 | 8,578 | 5,081 | 1,965 | 2,314 | 70 | 732 | 457 |
| July......... | 20,300 | 14,893 | 4,958 | 321 | 8 | 9,606 | 4,989 | 1,890 | 2,250 | 72 | 776 | 418 |
| Aug........ | 20,191 | 14,593 | 4,807 | 353 | 10 | 9,423 | 5,115 | 1,876 | 2,311 | 68 | 861 | 483 |
| Sept......... | 20,331 | 14,493 | 5,071 | 430 | 8 | 8,983 | 5,305 | 1,972 | 2,374 | 77 | 881 | 533 |
| Oct.. | 21,278 | 15,503 | 5,251 | 473 | 7 | 9,772 | 5,325 | 1,977 | 2,359 | 76 | 912 | 449 |
| Nov. | 22,762 | 16,761 | 5,735 | 469 | ${ }^{8}$ | 10,549 | 5,506 | 2,007 | 2,517 | 67 | 915 | 495 |
| Dec. | 23,364 | 17,174 | 6,941 | 512 | 11 | 9,710 | 5,721 | 2,232 | 2,486 | 68 | 936 | 469 |
| 1974-Jan.. | 23,850 | 17,501 | 6,329 | 511 | 14 | 10,648 | 5,835 | 2,020 | 2,719 | 91 | 1,005 | 513 |
| Feb. ${ }^{p}$ | 25,688 | 19,001 | 6,857 | 521 | 32 | 11,592 | 6,046 | 2,131 | 2,775 | 93 | 1,047 | 641 |
| Mar. ${ }^{p}$. . . . . | 28,326 | 21,359 | 6,572 | 507 | 54 | 14,225 | 6,329 | 2,347 | 2,779 | 137 | 1,065 | 639 |

[^75]U.S. agencies and branches of foreign banks to their head offices and foreign branches, which were previously reported as deposits, are included in "Other short-term liabilities"; (b) certain accounts previously classified as "Official institutions"' are included in "Banks"; and (c) a number of as "Official institutions" are included in "Banks"; and (c)
reporting banks are included in the series for the first time.
9 Includes $\$ 15$ million increase in foreign currency liabilities revalued to reflect market exchange rates.
${ }^{10}$ Foreign central banks and foreign central govts. and their agencies, and Bank for International Settlements and European Fund.

11 Excludes central banks, which are included in "Official institutions."
Note.-"Short term'" refers to obligations payable on demand or having an original maturity of 1 year or less. For data on long-term liabilities, reported by banks, see Table 10. Data exclude the "holdings of dollars" of the International Monetary Fund; these obligations to the IMF constiof the International Monetary Fund; these obigations to the IMF constidollars available for drawings from the IMF by other member countries. dollars available for drawings from the IMF by other member countries. interest-bearing special U.S. notes held by the Inter-American Development Bank and the International Development Association.
9. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS

IN THE UNITED STATES, BY COUNTRY
(End of period. Amounts outstanding; in millions of dollars)

\begin{tabular}{|c|c|c|c|c|c|c|c|c|c|c|c|}
\hline \multirow{2}{*}{Area and country} \& 1972 \& \multicolumn{7}{|c|}{1973} \& \multicolumn{3}{|c|}{1974} <br>
\hline \& Dec. \& June \& July \& Aug. \& Sept. \& Oct. \& Nov. \& Dec. \& Jan. \& Feb, ${ }^{p}$ \& Mar. ${ }^{p}$ <br>
\hline \multicolumn{12}{|l|}{} <br>
\hline Austria. \& 272 \& 297 \& 305 \& 302 \& 292 \& 204 \& 166 \& 161 \& 210 \& 279 \& 327 <br>
\hline Belgium-Luxembourg. . . . . . . . . . . . . . . \& 1,092 \& 1,376 \& 1,456 \& 1,378 \& 1,377 \& 1,410 \& 1,462 \& 1,483 \& 1,593 \& 1,660 \& 1,573 <br>
\hline Denmark \& 284 \& 489 \& 477 \& 437 \& 409 \& 470 \& 527 \& 659 \& 527 \& 456 \& 380 <br>
\hline Finland \& 163 \& 194 \& 165 \& 153 \& 145 \& 135 \& 136 \& 165 \& 178 \& 160 \& 169 <br>
\hline France \& 4,441 \& 5,406 \& 5,452 \& 5,246 \& 5,296 \& 4,143 \& 3,415 \& 3,483 \& 3,241 \& 2,967 \& 2,852 <br>
\hline Germany \& 5,346 \& 12,003 \& 12,837 \& 12,912 \& 13,236 \& 14,180 \& 14,227 \& 13,227 \& 12,307 \& 12,357 \& 12,275 <br>
\hline Greece \& , 238 \& 219 \& 240 \& 236 \& 215 \& 280 \& 236 \& . 389 \& , 262 \& 238 \& , 343 <br>
\hline Italy. \& 1,338 \& 1,072 \& 870 \& 1,510 \& 1,140 \& 1,095 \& 1,224 \& 1,384 \& 1,195 \& 1,119 \& 2,253 <br>
\hline Netherla \& 1,468 \& 2,369 \& 2,029 \& 1,945 \& 2,022 \& 2,534 \& 2,866 \& 2,886 \& 2,522 \& 2,502 \& 2,547 <br>
\hline Norway \& 978 \& 1,049 \& 1,082 \& 1,055 \& 1,024 \& 999 \& 980 \& 965 \& 961 \& 962 \& 993 <br>
\hline Portuga \& 416 \& 500 \& 477 \& 472 \& 459 \& 467 \& 470 \& 534 \& 482 \& 486 \& 450 <br>
\hline Spain.. \& 256 \& +334 \& 282 \& . 237 \& 259 \& 284 \& 319 \& 305 \& 264 \& 304 \& 267 <br>
\hline Sweden \& 1,184 \& 1,905 \& 1,951 \& 1,871 \& 1,835 \& 1,787 \& 1,807 \& 1,885 \& 1,975 \& 1,973 \& 1,733 <br>
\hline Switzerland \& 2,857 \& 3,268 \& 3,310 \& 3,226 \& 3,309 \& 3,316 \& 3,081 \& 3,374 \& 3,281 \& 3,510 \& 3,792 <br>
\hline Turkey. \& 5,97 \& - 75 \& -102 \& 5 115 \& -72 \& - 83 \& . 75 \& - 102 \& , 221 \& - 146 \& 7,96 <br>
\hline United Kingdom \& 5,011 \& 6,317 \& 6,457 \& 5,943 \& 5,593 \& 6,416 \& 6,482 \& 6,148 \& 6,440 \& 6,184 \& 7,390 <br>
\hline Yugoslavia............ \& 5,117 \& 6,315
2,360 \& $\begin{array}{r}6,46 \\ \hline 2.965\end{array}$ \& 5,95 \& 5,538 \& 6,461 \& 6,46
2,926 \& 6.86 \& 77
3,125 \& 6,184
3,009 \& 7,78
2,946 <br>
\hline Other Western Europe \& 1,483
11 \& 2,360
11 \& 2,965
18 \& 3,015 \& 3,099
16 \& 3,427
40 \& 2,926
20 \& 3,352

22 \& 3,125
26 \& $\begin{array}{r}3,009 \\ \hline 20\end{array}$ \& $\begin{array}{r}2,946 \\ \hline 29\end{array}$ <br>
\hline Other Eastern Europe \& 81 \& 74 \& 81 \& 90 \& 114 \& 96 \& 101 \& 110 \& 92 \& 95 \& 122 <br>
\hline Total. \& 27,134 \& 39,383 \& 40,621 \& 40,216 \& 39,970 \& 41,425 \& 40,597 \& 40,722 \& 38,982 \& 38,521 \& 40,615 <br>
\hline Canada. \& 3,467 \& 3,328 \& 3,393 \& 3,787 \& 3,721 \& 3,812 \& 3,967 \& 3,862 \& 4,158 \& 4,431 \& 3,840 <br>
\hline \multicolumn{12}{|l|}{Latin America:} <br>
\hline Argentina... \& 631 \& 727 \& 750 \& 800 \& 889 \& 781 \& 766 \& 914 \& 847 \& 895 \& 1,001 <br>
\hline Bahamas 2 \& 540 \& 452 \& 796 \& 564 \& 592 \& 456 \& 806 \& 824 \& 593 \& 1,011 \& 2,019 <br>
\hline Brazil. \& 605 \& 770 \& 920 \& 732 \& 700 \& 745 \& 816 \& 860 \& 819 \& 961 \& 837 <br>
\hline Chile. \& 137 \& 140 \& 134 \& 126 \& 127 \& 137 \& 142 \& 157 \& 178 \& 174 \& 185 <br>
\hline Colombi \& 210 \& 200 \& 200 \& 168 \& 167 \& 207 \& 221 \& 247 \& 219 \& 238 \& 238 <br>
\hline Cuba. \& 6 \& 10 \& 7 \& 7 \& 7 \& 7 \& 6 \& 7 \& 7 \& 8 \& 7 <br>
\hline Mexico. \& 831 \& 925 \& 919 \& 975 \& 1,044 \& 1,029 \& 1,132 \& 1,284 \& 1,323 \& 1,343 \& 1,322 <br>
\hline Panama \& 167 \& 186 \& 194 \& 217 \& , 204 \& $\checkmark 231$ \& 282 \& 279 \& 281 \& 326 \& 401 <br>
\hline Peru. \& 225 \& 180 \& 190 \& 177 \& 178 \& 152 \& 124 \& 135 \& 144 \& 154 \& 159 <br>
\hline Uruguay. \& 140 \& 180 \& 128 \& 126 \& 114 \& 115 \& 112 \& 120 \& 120 \& 115 \& 121 <br>
\hline Veneruela.............. \& 1,078 \& 1,055 \& 1,067 \& 1,079 \& 941 \& 1,130 \& 1,420 \& 1,468 \& 1,460 \& 1,636 \& 1,737 <br>
\hline Other Latin American republics. \& 860 \& , 783 \& 744 \& 791 \& 791 \& - 742 \& 769 \& 880 \& 947 \& 1,028 \& 1,115 <br>
\hline Netherlands Antilles and Surinam \& 86 \& 68 \& 78 \& 61 \& 65 \& 70 \& 63 \& 71 \& 69 \& 61 \& 69 <br>
\hline Other Latin America. . . . . . . . . . \& 44 \& 649 \& 408 \& 403 \& 463 \& 532 \& 556 \& 361 \& 470 \& 790 \& 638 <br>
\hline Total \& 5,560 \& 6,325 \& 6,534 \& 6,226 \& 6,283 \& 6,334 \& 7,215 \& 7,608 \& 7,477 \& 8,741 \& 9,850 <br>
\hline \multicolumn{12}{|l|}{Asia:} <br>
\hline China, People's Rep. of (China Mainland \& 39 \& 41 \& 38 \& 43 \& 40 \& 37 \& 40 \& 38 \& 38 \& 39 \& 38 <br>
\hline China, Republic of (Taiwan)............ \& 675 \& 846 \& 790 \& 810 \& 802 \& 779 \& 764 \& 757 \& 735 \& 715 \& 641 <br>
\hline Hong Kong. . . . . . . . \& 318 \& 341 \& 289 \& 356 \& 349 \& 363 \& 383 \& 372 \& 389 \& 416 \& 452 <br>
\hline India..... \& 98 \& 110 \& 141 \& 103 \& 99 \& 105 \& 71 \& 85 \& 152 \& 183 \& 133 <br>
\hline Indonesia. \& 108 \& 155 \& 176 \& 140 \& 254 \& 169 \& 160 \& 133 \& 186 \& 175 \& 240 <br>
\hline Israel. \& 177 \& 161 \& 159 \& 146 \& 173 \& 279 \& 330 \& 327 \& 337 \& 311 \& 302 <br>
\hline Japan. \& 15,843 \& 8,458 \& 8,126 \& 8,003 \& 7,680 \& 7,061 \& 6,726 \& 6,954 \& 6,417 \& 7,440 \& 8,305 <br>
\hline Korea. \& 192 \& 226 \& 219 \& 217 \& 213 \& 198 \& 210 \& 195 \& 222 \& 204 \& 180 <br>
\hline Philippines \& 438 \& 544 \& 545 \& 541 \& 482 \& 479 \& 497 \& 515 \& 570 \& 604 \& 595 <br>
\hline Thailand. \& 171 \& 175 \& 146 \& 140 \& 143 \& 163 \& 180 \& 247 \& 336 \& 471 \& 607 <br>
\hline Other. \& 1,071 \& 883 \& 958 \& 1,139 \& 1,165 \& 1,139 \& 1,138 \& 1,202 \& 1,306 \& 1,196 \& 1,445 <br>
\hline Total \& 19,131 \& 11,940 \& 11,588 \& 11,640 \& 11,401 \& 10,771 \& 10,500 \& 10,826 \& 10,690 \& 11,752 \& 12,938 <br>
\hline \multicolumn{12}{|l|}{Africa:} <br>
\hline Egypt. \& 24 \& 29 \& 29 \& 41 \& 34 \& 34 \& 63 \& 35 \& 72 \& 72 \& 52 <br>
\hline Morocco \& 12 \& 11 \& 15 \& 10 \& 11 \& 10 \& 14 \& 11 \& 11 \& 12 \& 17 <br>
\hline South Afr \& 115 \& 155 \& 169 \& 100 \& 132 \& 103 \& 109 \& 114 \& 97 \& 119 \& 148 <br>
\hline Zaire. \& 21 \& 17 \& 21 \& 27 \& 19 \& 26 \& 24 \& 87 \& 42 \& 30 \& 42 <br>
\hline Other \& 768 \& 904 \& 803 \& 683 \& 765 \& 747 \& 824 \& 808 \& 837 \& 1,044 \& 1,335 <br>
\hline Total. \& 939 \& 1,118 \& 1,037 \& 862 \& 961 \& 919 \& 1,034 \& 1,056 \& 1,059 \& 1,277 \& 1,593 <br>
\hline \multicolumn{12}{|l|}{} <br>
\hline Australia. . . . \& 3,027
51 \& 2,985 \& 3,202
61 \& 3,124 \& 3,106 \& 3,169 \& 3,183 \& 3,131 \& 2,986 \& 2,917
66 \& 2,849
60 <br>
\hline \& \& \& \& \& \& \& \& \& \& \& <br>
\hline Total. \& 3,077 \& 3,056 \& 3,263 \& 3,181 \& 3,168 \& 3,228 \& 3,238 \& 3,190 \& 3,059 \& 2,984 \& 2,909 <br>
\hline Total foreign countries . . . . . . . . . . . . . . . \& 59,308 \& 65,148 \& 66,436 \& 65,912 \& 65,503 \& 66,489 \& 66,552 \& 67,263 \& 65,426 \& 67,706 \& 71,745 <br>
\hline International and regional: \& \& \& \& \& \& \& \& \& \& \& <br>
\hline  \& 951 \& 1,149 \& 1,099 \& 1,125 \& 1,183 \& 1,402 \& 1,610 \& 1,628 \& 1,537 \& 1,404 \& 863 <br>
\hline Latin American regional. . . . . . . . . . . . . . \& 307
156 \& 329
89 \& 309
81 \& 289
72 \& 298 \& 299 \& 290 \& 271 \& 256 \& 228 \& 218 <br>
\hline Other regional4. . . . . . . . . . . . . . . . . . . \& 156 \& 89 \& 81 \& 72 \& 70 \& 66 \& 62 \& 57 \& 64 \& 63 \& 62 <br>
\hline Total. \& 1,413 \& 1,569 \& 1,488 \& 1,487 \& 1,552 \& 1,767 \& 1,962 \& 1,955 \& 1,855 \& 1,696 \& 1,142 <br>
\hline Grand total. \& 60,722 \& 66,717 \& 67,924 \& 67,398 \& 67,056 \& 68,256 \& 68,514 \& 69,218 \& 67,281 \& 69,402 \& 72,888 <br>
\hline
\end{tabular}

For notes see the following page.

## 9. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY-Continued

(End of period. Amounts outstanding; in millions of dollars)
Supplementary data 5

| Area and country | 1971 | 1972 |  | 1973 |  | Area and country | 1971 | 1972 |  | 1973 |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Dec. | Apr. | Dec. | Apr. | Dec. |  | Dec. | Apr. | Dec | Apr. | Dec. |
| Other Western Europe:$\begin{gathered}\text { Cyprus............ } \\ \text { Iceland. }\end{gathered} . . . . . .$. | 21116 | 2915 | 3917 | $\begin{array}{r} 9 \\ \mathbf{1 2} \\ \mathbf{2 2} \end{array}$ | 19 | Other Asia-Cont.: <br> Kuwait. $\qquad$ | 20 | 16 | 39 | 36 | 20 |
|  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  | Laos............... . . . . . . . . . . | 3 46 | 3 60 | 5 | 3 5 |  |
| Ireland, Rep. or |  |  |  |  |  | Malaysia. | 23 | 25 | 55 54 | 59 59 | 51 |
| Other Latin American republics: | 55 |  | 87 | 65 | 44 |  | 3329 | 5853 | 59 | 93 | 95 |
| Bolivia. . |  | 53 |  |  |  |  |  |  |  |  |  |
| Costa Rica. | 62 | 70 | 92 | 75 | 76 | Saudi Arabia. . . . . . . . . . . . . . . | 79 | 80 | 344 | 236 | 244 |
| Dominican Republic. | 123 | 91 | 114 | 104 | 89 | Singapore. | 35 | 45 | 77 | 53 | 140 |
| Ecuador. | 57 | 62 | 121 | 109 | 51 | Sri Lanka (Ceylon) | 4 | 6 | 5 | 6 | 13 |
| El Salvador | 78 | 83 | 76 | 86 | 77 | Syria............................ | 4 | 6 | 4 | 39 | 4 |
| Guatemala | 117 | 123 | 132 | 127 | 145 | Other Africa: | 159 | 185 | 135 | 98 | 82 |
| Haiti. ... | 18 | 23 | 27 | 25 | 17 |  |  |  |  |  |  |
| Honduras | 42 | 50 | 58 | 64 | 51 |  |  |  |  |  |  |
| Jamaica. | 19 | 32 | 41 | 32 | 30 |  |  |  |  |  |  |
| Nicaragua | 50 | 66 | 61 | 79 | 88 | Algeria........................ | 23 | 31 | 32 | 51 | 87 |
| Paraguay. | 17 | 17 | 22 | 26 | 18 | Ethiopia (incl. Eritrea). . . . . . . . . | 11 | 29 | 57 | 75 | 62 |
| Trinidad \& Tobago. . | 10 | 15 | 20 | 17 | 14 | Ghana.......................... . |  | 11 | 10 | 28 | 1821 |
|  |  |  |  |  |  | Kenya. . . . . . . . . . . . . . . . . . . . . . . | 9 | 14 | 23 | 19 |  |
| Other Latin America: | (2) | (2) | (2)36 | $\begin{aligned} & 127 \\ & 100 \end{aligned}$ | $\begin{aligned} & 178 \\ & 105 \end{aligned}$ | Liberia. | 274 | 25296 | 30393 | 31312 | 34(7) |
| Bermuda. . . . . . . . |  |  |  |  |  | Libya.. . . . . . . . . . . . . . . . . . . . . . . |  |  |  |  |  |
| British West Indies.. | 32 | 23 |  |  |  | Nigeria........................ | 46 | 56 | 85 | 140 | (7) |
|  |  |  |  |  |  | Southern Rhodesia. . . . . . . . . . . . | 2 | 2 | 2 | 3 | 3 |
| Other Asia: |  |  | 25 | 19 | 9 | Sudan.......................... | 1 | 5 |  |  |  |
| Afghanistan. | 19 | 17 |  |  |  | Tanzania | 6 | 6 | 11 | 16 | 12 |
| Bahrain... | 21 | 18 | 24 | 23 | (7) | Tunisia......................... | 9 | 7 | 10 | 11 | 4 |
| Burma. | 10 | 5 | 2 | 17 | (7) | Uganda........................ | 3 | 10 | 7 | 19 | ${ }^{6}$ |
| Cambodi | 5 | 2 | 3 | ${ }^{3}$ | ${ }^{2}$ | Zambia <br> All other: <br> New Zealand | 13 | 7 | 28 | 37 | (7) |
| Iran | 59102 | 8892 | 93104 | 114264 | $\begin{array}{r} 103 \\ (7) \\ 5 \end{array}$ |  | 23 | 27 | 30 | 34 | 37 |
| Jordan |  |  |  |  |  |  |  |  |  |  |  |

1 Includes Bank for International Settlements and European Fund.
2 Bermuda included with Bahamas through Dec. 1972.
${ }^{3}$ Data exclude "holdings of dollars" of the International Monetary Fund but include IMF gold investment until Feb. 1972, when investment was terminated.

4 Asian, African, and European regional organizations, except BIS and European Fund, which are included in "Europe."
5 Represent a partial breakdown of the amounts shown in the "other" categories (except "Other Eastern Europe').
6 Included in Japan after Apr. 1972.
7 Not available.
10. LONG-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES
(Amounts outstanding; in millions of dollars)

| End of period | Total |  | To foreign countries |  |  |  | Country or area |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | Total | Official institutions | Banks ${ }^{1}$ | Other foreigners | Germany | United <br> King- <br> dom | Other Europe | $\underset{\substack{\text { Total } \\ \text { Latin } \\ \text { America }}}{\substack{\text { and } \\ \hline}}$ | Japan | Other Asia | All other countries |
| 1970. | 1,703 | 789 | 914 | 695 | 165 | 53 | 110 | 42 | 26 | 152 | 385 | 137 | 62 |
| 1971....... | 1,902 | 446 | 457 | 144 | 257 | 56 | 164 | 52 | 30 | 111 | 3 | 87 | 9 |
| 1972--Dec. ${ }^{2}$. | \{1,000 | 562 | 439 | 93 | 259 | 87 | 165 | 63 | 32 | 136 | 1 | 32 | 10 |
|  | \{1,018 | 580 | 439 | 93 | 259 | 87 | 165 | 63 | 32 | 136 | 1 | 32 | 10 |
| 1973-Mar.. | 1,406 | 697 | 709 | 328 | 269 | 112 | 164 | 66 | 234 | 133 | 1 | 96 | 16 |
| Apr.. | 1,397 | 684 | 713 | 329 | 274 | 111 | 164 | 68 | 239 | 128 | 1 | 98 | 16 |
| May. | 1,379 | 688 | 691 | 313 | 274 | 104 | 164 | 68 | 231 | 115 | 1 | 96 | 16 |
| June..... | 1,467 | 769 | 697 | 311 | 274 | 113 | 164 | 68 | 233 | 125 | 2 | 94 | 10 |
| July....... | 1,525 | 768 | 757 | 311 | 305 | 141 | 164 | 68 | 265 | 145 | 2 | 93 | 19 |
| Aug.. | 1,530 | 775 | 755 | 322 | 305 | 127 | 165 | 68 | 265 | 143 | 2 | 95 | 17 |
| Sept. | 1,502 | 758 | 744 | 318 | 302 | 123 | 165 | 68 | 263 | 145 | 2 | 84 | 18 |
| Oct. | 1,473 | 735 | 738 | 312 | 305 | 122 | 165 | 68 | 265 | 140 | 2 | 81 | 18 |
| Nov.. | 1,469 | 753 | 717 | 313 | 287 | 117 | 165 | 67 | 246 | 138 | 2 | 80 | 19 |
| Dec. | 1,487 | 761 | 726 | 310 | 296 | 121 | 165 | 66 | 245 | 151 | 5 | 78 | 18 |
| 1974-Jan.. | 1,497 | 801 | 696 | 310 | 275 | 111 | 165 | 65 | 236 | 139 | 2 | 78 | 11 |
| Feb. ${ }^{\text {s }}$ | 1,480 | 868 | 612 | 259 | 267 | 86 | 165 | 58 | 231 | 109 | 2 | 35 39 | 13 |
| Mar. ${ }^{\text {b }}$ | 1,576 | 969 | 607 | 259 | 261 | 87 | 165 | 45 | 232 | 111 | 2 | 39 | 13 |

[^76]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.

## 11. ESTIMATED FOREIGN HOLDINGS OF MARKETABLE U.S. TREASURY BONDS AND NOTES

(End of period; in millions of dollars)


Note-Data represent estimated official and private holdings of mar- year, and are based on benchmark surveys of holdings and regular monthly ketable U.S. Treasury securities with an original maturity of more than 1 reports of securities transactions (see Table 16).

## 12. 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 | China, <br> Rep. of <br> (Taiwan) | Germany | Italy 1 | Korea | Thailand | Total | Ger. many 2 | Switzerland |
| 1970. | 3,563 | 2,480 | 32 | 2,289 | 20 |  | 25 | 15 | 100 | 1,083 | 542 | 541 |
| 1971. | 3 9,657 | 7,829 | 32 | 2,640 | 20 | 5,000 | 22 | 15 | 100 | 3 1,827 | 612 | 1,215 |
| 1972. | 15,872 | 14,333 | 20 | 2,840 | 20 | 11,315 | 22 | 15 | 100 | 1,539 | 306 | 1,233 |
| 1973-Apr. | 416,015 | 14,459 | 20 | 2,840 | 5 | 11,471 | 22 | ...... | 100 | 41,556 | 172 | 1,384 |
| May | 16,012 | 14,456 | 20 | 2,840 | 2 | 11,471 | 22 |  | 100 | 1,556 | 172 | 1,384 |
| June. | 16,189 | 14,633 | . $\cdot$ | 2,840 |  | 11,670 | 22 |  | 100 | 1,556 | 172 | 1,384 |
| July. | 16,089 | 14,533 | ...... | 2,840 |  | 11,670 | 22 |  |  | 1,556 | 172 | 1,384 |
| Aug. | 16,015 | 14,383 |  | 2,690 |  | 11,670 | 22 |  |  | 1,631 | 172 | 1,458 |
| Sept. | 15,813 | 14,183 |  | 2,490 |  | 11,670 | 22 |  | . . . . . | 1,631 | 172 | 1,458 |
| Nov | 15,692 | 14,233 |  | 2,540 | . | 11,670 | 22 |  |  | 1,459 |  | 1,458 1,459 |
| Dec. | 15,669 | 14,210 |  | 2,540 |  | 11,670 |  |  |  | 1,459 |  | 1,459 |
| 1974-Jan. | 15,671 | 14,210 |  | 2,540 |  | 11,670 |  |  |  | 1,461 |  | 1,461 |
| Feb. | 15,672 | 14,210 |  | 2,540 |  | 11,670 |  |  |  | 1,462 |  | 1,462 |
| Mar | 15,680 | 14,210 |  | 2,540 |  | 11,670 |  |  |  | 1,470 |  | 1,470 |
| Apr. | 15,682 | 14,210 |  | 2,540 |  | 11,670 |  |  |  | 1,472 |  | 1,472 |

[^77][^78]13. SHORT-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY
(End of period. Amounts outstanding; in millions of dollars)

| Area and country | 1972 | 1973 |  |  |  |  |  |  | 1974 |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Dec. | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | Jan. | Feb. ${ }^{p}$ | Mar. ${ }^{p}$ |
| Europe: |  |  |  |  |  |  |  |  |  |  |  |
|  | 120 | 12 94 | 10 | 107 | 190 | 150 | 145 | 148 | 14 | $\begin{array}{r}36 \\ 143 \\ \hline\end{array}$ | 20 216 |
| Denmark...... | 59 | 69 | 56 | 67 | 52 | 50 | 53 | 48 | 50 | 60 | 27 |
| Finland. | 118 | 141 | 134 | 125 | 114 | 97 | 89 | 108 | 106 | 93 | 97 |
| France. | 330 | 389 | 434 | 368 | 413 | 461 | 525 | 621 | 649 | 682 | 743 |
| Germany | 321 | 399 | 349 | 281 | 313 | 366 | 392 | 311 | 342 | 382 | 395 |
| Greece. |  |  | 28 | 20 | 16 | 26 | 23 | 35 | 41 | 36 | 37 |
| $\xrightarrow{\text { Italy }}$ Netherland | 255 | 326 109 | 278 | 278 155 | 242 144 | 282 132 | 363 | 316 133 | 313 1139 | $\begin{array}{r}330 \\ 147 \\ \hline\end{array}$ | 495 |
| Netherlands | 108 69 | 109 65 | 101 | 155 70 | 144 67 | $\begin{array}{r}132 \\ 74 \\ \hline\end{array}$ | $\begin{array}{r}172 \\ 82 \\ \hline\end{array}$ | 133 72 | $\begin{array}{r}139 \\ 85 \\ \hline\end{array}$ | 147 91 | 174 76 |
| Portugal. | 19 | 19 | 18 | 14 | 18 | 23 | 22 | 23 | 25 | 25 | 37 |
| Spain. | 207 | 387 | 272 | 251 | 183 | 183 | 189 | 222 | 208 | 180 | 284 |
| Sweden. | 164 | 234 | 224 | 184 | 166 | 155 | 177 | 153 | 135 | 106 | 121 |
| Switzerla | 125 | 245 | 208 | 206 | 234 | 242 | 203 | 176 | 240 | 338 | 260 |
| Turkey ${ }_{\text {United }} \mathbf{K}$. | 99 | - 9 | 1.7 | 1357 | 1.6 | ${ }^{8}$ | 16 | 10 1.456 | 11 | ${ }^{9} 9$ | 16 |
| United Kingdom................... | 997 | 1,025 | 1,077 | 1,357 10 | 1,304 10 | 1,236 8 | 1,178 19 | 1,456 10 | 1,490 9 | 1,621 15 | 2,009 12 |
| Yugher Western Europe................. | 20 | 29 | 20 | 21 | 26 | 34 | 26 | $\begin{array}{r}10 \\ 27 \\ \hline\end{array}$ | 19 | 20 | ${ }^{12}$ |
| U.S.S.R............ | 41 | 56 | 56 | 42 | 46 | 49 | 51 | 46 | 29 | 36 | 33 |
| Other Eastern Europe. | 49 | 73 | 84 | 83 | 97 | 87 | 72 | 59 | 64 | 65 | 80 |
| Total. | 3,067 | 3,710 | 3,542 | 3,664 | 3,654 | 3,678 | 3,811 | 3,985 | 4,104 | 4,416 | 5,203 |
| Canada..... | 1,914 | 2,034 | 2,168 | 2,186 | 1,909 | 2,210 | 1,979 | 1,960 | 1,880 | 2,037 | 2,243 |
|  |  |  |  |  |  |  |  |  |  |  |  |
|  | 379 515 | 408 448 | 431 518 | 442 484 | 455 619 | 469 698 | 485 | 498 873 | 521 | 539 | 679 1,284 |
| Brazil.... | 649 | 891 | 965 | 915 | 879 | 837 | 826 | 900 | 953 |  | 1,112 |
| Chile.. | 52 | 43 | 36 | 50 | 40 | 80 | 125 | 151 | 136 | 155 | 180 |
| Colombia | 418 | 412 | 420 | 422 | 423 | 423 | 413 | 397 | 425 | 428 | 459 |
| Cuba.. | 13 | 14 | 13 | 13 | 13 | 15 | 13 | 12 | 11 | 11 | 13 |
| Mexico. | 1,202 | 1,406 | 1,386 | 1,348 | 1,329 | 1,388 | 1,357 | 1,370 | 1,344 | 1,418 | 1,423 |
| Panama | 244 |  | 223 |  |  | 273 |  |  | 294 | 297 | 345 |
| Peru... | 145 | 169 | 180 | 176 | 178 | 208 | 204 | 178 | 188 | 184 | 194 |
| Uruguay. | 40 | 34 | 34 | 35 | 39 | 45 | 47 | 55 | 58 | 51 | 44 |
| Venezuela.. | 383 | 454 | 454 | 441 | 430 | 436 | 469 | 517 | 482 | 510 | 586 |
| Other Latin American republics........ | 388 | 380 38 38 | 373 | 394 | 409 | 431 | 465 | 490 | 542 | 546 | 600 |
| Netherlands Antilles and Surinam...... Other Latin America............... | 14 36 | 38 66 | 48 71 | 38 91 | 31 91 | $\begin{array}{r}23 \\ 137 \\ \hline\end{array}$ | 17 124 | 13 140 | 17 356 | 19 461 | 268 |
| Total. | 4,476 | 4,981 | 5,153 | 5,111 | 5,187 | 5,464 | 5,417 | 5,861 | 5,904 | 6,619 | 7,216 |
| Asia: |  |  |  |  |  |  |  |  |  |  |  |
| China, People's Rep. of (China Mainland) | 1 | 3 | 888 | 6 | 4 | 22 | 36 | 31 | 24 | 19 | 27 |
| China, Republic of (Taiwan). | 194 | 200 | 198 | 183 | 141 | 128 | 117 | 140 | 119 | 147 | 183 |
| Hong Kong.................. | 93 <br> 14 | 204 | 218 18 | 117 | $\begin{array}{r}128 \\ 19 \\ \hline 1\end{array}$ | 121 | 124 | 147 | 169 | 189 15 15 | 172 |
| Indonesia.. | 87 | 94 | 91 | 77 | 81 | 89 | 96 | 88 | 105 | 107 | 97 |
| Israel.. | 105 | 111 | 133 | 133 | 145 | 145 | 155 | 166 | 153 | 140 | 165 |
| Japan. | 4,152 | 5,751 | 5,753 | 5,791 | 5,801 | 5,745 | 6,033 | 6,400 | 6,466 | 6,960 | 7,855 |
| Korea.. |  | 347 144 |  | - 336 |  | 372 |  | 401 | $\begin{array}{r}432 \\ \hline 189 \\ \hline\end{array}$ | 477 |  |
| Philippine |  |  |  |  |  |  |  |  |  |  | $\begin{array}{r}197 \\ 405 \\ \hline\end{array}$ |
| Other... | 191 | 173 <br> 354 | 188 <br> 352 | 185 350 | 179 361 | 206 349 | 225 377 | 273 394 | 322 466 | 364 560 | 405 521 |
| Total. | 5,584 | 7,401 | 7,441 | 7,321 | 7,330 | 7,295 | 7,664 | 8,237 | 8,463 | 9,159 | 10,142 |
| Africa: |  |  |  |  |  |  |  |  |  |  |  |
| Egypt... | ${ }_{2}^{21}$ | ${ }_{4} 3$ |  |  | 43 | ${ }_{4}^{38}$ | 40 | 35 | 42 | 40 | 42 |
| South Afric | 143 | 163 | 150 | 151 | 117 | 4 | 147 | 129 | $4{ }^{4}$ | 4 | 21 |
| Zaire.. | 13 | 42 | 43 | 49 | 48 | ${ }_{51}$ | 141 | 60 | 56 | 67 | 61 |
| Other. | 118 | 145 | 149 | 173 | 146 | 163 | 155 | 159 | 178 | 175 | 210 |
| Total. | 299 | 388 | 391 | 419 | 405 | 406 | 410 | 388 | 413 | 420 | 466 |
|  |  |  |  |  |  |  |  |  |  |  |  |
| Australia . |  |  |  |  | 218 | 223 |  |  |  |  | 328 |
| All other. | 40 | 46 | 40 | 41 | 36 | 36 | 36 | 43 | 37 | 49 | 64 |
| Total | 330 | 305 | 310 | 271 | 254 | 259 | 287 | 286 | 316 | 317 | 392 |
| Total foreign countries. . | 15,670 | 18,820 | 19,005 | 18,973 | 18,739 | 19,312 | 19,569 | 20,716 | 21,080 | 22,967 | 25,663 |
| International and regional.. | 3 | 1 | 2 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Grand total | 15,672 | 18,821 | 19,007 | 18,974 | 18,739 | 19,313 | 19,570 | 20,717 | 21,081 | 22,968 | 25,664 |

[^79][^80]
## 14. 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 out-standing | Acceptances made for acct. of foreigners | Other | Total | Deposits with foreigners | Foreign govt. securities, coml. and finance paper | Other |
|  |  |  | Total | Official institutions | Banks ${ }^{1}$ | Others |  |  |  |  |  |  |  |
| 1970... | 10,802 | 10, 192 | 3,051 | 119 | 1,720 | 1,212 | 2,389 | 3.985 | 766 | 610 | 352 | 92 | 166 |
| $1971{ }^{2}$. | $\{13,170$ | 12,328 | 4,503 | 223 | 2,613 | 1,667 | 2,475 | 4,243 | 1,107 | 842 | 549 | 119 | 174 |
| 1971 2. | 13,272 | 12,377 | 3,969 | 231 | 2,080 | 1,658 | 2,475 | 4,254 | 1,679 | 895 | 548 | 173 | 174 |
| $1972{ }^{3}$. | $\left\{\begin{array}{l}15,471 \\ 15,672\end{array}\right.$ | 14,625 14,826 | 5,674 5,671 | 163 | 2,975 $\mathbf{2 , 9 7 0}$ | 2,535 $\mathbf{2 , 5 3 8}$ | 3,269 3,276 | 3,204 3,226 | 2,478 2,653 | 846 846 | 441 | 223 | 182 182 |
| 1973-Mar. | 18,383 | 17,432 | 6,517 | 141 | 3,677 | 2,698 | 3,732 | 3,482 | 3,700 | 951 | 524 | 262 | 165 |
| Apr. | 18,362 | 17,544 | 6,826 | 146 | 3,928 | 2,753 | 3,815 | 3,483 | 3,419 | 819 | 460 | 207 | 152 |
| May. | 18,546 | 17,692 | 6,933 | 163 | 3,813 | 2,956 | 3,824 | 3,623 | 3,313 | 854 | 499 | 237 | 118 |
| June. | 18,821 | 17,982 | 7,318 | 205 | 4,070 | 3,043 | 3,881 | 3,984 | 2,800 | 839 | 552 | 140 | 147 |
| July. | 19,007 | 18,144 | 7,024 | 162 | 3,926 | 2,936 | 3,871 | 3,922 | 3,327 | 863 | 561 | 151 | 151 |
| Aug. | 18,974 | 18,087 | 6,973 | 176 | 4,029 | 2,768 | 3,948 | 3,716 | 3,450 | 887 | 488 | 151 | 248 |
| Sept. | 18,739 | 17,963 | 6,829 | 160 | 3,917 | 2,752 | 4,070 | 3,718 | 3,345 | 777 | 459 | 143 | 175 |
| Oct. | 19,313 | 18,453 | 7,003 | 216 | 3,989 | 2,798 | 4,099 | 3,774 | 3,577 | 861 | 510 | 187 | 163 |
| Nov. | 19,570 | 18,780 | 7,090 | 252 | 4,084 | 2,753 | 4,287 | 3,788 | 3,614 | 790 | 512 | 131 | 148 |
| Dec. | 20,717 | 20,055 | 7,718 | 271 | 4,589 | 2,859 | 4,306 | 4,155 | 3,876 | 662 | 428 | 119 | 115 |
| 1974-Jan. | 21,081 | 20,279 | 7,413 | 303 | 4,429 | 2,680 | 4,386 | 4,107 | 4,373 | 802 | 467 | 162 | 173 |
| Feb. ${ }^{p}$ | 22,968 | 22,124 | 8,088 | 303 | 4,992 | 2,792 | 4,288 | 4,554 | 5,195 | 844 | 594 | 121 | 129 |
| Mar. ${ }^{p}$ | 25,664 | 24, 817 | 9,082 | 421 | 5,808 | 2,853 | 4,641 | 5,125 | 5,969 | 846 | 543 | 160 | 144 |

Excludes central banks, which are included with "Official institutions."
2 Data on second line differ from those on first line because (a) those claims of U.S. banks on their foreign branches and those claims of U.S. agencies and branches of foreign banks on their head offices and foreign agencies and branches of foreign banks on their head offices and foreign
"Other short-term claims"; and (b) a number of reporting banks are included in the series for the first time.
${ }^{3}$ 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.

## 15. LONG-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS

 IN THE UNITED STATES(Amounts outstanding; in millions of dollars)

| End of period | Total | Type |  |  |  |  |  | Country or area |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Payable in dollars |  |  |  |  | Payable in foreign currencies | United Kingdom | Other Europe | Canada | Latin America | Japan | Other Asia | All other countries |
|  |  | Loans to- |  |  |  | Other long$\underset{\substack{\text { term } \\ \text { claims }}}{ }$ |  |  |  |  |  |  |  |  |
|  |  | Total | Official institutions | Banks ${ }^{1}$ | Other foreigners |  |  |  |  |  |  |  |  |  |
| 1970. |  | 2,698 | 504 | 236 | 1,958 | 352 | 25 | 71 | 411 | 312 | 1,325 | 115 | 548 |  |
| 1971. | 3,667 | 3,345 | 575 | 315 | 2,455 | 300 375 | 22 | 130 | 593 | 228 | 1,458 | 246 | 583 | 429 |
| 19722. | \{4,954 | 4,539 | 833 | 430 | 3,276 | 375 | 40 | 145 | 704 | 406 | 1,996 | 319 | 881 | 503 |
| $1972{ }^{2}$. | [5,025 | 4,550 | 836 | 430 | 3,285 | 435 | 40 | 145 | 701 | 406 | 2,012 | 348 | 900 | 514 |
| 1973-Mar. | 5,288 | 4,781 | 883 | 496 | 3,402 | 460 | 47 | 121 | 854 | 453 | 1,985 | 336 | 986 | 552 |
| Apr.. | 5,431 | 4,935 | 903 | 544 | 3,487 | 447 | 49 | 122 | 907 | 477 | 2,007 | 337 | 1,030 | 552 |
| May. | 5,519 | 5,015 | 932 | 545 | 3,538 | 455 | 48 | 131 | 923 | 511 | 2,006 | 331 | 1,058 | 558 |
| June. | 5,604 | 5,095 | 978 | 550 | 3,567 | 464 | 45 | 131 | 980 | 523 | 2,002 | 311 | 1,096 | 561 |
| July . | 5,623 | 5,114 | 957 | 554 | 3,604 | 455 | 54 | 128 | 1,029 | 517 | 1,982 | 310 | 1,122 | 535 |
| Aug.. | 5,519 | 5,007 | 1,002 | 514 | 3,491 | 466 | 46 | 137 | 1,007 | 404 | 1,963 | 304 | 1,157 | 548 |
| Sept. | 5,385 | 4,859 | 1,010 | 507 | 3,342 | 456 | 70 | 131 | . 975 | 418 | 1,921 | 252 | 1,186 | 501 |
| Oct. . | 5,567 | 5,011 | 1,041 | 537 | 3,434 | 476 | 80 | 130 | 1,011 | 491 | 1,960 | 258 | 1,203 | 514 |
| Nov. |  | 5,222 | 1,127 | 554 | 3,541 | 463 | 78 | 138 | 1,058 | 484 | 2,068 | 251 | 1,246 | 516 |
| Dec.. | 5,856 | 5,304 | 1,129 | 570 | 3,605 | 480 | 72 | 140 | 1,098 | 489 | 2,072 | 243 | 1,282 | 533 |
| 1974-Jan. | 5,803 | 5,252 | 1,115 | 559 580 | 3,578 3,519 | 472 524 |  |  | 1,102 | 484 | 2,033 | 253 | 1,284 | 509 |
| $\underset{\text { Mar }{ }^{p}}{ }{ }^{p}$ | 5,867 | 5,264 | 1,166 | 580 | 3,519 | 524 | 79 | 144 | 1,158 | 456 | 2,057 | 249 | 1,293 | 510 |
| Mar. ${ }^{p}$ | 6,054 | 5,436 | 1,225 | 642 | 3,569 | 542 | 76 | 146 | 1,263 | 473 | 2,131 | 250 | 1,298 | 493 |

[^81]with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

## 16. PURCHASES AND SALES BY FOREIGNERS OF LONG-TERM SECURITIES, BY TYPE

(In millions of dollars)

| Period | Marketable U.S. Treas. bonds and notes ${ }^{1}$ |  |  |  |  | U.S. corporate securities 2 |  |  | Foreign bonds |  |  | Foreign stocks |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Net purchases or sales |  |  |  |  | Purchases | Sales | Net purchases or sales | Purchases | Sales | Net purchases or sales | Purchases | Sales | Net purchases or sales |
|  | Total | $\left\|\begin{array}{c} \text { Intl. } \\ \text { and } \\ \text { regional } \end{array}\right\|$ | Foreign |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  | Total | Official | Other |  |  |  |  |  |  |  |  |  |
| 1971. | 1,672 | 130 | 1,542 | 1,661 | -119 | 14,573 | 13,158 | 1,415 | 1,687 | 2,621 | -935 | 1,385 | 1,439 | -57 |
| 1972. | 3,316 | 57 | 3,258 | 3,281 | -23 | 19,073 | 15,015 | 4,058 | 1,901 | 2,961 | -1,060 | 2,532 | 2,123 | 409 |
| 1973. | 290 | -165 | 455 | 450 | 6 | 18,569 | 13,846 | 4,723 | 1,471 | 2,454 | -983 | 1,729 | 1,554 | 176 |
| 1974-Jan.-Mar. ${ }^{\text {p }}$. | -320 | 218 | -539 | -509 | -30 | 4,614 | 4,143 | 471 | 274 | 907 | -633 | 563 | 595 | -33 |
| 1973-Mar. . | 554 | 10 | 544 | 540 | 3 | 2,220 | 1,111 | 1,109 | 144 | 125 | 19 | 211 | 114 | 97 |
| Apr.. | 31 | -9 | 40 | 16 | 23 | 1,566 | 1,040 | 525 | 117 | 292 | -175 | 121 | 112 | 9 |
| May. | -48 | -33 | -15 | * | -15 | 1,142 | 1,101 | 41 | 140 | 150 | -10 | 137 | 125 | 12 |
| June. | -71 | -69 | -1 |  | -1 | 1,087 | 889 | 188 | 125 | 103 | -22 | 123 | 111 | 12 |
| July. | -79 -51 | -71 -17 | -9 -68 |  | -9 -39 | 1,320 | 898 | 422 | 101 | 207 157 | -106 -61 | 108 | 107 | 1 -8 |
| Aug. | -51 40 | 17 20 | -68 -20 | -28 8 | -39 12 | 1,328 | 864 963 | 464 212 | 96 67 | 157 | -61 | 117 115 | 125 105 | 18 10 |
| Oct. | 29 | -13 | 42 | 15 | 27 | 1,806 | 1,736 | 71 | 97 | 336 | -238 | 129 | 131 | -2 |
| Nov. | -691 | -5 | -686 | -722 | 36 | 1,947 | 1,689 | 258 | 103 | 305 | -202 | 156 | 178 | -22 |
| Dec.. | -501 | 1 | -502 | -521 | 19 | 1,364 | 1,384 | -19 | 144 | 209 | -65 | 159 | 144 | 15 |
| 1974-Jan. | -432 | 20 | -452 | -472 | 19 | 1,722 | 1,458 | 264 | 71 | 364 | -292 | 209 | 207 | 2 |
| Feb. ${ }^{\text {p }}$ | -45 | 31 | -77 | -37 | -39 | 1,223 | 1,213 | 10 | 100 | 145 | -45 | 187 | 205 | -18 |
| Mar. ${ }^{\text {p }}$ | 157 | 166 | -10 |  | -10 | 1,669 | 1,472 | 198 | 102 | 398 | -296 | 167 | 183 | -16 |

${ }^{1}$ Excludes nonmarketable U.S. Treasury bonds and notes issued to official institutions of foreign countries; see Table 12 .
${ }_{2}$ Includes State and local govt. securities, and securities of U.S. Govt. agencies and corporations. 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.
17. NET PURCHASES OR SALES BY FOREIGNERS OF U.S. CORPORATE STOCKS, BY COUNTRY
(In millions of dollars)

| Period | Purchases | Sales | Net purchases or sales (-) | France | Germany | Netherlands | Switzerland | United Kingdom | Other Europe | Total Europe | Canada | Latin America | Asia | Other |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1971. | 11,626 | 10,894 | 731 | 87 | 131 | 219 | 168 | -49 | 71 | 627 | -93 | 37 | 108 | 52 |
| 1972. | 14,361 | 12,173 | 2,188 | 372 | -51 | 297 | 642 | 561 | 137 | 1,958 | -78 | -32 | 256 | 83 |
| 1973. | 12,760 | 9,961 | 2,799 | 439 | 2 | 339 | 685 | 366 | 288 | 2,119 | 99 | -1 | 577 | 5 |
| 1974-Jan.-Mar. ${ }^{p}$ | 2,608 | 2,230 | 377 | 120 | -17 | 128 | 107 | 35 | 82 | 455 | -49 | -32 | -6 | 8 |
| 1973-Mar. | 1,144 | 793 | 350 | 35 | 8 | 47 | 148 | 21 | 29 | 288 | 25 | 5 | 21 | 11 |
| Apr,...... | 868 | 728 | 141 | 21 | 9 | -8 | 53 | -14 | 46 | 107 | 34 | -10 | 5 | 5 |
| May....... | 778 | 898 | -120 | -2 | -43 | -14 | -22 | -38 | 3 | -116 | -7 | -16 | 11 | 9 |
| June....... | 766 | 632 | 134 | 2 | -23 | 7 | 52 | 15 | 21 | 74 | 8 | -2 | 55 | -2 |
| July. . . . . . | 881 | 564 | 316 | 67 | -19 | 25 | 80 | 28 | 28 | 210 | 19 | 11 | 71 | 5 |
| Aug....... | 973 | 631 | 341 | 53 | 1 | 60 | 57 | 40 | 34 | 245 | 10 | 11 | 81 | -6 |
| Sept...... | 948 | 734 | 214 | 63 | 6 | 18 | 54 | 15 | 14 | 169 | * | 27 | 21 | -3 |
| Oct....... | 1,368 | 1,272 | 95 | 6 | -7 | 5 | -34 | 68 | 24 | 61 | -26 | 16 | 41 | 4 |
| Nov.. . . . | 1,481 | 1,071 | 409 | 106 | 27 | 54 | 68 | 67 | 21 | 343 | -18 | -9 | 108 | -14 |
| Dec. | 873 | 878 | -5 | 30 | 9 | 32 | -64 | -25 | 6 | -12 | -8 | -4 | 34 | -16 |
| 1974-Jan.. . . . . | 974 | 801 |  | 68 | 4 | 37 | 43 | 27 | 23 | 201 |  |  |  | 9 |
| Feb.p..... | 741 | 585 | 156 | 39 | 5 | 52 | 40 | -5 | 33 | 163 | * | 1 | -9 | 1 |
| Mar. ${ }^{\text {P }}$..... | 893 | 844 | 49 | 14 | -26 | 40 | 24 | 14 | 25 | 91 | -21 | 9 | -29 | $-1$ |

[^82]
## 18. NET PURCHASES OR SALES BY FOREIGNERS OF U.S. CORPORATE BONDS, BY COUNTRY

(In millions of dollars)

| Period | Total | France | Germany | Nether lands | Switzerland | United Kingdom | Other Europe | Total Europe | Canada | Latin America | Asia | Africa | Other countries | Intl. and regional |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1971. | 684 | 15 | 35 | -1 | 197 | 327 | 39 | 612 | 37 | 19 | -2 | * | -21 | 39 |
| 1972. | 1,871 | 336 | 77 | 74 | 135 | 357 | 315 | 1,293 | 82 | 22 | 323 | 2 | * | 148 |
| 1973. | 1,924 | 201 | -33 | -19 | 307 | 275 | 475 | 1,206 | 49 | 44 | 588 | * | 10 | 26 |
| 1974-Jan.-Mar. ${ }^{\text {p }}$ | 94 | 5 | 25 | -3 | 29 | 93 | -30 | 118 | 11 | 2 | -224 |  | * | 186 |
| 1973-Mar. . . . . | 759 | 45 | 3 | -22 | -7 | -3 | 158 | 174 | * | 4 | 623 | * | * | -42 |
| Apr....... | 385 | 33 | 2 | * | 65 | $-96$ | 94 | 98 | 16 | 4 | 199 | * | * | 68 |
| May...... | 161 | 1 | -4 | -1 | 76 | 120 | 22 | 215 | 7 | 1 | 2 | * | * | -63 |
| June...... | 54 | 6 | $-3$ | * | -3 | -19 | -2 | -20 | 7 | -1 | * | * | 10 | 59 |
| July. . . . . | 106 | * | -57 | * | 13 | -15 | 7 | -52 | 3 | 4 | 1 | * | * | 150 |
| Aug....... | 123 | 31 | 1 | 1 | -5 | 57 | 10 | 94 | -1 | 4 | 2 | * | * | 24 |
| Sept. . . . . | -2 | 2 | * | * | -1 | 14 | 12 | 26 | -1 | 1 | 11 | * | * | -39 |
| Oct. . . . . . | -25 | 53 | , | 1 | 46 | -14 |  | 87 | 4 | 1 | 1 | * | * | -118 |
| Nov...... | -151 | 4 | 11 | $-2$ | 28 | 76 60 | 32 | 124 | -21 | 3 | -209 | * | * | -48 |
| Dec....... | -15 | 9 | 10 | 4 | 37 | 60 | 32 | 152 | * | 16 | -183 |  | * | 1 |
| 1974-Jan.. ..... |  |  | 25 |  | 23 | 117 | -9 | 159 | 14 | 1 | -104 | * | * | 20 |
| Feb. ${ }^{\text {p }}$. | -146 | 1 | * | * | * | 44 | -15 | 30 | -2 | -5 | -119 | * | * | -49 |
| Mar. ${ }^{\text {p }}$ | 149 | 1 | * | -2 | 6 | -69 | -6 | -71 | -1 | 6 | -1 | * | * | 215 |

Note.-Statistics include State and local govt. securities, and securities of U.S. Govt. agencies and corporations. Also includes issues of new
debt securities sold abroad by U.S. corporations organized to finance direct investments abroad.

## 19. 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 | $\begin{aligned} & \text { Eu- } \\ & \text { rope } \end{aligned}$ | Canada | Latin America | Asia | $\begin{aligned} & \text { Af- } \\ & \text { rica } \end{aligned}$ | Other countries |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1971 | -992 | -310 | -682 | 31 | -275 | -46 | -366 | -57 | 32 |
| 1972. | -651 | -90 | -561 | 492 | -651 | -69 | -296 | -66 | 29 |
| 1973 | -807 | 139 | -946 | -141 | -559 | -120 | -168 | 3 | 37 |
| 1974-Jan-Mar ${ }^{p}$ | -666 | 6 | -671 | -181 | -503 | -26 | 38 | -5 | 6 |
| 1973-Mar.. | 116 -166 | 23 |  |  |  | -8 | 27 -5 | * | 1 |
| Apr. | -166 2 | 16 | -182 -9 | 22 -21 | -193 -13 | -6 6 | -5 | -1 | 14 |
| June | 34 | 7 | 27 | 10 | 6 | 13 | -13 | , | 9 |
| July. | -105 | 3 | -108 | $-13$ | -93 | -13 | 9 | * | 2 |
| Aug. | -69 | 5 | -75 | -21 | -44 | -4 | -8 | * | 3 |
| Sept. | -25 | 4 | -28 | -28 | 8 | -8 | -1 | * | 2 |
| Oct. | -240 | 4 | -243 | -25 | -148 | -8 | -64 | 1 |  |
| Nov | -225 | 9 | -234 | -47 | -78 | -6 | -104 | * | * |
| Dec. | -50 | 51 | -101 | -45 | -11 | -15 | -34 | 2 | 3 |
| 1974-Jan.. | -291 | -4 | -287 | -81 | -204 | -2 | -1 | -1 | 2 |
| Feb. ${ }^{\text {a }}$. | -63 | 6 | -69 | -76 | -11 | -9 | 29 | -4 | , |
| Mar. ${ }^{p}$. | -312 | 4 | -315 | -24 | -288 | -15 | 10 | * | 3 |

## 20. FOREIGN CREDIT AND DEBIT BALANCES IN BROKERAGE ACCOUNTS

(Amounts outstanding; in millions of dollars)

| End of period | Credit balances (due to foreigners) | Debit balances (due from foreigners) |
| :---: | :---: | :---: |
| 1970-Dec. | 349 | 281 |
| 1971-Mar. | 511 | 314 |
| June. | 419 | 300 |
| Sept. | 333 | 320 |
| Dec. | 311 | 314 |
| 1972-Mar. | 325 | 379 |
| June. | 312 | 339 |
| Sept. | 286 | 336 |
| Dec. | 372 | 405 |
| 1973-Mar. | 310 | 364 |
| June. | 316 | 243 |
| Sept.. | 290 | 255 |
| Dec. ${ }^{p}$. | 333 | 231 |

Note.-Data represent the money credit balances and money debit balances appearing on the books of reporting money debit balances appearing on the books of reporting
brokers and dealers in the United States, in accounts of foreigners with them, and in their accounts carried by foreigners.

NOTES TO TABLES 21A AND 21B ON FOLLOWING PAGES:

[^83]Note.-Components may not add to totals due to rounding.

For a given month, total assets may not equal total liabilities because some branches do not adjust the parent's equity in the branch to reflect unrealized paper profits and paper losses caused by changes in exchange rates, which are used to convert foreign currency values into equivalent dollar values.

## 21a. ASSETS OF FOREIGN BRANCHES OF U.S. BANKS

(In millions of dollars)

| Location and currency form | Month-end | Total | Claims on U.S. |  |  | Claims on foreigners |  |  |  |  | Other |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | Total | Parent bank | Other | Total | Other branches of parent bank | Other banks |  | Nonbank foreigners |  |
| IN ALL FOREIGN COUNTRIES <br> Total, all currencies. . . . . . . . . . . . | 1971-Dec. ${ }^{\text {r }}$ | 61,253 | 4,791 | 2,310 | 2,481 | 54,678 | 11,210 | 24,525 | 1,167 | 17,775 | 1,784 |
|  | 1972-Dec. ${ }^{\text {r }}$ | 80,034 | 4,735 | 2,124 | 2,611 | 73,031 | 11,717 | 36,738 | 1,665 | 22,910 | 2,268 |
|  | 1973-Jan. | 81,199 | 4,926 | 2,327 | 2,600 | 74,006 | 11,945 | 36,797 | 1,621 | 23,643 | 2,267 |
|  | Feb. | 87,901 | 4,325 | 1,565 | 2,760 | 81,067 | 12,272 | 42,203 | 1,747 | 24,846 | 2,509 |
|  | Mar | 91,646 | 4,296 | 1,988 | 2,308 | 84,370 | 12,458 | 44,268 | 1,965 | 25,679 | 2,980 |
|  | Apr. | 90,987 | 3,917 | 1,672 | 2,244 | 84,091 | 12,787 | 42,976 | 2,081 | 26,247 | 2,979 |
|  | May | 92,994 | 4,218 | 1,926 | 2,292 | 85,577 | 13,490 | 42,746 | 2,004 | 27,337 | 3, 199 |
|  | June. | 98,756 | 4,955 | 2,333 | 2,622 | 90,207 | 13,528 | 46,277 | 1,900 | 28,501 29,678 | 3,594 3,806 |
|  | Aug. | 105,194 | 5,158 | 2,291 | 2, 2,868 | 94,983 | 15,667 | 47,555 | 2,035 | 29,678 30,809 | 3,806 |
|  | Sept. | 110,673 | 4,853 | 1,917 | 2,936 | 101,022 | 17,194 | 49,312 | 2,242 | 32,274 | 4,797 |
|  | Oct. | 114,025 | 4,847 | 1,832 | 3,016 | 104,464 | 18,118 | 51,011 | 2,336 | 32,999 | 4,714 |
|  | Nov. | 120,600 | 5,895 | 2,915 | 2,980 | 109,057 | 18,866 | 53,813 | 2,208 | 34,170 | 5.648 |
|  | Dec. | 122,601 | 4,887 | 1,887 | 3,000 | 112,943 | 19,148 | 56,333 | 2,504 | 34,958 | 4,772 |
|  | 1974-Jan. | 123,791 | 4,605 | 1,552 | 3,054 | 114,602 | 19,456 | 56,981 | 2,732 | 35,432 | 4,584 |
|  | Feb. | 127,050 | 4,695 | 1,893 | 2,802 | 117,314 | 20,317 | 57,032 | 2,952 | 37,013 | 5,041 |
| Payable in U.S. dollars. . . . . . . . . | 1971-Dec. ${ }^{\text {r }}$ | 40,137 | 4,534 | 2,303 | 2,231 | 35,026 | 6,658 | 17,986 | 864 | 9,518 | 577 |
|  | 1972-Dec. | 54,058 | 4,473 | 2,102 | 2,371 | 48,768 | 8,083 | 26,907 | 1,128 | 12,651 | 817 |
|  | 1973-Jan. | 54,196 | 4,592 | 2,303 | 2,289 | 48,828 | 8,093 | 26,764 | 1,063 | 12,908 | 777 |
|  | Feb. | 57,567 | 3,985 | 1,534 | 2,451 | 52,692 | 8,550 | 29,829 | 1,097 | 13,215 | 891 |
|  | Mar. | 58,745 | 3,988 | 1,957 | 2,031 | 53,752 | 8,438 | 30,568 | 1,124 | 13,622 | 1,005 |
|  | Apr. | 57,515 | 3,589 | 1,645 | 1,944 | 52,871 | 8,426 | 29,498 | 1,108 | 13,839 | 1,055 |
|  | May. | 58,019 | 3,930 | 1,899 | 2,031 | 52,871 | 8,548 | 28,677 | 1,140 | 14,506 | 1,218 |
|  | June. | 61,843 | 4,602 | 2,285 | 2,317 | 55,885 | 8,493 | 31,261 | 1,129 | 15,003 | 1,356 |
|  | July. | 64,145 | 4,799 | 2,469 | 2,330 | 57,866 | 9,229 | 31,803 | 1,220 | 15,615 | 1,480 |
|  | Aug. | 65,478 | 4,522 | 2,232 | 2,290 | 59,491 | 10,033 | 31,390 | 1,281 | 16,788 | 1,464 |
|  | Sept. | 68,114 | 4,415 | 1,866 | 2,549 | 62,015 | 10,718 | 32,458 | 1,281 | 17,558 | 1,685 |
|  | Oct. | 70,433 | 4,382 | 1,789 | 2,592 | 64,394 | 11,613 | 33,531 | 1,319 | 17,931 | 1,657 |
|  | Nov. | 75,934 | 5,421 | 2,855 | 2,566 | 68,730 | 12,277 | 36,092 | 1,401 | 18,959 | 1,783 |
|  | Dec. | 79,935 | 4,432 | 1,849 | 2,583 | 73,725 | 12,770 | 39,375 | 1,586 | 19,993 | 1,778 |
|  | 1974-Jan. | 81,838 | 4,166 | 1,515 | 2,651 | 75,942 | 13,211 | 39,977 | 1,847 | 20,906 | 1,730 |
|  | Feb. | 83,730 | 4,311 | 1,838 | 2,473 | 77,524 | 13,745 | 40,058 | 2,019 | 21,702 | 1,896 |
| IN UNITED KINGDOM Total, all currencies. ... | 1971-Dec. | 34,552 | 2,694 | 1,230 | 1,464 | 30,996 | 5,690 | 16,211 | 476 | 8,619 | 862 |
|  | 1972-Dec. | 43,684 | 2,234 | 1,138 | 1,096 | 40,430 | 5,659 | 23,983 | 609 | 10,179 | 1,020 |
|  | 1973-Jan. . | 44,347 | 2,585 | 1,466 | 1,118 | 40,796 | 5,637 | 24,333 | 574 | 10,252 | 966 |
|  | Feb. | 48,533 | 1,945 | , 848 | 1,097 | 45,487 | 5,887 | 28,473 | 585 | 10,542 | 1,102 |
|  | Mar. | 49,696 | 2,052 | 1,130 | 922 | 46,520 | 5,783 | 29,148 | 663 | 10,926 | 1,124 |
|  | Apr. | 49,181 | 1,662 | -794 | 868 | 46,332 | 5,437 | 29,255 | 651 | 10,989 | 1,188 |
|  | May. | 49,080 | 1,744 | 910 | 834 | 46,001 | 5,725 | 28,394 | 614 | 11,268 | 1,336 |
|  | June. | 51,415 | 1,876 | 1,012 | 864 1.808 | 48,031 | 5,279 | 30,348 | 607 | 11,797 | 1,508 |
|  | July. | 54,265 53,153 | 2,500 | 1.492 | 1,008 | 50,189 49,692 | 6,274 | 30,826 <br> 29 | 649 | 12,440 12,462 | 1,576 |
|  | Aug. | 53,153 56,127 | 1,878 1,473 | 937 604 | 942 | 49,692 <br> 52,771 | 6,849 8,022 | 29,696 30,967 | 685 | 12,462 13,123 | 1,583 |
|  |  | 57,589 | 1,853 | 879 | 974 | 53,778 | 7,970 | 31,775 | 695 | 13,337 | 1,958 |
|  | Nov. | 62,294 | 2,285 | 1,245 | 1,040 | 57,146 | 8,552 | 34,059 | 701 | 13,834 | 2,863 |
|  | Dec. ${ }^{\text {r }}$ | 62,050 | 1,789 | 738 | 1,051 | 58,075 | 8,773 | 34,661 | 735 | 13,905 | 2,186 |
|  | 1974-Jan. | 63,757 | 1,484 | 521 | 964 | 60,185 | 9,123 | 35,796 | 907 | 14,359 | 2,087 |
|  | Feb | 63,582 | 1,477 | 616 | 861 | 59,789 | 9,209 | 34,810 | 916 | 14,853 | 2,317 |
| Payable in U.S. dollars. . . . . . . . . . | 1971-Dec. | 24,428 |  | 2,585 |  | 21,493 | 4,135 |  |  | 4,596 | 350 |
|  | 1972-Dec. | 30,381 |  | 2,146 |  | 27,787 | 4,326 | 17,9 |  | 5,485 | 447 |
|  | 1973-Jan. | 30,652 |  | 2,468 |  | 27,778 | 4,184 | 18,0 |  | 5,526 | 405 |
|  | Feb. | 32,746 |  | 1,814 |  | 30,423 | 4,568 | 20,2 |  | 5,637 | 508 |
|  | Mar. | 32,658 |  | 1,953 |  | 30,183 | 4,324 | 20,0 |  | 5,827 | 522 |
|  | Apr. | 31,833 |  | 1,539 |  | 29,778 | 4,034 | 20, 1 |  | 5,625 | 515 |
|  | May. | 30,906 |  | 1,654 |  | 28,666 | 3,943 | 18,8 |  | 5,874 | 587 |
|  | June, . | 32,864 |  | 1,784 |  | 30,386 30,569 | 3,900 | 20,4 |  | 6,073 | 694 |
|  | July. . | 33,486 <br> $\mathbf{3 2 , 9 3 5}$ |  | 2,193 1,540 |  | 30,569 30,694 | 4,042 | 20,20 |  | 6,319 $\mathbf{6 , 5 8 4}$ | 724 |
|  | Aug. | 32,935 |  | 1,540 1,348 |  | 30,694 | 4,887 <br> 5,399 | 19,2 19 | 74 | 6,584 6,939 | 701 842 |
|  | Oct. | 35,647 |  | 1,700 |  | 33,176 | 5,769 | 20,4 |  | 6,993 | 770 |
|  | Nov. | 39,321 |  | 2,098 |  | 36,386 | 6,273 | 22,78 |  | 7,328 | 838 |
|  | Dec. | 40,475 |  | 1,642 |  | 37,967 | 6,509 | 24,00 |  | 7,449 | 866 |
|  | 1974-Jan. | 42,131 |  | 1,368 |  | 39,932 | 6,825 | 25,09 |  | 8,010 | 830 |
|  | Feb. | 41,759 |  | 1,384 |  | 39,406 | 6,902 | 24,4 |  | 8,093 | 969 |
| IN BAHAMAS AND CAYMANS ${ }^{1}$ <br> Total, all currencies. $\qquad$ | 1971-Dec. ${ }^{\text {r }}$ | 8,475 | 1,282 | 505 | 777 | 7,101 |  | 3,784 |  | 3,316 |  |
|  | 1972-Dec. . | 13,091 | 1,496 | 225 | 1,272 | 11,419 |  | ,965 |  | 4,454 | 175 |
|  | 1973-Jan. | 13,064 | 1,387 | 182 | 1,206 | 11,495 |  | ,753 |  | 4,742 | 181 |
|  | Feb. | 13,559 | 1,461 | 83 | 1,378 | 11,860 |  | , 189 |  | 4,671 | 238 |
|  | Mar. | 13,764 | 1,210 | 89 | 1,121 | 12,284 |  | , 519 |  | 4,765 | 271 |
|  | Apr.. | 13,653 | 1,407 | 293 | 1,113 | 11,988 |  | ,726 |  | 5,262 | 258 |
|  | May. | 14,730 | 1,498 | 272 | 1,227 | 12,888 |  | ,242 |  | 5,647 | 343 |
|  | June. | 16,184 | 1,917 | 410 | 1,507 | 14,002 |  | ,206 |  | 5,796 | 265 |
|  | July. | 17,086 | 1,929 | 350 | 1,579 | 14,862 |  | ,802 |  | 6,060 | 295 |
|  | Aug... | 19,968 | 2,262 | 579 | 1,684 | 17,256 |  | , 182 |  | 7,073 | 450 |
|  | Sept.. | 21,072 | 2,281 | 490 | 1,791 | 18,281 |  | ,772 |  | 7,509 | 511 |
|  | Oct. | 21,399 | 1,976 | 272 | 1,704 | 18,889 |  | , 010 |  | 7,879 | 533 |
|  | Nov.. | 22,243 | 2,526 | 824 | 1,702 | 19,138 |  | ,801 |  | 8,337 | 579 |
|  | Dec. ${ }^{\text {r }}$. | 24,085 | 2,001 | 313 | 1,688 | 21,613 |  | 537 |  | 9,075 | 471 |
|  | $\begin{array}{r} \text { 1974-Jan. . . . . } \\ \text { Feb. } . . . \end{array}$ | 24,047 | 2,011 | 228 | 1,783 | $21,556$ |  | 210 |  | 9,347 | 479 |
|  |  | 25,628 | 1,882 | 170 | 1,713 | $23,233$ |  | 262 |  | 9,970 | 513 |

21b. LIABILITIES OF FOREIGN BRANCHES OF U.S. BANKS
(In millions of dollars)

| Total | To U.S. |  |  | To foreigners |  |  |  |  | Other | Month-end | Location and currency form |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Total | Parent bank | Other | Total | Other branches of parent bank | Other banks | $\begin{gathered} \text { Offi- } \\ \text { cial } \\ \text { insti- } \\ \text { tutions } \end{gathered}$ | Nonbank foreigners |  |  |  |
| 61,255 | 3,107 | 662 | 2,445 | 56,051 | 10,743 | 31,059 | 5,513 | 8,735 | 2,097 | . . . .1971-Dec. ${ }^{\text {r }}$ | IN ALL FOREIGN COUNTRIES . . Total, all currencies |
| 80,035 | 3,559 | 1,000 | 2,559 | 73,842 | 11,344 | 42,531 | 8,486 | 11,483 | 2,634 | . . . . . 1972-Dec. |  |
| 81,199 | 3,414 | 836 | 2,578 | 75,360 | 11,746 | 42,347 | 9,236 | 12,032 | 2,425 | ..... . 1973-Jan. |  |
| 87,901 | 3,967 | 1,132 | 2,835 | 80,998 | 11,868 | 46,520 | 9,387 | 13,223 | 2,936 | Feb. |  |
| 91,646 | 4,137 | 1,218 | 2,919 | 84,253 | 12,219 | 48,707 | 9,454 | 13,873 | 3,256 | . ........... Mar. |  |
| 90,987 | 4,095 | 1,044 | 3,051 | 83,554 | 12,638 | 48,083 | 9,538 | 13,294 | 3,338 | Apr. |  |
| 92,994 | 4,548 | 1,122 | 3,426 | 84,861 | 13,284 | 48,728 | 9,344 | 13,505 | 3,586 | May |  |
| 98,756 | 4,579 | 1,009 | 3,569 | 90,321 | 13,315 | 53,557 | 9,593 | 13,837 | 3,857 | . . . . . . . . . . . June |  |
| 103,793 | 4,465 | 1,213 | 3,253 | 95,162 | 15,040 | 55,880 | 9,676 | 14,519 | 4,165 | July |  |
| 105,193 | 4,710 | 1,085 1,183 | 3,625 | 96,108 | 16,031 | 56,321 <br> 59 | 8,587 8,769 | 15,148 | 4,375 | Aug. |  |
| 110,673 | 4,819 4,762 | 1,183 | 3,637 3,455 | 100,987 | 17,017 | 59,266 61,117 | 8,769 9,220 | 16,221 | 4,866 | Sept. |  |
| 120,600 | 4,858 | 1,088 | 3,771 | 109,915 | 18,109 | 65,526 | 9,692 | 16,589 | 5,827 | Nov.r ${ }^{\text {r }}$ |  |
| 122,601 | 5,093 | 1,181 | 3,912 | 112,356 | 18,456 | 66,230 | 10,031 | 17,638 | 5,153 | Dec. ${ }^{\text {r }}$ |  |
| 123,791 | 5,311 | 1,731 | 3,581 | 113,709 | 18,672 | 67,805 | 9,455 | 17,777 | 4,771 | .....1974-Jan. |  |
| 127,053 | 5,873 | 2,031 | 3,842 | 116,249 | 19,130 | 67,819 | 10,020 | 19,280 | 4,931 | ............ Feb. |  |
| 41,980 | 2,670 | 507 | 2,163 | 38,034 | 6,624 | 22,050 | 4,433 | 4,928 | 1,276 | . . . . . 1971-Dec. ${ }^{+}$ | . .Payable in U.S. dollars |
| 56,375 | 3,104 | 848 | 2,256 | 51,811 | 8,178 | 30,253 | 6,913 | 6,467 | 1,459 | ..... . 1972-Dec. |  |
| 56,404 | 2,995 | 693 | 2,302 | 52,113 | 8,400 | 29,233 | 7,680 | 6,800 | 1,297 | ..... 1973-Jan. |  |
| 60,814 | 3,466 | 954 | 2,511 | 55,780 | 8,750 | 32,023 | 7,808 | 7,200 | 1,568 | Feb. |  |
| 62,430 | 3,613 | 1,038 | 2,575 | 57,127 | 8,735 | 33,131 | 7,771 | 7,489 | 1,691 | Mar. |  |
| 60,915 | 3,562 | 886 | 2,676 | 55,604 | 8,657 | 31,970 | 7,743 | 7,234 | 1,750 | Apr. |  |
| 61,427 | 4,005 | 955 | 3,050 | 55,636 | 8,810 | 32, 263 | 7,374 | 7,190 | 1,786 | May |  |
| 64,660 | 4,035 | +868 | 3,167 | 58,781 | 8,774 | 35,470 | 7,354 | 7,183 | 1,844 | . June ${ }^{r}$ |  |
| 66,335 67,401 | 3,868 | $\begin{array}{r}1.046 \\ \hline 943 \\ \hline 1\end{array}$ | 2,823 | 60,520 61,075 | 9,626 10,641 | 36,263 | 7,114 | 7,517 | 1,947 | . . . . . . . . . . . . . Auly Aug. |  |
| 70,314 | 4,233 | 1,022 | 3,211 | 63,756 | 11,036 | 38,212 | 6,366 | 8,142 | 2,325 | Sept. |  |
| 72,046 | 4,213 | 1,146 | 3,068 | 65,537 | 11,713 | 38,838 | 6,475 | 8,510 | 2,296 | Oct. |  |
| 77,983 | 4,268 | 929 | 3,339 | 70,536 | 12,261 | 43,001 | 6,430 | 8, 844 | 3,179 | Nov. ${ }^{\text {r }}$ |  |
| 80,848 | 4,509 | 1,104 | 3,495 | 73,726 | 12,809 | 44,138 | 7,258 | 9,522 | 2,613 | . Dec. ${ }^{\top}$ |  |
| 82,141 | 4,813 | 1,602 | 3,211 | 74,841 | 12,906 | 44,961 | 7,080 | 9,895 | 2,487 | . . . . 1974-Jan. |  |
| 84,348 | 5,370 | 1,878 | 2,492 | 76,529 | 13,109 | 44,698 | 7,710 | 11,013 | 2,449 | Feb. |  |
| 34,552 | 1,660 | 111 | 1,550 | 32,128 | 3,401 | 19,137 | 4,464 | 5,126 | 763 | ..... 1971-Dec. | . . Total, all currencies |
| 43,684 | 1,456 | 113 | 1,343 | 41,232 | 2,961 | 24,776 | 6,453 | 7,042 | 997 | ...... 1972-Dec. |  |
| 44,347 | 1,501 | 107 | 1,394 | 41,933 | 3,277 | 23,959 | 7,285 | 7,412 | 913 | . . . . . 1973-Jan. |  |
| 48,533 | 1,844 | 264 | 1,580 | 45,628 | 3,157 | 27,038 | 7,517 | 7,915 | 1,062 | Feb. |  |
| 49,696 | 1,858 | 235 | 1,624 | 46,750 | 3,164 | 28,119 | 7,388. | 8,078 | 1,088 | Mar. |  |
| 49,181 | 1,970 | 165 | 1,805 | 46,075 | 3,397 | 27,796 | 7,509 | 7,373 | 1,136 | Apr. |  |
| 49,080 | 2,028 | 170 | 1,857 | 45,792 | 3,614 | 27,168 | 7,324 | 7,685 | 1,260 | May |  |
| 51,415 | 1,957 | 122 | 1,835 | 48, 145 | 3,321 | 29,332 | 7,585 | 7,907 | 1,313 | . . . . . . . . . . June July |  |
| 54,265 53,153 | 1,875 2,080 | 171 | 1,711 1,909 | 50,973 49,562 | 3,883 | 31,029 30,502 | 7,817 6,753 | 8,245 <br> 8,575 | 1,418 | July |  |
| 56,127 | 2,125 | 161 | 1,964 | 52,238 | 4,118 | 32,210 | 6,952 | 8,957 | 1,764 | Sept. |  |
| 57,589 | 2,031 | 134 | 1,897 | 53,748 | 4,036 | 33,531 | 6,999 | 9,182 | 1,809 | Oct. |  |
| 62,294 | 2,198 | 143 | 2,055 | 57,434 | 3,886 | 36,348 | 7,700 | 9,500 | 2,662 | Nov. |  |
| 62,050 | 2,431 | 136 | 2,295 | 57,623 | 3,944 | 35, 332 | 8,076 | 10,272 | 1,995 | Dec. ${ }^{\text {r }}$ |  |
| 63,757 | 2,429 | 346 | 2,083 | 59,356 | 4,350 | 37,003 | 7,672 | 10,332 | 1,971. | 1974-Jan. |  |
| 63,585 | 2,573 | 269 | 2,303 | 58,956 | 4,193 | 35,489 | 8,160 | 11,112 | 2,057 | . Feb. |  |
| 24,845 | 1,412 | 23 | 1,389 | 23,059 | 2,164 | 14,038 | 3,676 | 3,181 | 374. | . . . . . 1971-Dec. | ....Payable in U.S. dollars |
| 30,933 | 1,276 | 72 | 1,203 | 29,121 | 2,008 | 17,478 | 5,349 | 4,287 | 536 | . . . . . . 1972-Dec. |  |
| 30,926 | 1,335 | 72 | 1,264 | 29,091 | 2,234 | 16,205 | 6,162 | 4,490 | 500 | . . . . . . 1973-Jan. |  |
| 33,966 | 1,661 | 226 | 1,436 | 31,714 | 2,188 | 18,360 | 6,394 | 4,771 | 591 | . . . . . . . . . Feb. |  |
| 33,929 | 1,676 | 195 | 1,481 | 31,655 | 2,128 | 18,334 | 6,251 | 4,942 | 598 | . . . . . . . . . . Mar. |  |
| 33,050 | 1,735 | 119 | 1,616 | 30,782 | 2,318 | 17,672 | 6,245 | 4,546 | 533 | . . . . . . . . . . Apr. |  |
| 32,148 | 1,809 | 138 | 1,671 | 29,730 | 2,225 | 16,982 | 5,897 | 4,626 | 608 | .............. May |  |
| 33,584 | 1,731 | 102 | 1,629 | 31,278 | 2,234 | 18,390 | 5,990 | 4,663 | 575 | . . . . . . . . . . . June |  |
| 33,901 | 1,661 | 148 | 1,513 | 31,645 | 2,316 | 18,723 | 5,868 | 4,739 | 595 | . . . . . . . . . . . . July |  |
| 33,077 | 1,846 | 148 | 1,698 | 30,549 | 2,213 | 18,671 | 5,005 | 4,660 | 682 | .......... . Aug. |  |
| 35,017 | 1,866 | 137 | 1,729 | 32,342 | 2,245 | 19,949 | 5,126 | 5,022 | 809 | Sept. |  |
| 39,831 | 2,173 | 113 | 2,061 | 36,816 | 2,519 | 22,289 | 5,852 | 6,156 | - 841 |  |  |
| 41,009 | 2,200 | 329 | 1,871 | 37,884 | 2,846 | 22,978 | 5,799 | 6,262 | 925 | . . . . . 1974-Jan. |  |
| 40,930 | 2,346 | 243 | 2,103 | 37,579 | 2,729 | 21,464 | 6,342 | 7,044 | 1,006 | . Feb. |  |
| 8,477 |  | 750 |  | 7,539 | 1,649 |  |  | 1,124 | 188 | ...... 1971-Dec. ${ }^{r}$ | IN BAHAMAS AND CAYMANS . .Total, all currencies |
| 13,091 |  | 1,220 |  | 11,703 | 1,964 | 8,39 |  | 1,344 | 168 | ..... 1972-Dec. |  |
| 13,064 |  | 1,137 |  | 11,760 | 1,875 | 8,502 |  | 1,383 | 167 | ...... . 1973-Jan. |  |
| 13,559 |  | 1,186 |  | 12,144 | 2,223 | 8,39 |  | 1,527 | 230 | . . . . . . . . . . . . Feb. |  |
| 13,765 |  | 1,304 |  | 12,194 | 1,830 | 8,82 |  | 1,536 | 267 | . . . . . . . . . . . Mar. |  |
| 13,653 |  | 1,126 |  | 12,138 | 1,977 | 8,50 |  | 1,656 | 389 | . . . . . . . . . . . Apr. |  |
| 14,730 |  | 1,404 |  | 12,981 | 2,238 | 9,25 |  | 1,483 | 345 | ............ May |  |
| 16,184 |  | 1,480 |  | 14,370 | 2,579 | 10,41 |  | 1,381 | 334 | . . . . . . . . . . . . June |  |
| 17,086 |  | 1,348 |  | 15,406 | 3,002 | 10,76 |  | 1,642 | 331 | ........... July |  |
| 19,966 |  | 1,521 |  | 18,026 | 4,227 | 11,98 |  | 1,817 | 419 | . . . . . . . Aug. |  |
| 21,072 21,399 |  | 1,608 1,667 |  | 18,856 19,151 | 4,639 4,924 | 12,322 |  | 1,895 | 608 | . . . . . . . . . Sept. |  |
| 21,399 22,244 |  | 1,667 1,559 |  | 19,151 20,089 | 4,924 5,085 | 12,24 |  | 1,978 | 581 | . ............ Oct. Nov. |  |
| 24,085 |  | 1,518 |  | 22,109 | 5,526 | 14,76 |  | 1,819 | 458 | . . . . . . . . . . Dec. ${ }^{r}$ |  |
| 24,046 |  | 1,848 |  | 21,758 | 5,293 | 14,54 |  | 1,917 | 441 | ..... 1974-Jan. |  |
| 225,628 | SER | 2,166 |  | 22,997 | 5,617 | 15,22 |  | 2,158 | 465 | ...........Feb. |  |

## 22. LIABILITIES OF U.S. BANKS TO THEIR FOREIGN BRANCHES AND FOREIGN BRANCH HOLDINGS OF SPECIAL U.S. GOVERNMENT SECURITIES

(Amounts outstanding; in millions of dollars)

| Wednesday | Liabilities 1 | $\underset{\sec _{2}}{\text { Liab. plus }}$ $\mathrm{sec}{ }^{2}$ | Wednesday | Liabilities 1 | Wednesday | Liabilities ${ }^{1}$ | Wednesday | Liabilities ${ }^{1}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1968 |  |  | 1972 |  | 1973 |  | 1974 |  |
| Mar. 27. | 4,920 |  | Jan. 26. | 1,419 | Aug. 1. | 2,226 | Jan. 2. | 1,158 |
| June 26. | 6,202 |  | Feb. 23. | 1,068 | 8. | 2,276 | 9. | 1,322 |
| Sept. 25. | 7,104 |  | Mar. 29. | 1,532 | 15. | 1,900 | 16.. | 2,040 |
| Dec. 31 (1/1/69). | 6,039 |  |  |  | 22. | 2,446 | 23. | 2,004 |
| 1969 |  |  | Apr. 26..... May $31 . . .$. | 1,374 1,465 | 29. | 2,802 | 30. | 1,686 |
|  |  |  | June 28. | 1,443 | Sept. 5. | 1,512 | Feb. 6.. | 1,659 |
| Mar. 26. | 9,621 |  |  |  | 12. | 1,942 | 13. | 2,218 |
| June 25. | 13,269 | . $\cdot$. | July 26.... | 1,345 | 19. | 1,801 | 20.. | 1,741 |
| Sept. 24. | 14,349 |  | Aug. 30. | 1,270 | 26. | 1,731 | 27. | 1,689 |
| Dec. 31. | 12,805 |  | Sept. 27..... | 2,023 |  |  |  |  |
| 1970 |  |  | Oct. 25. | 1,415 | Oct. ${ }^{3}$ | 1,695 1,790 | Mar. $6 .$. | 1,610 2,274 |
|  |  |  | Nov. 29..... | 1,745 | 17. | 1,814 | 20. | 2,459 |
| Mar. 25. | 11,885 |  | Dec. 27. | 1,406 | 24. | 1,642 | 27. | 2,964 |
| June 24. | 12,172 | ........ |  |  | 31. | 1,768 |  |  |
| Sept. 30. | 9,663 | ......... | 1973 |  |  |  | Apr. ${ }_{10}{ }^{3}$ | 2,720 2,914 |
| Dec. 30. | 7,676 | , . |  |  | Nov. 7.... | 1,754 1,870 | 10. | 2,914 |
| 1971 |  |  | Feb. 28..... | 1,790 | 21. | 2,473 |  | 2,495 |
|  |  |  | Mar. 28..... | 1,127 | 28. | 2,458 |  |  |
| Mar. 31. | 2,858 | 4,358 |  |  |  |  |  |  |
| June 30. | 1,492 | 4,500 | Apr. 25..... | 1,123 | Dec. 5... | 1,911 |  |  |
| Sept. 29. | 2,475 | 3,578 | May 30..... | 1,351 |  | 1,938 |  |  |
| Dec. 29. | 909 |  | June 27..... | 1,521 2,086 | 19... | 2,382 1,703 |  |  |
|  |  |  | July 25..... | 2,086 | 26. | 1,703 |  |  |

1 Represents gross liabilities of reporting banks to their branches in
foreign countries.
2 For period Jan. 27, 1971 through Oct. 20, 1971, includes U.S. Treasury
Certificates Eurodollar Series and special Export-Import Bank securities held by foreign branches. Beginning July 28, 1971, all of the securities held were U.S. Treasury Certificates Eurodollar Series.

## 23. DEPOSITS, U.S. TREAS. SECURITIES, AND GOLD HELD AT F.R. BANKS FOR FOREIGN OFFICIAL ACCOUNT

(In millions of dollars)

| End of period | Deposits | Assets in custody |  |
| :---: | :---: | :---: | :---: |
|  |  | U.S. Treas securities 1 | Earmarked gold |
| 1971. | 294 | 43,195 | 13,815 |
| 1972. | 325 | 50,934 | 215,530 |
| 1973-Apr... | 328 | 358,255 | 15,513 |
| May. . | 289 | 58,015 | 15,511 |
| June. . | 334 | 57,545 | 15,486 |
| July... | 280 | 57,054 | 15,464 |
| Aug... | 259 | 55,855 | 15,455 |
| Sept... | 250 | 55,407 | 15,437 |
| Oct.... | 426 | 54,766 | 417,122 |
| Nov... | 420 | 52,998 | 17,104 |
| Dec.... | 251 | 52,070 | 17,068 |
| 1974-Jan.... | 392 | 49,582 | 17,044 |
| Feb... | 542 | 50,255 | 17,039 |
| Mar... | 366 | 51,342 | 17.037 |
| Apr... | 517 | 52.642 | 17,026 |

1 Marketable U.S. Treasury bills, certificates of indebtedness, notes, and bonds and nonmarketable U.S. Treasury securities payable in dollars and in foreign currencies.
${ }_{2}$ The value of earmarked gold increased because of the change in par value of the U.S. dollar in May 1972.
${ }^{3}$ Includes $\$ 15$ million increase in Mar. and $\$ 160$ million increase in Apr. in dollar value of foreign currency obligations revalued to reflect market exchange rates.

4 The value of earmarked gold increased because of the change in par value of the U.S. dollar in Oct. 1973.

Note.-Excludes deposits and U.S. Treas. securities held for international and regional organizations. Earmarked gold is gold held for foreign and international accounts and is not included in the gold stock of the United States.

## 24. SHORT-TERM LIQUID CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS

(Amounts outstanding; in millions of dollars)

| End of period | Total | Payable in dollars |  | Payable in foreign currencies |  | United <br> Kingdom | Canada |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Deposits |  | Deposits | Shortterm investments ${ }^{1}$ |  |  |
| 1969. | 1,491 | 1,062 | 161 | 183 | 86 | 663 | 534 |
| 1970. | 1,141 | , 697 | 150 | 173 | 121 | 372 | 443 |
| 1971-Dec. ${ }^{2}$ | $\{1,648$ | 1,092 | 203 | 234 | 120 | 577 | 587 |
| 1971-Dec. ${ }^{2}$ | (1,507 | 1,078 | 127 | 234 | 68 | 580 | 443 |
| 1972-Dec. ${ }^{2}$. | $\left\{\begin{array}{l}1,965 \\ 2,255\end{array}\right.$ | 1,446 | 169 | 307 | 42 | 702 | 485 |
| 1972-Dec. ${ }^{2}$. | \{2,255 | 1,792 | 55 | 340 | 68 | 872 | 535 |
| 1973-Feb.. | 3,002 | 2,228 | 170 | 380 | 224 | 1,017 | 1,093 |
| Mar. | 3,087 | 2,292 | 156 | 414 | 225 | 1,105 | 969 |
| Apr. | 3,047 | 2,278 | 118 | 416 | 234 | 1,044 | 887 |
| May. | 3,194 | 2,420 | 130 | 433 | 211 | 1,010 | 1,011 |
| June. | 3,209 | 2,549 | 74 | 453 | 134 | 1,064 | 882 |
| July. | 3,272 | 2,494 | 136 | 475 | 167 | 1,070 | 959 |
| Aug.. | 3,361 | 2,585 | 82 | 486 | 209 | 1,068 | 940 |
| Sept. | 3,224 | 2,510 | 78 | 476 | 161 | 1,088 | 891 |
| Oct. | 2,907 | 2,244 | 66 | 449 | 148 | 992 | 881 |
| Nov. | 3,152 | 2,517 | 64 | 435 | 136 | 1,044 | 922 |
| Dec. | 3,095 | 2,520 | 37 | 425 | 113 | 1,050 | 775 |
| 1974-Jan. | 2,804 | 2,234 | 52 | 363 | 154 | 1,047 | 770 |
| Feb | 3,171 | 2,489 | 65 | 414 | 203 | 1,174 | 868 |

[^84]
## 25. SHORT-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS

(End of period. Amounts outstanding; in millions of dollars)

| Area and country | Liabilities to foreigners |  |  |  |  | Claims on foreigners |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1972 | 1973 |  |  |  | 1972 | 1973 |  |  |  |
|  | Dec. ${ }^{\text {r }}$ | Mar. ${ }^{\text {r }}$ | June ${ }^{\text {r }}$ | Sept. | Dec. ${ }^{p}$ | Dec. ${ }^{\text {r }}$ | Mar. | June | Sept. | Dec ${ }^{p}$ |
| Europe: |  |  |  |  |  |  |  |  |  |  |
| Austria. | 2 | 3 | 2 | 2 | 3 | 19 | 14 | 17 | 15 | 17 |
| Belgium-Luxembourg | 83 | 75 | 81 | 129 | 131 | 73 | 121 | 109 | 112 | 105 |
| Denmark. . . . . . . . . | 7 | 8 | 19 | 18 | 9 | 29 | 26 | 20 | 21 | 46 |
| Finland. . | 4 1 | 4 | 4 | 7 | $\begin{array}{r}7 \\ \hline\end{array}$ | 25 | 21 | 21 | 31 | 44 |
| France.......... | 167 | 161 | 165 | 165 | 168 | 228 | 288 | 315 | 275 | 303 |
| Germany, Fed. Rep. of | 157 | 147 | 182 | 193 | 229 | 195 | 245 | 273 | 265 | 283 |
| Greece............ | 15 | 19 | 24 | 33 | 35 | 35 | 36 | 40 | 52 | 51 |
| Italy...... | 121 | 107 | 103 | 108 | 116 | 202 | 204 | 201 | 201 | 240 |
| Netherlands. | 109 | 102 | 113 | 115 | 134 | 84 | 101 | 96 | 119 | 118 |
| Norway. | 14 | 14 | 13 | 10 | 9 | 16 | 18 | 19 | 21 | 18 |
| Portugal. | 4 | 5 | 4 | 12 | 13 | 19 | 19 | 25 | 24 | 50 |
| Spain... | 81 | 82 | 72 | 79 | 77 | 157 | 159 | 140 | 169 | 245 |
| Sweden.... | 13 | 23 | 25 | 32 147 | 47 108 | $\begin{array}{r}57 \\ 82 \\ \hline\end{array}$ | 45 | 49 | 53 | 70 |
| Switzerland | 111 4 | 134 | 88 3 | 147 6 | 108 14 | 82 48 | 87 23 | 90 14 | 64 17 | 100 33 |
| United Kingdom. | 1,063 | 901 | 747 | 833 | 928 | 1,184 | 1,426 | 1,402 | 1,491 | 1,488 |
| Yugoslavia...... | 1,06 7 | 16 | 17 | 22 | 28 | 1, 12 | 14 | , 18 | 1, 21 | - 49 |
| Other Western Europe | 2 | 2 | 3 | 3 | 3 | 12 | 9 | 9 | 12 | 15 |
| Eastern Europe. . . . . . | 3 | 6 | 22 | 24 | 31 | 42 | 40 | 92 | 73 | 104 |
| Total. | 1,967 | 1,812 | 1,687 | 1,938 | 2,090 | 2,519 | 2,897 | 2,951 | 3,035 | 3,380 |
| Canada. | 215 | 268 | 250 | 236 | 255 | 965 | 1,366 | 1,305 | 1,339 | 1,255 |
| Latin America: |  |  |  |  |  |  |  |  |  |  |
| Argentina.... | 29 | 30 | 24 | 24 | 38 | 79 | 74 | 60 | 65 | 75 |
| Brazil. . | 35 | 42 | 47 | 42 | 64 | 172 | 176 | 183 | 208 | 230 |
| Chile. | 18 | 17 | 13 | 13 | 20 | 34 | 31 | 29 | 34 | 42 |
| Colombia. | 7 | 8 | 7 | 8 | 9 | 39 | 40 | 36 | 43 | 40 |
| Cuba... | 17 | * | * | * | * | 1 | 1 | 1 | 18 | 1 |
| Panama | 18 | 17 | 18 | 36 17 | 44 13 | 181 85 | $\begin{array}{r}194 \\ 84 \\ \hline\end{array}$ | $\begin{array}{r}203 \\ 83 \\ \hline\end{array}$ | $\begin{array}{r}185 \\ 102 \\ \hline\end{array}$ | 235 |
| Peru. . | 4 | 4 | 6 | 10 | 15 | 36 | 33 | 34 | 137 | + 47 |
| Uruguay. | 7 | 5 | 3 | 2 | 2 | 4 | 5 | 5 | 5 | 5 |
| Venezuela. | 21 | 23 | 23 | 24 | 50 | 92 | 107 | 101 | 104 | 143 |
| Other L.A. republics | 45 | 46 | 47 | 58 | 67 | 95 | 96 | 103 | 127 | 134 |
|  | 371 | 310 | 415 | 364 | 419 | 585 | 571 | 766 | 746 | 630 |
| Neth. Antilles and Surinam | 10 4 | 10 | 11 19 | $\begin{array}{r}7 \\ \hline\end{array}$ | ${ }^{6}$ | 13 3 | 12 | 11 | 105 | 12 |
| Other Latin America. . . . . . | 4 | 9 | 19 | 20 | 22 | 34 | 44 | 90 | 105 | 213 |
| Total. | 595 | 555 | 670 | 626 | 768 | 1,450 | 1,467 | 1,705 | 1,771 | 1,930 |
| Asia: |  |  |  |  |  |  |  |  |  |  |
| China, People's Republic of (China Mainland) | 32 | 32 | 31 | 36 | 42 | * | 1 | 11 | 48 | 11 |
| China, Rep. of (Taiwan)............ | 26 | 33 | 35 | 31 | 32 | 65 | 62 | 77 | 77 | 120 |
| Hong Kong. . . . . . . . . . . | 12 | 17 | 13 | 18 | 15 | 33 | 33 | 36 | 38 | 41 |
| India...... | 7 | 7 | 7 | 7 | 14 | 34 | 32 | 29 | 32 | 36 |
| Indonesia | 16 | 16 | 15 | 15 | 14 | 48 | 53 | 51 | 58 | 61 |
| Israel. | 13 | 16 | 9 | 11 | 24 | 31 | 34 | 27 | 28 | 40 |
| Japan. | 213 | 244 | 283 | 345 | 296 | 475 | 520 | 506 | 641 | 837 |
| Korea. | 21 | 19 | 18 | 20 | 37 | 68 | 53 | 46 | 56 | 109 |
| Philippines. | 16 | 26 | 20 | 17 | 17 | 59 | 63 | 64 | 70 | 73 |
| Thailand. | 15 | 5 | $14{ }^{6}$ | ${ }^{6}$ | ${ }^{6}$ | 23 | 25 | 24 | 28 | 28 |
| Other Asia. | 152 | 156 | 140 | 179 | 240 | 206 | 195 | 207 | 207 | 238 |
| Total. | 513 | 571 | 577 | 684 | 737 | 1,042 | 1,072 | 1,079 | 1,283 | 1,594 |
| Africa: |  |  |  |  |  |  |  |  |  |  |
| Egypt...... | 32 | 37 | 20 | 11 | 25 | 16 | 25 | 23 | 28 | 18 |
| South Africa. | 8 | 6 | 6 | 6 | 14 | 52 | 56 | 51 | 60 | 62 |
| Zaire....... | 1 | 12 | 12 | 19 | 19 | 8 | 16 | 15 | 19 | 19 |
| Other Africa. | 62 | 67 | 67 | 97 | 128 | 93 | 89 | 97 | 95 | 128 |
| Total. | 104 | 121 | 105 | 134 | 186 | 170 | 184 | 187 | 202 | 228 |
|  |  |  |  |  |  |  |  |  |  |  |
| Australia. . | 45 | 54 | 72 | 94 | 118 | 83 | 81 | 75 | 90 | 97 |
| All other. | 14 | 11 | 11 | 9 | 13 | 23 | 24 | 26 | 22 | 25 |
| Total. . . . . . . . . . . . . . . . . . . . . | 59 | 65 | 83 | 103 | 131 | 107 | 105 | 101 | 111 | 122 |
| International and regional. | * | - | * | * | * | 1 | 1 | 1 | * | 1 |
| Grand total. | 3,453 | 3,392 | 3,373 | 3,720 | 4,167 | 6,254 | 7,092 | 7,329 | 7,742 | 8,510 |

[^85]Data exclude claims held through U.S. banks, and intercompany accounts between U.S. companies and their foreign affiliates.

## 26. SHORT-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS, BY TYPE

(Amounts outstanding; in millions of dollars)

| End of period | Liabilities |  |  | Claims |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Total | $\begin{aligned} & \text { Payable } \\ & \text { in } \\ & \text { dollars } \end{aligned}$ |  | Total | Payable in dollars | Payable in foreign currencies |  |
|  |  |  |  |  |  | Deposits with banks abroad in reporter's name | Other |
| 1969-Dec.. | 2,124 | 1,654 | 471 | 4,159 | 3,532 | 244 | 383 |
| 1970-June. . . . . | 2,387 | 1,843 | 543 | 4,457 | 3,868 | 234 | 355 |
| Sept........ | 2,512 | 1,956 | 557 | 4,361 | 3,756 | 301 | 305 |
| Dec.. . . . . | 2,677 | 2,281 | 496 | 4,160 | 3,579 | 234 | 348 |
| 1971-Mar.. | 2,437 | 1,975 | 462 | 4,515 | 3,909 | 232 | 374 |
| June. | 2,375 | 1,937 | 438 | 4,708 | 4,057 | 303 | 348 |
| Sept.. | 2,564 | 2,109 | 454 | 4,894 | 4,186 | 383 | 326 |
|  |  | 2,229 | 475 | 5,185 | 4,535 | 318 | 333 |
| Dec. ${ }^{1}$ | 2,763 | 2,301 | 463 | 5,004 | 4,467 | 290 | 247 |
| 1972-Mar.. | 2,844 | 2,407 | 437 | 5,177 | 4,557 | 318 | 302 |
| June. | 2,925 | 2,452 | 472 | 5,331 | 4,685 | 376 | 270 |
| Sept. | 2,933 | 2,435 | 498 | 5,495 | 4,833 | 432 | 230 |
| Dec. ${ }^{\text {r }}$. $\ldots . . . . . . .$. |  | 2,635 | 484 | 5,723 | 5,074 | 411 | 238 |
|  | 3,453 | 2,942 | 511 | 6,254 | 5,576 | 396 | 282 |
|  | 3,392 | 2,871 |  |  |  |  | 437 358 |
|  | 3,373 | 2,795 | 579 | 7,329 | 6,468 | 503 535 | 358 |
|  | 3,720 $\mathbf{4 , 1 6 7}$ | 3,001 3,391 | 720 777 | 7,742 8,510 | 6,791 7,576 | 535 487 | 416 447 |
| Dec. ${ }^{\text {a }}$. | 4,167 | 3,391 | 77 | 8,510 | 7,576 | 487 | 447 |

1 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.

## 27. LONG-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS

(Amounts outstanding; 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 |
| 1969-Dec. . | 2,304 | 2,363 | 152 | 442 | 562 | 177 | 77 | 420 | 142 | 271 | 75 | 46 |
| 1970-Mar.. | 2,358 | 2,744 | 159 | 735 | 573 | 181 | 74 | 458 | 158 | 288 | 71 | 47 |
| June. | 2,587 | 2,757 | 161 | 712 | 580 | 177 | 65 | 477 | 166 | 288 | 76 | 54 |
| Sept......... | 2,785 | 2,885 | 157 | 720 | 620 | 180 | 63 | 586 | 144 | 284 | 73 | 58 |
| Dec......... | 3,102 | 2,950 | 146 | 708 | 669 | 183 | 60 | 618 | 140 | 292 | 71 | 64 |
| 1971-Mar. | 3,177 | 2,983 | 154 | 688 | 670 | 182 | 63 | 615 | 161 | 302 | 77 | 72 |
| June. | 3,172 | 2,982 | 151 | 687 | 677 | 180 | 63 | 625 | 138 | 312 | 75 | 74 |
| Sept. | 2,939 3,159 | 3,019 | 135 | 672 | 765 | 178 | 60 | 597 | 133 | 319 | 85 | 75 |
| Dec. ${ }^{1}$ | 3,159 3,138 | 3,118 | 128 128 | 705 705 | 761 | 174 174 | 60 60 | 652 653 | 141 136 | 327 325 | 86 86 | 85 84 |
|  |  |  |  |  |  |  |  |  |  | 359 |  |  |
| 1972-Mar... | 3,093 3,300 | 3,191 | 129 | 713 | 797 | 188 | 61 | 671 | 161 | 377 | 86 | 89 |
| Sept. | 3,448. | 3,235 | 128 | 695 | 805 | 177 | 63 | 661 | 132 | 389 | 89 | 96 |
| Dec. ${ }^{17}$. | 3,540 | 3,370 | 163 | 715 | 833 | 184 | 60 | 659 | 156 | 406 | 87 | 109 |
|  | 3,866 | 3,493 | 187 | 758 | 868 | 187 | 64 | 703 | 134 | 399 | 82 | 111 |
| 1973-Mar. ${ }^{\text {r }}$. | 4,045 | 3,635 | 151 | 816 | 882 | 165 | 63 | 796 | 124 | 413 | 101 | 125 |
| June ${ }^{r}$. | 4,030 | 3,708 | 174 | 823 | 893 | 146 | 65 | 819 | 138 | 416 | 104 | 131 |
| Sept... | 4,253 | 3,860 | 211 | 840 | 894 | 147 | 73 | 827 | 152 | 475 | 104 | 137 |
| Dec. ${ }^{p}$. | 4,115 | 3,962 | 284 | 794 | 972 | 145 | 80 | 820 | 141 | 471 | 112 | 144 |

1 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.

FOREIGN EXCHANGE RATES
(In cents per unit of foreign currency)

|  | Period | Australia (dollar) | Austria (schilling) | Belgium (franc) | Canada <br> (dollar) | Denmark (krone) | Finland (markka) | France (franc) | Germany <br> (Deutsche mark) |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1970. |  | 111.36 | 3.8659 | 2.0139 | 95.802 | 13.334 | 23.742 | 18.087 | 27.424 |
| 1971 |  | 113.61 | 4.0009 | 2.0598 | 99.021 | 13.508 | 23.758 | 18.148 | 28.768 |
| 1972. |  | 119.23 | 4.3228 | 2.2716 | 100.937 | 14.384 | 24.022 | 19.825 | 31.364 |
| 1973. |  | 141.94 | 5.1649 | 2.5761 | 99.977 | 16.603 | 26.165 | 22.536 | 37.758 |
| 1973-Apr.. |  | 141.50 | 4.8330 | 2.4895 | 99.928 | r16.098 | 25.872 | 21.959 | 35.252 |
| May. |  | 141.50 | 4.9082 | 2.5356 | 99.916 | 16.241 | 25.277 | 22.341 | 35.841 |
| June. |  | 141.58 | 5.2408 | 2.6843 | 100.160 | 17.130 | 26.731 | 23.472 | 38.786 |
| July |  | 141.78 | 5.8124 | 2.8151 | 100.049 | 18.041 | 27.202 | 24.655 | 42.821 |
| Aug. |  | 141.48 | 5.5917 | 2.7035 | 99.605 | 17.521 | 27.314 | 23.527 | 41.219 |
| Sept. |  | 146.83 | 5.5695 | 2.7089 | 99.181 | 17.480 | 27.042 | 23.466 | 41.246 |
| Oct. |  | 148.22 | 5.5871 | 2.7328 | 99.891 | 17.692 | 27.202 | 23.718 | 41.428 |
| Nov |  | 148.22 | 5.2670 | 2.5882 | 100.092 | 16.744 | 26.894 | 22.687 | 38.764 |
| Dec. |  | 148.33 | 5.1150 | 2.4726 | 100.058 | 16.089 | 26.104 | 21.757 | 37.629 |
| 1974-Jan. |  | 148.23 | 4.8318 | 2.3329 | 100.859 | 14.981 | 25.138 | 19.905 | 35.529 |
| Feb. |  | 148.50 | 5.0022 | 2.4358 | 102.398 | 15.570 | 25.568 | 20.187 | 36.844 |
| Mar. |  | 148.55 | 5.1605 | 2.5040 | 102.877 | 16.031 | 26.143 | 20.742 | 38.211 |
| Apr. |  | 148.41 | 5.3345 | 2.5686 | 103.356 | 16.496 | 26.744 | 20.541 | 39.594 |
|  | Period | India (rupee) | Ireland (pound) | Italy <br> (lira) | $\begin{aligned} & \text { Japan } \\ & \text { (yen) } \end{aligned}$ | Malaysia (dollar) | Mexico (peso) | Netherlands (guilder) | New Zealand (dollar) |
| 1970. |  | 13.233 | 239.59 | . 15945 | . 27921 | 32.396 | 8.0056 | 27.651 | 111.48 |
| 1971. |  | 13.338 | 244.42 | . 16174 | . 28779 | 32.989 | 8.0056 | 28.650 | 113.71 |
| 1972. |  | 13.246 | 250.08 | . 17132 | . 32995 | 35.610 | 8.0000 | 31.153 | 119.35 |
| 1973. |  | 12.071 | 245.10 | . 17192 | . 36915 | 40.988 | 8.0000 | 35.977 | 136.04 |
| 1973-Apr. |  | 13.255 | 248.37 | . 16971 | . 37666 | 40.307 | 8.0000 | 33.890 | 132.99 |
| May |  | 13.340 | 253.05 | . 17100 | . 37786 | 40.333 | 8.0000 | 34.488 | 132.34 |
| June |  | 13.753 | 257.62 | . 16792 | . 37808 | 40.865 | 8.0000 | 36.582 | 132.40 |
| July |  | 13.605 | 253.75 | . 17200 | . 37801 | 43.121 | 8.0000 | 38.700 | 135.02 |
| Aug. |  | 13.220 | 247.57 | . 17423 | . 37704 | 43.859 | 8.0000 | 37.596 | 135.33 |
| Sept. |  | 12.987 | 241.83 | . 17691 | . 37668 | 43.361 | 8.0000 | 38.542 | 145.07 |
| Oct. |  | 12.938 | 242.92 | . 17656 | . 37547 | 43.641 | 8.0000 | 40.011 | 148.64 |
| Nov. |  | 12.767 | 238.70 | . 16904 | . 35941 | 41.838 | 8.0000 | 37.267 | 147.74 |
| Dec. |  | 12.328 | 231.74 | . 16458 | . 35692 | 41.405 | 8.0000 | 35.615 | 144.34 |
| 1974-Jan. |  | 11.854 12.131 | 222.40 227.49 | . 15433 | . 33559 | 40.094 40.489 | 8.0000 | 34.009 35.349 | 139.08 |
| Feb. |  | 12. 131 | 227.49 | . 15275 | . 34367 | 40.489 | 8.0000 | 35.349 | 140.31 |
| Mar. |  | 12.415 | 234.06 | . 15687 | . 35454 | 41.152 | 8.0000 | 36.354 | 143.40 |
| Ap |  | 12.711 | 238.86 | . 15720 | . 36001 | 41.959 | 8.0000 | 37.416 | 145.12 |
|  | Period | Norway (krone) | Portugal (escudo) | South Africa (rand) | Spain (peseta) | $\underset{\text { (rupee) }}{\text { Sri Lanka }}$ | Sweden (krona) | Switzerland (franc) | United Kingdom (pound) |
| 1970. |  | 13.992 | 3.4978 | 139.24 | 1.4280 | 16.774 | 19.282 | 23.199 | 239.59 |
| 1971 |  | 14.205 | 3.5456 | 140.29 | 1.4383 | 16.800 | 19.592 | 24.325 | 244.42 |
| 1972 |  | 15.180 | 3.7023 | 129.43 | 1.5559 | 16.057 | 21.022 | 26.193 | 250.08 |
| 1973. |  | 17.406 | 4.1080 | 143.88 | 1.7178 | 15.705 | 22.970 | 31.700 | 245.10 |
| 1973-Apr.. |  |  | 3.9563 4.0050 |  | 1.7217 1.7224 | 15.777 15.883 | 22.161 22.567 | r 30.859 31.494 |  |
| May. |  | 17.196 18.192 | 4.0050 4.2175 | 141.65 148.07 | 1.7224 1.7229 | 15.883 16.538 | 22.567 23.746 | 31.494 <br> 32.757 | 253.05 257.62 |
| July. |  | 18.932 | 4.4624 | 148.63 | 1.7385 | 16.431 | 24.732 | 35.428 | 253.75 |
| Aug. |  | 18.145 | 4.3243 | 148.52 | 1.7553 | 15.948 | 24.070 | 33.656 | 247.57 |
| Sept. |  | 18.048 | 4.2784 | 148.50 | 1.7610 | 15.768 | 23.769 | 33.146 | 241.83 |
| Oct. |  | 18.285 | 4.3014 | 148.54 | 1.7576 | 15.481 | 23.942 | 33.019 | 242.92 |
| Nov |  | 17.872 | 4.1155 | 148.45 | 1.7479 | 15.503 | 23.019 | 31.604 | 238.70 |
| Dec. |  | 17.651 | 3.9500 | 148.66 | 1.7571 | 15.044 | 22.026 | 31.252 | 231.74 |
| 1974-Jan. |  | 16.739 | 3.7195 | 148.66 | 1.7205 | 14.423 | 20.781 | 29.727 | 222.40 |
| Feb. |  | 17.351 | 3.8567 | 148.76 | 1.6933 | 14.373 | 21.373 | 31.494 | 227.49 |
| Mar. |  | 17.734 | 3.9519 | 148.88 | 1.6927 | 14.636 | 21.915 | 32.490 | 234.06 |
| Apr. |  | 18.170 | 4.0232 | 148.85 | 1.7080 | 15.157 | 22.730 | 33.044 | 238.86 |
| ${ }^{1}$ Ceylon renamed Sri Lanka under new constitution, 1972. |  |  |  | Note.-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. |  |  |  |  |  |

# CENTRAL BANK RATES FOR DISCOUNTS AND ADVANCES TO COMMERCIAL BANKS 

(Per cent per annum)

${ }^{1}$ Ceylon renamed Sri Lanka under new constitution, 1972.
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;
Chile-Various rates ranging from 1 per cent to 17 per cent; 20 per cent for loans to make up reserve deficiencies.
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-5 per cent for special advances and for bank acceptances for Ecuador-5 per cent for special advances and for bank acceptances for agricultural purposes, ${ }^{\text {purpos, and } 10 \text { per cent for advances to cover shortages in legal reserves; }}$ Ethiopia- 5 per cent for export paper and 6 per cent for Treasury bills. Honduras-Rate shown is for advances only.
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;

Morocco-Various rates from 3 per cent to 4.6 per cent depending on type of paper, maturity, collateral, guarantee, etc.
Peru-3.5,5, and 7 per cent for small credits to agricultural or fish production, import substitution industries and manufacture of exports; 8 per cent for other agricultural, industrial and mining paper;
Philippines- 6 per cent for financing the production, importation, and distribution of rice and corn and 7.75 per cent for credits to enterprises engaged in export activities. Preferential rates are also granted on credits to rural banks; and
$\dagger$ rural banks; and - Un Oct. 9, 1972, the Bank of England announced: "With effect from Friday October 13th the Bank's minimum lending rate will until further notice be the average rate of discount for Treasury bills established at the most recent tender plus one half percent rounded to the nearest one quarter percent above. Although the rate will therefore be automatically determined by this formula it will for convenience be made known each Friday afternoon concurrently with and in the same manner as the results of the Treasury bill tender. The regular weekly bank rate announcement will be discontinued from now on." Therefore, the minimum lending rate as of last Friday of the month will be carried in place of Bank rate.
Venezuela-2 per cent for rediscounts of certain agriculture paper, $41 / 2$ per cent for advances against government bonds, and $51 / 2$ per cent for rediscounts of certain industrial paper and on advances against promissory notes or securities of first-class Venezuelan companies.
Vietnam-10 per cent for export paper; treasury bonds are rediscounted at a rate 4 percentage points above the rate carried by the bond; and there is a penalty rate of 24 per cent for banks whose loans exceed quantitative ceilings.
(Per cent per annum)

| Month | Canada |  | United Kingdom |  |  |  | France | Germany, Fed. Rep. of |  | Netherlands |  | Switzer- <br> land <br> Private <br> discount <br> rate |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\left.\begin{gathered} \text { Treasury } \\ \text { bills, } \\ 3 \text { months } 1 \end{gathered} \right\rvert\,$ | $\begin{aligned} & \text { Day-to- } \\ & \text { day } \\ & \text { money } 2 \end{aligned}$ | $\begin{gathered} \text { Prime } \\ \text { bank } \\ \text { bills, } \\ 3 \text { months } \end{gathered}$ | Treasury bills 3 months | $\begin{aligned} & \text { Day-to- } \\ & \text { day } \\ & \text { money } \end{aligned}$ |  | $\begin{aligned} & \text { Day-to- } \\ & \text { day } \\ & \text { money }{ }^{3} \end{aligned}$ | $\begin{gathered} \text { Treasury } \\ \text { bills, } \\ 60-90 \\ \text { days } 4 \end{gathered}$ | $\begin{gathered} \text { Day-to- } \\ \text { day } \\ \text { money } \end{gathered}$ | Treasury bills, <br> 3 month | $\begin{aligned} & \text { Day-to- } \\ & \text { day } \\ & \text { money } \end{aligned}$ |  |
| 1972. | 3.55 5.43 | ${ }_{5}^{3.65}$ | 6.06 10.45 | 5.02 9.40 | 4.83 8.27 | 3.84 7.96 | 4.95 8.92 | 3.04 | 4.30 10.18 | 2.15 4.07 | 1.97 4.94 | 4.81 5.09 |
| 1973-Apr. | 4.73 5.08 5 | 4.53 4.67 | 8.64 8.35 | 7.87 7.45 | 7.20 8.29 | 7.25 | 7.46 | 5.75 5.75 | 14.84 7.40 | 1.22 2.89 | .77 3.88 | 5.00 5.00 |
| Mane. | 5.08 5.40 | 4.67 5.00 | 8.35 8.14 | 7.45 7.12 | 8.29 6.66 | 7.11 6.55 | 7.71 7.46 | 5.75 7.00 | 7.40 10.90 | 1.89 3.59 | 3.88 4.28 | 5.00 5.00 |
| July. | 5.67 | 5.88 | 9.06 | 8.35 | 5.89 | 6.25 8.99 | 7.89 | 7.00 | 15.78 | 5.58 | 5.65 | 5.00 |
| Aug. | 6.47 | 5.87 | 12.78 | 10.98 | 9.70 | 8.95 | 8.87 |  | 10.63 | 5.92 | 7.24 | 5.00 |
| Oct. | 6.41 6.56 | 6.31 6.54 | 11.37 | 10.37 10.75 | 10.53 | 9.50 9.50 | 10.79 10.98 |  | 10.57 | 5.67 | 7.93 | 5.25 |
| Nov. | 6.48 | ${ }_{6.56} 6.5$ | 13.38 13.74 | 11.76 | 8.80 | 9.50 | 10.96 |  | 11.30 11.89 | 5.29 5.41 | 7.88 8.75 | 5.25 5.40 |
| Dec. | 6.39 | 6.58 | 13.74 | 12.41 | 9.57 | 9.46 | 11.14 |  | 11.89 | 6.41 | 8.75 | 5.40 |
| 1974--Jan.. | 6.31 |  |  |  |  |  | 13.63 |  |  |  |  | 6.00 |
| Feb. Mar. | 6. 10 6.24 | 6.59 6.50 6.9 | 13.67 14.63 14.39 | 11.94 11.95 | 8.36 11.31 | 9.25 9.50 9. |  |  | 10.13 11.63 | 6.50 6.00 | 9.73 9.07 | 6.00 |
| Apr.. | 7.18 |  | 13.20 | 11.53 | 10.00 | 9.50 |  |  |  |  |  |  |

1 Based on average yield of weekly tenders during month.
2 Based on weekly averages of daily closing rates.
${ }^{3}$ Rate shown is on private securities.
4 Rate in effect at end of month.

5 Monthly averages based on daily quotations.
Note.-For description and back data, see "International Finance," Section 15 of Supplement to Banking and Monetary Statistics, 1962.

ARBITRAGE ON TREASURY BILLS
(Per cent per annum)


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 Rates per annum computed on basis of midpoint quotations (between
bid and offer) at $11 \mathrm{a} . \mathrm{m}$. Friday in New York for both spot and forward pound sterling and for both spot and forward Canadian dollars.

All series: Based on quotations reported to F.R. Bank of New York by market sources.
For description of series and for back figures, see Oct. 1964 Bulletin, pp. 1241-60. For description of adjustments to U.K. and Canadian Treasury bill rates, see notes to Table 1, p. 1257, and to Table 2, p. 1260, Oct. 1964 Bulletin.

GOLD RESERVES OF CENTRAL BANKS AND GOVERNMENTS
(In millions of dollars; valued at $\$ 35$ per fine ounce through Apr. 1972, at $\$ 38$ from May 1972-Sept. 1973, and at $\$ 42.22$ thereafter)


For notes see end of table.

GOLD RESERVES OF CENTRAL BANKS AND GOVERNMENTS-Continued

| End of period | Portugal | Saudi Arabia | South Africa | Spain | Sweden | Switzerland | Thailand | Turkey | United Kingdom | Uruguay | Venezuela | Yugoslavia | Bank for Intl. Settlements 2 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1966. | 643 | 69 | 637 | 785 | 203 | 2,842 | 92 | 102 | 1,940 | 146 | 401 | 21 | -424 |
| 1967. | 699 | 69 | 583 | 785 | 203 | 3,089 | 92 | 97 | 1,291 | 140 | 401 | 22 | -624 |
| 1968. | 856 | 119 | 1,243 | 785 | 225 | 2,624 | 92 | 97 | 1,474 | 133 | 403 | 50 | -349 |
| 1969. | 876 | 119 | 1,115 | 784 | 226 | 2,642 | 92 | 117 | 1,471 | 165 | 403 | 51 | -480 |
| 1970. | 902 | 119 | 666 | 498 | 200 | 2,732 | 92 | 126 | 1,349 | 162 | 384 | 52 | -282 |
| 1971. | 921 | 108 | 410 | 498 | 200 | 2,909 | 82 | 130 | 775 | 148 | 391 | 51 | 310 |
| 1972.. | 1,021 | 117 | 681 | 541 | 217 | 3,158 | 89 | 136 | 800 | 133 | 425 | 56 | 218 |
| 1973-Mar. | 1,022 | 117 | 714 | 542 | 220 | 3,162 | 89 | 136 | 810 | 133 | 425 | 56 | 214 |
| Apr. | 1,022 | 117 | 720 | 542 | 220 | 3,162 | 89 | 136 | 810 | 133 | 425 | 56 | 214 |
| May. | 1,022 | 117 | 721 | 542 | 220 | 3,162 | 89 | 136 | 810 | 133 | 425 | 56 | 199 |
| June. | 1,022 | 117 | 724 | 542 | 220 | 3,162 | 89 | 136 | 810 | 133 | 425 | 56 | 205 |
| July. | 1,022 | 117 | 734 | 542 | 220 | 3,162 | 89 | 136 | 810 | 133 | 425 | 56 | 204 |
| Aug. | 1,035 | 117 | 740 | 542 | 220 | 3,162 | 89 | 136 | 797 | 133 | 425 | 56 | 205 |
| Sept. | 1,036 | 116 | 738 | 542 | 220 | 3,162 | 89 | 136 | 797 | 133 | 425 | 56 | 213 |
| Oct. | 1,154 | 129 | 820 | 602 | 244 | 3,512 | 99 | 151 | 886 | 148 | 472 | 61 | 227 |
| Nov. | 1,159 | 129 | 809 | 602 | 244 | 3,513 | 99 | 151 | 886 | 148 | 472 | 61 | 237 |
| Dec.. | 1,163 | 129 | 802 | 602 | 244 | 3,513 | 99 | 151 | 886 | 148 | 472 | 62 | 235 |
| 1974-Jan. | 1,167 | 129 | 793 | 602 | 244 | 3,513 | 99 | 151 |  | 148 | 472 | 62 | 271 |
| Feb. | 1,171 | 129 | 783 | 602 | 244 | 3,513 | 99 | 151 |  |  | 472 | 62 | 277 |
| Mar. | 1,176 |  | 780 |  | 244 | 3,513 | 99 | 151 |  |  | 472 | 62 | 274 |

1 Includes reported or extimated gold holdings of international and regional organizations, central banks and govts. of countries listed in regional organizations, central banks and govts. of countries isted 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.
${ }_{2}$ 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; valued at $\$ 35$ per fine ounce through 1971, at $\$ 38$ through Sept. 1973, and at $\$ 42.22$ thereafter)

| Period | World production 1 | Africa |  |  | North and South America |  |  |  |  | Asia |  |  | Other |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | South Africa | Ghana | Zaire | Uniled States | Canada | Mexico | Nicaragua | $\underset{\text { bia }}{\text { Colom }}$ | India | Japan | Philippines | Australia | $\underset{\text { other } 1}{\text { All }}$ |
| 1967. | 1,410.0 | 1,068.7 | 26.7 | 5.4 | 53.4 | 103.7 | 5.8 | 5.2 | 9.0 | 3.4 | 23.7 | 17.2 | 28.4 | 59.4 |
| 1968. | 1,420.0 | 1,088.0 | 25.4 | 5.9 | 53.9 | 94.1 | 6.2 | 4.9 | 8.4 | 4.0 | 21.5 | 18.5 | 27.6 | 61.6 |
| 1969. | 1,420.0 | 1,090.7 | 24.8 | 6.0 | 60.1 | 89.1 | 6.3 | 3.7 | 7.7 | 3.4 | 23.7 | 20.0 | 24.5 | 60.0 |
| 1970 | 1,450.0 | 1,128.0 | 24.6 | 6.2 | 63.5 | 84.3 | 6.9 | 4.0 | 7.1 | 3.7 | 24.8 | 21.1 | 21.7 | 54.1 |
| $1971{ }^{\text {p }}$ |  | 1,098.7 | 24.4 | 5.0 | 52.3 | 79.1 | 5.3 | 3.7 | 6.6 | 4.1 | 27.0 | 22.2 | 23.5 | ..... . |
| 1972p. |  | 1,109.8 | 27.5 | 5.3 | 54.3 | 77.2 | 5.6 | 3.0 | 7.1 | 4.0 | 32.2 | 23.0 | 28.7 | $\cdots$ |
| 1973 ${ }^{\text {p }}$. |  | 1,073.6 |  |  |  | 75.2 |  |  |  |  |  |  |  | .... |
| 1973-Feb. |  | 86.5 | ....... |  |  | 6.1 | . 4 | ...... | . 5 | . 3 | ....... | ....... | 1.8 | ....... |
| Mar. |  | 88.5 |  |  |  | 6.3 | . 5 | .... | . 5 | .4 | ...... |  |  |  |
| Apr. |  | 86.6 |  | . |  | 6.2 | ...... |  | . 6 | .2 |  |  |  |  |
| May. |  | 86.0 |  |  |  | 6.8 |  |  | . 6 | .3 |  |  |  |  |
| June |  | 87.6 |  |  |  | 6.4 | . |  | . 6 | . 3 |  |  |  |  |
| July |  | 88.3 |  |  |  | 5.6 |  |  | . 8 | .3 |  |  |  |  |
| Aug. |  | 90.2 |  |  |  | 5.7 |  |  | . 9 | . 4 | ....... |  |  |  |
| Sept. |  | 88.2 | - | . . . . | ....... | 5.7 | . . . . |  | . 8 | ...... | ...... |  | ....... | ....... |
| Oct. |  | 97.5 |  |  | ....... | 7.0 |  | . . . . | . 7 | . . . . . |  |  |  |  |
| Dec. |  | 88.8 |  |  |  | 6.7 |  |  | . 8 | . |  |  |  |  |
| 1974-Jan. |  | 91.2 |  |  |  | 6.1 |  |  |  |  |  |  |  |  |
| Feb. |  |  |  |  |  | 6.1 |  |  |  |  |  |  |  |  |

[^86] China Mainland, and North Korea.

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## BOUNDARIES OF FEDERAL RESERVE DISTRICTS AND THEIR BRANCH TERRITORIES


$\approx$ THE FEDERAL RESERVE SYSTEM o is


## Legend

- Boundaries of Federal Reserve Districts -Boundaries of Federal Reserve Branch Territories 3 Board of Governors of the Federal Reserve System
(0) Federal Reserve Bank Cities
- Federal Reserve Branch Cities


[^0]:    ${ }^{1}$ The report incorporates revisions in money stock and related measures based on new benchmark data for nonmember banks, as well as benchmark adjustments and seasonal factor revisions for deposits at nonbank thrift institutions.

[^1]:    ${ }^{1}$ Total reserves less required reserves for U.S. Government and interbank deposits.
    ${ }^{2} M_{1}$ is currency plus private demand deposits adjusted.
    $M_{2}$ is $M_{1}$ plus bank time and savings deposits adjusted other than large CD's.
    $M_{3}$ is $M_{2}$ plus deposits at mutual savings banks and savings and loan associations.
    ${ }^{3}$ Total member bank deposits plus funds provided by Euro-dollar borrowings and bankrelated commercial paper.

    Note.-Changes are calculated from the average amounts outstanding in the last month of each quarter, except the quarterlly average calculation of concepts of money, which are based on changes in the average amounts outstanding for a quarter. Annual rates of growth of reserves have been adjusted for changes in reserve requirements.

[^2]:    ${ }^{1}$ Seasonally adjusted changes, in billions of dollars, based on last-Wednesday-of-month data.
    ${ }^{2}$ Adjusted for outstanding amounts of loans sold to affiliates.
    ${ }^{3}$ Measured from end-of-month to end-of-month.

[^3]:    ${ }^{1}$ Includes commercial and other nonresidential as well as farm properties.
    ${ }^{\text {e Partially }}$ estimated.
    Note.-Details may not sum to totals because of rounding.

[^4]:    ${ }^{1}$ Alan R. Holmes, "Open Market Operations in 1972,"' Federal Reserve Bulletin, June 1973, pp. 405-16.

[^5]:    ${ }^{2}$ The data on the aggregates in this introductory section reflect the annual revision of the series published in early 1974. The data used subsequently in describing operations during the year are those available at the time.

[^6]:    ${ }^{3}$ In April, the Federal Reserve began to permit member banks with particularly heavy seasonal reserve outflows to borrow a portion of their reserve needs at the discount window. Since this borrowing privilege is prearranged, it is not included with regular borrowing in this report. Seasonal use of the discount window rose from $\$ 5$ million to $\$ 163$ million in August and then declined steadily to $\$ 41$ million in December.

[^7]:    ${ }^{1}$ Private demand deposits plus currency in circulation.
    ${ }^{2} M_{1}$ plus commercial bank time and savings deposits other than large-denomination CD's.

[^8]:    ${ }^{3}$ Daily-average member bank deposits, adjusted to include funds from nondeposit sources.
    ${ }^{4} M_{2}$ plus time and savings deposits at mutual savings banks and at savings and loan associations.

[^9]:    ${ }^{5}$ The members and alternate members of the Committee newly elected by the Federal Reserve Banks took office on March 1 for the term of 1 year commencing on that date. Mr. Coldwell, responding as alternate for Mr. Kimbrel, did not concur in the Chairman's recommendation.

    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 about 90 days after the meeting and are subsequently published in the Bulletin.

[^10]:    ${ }^{2}$ If either of the proponent banks is a subsidiary of a holding company and the parent company has another bank subsidiary operating in the market of the bank to be acquired, deposits of such offices should be included in the computation of market shares
    ${ }^{3}$ See footnote 2, above.
    ${ }^{4}$ If either of the proponent banks is a subsidiary of a holding company, the deposits of the other subsidiary banks of the holding company should be included in determining whether the resulting institution will control more than 15 per cent of the total deposits in commercial banks in the State.

[^11]:    ${ }^{1}$ All banking data are as of June 30, 1973.

[^12]:    Voting for this action: Chairman Burns and Governors Brimmer, Bucher, and Holland. Absent and not voting: Governors Mitchell, Sheehan, and Wallich.

[^13]:    ${ }^{1}$ All banking data are as of June 30, 1973
    ${ }^{2}$ The relevant market is approximated by Lafayette County.

[^14]:    ${ }^{1}$ The relevant banking market is approximated by Adams and Clay Counties.
    ${ }^{2}$ All banking data are as of June 30, 1973, and reflect bank holding company formations and acquisitions approved through February 28, 1974.

[^15]:    ${ }^{1}$ All banking data are as of June 30, 1973, and reflect holding company formations and acquisitions approved through January $31,1974$.

[^16]:    ${ }^{1}$ All banking data are as of June 30, 1973, and represent bank holding company acquisitions approved by the Board through March 31, 1974.
    ${ }^{2}$ The relevant banking market is approximated by Indian River County.

[^17]:    ${ }^{3}$ Both holding company applications were denied by the Comptroller of the Currency.

[^18]:    Approval of acquisition of The Beach Bank of Vero Beach, Vero Beach, Florida. Voting for this action: Chairman Burns and Governors Mitchell, Brimmer, Sheehan, Bucher, Holland, and Wallich.

    Denial of acquisition of The Sebastian River Bank, Sebastian, Florida. Voting for this action: Chairman Burns and Governors Mitchell, Brimmer, Sheehan, Bucher, Holland, and Wallich.

[^19]:    ${ }^{1}$ Banking data are as of June 30, 1973.
    ${ }^{2}$ The Muskegon-Grand Haven banking market is approximated by the Muskegon-Grand Haven Ranally Metro Area which consists of most of Muskegon County and the northwest corner of Ottawa County.

[^20]:    ${ }^{3}$ Order of the Board of Governors denying the application of Old Kent Financial Corporation, Grand Rapids, Michigan, to acquire National Lumberman's Bank and Trust Company, Muskegon, Michigan, dated January 25, 1974. (1974 Federal Reserve Bulletin 133.)

[^21]:    ${ }^{1}$ Petitioners had opposed the application by protest to the Board and to the Reserve Bank within the time provided for public comment. Petitioners contended before the Reserve Bank that the proposed acquisition would offend Missouri's statutory prohibition of branch banking. In the Court of Appeals, Petitioners repeated this contention and urged, in addition, that the Reserve Bank had unlawfully failed to consider the branch banking issue.
    ${ }^{2}$ The Reserve Bank's Order directed that the acquisition of Bank be accomplished no sooner than thirty days and no later than three months following the date of said Order.
    ${ }^{3}$ The Manchester Bank of St. Louis (Manchester Bank) was, prior to subject acquisition, Applicant's only banking subsidiary. Missouri Law forbids branch banking, Rev. Stat Mo. § $362.105(1)$; and the Board must disapprove any proposed transaction consummation of which would violate State branch banking law. Whitney National Bank v. Bank of New Orleans, 323 F. 2d 290 (D.C. Cir. 1953), rev'd on other grounds. 379 U.S. 411 (1965).

[^22]:    ${ }^{4}$ Data as of June 30, 1973
    ${ }^{5}$ Approximated by the City of St. Louis, St. Louis County, portions of St. Charles and Jefferson Counties in Missouri, and portions of Madison and St. Clair Counties in Illinois.

[^23]:    ${ }^{6}$ The record before the Reserve Bank indicated that Applicant was the fourteenth largest banking organization in Missouri, controlling .85 per cent of total deposits in commercial banks in the State, as of June 30, 1971.

[^24]:    ${ }^{1}$ Banking data pertaining to Applicant are as of June 30. 1973.
    ${ }^{2}$ Market share data are as of December 31. 1972.
    ${ }^{3}$ The Portland banking market is approximated by Clackamas. Multnomah, and Washington Counties.
    ${ }^{\text {+ The Oregon Bank, though the fourth largest bank operating }}$ in the relevant market, is the third largest bank headquartered in the State. The third largest bank operating in the market is Bank of California, N.A., and is not headquartered in the State.
    ${ }^{5}$ Three of Bank's offices face no direct competition from The Oregon Bank's branches. The three offices of Bank located in Portland's central business area, where direct competition does exist, are in an area with the highest number of offices of other banks. Accordingly, the importance of any direct competition between Bank and The Oregon Bank is reduced by the presence of these other competitors.

[^25]:    ${ }^{1}$ The Board approved on March 20, 1974, an application to merge the second and eighth largest banks (in terms of deposits) in the Elmira-Corning banking market.

[^26]:    ${ }^{1}$ All banking data are as of June 30, 1973, and reflect holding company formations and acquisitions approved through February $28,1974$.
    ${ }^{2}$ The relevant banking market in the western portion of Volusia County.

[^27]:    ${ }^{1}$ State banking data are as of June 30,1973 , adjusted to reflect bank holding company formations and acquisitions through October 31, 1973.

[^28]:    ${ }^{2}$ Recently enacted legislation to give them this power takes effect December 31, 1975 unless before that date either of the following should occur, in which event the Act becomes effective immediately:

    1. The enactment of Federal legislation that authorizes the chartering of national mutual savings banks having the powers to accept personal checking accounts prior to December 31, 1975 or;
    2. The elimination of the differential in interest rates which may be paid by savings banks and by State nonmember commercial banks on savings and time deposits of less than $\$ 100,000$.
[^29]:    ${ }^{3}$ Market data are as of June 30, 1972.

[^30]:    ${ }^{4}$ See Order of January 19, 1973 approving acquisition of bank by CBT Corporation, 59 Fed. Res. Bulletin, 111, 112 (February 1973); see Statement accompanying Order of July 29, 1971 denying acquisition of bank by Midlantic Banks, Inc., 57 Fed. Res. Bulletin, 684, 686 (August 1971); and Order of February 17, 1972 approving acquisition of bank by United Jersey Banks, 58 Fed. Res. Bulletin, 290 (March 1972).
    ${ }^{5}$ See Statement accompanying Order of February 7, 1972 approving acquisition of bank by Midlantic Banks, Inc., 58 Fed. Res. Bulietin, 286, 287-288 (March 1972); Statement accompanying Order of April 7, 1972 approving acquisition of bank by Midlantic Banks, Inc., 58 Fed. Res. Bulietin, 475, 477 (May 1972); Order of February 17, 1972 approving acquisition of bank by United Jersey Banks, 58 Fed. Res. Bulletin, 296 (March 1972); and Order of January 19, 1973 approving acquisition of bank by CBT Corporation, 59 Fed. Res. Bulletin, 111, 112 (February 1973).
    ${ }^{6}$ See Statement accompanying Order of April 17, 1970 approving application by First Connecticut Bancorp, Inc., to become a bank holding company, 56 Fed. Res. Bulletin, 452 (May 1970); and Order of November 16, 1973 approving the application of The Connecticut BancFederation to become a bank holding company through the acquisition of banks, 59 Fed. Res. Bulletin, 898 (December 1973).

[^31]:    ${ }^{1}$ Banking data are as of June 30, 1973.

[^32]:    ${ }^{1}$ Banking data are as of June 30, 1973.

[^33]:    ${ }^{2}$ Those markets include Chatham County, the Atlanta SMSA (approximated by Clay, Cobb, DeKalb, Fulton, and Gwinnett Counties), Glynn County, Bibb County and Whitfield County.

[^34]:    ${ }^{1}$ Banking data are as of June 30,1973 , adjusted to reflect bank holding company formations and acquisitions approved by the Board through April 1, 1974.
    ${ }^{2}$ Fort Worth, in connection with the Board's approval on March 30, 1973 of the application to acquire Exchange Bank \& Trust Company, Dallas, Texas, committed itself to terminate by March 30, 1975, its land development activities. (See 38 Federal Register 8694, April 5, 1973.)
    ${ }^{3}$ Ownership of shares in the insurance agency corporation falls within ten-year authority of section 4(a)(2) of the Act since Applicant owned such shares when it became a bank holding company by virtue of the 1970 Amendments. Applicant has until December 31, 1980 either to dispose of these shares or terminate the impermissible part of the insurance agency's operations and file an application under §4(c)(8) of the Act for permission to retain such shares.

[^35]:    ${ }^{1}$ All banking data are as of June 30, 1973.
    ${ }^{2}$ The loan limit for a small loan company is $\$ 900$; the effective maximum interest rates on these loans start at 18 per cent add-on for a loan less than $\$ 300$ and gradually decreases to 8 per cent add-on for that portion of a loan in excess of $\$ 600$.
    ${ }^{3}$ Unless otherwise noted, all financial data are as of December 31, 1972.

[^36]:    ${ }^{4}$ The Board has previously determined that consumer finance companies generally compete with commercial banks in the area of small loans to individuals (see Board Order of August 3, 1973, denying acquisition of Public Loan Company by Bankers Trust New Yotk, 59 Federal Reserve Bulletin 694). Accordingly, in a given situation, the acquisition of a consumer finance company by a commercial banking organization may result in the elimination of existing competition in those geographic markets in which both compete. In its analysis of this application, the Board has considered Applicant's contention that inasmuch as Companies primarily make small loans at high interest rates to high-risk customers, they should not be regarded as competing with Bank. However, after evaluating such factors as the average rates charged on loans, the loan loss experiences, and the average loan sizes of Applicant and Companies, the Board has determined that each represents a competitive alternative for persons seeking a personal installment loan in those geographic markets in which they compete.

[^37]:    ${ }^{5}$ Friendly operated only in Richmond County; Bank, as previously indicated, operates in Wake, Harnett, Lee, Moore and Chatam Counties.

[^38]:    ${ }^{1}$ Over 200 organizations currently compete for mortgage loans in both the Los Angeles and San Francisco markets.
    ${ }^{2}$ Historically, Security Pacific's Iack of aggressiveness is demonstrated by its late entry into the field of mortgage banking as well as the fact it was one of the last of the country's financial institutions of similar size to form a bank holding company.

[^39]:    Where a bank holding company enters a market through acquisition of a major going concern, it may not have the incentive to compete vigorously, thereby bringing the possible benefits into play, as it would immediately succeed to what it might consider its fair share of the market. On the other hand, where a bank holding company enters a new market de novo, or through acquisition of a small firm, as opposed to acquisition of a substantial competitor, its desire to succeed in its new endeavor is more likely to be competitive. pp. 17-18.

[^40]:    ${ }^{1}$ Buhler is also presently engaged in the activity of real estate brokerage; however, Applicant has stated that this activity will be discontinued upon consummation of the acquisition.

[^41]:    ${ }^{2}$ All banking data are as of June 30, 1973
    ${ }^{3}$ Applicant acquired Kissell in 1969; accordingly, under the provisions of $\S 4(\mathrm{a})(2)$ of the Act Kissell may not be retained by Applicant beyond December 31, 1980, without Board approval. Applicant intends to file with the Board, at a later date, an application for retention of Kissell under § 4(c)(8) of the Act. The Board's determination on the instant proposal does not imply present or future approval of such a retention application, which will be considered by the Board on the basis of the statutory factors set forth in the Act.
    ${ }^{4}$ Approximated by Alameda, Contra Costa, Marin, San Francisco, San Mateo, and Santa Clara Counties.
    ${ }^{5}$ The Sacramento mortgage banking market is approximated by Placer, Sacramento, and Yolo Counties.

[^42]:    ${ }^{6}$ Buhler data for 1972 includes data from November 1, 1971 through October 31, 1972
    ${ }^{7}$ Buhler operated a branch office in San Francisco between November 1971, and May 1972.

[^43]:    ${ }^{1}$ In the San Francisco market, Kissell originated . 12 per cent and Buhler originated . 54 per cent of all 1-4 family residential mortgages; in the Sacramento market, Kissell did not originate any $1-4$ family residential mortgages, while Buhler originated only 2.8 per cent of all residential mortgages
    ${ }^{2}$ Included as competitors are such firms as Lomas \& Nettleton, Colonial Mortgage, Western Mortgage, Bank of America, Wells Fargo Bank, Crocker National Bank and Union Bank.

[^44]:    ${ }^{1}$ Applicant received Board approval effective May 24, 1973. to acquire Empire Group, Inc., Natick, Massachusetts, and its wholly-owned subsidiaries, but no separate application (including published notice) has been made with regard to Empire Group, Inc. engaging in insurance activities at any location. Accordingly, although there was some discussion of proposed insurance agency activities of Empire in the present hearing, Board action on the subject proposal at hand is not applicable to the offices of Empire Group in Massachusetts or elsewhere.
    ${ }^{2}$ Applicant presently sells credit life and credit accident and health insurance related to extensions of credit by its two banking subsidiaries through a group policy obtained from an independent agent some years ago. However, Applicant does not sell mortgage redemption insurance under this group policy.

[^45]:    ${ }^{3}$ S. Report No. 1095, 84th Cong. 2d Sess. (1956).
    ${ }^{4}$ For example, H.R. 6778 as passed by the House during the Ist session of 91 st Congress did not include the sale of insurance on the "negative laundry list"' where the insurance is limited to insuring the life of a debitor pursuant to or in connection with a specific credit transaction, or providing indernnity for payments coming due on a specific loan or other credit transaction while the debtor is disabled, ...' H.R. 6778, 91st Cong., 1st Sess. as passed by the House on November 5, 1969.

[^46]:    ${ }^{1}$ All banking data are as of June 30, 1973.
    ${ }^{2}$ The Board noted that in addition to the nine commercial banks in the relevant market, there are also four mutual savings banks holding deposits of $\$ 176$ million, $\$ 115$ million, $\$ 95$ million and $\$ 17$ million. The two largest of these mutual savings banks offer NOW accounts.

[^47]:    ${ }^{1}$ Unless otherwise indicated, all banking data are as of June 30, 1973.
    ${ }^{2}$ CBT Corporation has one other banking subsidiary, The Connecticut Bank and Trust Company, N.A., Norwalk, Connecticut, which has deposits of approximately $\$ 12$ million, representing 0.2 per cent of State commercial bank deposits.
    ${ }^{3}$ Clinton Bank has received approval to establish an additional office, but has not yet opened that office for business.

[^48]:    ${ }^{4}$ In its consideration of the proposal, the Board noted also that approximately $60 \%$ of the total time and demand deposits of the New Haven SMSA are held by mutual savings banks and that after December 31, 1975, these mutual savings banks will be permitted to offer limited checking account services.

[^49]:    ${ }^{1}$ Includes Federal agency issues held under repurchase agreements as of Dec. 1, 1966, and Federal agency issues bought outright as of Sept. 29, 1971.

    2 Beginning with 1960 reflects a minor change in concept; see Feb. 1961 Bulletin, p. 164.
    ${ }^{\text {a }}$ Beginning Apr. 16, 1969, "Other F.R. assets" and "Other F.R. liabilities and capital" are shown separately; formerly, they were netted together and reported as "Other F.R. accounts."
    4 Includes industrial loans and acceptances until Aug. 2i, 1959, when

[^50]:    6 Part allowed as reserves Dec. 1, 1959-Nov. 23, 1960; all allowed thereafter. Beginning with Jan. 1963, figures are estimated except for weekly averages. Beginning Sept. 12, 1968, amount is based on close-of-business figures for reserve period 2 weeks previous to report date.
    7 Beginning with week ending Nov. 15, 1972, includes $\$ 450$ million of reserve deficiencies on which F.R. Banks are allowed to waive penalties for a transition period in connection with bank adaptation to Regulation $\mathbf{J}$ as a mended effective Nov. 9, 1972. Beginning 1973, allowable deficiencies ascluded are (beginning with first statement week of quarter): Q1, \$279

[^51]:    ${ }^{1}$ Beginning with week ending Nov, 15, 1972, includes $\$ 450$ million of reserve deficiencies on which F.R. Banks are allowed to waive penalties for a transition period in connection with bank adaptation to Regulation J as amended effective Nov. 9. 1972. Beginning 1973, allowable deficiencies included are (beginning with first statement week of quarter): Q1, \$279 million; Q2, \$172 million; Q3, \$112 million; Q4 million. Beginning 1974 Q1, \$67 million, Q2, $\$ 58$ million.

    2 Beginning Nov. 9, 1972, designation of banks as reserve city banks for reserve-requirement purposes has been based on size of bank (net demand deposits of more than $\$ 400$ million), as described in the Bulletin

[^52]:    ${ }^{1}$ Based upon reserve balances, including all adjustments applicable to the reporting period. Prior to Sept. 25, 1968, carryover reserve deficiencies, if any, were deducted. Excess reserves for later periods are net of all carryover reserves.

    2 Derived from averages for individual banks for entire week. Figure for each bank indicates extent to which the bank's weekly average purchases and sales are offsetting.
    ${ }^{3}$ Federal funds loaned, net funds supplied to each dealer by clearing

[^53]:    Note.-Total loans and investments: For monthly data, Jan. 1959June 1973, see Nov. 1973 Bulletin, pp. A-96-A-97, and for 1948-58, Aug, 1968 Bulletin, pp. A-94-A-97. For a description of the current seasonally adjusted series see the Nov. 1973 Bulletin, pp. 831-32, and seasonally adjusted series see the Nov. 1973 Bulletin, pp. 831-32, and
    the Dec. 1971 Bulletin, pp. $971-73$. Commercial and industrial loans: the Dec. 1971 Bulletin, pp. 971-73. Commercial and industrial loans:
    For monthly data, Jan, 1959 -June 1973 , see Nov. 1973 Bulletin, pp. A-96-A-98; for description see July 1972 BULLETIN, p. 683. Data are for last Wednesday 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.

[^54]:    1 Member banks exclude and nonmember banks include a noninsured trust company that is a member of the Federal Reserve System, and member banks exclude two national banks outside the continental United States.
    2 See table (and notes), Deposits Accumulated for Payment of Personal Loans, p. 26.
    ${ }_{3}{ }^{3}$ Demand deposits adjusted are demand deposits other than domestic commercial interbank and U.S. Govt., less cash items reported as in process of collection.

[^55]:    ${ }^{1}$ Beginning Nov. 9, 1972, designation of banks as reserve city banks for reserve-requirement purposes has been based on size of bank (net demand deposits of more than $\$ 400$ million), as described in the BuLletin for July 1972, p. 626. Categories shown here as "Other large" and "All other member" parallel the previous "Reserve City" (other than in New York City and the City of Chicago) and "Country" categories, respectively (hence the series are continuous over time).

[^56]:    ${ }^{1}$ 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.

[^57]:    ${ }_{2}^{1}$ Equals nct expenditures plus net lending
    2 The decrease in Federal securities resulting from conversion to private ownership of Govt.-sponsored corporations (totaling $\$ 9,853$ million) is not included here. In the bottom panel, however, these conversions decrease the outstanding amounts of Federal securities held by the public mainly by reductions in agency securities. The Federal National Mortgage Association (FNMA) was converted to private owership in Sept. 1968 and Association (FNMA) was converted to private owership in Sept. 1968 and the Federal interm.
    tives in Dec. 1968.
    ${ }^{3}$ Represents non-interest-bearing public debt securities issued to the International Monetary Fund and international lending organizations New obligations to these agencies are handled by letters of credit.

[^58]:    1 Collections of these receipts, totaling $\$ 2.427$ million for fiscal year 1973, were included as part of nonwithheld income taxes prior to Feb. 1974.

    2 Old-age, disability, and hospital insurance, and Railroad Retirement accounts.
    ${ }^{3}$ Supplementary medical insurance premiums and Federal employee retirement contributions.

    4 Deposits of earnings by Federal Reserve Banks and other miscellaneous receipts.

    5 Consists of Government contributions for employee retirement and of interest received by trust funds.

[^59]:    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 data for other groups include only holdings of those institutions that report. The following figures show, for each category, the number and proportion reporting: (1) 5,598 commercial banks, 479 mutual savings

[^60]:    Note.-The figures include all securities sold by dealers under repurchase contracts regardless of the maturity date of the contract, unless the chase contracts regardless of the maturity date of the contract, unless the
    contract is matched by a reverse repurchase (resale) agreement or delayed contract is matched by a reverse repurchase (resale) agreement or delayed
    delivery sale with the same maturity and involving the same amount of 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.

    A verage of daily figures based on number of trading days in the period.

[^61]:    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.

[^62]:    Note.-For total debt outstanding, figures are FHLBB and F.R. estimates. For conventional, figures are derived.

    Based on data from FHLBB, Federal Housing Admin., and Veterans

[^63]:    ${ }^{1}$ Includes mortgage loans secured by land on which oil drilling or extracting operations are in process.

[^64]:    1 Includes loans for repairs, additions and alterations, refinancing, etc., not shown separately.

    2 Includes shares pledged against mortgage loans; beginning 1966, also includes junior liens and real estate sold on contract; beginning 1967 , also includes downward structural adjustment for change in universe; and beginning 1973, excludes participation certificates guaranteed by the FHLMC and certain other related items.
    3 Beginning 1973 , data for these groups available only on a combined basis.

[^65]:    ${ }^{1}$ Service station and miscellaneous credit-card accounts and home-heating-oil accounts. Bank-credit-card accounts outstanding are included in estimates of instalment credit outstanding

    See also Note to table at top of preceding page.

[^66]:    ${ }^{1}$ 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

[^67]:    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 Bulletins for Dec. 1968 and Oct. 1972.

[^68]:    ${ }^{1}$ 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

[^69]:    Note.-Dept. of Commerce estimates. Quarterly data are seasonally
    adjusted totals at annual rates. See also Note to table at top of opposite
    page.

[^70]:    ${ }^{1}$ Capital outlays are totals for residential and nonresidential fixed capital, net change in inventories, and consumer durables, except outlays by financial business.
    ${ }^{2}$ Capital consumption includes amounts for consumer durables and excludes financial business capital consumption.
    ${ }^{3}$ Excess of net investment over net funds raised.
    Note.-Full statements for sectors and transaction types are available on a quarterly basis and annually for flows and for amounts outstanding. Requests for these statements should be addressed to the Flow of Funds Section, Division of Research and Statistics, Board of Governors of the Digitized for FFedefalReserve System, Washington, D.C., 20551.

[^71]:    4 Includes some short-term U.S. Govt. assets.
    Includes changes in long-term liabilities reported by banks in the United States and in investments by foreign official agencies in debt securities of U.S. Federally-sponsored agencies and U.S. corporations.

    6 Not available.
    Note.-Data are from U.S. Department of Commerce, Bureau of Economic Analysis. Details may not add to totals because of rounding.

[^72]:    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.

[^73]:    1 Represents net IMF sales of gold to acquire U.S. dollars for use in IMF operations. Does not include transactions in gold relating to gold deposit or gold investment (see Table 6).

    2 Positive figures represent purchases from the IMF of currencies of other members for equivalent amounts of dollars; negative figures represent repurchase of dollars, including dollars derived from charges on purchases and from other net dollar income of the IMF. The United States has a commitment to repurchase within 3 to 5 years, but only to States has a commitment to repurchase within 3 to 5 years, but only to
    the extent that the holdings of dollars of the IMF exceed 75 per cent of the extent that the holdings of dollars of the IMF exceed 75 per cent of
    the U.S. quota. Purchases of dollars by other countries reduce the U.S. the U.S. quota. Purchases of dollars by other countr
    commitment to repurchase by an equivalent amount.
    3 Includes dollars obtained by countries other than the United States from sales of gold to the IMF.

    4 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

[^74]:    For notes see opposite page.

[^75]:    1 Data exclude "holdings of dollars" of the TMF
    2 Excludes negotiable time certificates of deposit, which are included in "Other."
    ${ }^{3}$ Includes nonmarketable certificates of indebtedness issued to official institutions of foreign countries.

    4 Principally bankers' acceptances, commercial paper, and negotiable time certificates of deposit. See also note 8(a).
    ${ }^{5}$ U.S. Treasury bills and certificates 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 was reacquired by the MF.
    6 Principally the International Bank for Reconstruction and Development and the Inter-American Development Bank.
    Includes difference between cost value and face value of securities in IMF gold investment account.

    7 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.
    ${ }^{8}$ Data on second line differ from those on first line because (a) those liabilities of U.S. banks to their foreign branches and those liabilities of

[^76]:    I Excludes central banks, which are included with "Official institutions."

[^77]:    ${ }^{1}$ Notes issued to the Government of Italy in connection with military purchases in the United States.
    2 In addition, nonmarketable U.S. Treasury notes amounting to $\$ 125$ million equivalent were held by a group of German commercial banks from June 1968 through Nov. 1972. The dollar value of these notes was increased by $\$ 10$ million in Oct. 1969 and by $\$ 18$ million as of Dec. 31, 1971.

[^78]:    ${ }^{3}$ Includes $\$ 106$ million increase in dollar value of foreign currency obligations revalued to reffect market exchange rates as of Dec. 31, 1971. 4 Includes $\$ 15$ million increase in Mar, and $\$ 145$ million increase in Apr. in dollar value of foreign currency oblications revalued to reflect market exchange rates.

[^79]:    ${ }^{1}$ Includes Bermuda through Dec. 1972.
    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

[^80]:    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.

[^81]:    1 Excludes central banks, which are included with "Official institutions." 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

[^82]:    ${ }^{1}$ Includes international and regional organizations.

[^83]:    ${ }^{1}$ Cayman Islands included beginning Aug. 1973
    ${ }^{2}$ Total assets and total liabilities payable in U.S. dollars amounted to $\$ 23,649$ million and $\$ 24,023$ million, respectively, on Feb. 28, 1974.

[^84]:    1 Negotiable and other readily transferable foreign obligations payable on demand or having a contractual maturity of not more than 1 year from the date on which the obligation was incurred by the foreigner.
    2 Data on the two lines 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 the liquid assets abroad of large nonbanking concerns in the United States. They are a portion of the total claims on foreigners reported by nonbanking concerns in the United States and are included in the figures shown in Tables 25 and 26.

[^85]:    1 Includes Bermuda.
    Note.-Reported by exporters, importers, and industrial and commercial concerns and other nonbanking institutions in the United States.

[^86]:    ${ }^{1}$ Estimated; excludes U.S.S.R., other Eastern European countries,

[^87]:    *On leave of absence

[^88]:    *On leave of absence.

